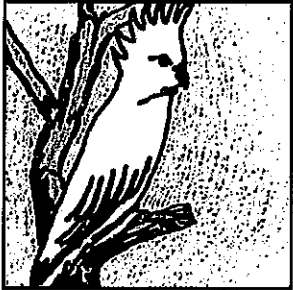




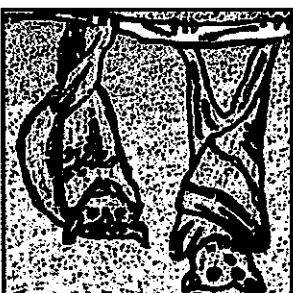
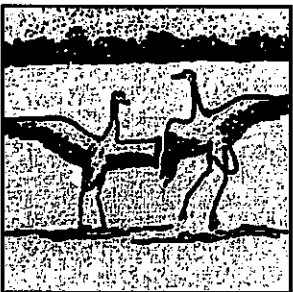
# AURUKUN SHIRE COUNCIL



## ANNUAL BUDGET



2013/14

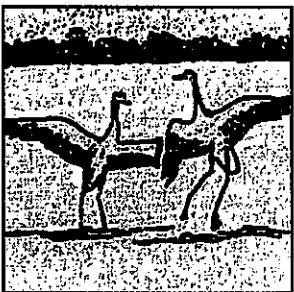




# AURUKUN SHIRE COUNCIL

## ANNUAL BUDGET 2013-2014

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**Aurukun Shire Council**  
**Budgeted Statement of Comprehensive Income**  
**For period ending 30 June 2014**

Year ended	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
	\$	\$	\$	\$
<b>Revenue</b>				
<b>Recurrent revenue:</b>				
Water	235,146	131,250	136,500	141,960
Sewerage	271,009	168,000	174,720	181,709
Waste management	169,358	84,000	87,360	90,854
Other rates and utilities revenue	98,322	79,950	83,148	86,474
<b>Total rates and utility charge revenue</b>	<b>773,835</b>	<b>463,200</b>	<b>481,728</b>	<b>500,997</b>
Private works	1,702,300	1,700,000	1,785,000	1,874,250
Other fees and charges	164,227	592,167	615,854	640,488
<b>Fees and charges</b>	<b>1,866,527</b>	<b>2,292,167</b>	<b>2,400,854</b>	<b>2,514,738</b>
General purpose grants	2,498,947	3,079,872	3,079,872	3,079,872
State government grants and subsidies	6,508,227	2,455,353	2,455,353	2,455,353
Other non-government subsidies	-	149,740	149,740	149,740
Contributions	50,300	5,000	50,000	50,000
<b>Grants, subsidies, contributions and donations</b>	<b>9,057,474</b>	<b>5,689,965</b>	<b>5,734,965</b>	<b>5,734,965</b>
Interest from overdue rates and utility charges	622,488	1,500	1,500	1,500
Interest received from investments	156,000	492,330	488,671	482,099
Other sources	20,000	15,000	15,000	15,000
<b>Interest received</b>	<b>798,488</b>	<b>508,830</b>	<b>505,171</b>	<b>498,599</b>
Rental income	1,412,500	2,131,044	2,237,596	2,349,476
Commissions	159,799	308,898	318,165	327,710
Other operating revenue	269,000	215,000	221,450	228,094
<b>Other recurrent income</b>	<b>428,799</b>	<b>523,898</b>	<b>539,615</b>	<b>555,804</b>
<b>Total recurrent revenue</b>	<b>14,337,623</b>	<b>11,609,104</b>	<b>11,899,929</b>	<b>12,154,579</b>
<b>Capital revenue:</b>				
Grants, subsidies, contributions and donations	5,992,900	3,574,970	-	-
<b>Total capital revenue</b>	<b>5,992,900</b>	<b>3,574,970</b>	<b>-</b>	<b>-</b>
<b>Capital income:</b>				
Gain on sale of property, plant and equipment	90,000	-	-	-
<b>Total capital income</b>	<b>90,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total capital revenue and capital income</b>	<b>6,082,900</b>	<b>3,574,970</b>	<b>-</b>	<b>-</b>
<b>Total Income</b>	<b>20,420,523</b>	<b>15,184,074</b>	<b>11,899,929</b>	<b>12,154,579</b>
<b>Expenses</b>				
<b>Recurrent expenses:</b>				
Total staff wages and salaries	5,463,071	5,341,916	5,502,773	5,567,839
Councillors remuneration	240,000	285,607	294,175	303,000
Training and related costs	25,000	312,600	365,238	376,195
Other employee costs	-	42,000	-	-
<b>Employee benefits</b>	<b>5,728,071</b>	<b>5,982,123</b>	<b>6,162,186</b>	<b>6,247,034</b>
Materials and services - Sales, contract and recoverabl	150,400	890,000	921,150	953,390
Materials and services - Council maintenance	7,139,668	1,150,770	1,191,047	1,232,734
Insurance	118,251	434,290	-	-
Travel and related costs	9,100	112,060	-	-
Utilities	78,400	30,300	-	-
Other materials and services	3,061,404	2,887,468	3,585,362	3,710,850
Audit services	100,000	100,000	100,000	100,000
Donations paid	-	15,000	15,000	15,000
<b>Materials and services</b>	<b>10,657,223</b>	<b>5,619,888</b>	<b>5,812,559</b>	<b>6,011,974</b>
Depreciation and amortisation	1,573,840	2,952,980	2,944,968	2,822,411
Bad and doubtful debts	50,000	35,000	35,000	35,000
Other expenses	10,000	-	-	-
Finance cost on borrowings	-	-	27,000	26,183
Internal service provider payments	(80,000)	-	-	-
<b>Other expenses</b>	<b>(20,000)</b>	<b>35,000</b>	<b>62,000</b>	<b>61,183</b>
<b>Total recurrent expenses</b>	<b>17,939,134</b>	<b>14,589,991</b>	<b>14,981,713</b>	<b>15,142,602</b>
<b>Total expenses</b>	<b>17,939,134</b>	<b>14,589,991</b>	<b>14,981,713</b>	<b>15,142,602</b>
<b>Net result attributable to Council</b>	<b>2,481,389</b>	<b>594,083</b>	<b>(3,081,784)</b>	<b>(2,988,023)</b>

**Aurukun Shire Council**  
**Budgeted Statement of Comprehensive Income**  
**For period ending 30 June 2014**

Year ended	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
	\$	\$	\$	\$
Recurrent Revenue	14,337,623	11,609,104	11,899,929	12,154,579
Recurrent Expense	17,939,134	14,589,991	14,981,713	15,142,602
Recurrent Operations Result	<u>(3,601,511)</u>	<u>(2,980,887)</u>	<u>(3,081,784)</u>	<u>(2,988,023)</u>
Add: Depreciation (non-cash item)	1,573,840	2,952,980	2,944,968	2,822,411
Net surplus/(deficit) excl Capital & Depreciation	<u>(2,027,671)</u>	<u>(27,907)</u>	<u>(136,816)</u>	<u>(165,612)</u>

**Aurukun Shire Council**  
**Budgeted Statement of Financial Position**  
**For year ending 30 June 2014**

Year ended	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
	\$	\$	\$	\$
<b>Current assets</b>				
Restricted component	-	3,000,000	-	-
Unrestricted component	4,293,392	9,585,671	12,424,756	12,237,516
Cash assets and cash equivalents	4,293,392	12,585,671	12,424,756	12,237,516
Other inventory	447,000	362,177	362,177	362,177
Inventories	447,000	362,177	362,177	362,177
Receivables	718,323	912,351	936,555	958,026
Other current assets	60,000	-	-	-
<b>Total current assets</b>	<b>5,518,715</b>	<b>13,860,199</b>	<b>13,723,488</b>	<b>13,557,719</b>
<b>Non-current assets</b>				
Property, plant and equipment	71,788,893	76,417,883	73,472,915	70,650,504
Capital works in progress	-	3,464,446	3,464,446	3,464,446
Other non-current assets	-	19,686,579	19,686,579	19,686,579
<b>Total non-current assets</b>	<b>71,788,893</b>	<b>99,568,908</b>	<b>96,623,940</b>	<b>93,801,529</b>
<b>Total assets</b>	<b>77,307,608</b>	<b>113,429,107</b>	<b>110,347,428</b>	<b>107,359,248</b>
<b>Current liabilities</b>				
Trade and other payables	664,379	464,785	480,621	497,012
Borrowings	-	16,331	17,148	18,005
Employee payables/provisions	366,680	56,382	56,582	56,782
<b>Total current liabilities</b>	<b>1,031,059</b>	<b>537,498</b>	<b>554,351</b>	<b>571,799</b>
<b>Non-current liabilities</b>				
Borrowings		523,669	506,521	488,516
Employee payables/provisions	53,500	80,798	81,198	81,598
<b>Total non-current liabilities</b>	<b>53,500</b>	<b>604,467</b>	<b>587,719</b>	<b>570,114</b>
<b>Total liabilities</b>	<b>1,084,559</b>	<b>1,141,965</b>	<b>1,142,070</b>	<b>1,141,913</b>
<b>Net community assets</b>	<b>76,223,049</b>	<b>112,287,142</b>	<b>109,205,358</b>	<b>106,217,335</b>
<b>Community equity</b>				
Asset revaluation reserve	51,020,193	115,550,511	115,550,511	115,550,511
Other reserves	508,819	6,995,898	6,995,898	6,995,898
Retained surplus (deficiency)	24,694,037	(10,259,267)	(13,341,051)	(16,329,074)
<b>Total community equity</b>	<b>76,223,049</b>	<b>112,287,142</b>	<b>109,205,358</b>	<b>106,217,335</b>

**Aurukun Shire Council**  
**Budgeted Statement of Cash Flows**  
**For year ending 30 June 2014**

Year ended	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
	\$	\$	\$	\$
<b>Cash flows from operating activities:</b>				
Receipts from customers	21,258,323	10,802,108	11,370,554	11,634,509
Payment to suppliers and employees	(16,365,294)	(11,723,473)	(11,993,309)	(12,277,017)
Interest received	156,000	508,830	505,171	498,599
Interest on loan	-	-	(27,000)	(26,183)
<b>Net cash inflow (outflow) from operating activities</b>	<b>5,049,029</b>	<b>(412,535)</b>	<b>(144,584)</b>	<b>(170,092)</b>
<b>Cash flows from investing activities:</b>				
Payments for property, plant and equipment	(11,198,453)	(4,278,970)	-	-
Subsidies, donations and contributions for new capital expenditure	-	3,574,970	-	-
Proceeds from sale of property, plant and equipment	90,000	-	-	-
<b>Net cash inflow (outflow) from investing activities</b>	<b>(11,108,453)</b>	<b>(704,000)</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities:</b>				
Proceeds from borrowings	-	540,000	-	-
Repayment of borrowings	-	-	(16,331)	(17,148)
<b>Net cash inflow (outflow) from financing activities</b>	<b>-</b>	<b>540,000</b>	<b>(16,331)</b>	<b>(17,148)</b>
<b>Net increase (decrease) in cash held</b>	<b>(6,059,424)</b>	<b>(576,535)</b>	<b>(160,915)</b>	<b>(187,240)</b>
Cash at beginning of reporting period	10,352,816	13,162,206	12,585,671	12,424,756
<b>Cash at end of reporting period</b>	<b>4,293,392</b>	<b>12,585,671</b>	<b>12,424,756</b>	<b>12,237,516</b>
<b>Restricted and unrestricted components:</b>				
Restricted component of cash	-	3,000,000	-	-
<b>Unrestricted component</b>	<b>4,293,392</b>	<b>9,585,671</b>	<b>12,424,756</b>	<b>12,237,516</b>

**Aurukun Shire Council**  
**Budgeted Statement of Changes in Equity**  
**For year ending 30 June 2014**

	Total \$	Retained surplus \$	Asset revaluation reserve \$	Other reserves \$
<b>Balance at 30 Jun 2012</b>	<u>109,386,104</u>	<u>(13,160,305)</u>	<u>115,550,511</u>	<u>6,995,898</u>
Net result for the period	2,306,955	2,306,955		
Transfers to reserves	-	-	-	-
Transfers from reserves	-	-	-	-
Asset revaluation adjustment	-	-	-	
Asset recognition	-	-		
<b>Balance at 30 Jun 2013</b>	<u>111,693,059</u>	<u>(10,853,350)</u>	<u>115,550,511</u>	<u>6,995,898</u>
Net result for the period	594,083	594,083		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
<b>Balance at 30 Jun 2014</b>	<u>112,287,142</u>	<u>(10,259,267)</u>	<u>115,550,511</u>	<u>6,995,898</u>
Net result for the period	(3,081,784)	(3,081,784)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
<b>Balance at 30 Jun 2015</b>	<u>109,205,358</u>	<u>(13,341,051)</u>	<u>115,550,511</u>	<u>6,995,898</u>
Net result for the period	(2,988,023)	(2,988,023)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
<b>Balance at 30 Jun 2016</b>	<u>106,217,335</u>	<u>(16,329,074)</u>	<u>115,550,511</u>	<u>6,995,898</u>

## Capital Budget 2013/14

Category	Item	Budget	Grant	Loan
Roads	Barge Landing (funded)	1,170,000	1,170,000	
Office Equip	IT Upgrades	55,000		
Office Equip	IT Upgrades	24,000		
Building	Training Centre Fence	5,000		
Building	Purchase of Dongas for workers camp	35,000		
Building	Post Office	5,000		
Building	Business Precinct Level 2	440,000		440,000
Building	Purchase of Bauxite Property Office buildings	100,000		100,000
Plant & Equip	Containers (4x\$5k)	20,000		
Plant & Equip	One 4x2 utes for tradesmen	15,000		
Plant & Equip	Two 4x4 utes for HACC, animal control	50,000		
Plant & Equip	Bus for childcare	30,000		
Plant & Equip	Concrete Batch Plant	200,000		
Water	ISIP Project (funded)	1,352,645	1,352,645	
Building	Art Precinct (funded)	705,000	705,000	
Building	Men's Shed upgrade	10,000		
Building	Depot upgrade	125,000		
Plant & Equip	Small roller	30,000		
Roads	Street Lighting, Cement Path, IKC	347,325	347,325	
		<b>4,718,970</b>	<b>3,574,970</b>	<b>540,000</b>



## Measures of Financial Sustainability

The following ratios are calculated in accordance with Section 169 (5) of the Local Government Regulation 2012.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
<b>1. Asset Sustainability Ratio</b> (Capital Expenditure on the Replacement of Assets (renewals)/Depreciation Expense)	4.70%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>2. Net Financial Assets/Liabilities Ratio</b> (Total Liabilities - Current Assets)/Total Operating Revenue)	(109.6)%	(105.7)%	(102.1)%	(98.7)%	(94.3)%	(89.8)%	(85.3)%	(80.0)%	(75.4)%	(70.0)%
<b>3. Operating Surplus Ratio</b> (Net Operating Surplus/Total Operating Revenue)(%)	(25.7)%	(25.9)%	(24.6)%	(23.1)%	(22.7)%	(21.7)%	(20.3)%	(19.8)%	(18.3)%	(18.1)%

**Aurukun Shire Council  
Long Term Financial Forecast - Budgeted Statement of Comprehensive Income  
For period ending 30 June 2014**

	Year ended										
	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>											
<b>Recurrent revenue:</b>											
Water	131,250	136,500	141,960	147,638	153,544	159,686	166,073	172,716	179,625	186,810	
Sewerage	168,000	174,720	181,709	188,977	196,536	204,398	212,574	221,077	229,920	239,116	
Waste management	84,000	87,360	90,854	94,489	98,268	102,199	106,287	110,538	114,960	119,558	
Other rates and utilities revenue	79,950	83,148	86,474	89,933	93,530	97,271	101,162	105,209	109,417	113,794	
Total rates and utility charge revenue	463,200	481,728	500,997	521,037	541,878	563,554	586,096	609,540	633,922	659,278	
Private works	1,700,000	1,785,000	1,874,250	1,967,963	2,066,361	2,169,679	2,278,163	2,392,071	2,511,674	2,637,258	
Other fees and charges	592,167	615,854	640,488	666,107	692,752	720,462	749,280	779,251	810,421	842,838	
Fees and charges	2,292,167	2,400,854	2,514,738	2,634,070	2,759,113	2,890,141	3,027,443	3,171,322	3,322,095	3,480,096	
General purpose grants	3,079,872	3,079,872	3,079,872	3,079,872	3,079,872	3,079,872	3,079,872	3,079,872	3,079,872	3,079,872	
State government grants and subsidies	2,455,353	2,455,353	2,455,353	2,455,353	2,455,353	2,455,353	2,455,353	2,455,353	2,455,353	2,455,353	
Other non-government subsidies	149,740	149,740	149,740	149,740	149,740	149,740	149,740	149,740	149,740	149,740	
Contributions	5,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Grants, subsidies, contributions and donations	5,689,965	5,734,965	5,734,965	5,734,965	5,734,965	5,734,965	5,734,965	5,734,965	5,734,965	5,734,965	
Interest from overdue rates and utility charges	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
Interest received from investments	492,330	488,671	482,099	475,020	465,626	453,351	440,168	424,296	407,122	388,833	
Other sources	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
Interest received	508,830	505,171	498,599	491,520	482,126	469,651	456,668	440,796	423,622	405,333	
Rental income	2,131,044	2,237,596	2,349,476	2,466,950	2,590,297	2,719,812	2,855,803	2,998,593	3,148,523	3,305,949	
Commissions											
Other operating revenue	308,898	318,165	327,710	337,541	347,667	358,097	368,840	379,906	391,303	403,042	
Dividends received	215,000	221,450	228,094	234,936	241,984	249,244	256,721	264,423	272,356	280,526	
Other recurrent income											
<b>Total recurrent revenue</b>	523,898	539,615	555,804	572,477	589,651	607,341	625,561	644,329	663,659	683,568	
<b>Capital revenue:</b>											
Grants, subsidies, contributions and donations	11,609,104	11,895,929	12,154,579	12,421,019	12,698,030	12,985,664	13,286,536	13,599,545	13,926,786	14,269,189	
Other capital contributions											
<b>Total capital revenue</b>	3,574,970										
<b>Capital income:</b>											
Gain on sale of property, plant and equipment											
<b>Total capital income</b>	3,574,970										
<b>Total capital revenue and capital income</b>	15,184,074	11,895,929	12,154,579	12,421,019	12,698,030	12,985,664	13,286,536	13,599,545	13,926,786	14,269,189	

**Aurukun Shire Council  
Long Term Financial Forecast - Budgeted Statement of Comprehensive Income  
For period ending 30 June 2014**

	Year ended									
	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Expenses</b>										
<b>Recurrent expenses:</b>										
Total staff wages and salaries	5,341,916	5,502,773	5,567,839	5,634,856	5,803,884	5,877,982	5,954,303	6,132,915	6,136,884	6,320,973
Councillors remuneration	285,607	294,175	303,000	312,090	316,453	325,947	335,725	337,797	347,931	350,369
Training and related costs	312,600	365,238	376,195	387,481	399,105	411,079	423,411	436,113	449,197	462,673
Other employee costs	42,000									
Employee benefits	5,982,123	6,162,186	6,247,034	6,334,427	6,519,442	6,615,008	6,713,439	6,906,825	6,934,012	7,134,015
Materials and services - Sales, contract and recoverable works	890,000	921,150	953,390	986,759	1,021,295	1,057,041	1,094,037	1,132,329	1,171,960	1,212,979
Materials and services - Council maintenance	1,150,770	1,191,047	1,232,734	1,275,879	1,320,535	1,366,754	1,414,590	1,464,101	1,515,344	1,568,381
Insurance	434,290									
Travel and related costs	112,060									
Utilities	30,300									
Other materials and services	2,887,468	3,585,362	3,710,850	3,840,730	3,975,155	4,114,286	4,258,286	4,407,325	4,561,582	4,721,237
Audit services	100,000	100,000	100,000	75,000	75,000	75,000	75,000	80,000	80,000	80,000
Donations paid	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Materials and services	5,619,888	5,812,559	6,011,974	6,193,368	6,406,385	6,628,081	6,856,913	7,098,755	7,343,886	7,597,597
Depreciation and amortisation	2,952,980	2,944,968	2,822,411	2,708,023	2,600,996	2,500,627	2,370,977	2,246,826	2,163,048	2,083,886
Finance cost on borrowings	-	27,000	26,183	25,326	24,426	23,481	22,488	21,446	20,352	19,203
Bad and doubtful debts	35,000	35,000	35,000	30,000	30,000	30,000	20,000	20,000	20,000	20,000
Other expenses	35,000	62,000	61,183	55,326	54,426	53,481	42,488	41,446	40,352	39,203
<b>Total recurrent expenses</b>	<b>14,589,991</b>	<b>14,981,713</b>	<b>15,142,602</b>	<b>15,291,144</b>	<b>15,581,849</b>	<b>15,797,197</b>	<b>15,983,817</b>	<b>16,293,852</b>	<b>16,481,298</b>	<b>16,854,701</b>
<b>Capital expenses:</b>										
Loss on sale of property, plant and equipment	-	-	-	-	-	-	-	-	-	-
<b>Total capital expenses</b>										
<b>Total expenses</b>	<b>14,589,991</b>	<b>14,981,713</b>	<b>15,142,602</b>	<b>15,291,144</b>	<b>15,581,849</b>	<b>15,797,197</b>	<b>15,983,817</b>	<b>16,293,852</b>	<b>16,481,298</b>	<b>16,854,701</b>
<b>Net result attributable to Council</b>	<b>594,083</b>	<b>(3,081,784)</b>	<b>(2,988,023)</b>	<b>(2,870,125)</b>	<b>(2,883,819)</b>	<b>(2,811,533)</b>	<b>(2,697,281)</b>	<b>(2,694,307)</b>	<b>(2,554,512)</b>	<b>(2,585,512)</b>
Recurrent Revenue	11,609,104	11,899,929	12,154,579	12,421,019	12,698,030	12,985,664	13,286,536	13,599,545	13,926,786	14,269,189
Recurrent Expense	14,589,991	14,981,713	15,142,602	15,291,144	15,581,849	15,797,197	15,983,817	16,293,852	16,481,298	16,854,701
Recurrent Operations Result	<b>(2,980,887)</b>	<b>(3,081,784)</b>	<b>(2,988,023)</b>	<b>(2,870,125)</b>	<b>(2,883,819)</b>	<b>(2,811,533)</b>	<b>(2,697,281)</b>	<b>(2,694,307)</b>	<b>(2,554,512)</b>	<b>(2,585,512)</b>
Add: Depreciation (non-cash item)	2,952,980	2,944,968	2,822,411	2,708,023	2,600,996	2,500,627	2,370,977	2,246,826	2,163,048	2,083,886
<b>Net surplus/(deficit) excluding Capital &amp; Depreciation</b>	<b>(27,907)</b>	<b>(136,816)</b>	<b>(165,612)</b>	<b>(162,102)</b>	<b>(282,823)</b>	<b>(310,906)</b>	<b>(326,304)</b>	<b>(447,481)</b>	<b>(391,464)</b>	<b>(501,626)</b>

**Aurukun Shire Council  
Long Term Financial Forecast - Budgeted Statement of Financial Position  
For year ending 30 June 2014**

Year ended	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Current assets</b>										
Restricted component	3,000,000	-	-	-	-	-	-	-	-	-
Unrestricted component	9,585,671	12,424,756	12,237,516	12,050,026	11,742,915	11,406,282	11,051,908	10,575,988	10,153,985	9,620,038
Cash assets and cash equivalents	12,585,671	12,424,756	12,237,516	12,050,026	11,742,915	11,406,282	11,051,908	10,575,988	10,153,985	9,620,038
Other inventory	362,177	362,177	362,177	362,177	362,177	362,177	362,177	362,177	362,177	362,177
Inventories	362,177	362,177	362,177	362,177	362,177	362,177	362,177	362,177	362,177	362,177
Receivables	912,351	936,555	958,026	980,507	1,004,047	1,028,697	1,054,510	1,081,541	1,109,849	1,139,495
<b>Total current assets</b>	<b>13,860,199</b>	<b>13,723,488</b>	<b>13,557,719</b>	<b>13,392,710</b>	<b>13,109,139</b>	<b>12,797,156</b>	<b>12,468,595</b>	<b>12,019,706</b>	<b>11,626,011</b>	<b>11,121,710</b>
<b>Non-current assets</b>										
Property, plant and equipment	76,417,883	73,472,915	70,650,504	67,942,481	65,341,485	62,840,858	60,469,881	58,223,055	56,060,007	53,976,121
Capital works in progress	3,464,446	3,464,446	3,464,446	3,464,446	3,464,446	3,464,446	3,464,446	3,464,446	3,464,446	3,464,446
Other non-current assets	19,686,579	19,686,579	19,686,579	19,686,579	19,686,579	19,686,579	19,686,579	19,686,579	19,686,579	19,686,579
<b>Total non-current assets</b>	<b>99,568,908</b>	<b>96,623,940</b>	<b>93,801,529</b>	<b>91,093,506</b>	<b>88,492,510</b>	<b>85,991,883</b>	<b>83,620,906</b>	<b>81,374,080</b>	<b>79,211,032</b>	<b>77,127,146</b>
<b>Total assets</b>	<b>113,429,107</b>	<b>110,347,428</b>	<b>107,359,248</b>	<b>104,486,216</b>	<b>101,601,649</b>	<b>98,789,039</b>	<b>96,089,501</b>	<b>93,393,786</b>	<b>90,837,043</b>	<b>88,248,856</b>
<b>Current liabilities</b>										
Trade and other payables	464,785	480,621	497,012	511,510	529,067	547,240	565,226	585,103	605,251	626,104
Borrowings	16,331	17,148	18,005	18,905	19,850	20,843	21,885	22,979	24,128	25,312
Employee payables/provisions	56,382	56,582	56,782	56,982	57,182	57,382	57,582	57,782	57,982	58,182
<b>Total current liabilities</b>	<b>537,498</b>	<b>554,351</b>	<b>571,799</b>	<b>587,397</b>	<b>606,099</b>	<b>625,465</b>	<b>644,693</b>	<b>665,864</b>	<b>687,361</b>	<b>706,898</b>
<b>Non-current liabilities</b>										
Borrowings	523,669	506,521	488,516	469,611	449,761	428,918	407,033	384,054	359,926	337,314
Employee payables/provisions	80,798	81,198	81,598	81,998	82,398	82,798	83,198	83,598	83,998	84,398
<b>Total non-current liabilities</b>	<b>604,467</b>	<b>587,719</b>	<b>570,114</b>	<b>551,609</b>	<b>532,159</b>	<b>511,716</b>	<b>490,231</b>	<b>467,652</b>	<b>443,924</b>	<b>421,712</b>
<b>Total liabilities</b>	<b>1,141,965</b>	<b>1,142,070</b>	<b>1,141,913</b>	<b>1,139,006</b>	<b>1,138,258</b>	<b>1,137,181</b>	<b>1,134,924</b>	<b>1,133,516</b>	<b>1,131,285</b>	<b>1,128,610</b>
<b>Net community assets</b>	<b>112,287,142</b>	<b>109,205,358</b>	<b>106,217,335</b>	<b>103,347,210</b>	<b>100,463,391</b>	<b>97,651,858</b>	<b>94,954,577</b>	<b>92,260,270</b>	<b>89,705,758</b>	<b>87,120,246</b>
<b>Community equity</b>										
Asset revaluation reserve	115,550,511	115,550,511	115,550,511	115,550,511	115,550,511	115,550,511	115,550,511	115,550,511	115,550,511	115,550,511
Other reserves	6,995,898	6,995,898	6,995,898	6,995,898	6,995,898	6,995,898	6,995,898	6,995,898	6,995,898	6,995,898
Retained surplus (deficiency)	(10,259,267)	(13,341,051)	(16,329,074)	(19,199,199)	(22,083,018)	(24,894,551)	(27,591,832)	(30,286,139)	(32,840,551)	(35,426,163)
<b>Total community equity</b>	<b>112,287,142</b>	<b>109,205,358</b>	<b>106,217,335</b>	<b>103,347,210</b>	<b>100,463,391</b>	<b>97,651,858</b>	<b>94,954,577</b>	<b>92,260,270</b>	<b>89,705,758</b>	<b>87,120,246</b>

**Aurukun Shire Council  
Long Term Financial Forecast - Budgeted Statement Cash Flows  
For year ending 30 June 2014**

	Year ended	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cash flows from operating activities:</b>											
Receipts from customers	10,802,108	11,370,554	11,634,509	11,907,018	12,192,364	12,491,163	12,804,055	13,131,718	13,474,856	13,834,210	
Payment to suppliers and employees	(11,723,473)	(11,993,309)	(12,277,017)	(12,542,697)	(12,938,270)	(13,254,316)	(13,571,766)	(14,005,103)	(14,277,150)	(14,730,159)	
Interest received	508,830	505,171	498,599	491,520	482,126	469,851	456,668	440,796	423,622	405,333	
Interest on loan	-	(27,000)	(26,183)	(25,326)	(24,426)	(23,481)	(22,488)	(21,446)	(20,352)	(19,203)	
<b>Net cash inflow (outflow) from operating activities</b>	<b>(412,535)</b>	<b>(144,584)</b>	<b>(170,092)</b>	<b>(169,485)</b>	<b>(288,206)</b>	<b>(316,783)</b>	<b>(333,531)</b>	<b>(454,035)</b>	<b>(399,024)</b>	<b>(509,819)</b>	
<b>Cash flows from investing activities:</b>											
Payments for property, plant and equipment	(4,278,970)	-	-	-	-	-	-	-	-	-	
Subsidies, donations and contributions for new capital expenditure	3,574,970	-	-	-	-	-	-	-	-	-	
<b>Net cash inflow (outflow) from investing activities</b>	<b>(704,000)</b>										
<b>Cash flows from financing activities:</b>											
Proceeds from borrowings	540,000	-	-	-	-	-	-	-	-	-	
Repayment of borrowings	-	(16,331)	(17,148)	(18,005)	(18,905)	(19,850)	(20,843)	(21,885)	(22,979)	(24,128)	
<b>Net cash inflow (outflow) from financing activities</b>	<b>540,000</b>	<b>(16,331)</b>	<b>(17,148)</b>	<b>(18,005)</b>	<b>(18,905)</b>	<b>(19,850)</b>	<b>(20,843)</b>	<b>(21,885)</b>	<b>(22,979)</b>	<b>(24,128)</b>	
<b>Net increase (decrease) in cash held</b>	<b>(576,535)</b>	<b>(160,916)</b>	<b>(187,240)</b>	<b>(187,490)</b>	<b>(307,111)</b>	<b>(336,633)</b>	<b>(354,374)</b>	<b>(475,920)</b>	<b>(422,003)</b>	<b>(533,947)</b>	
Cash at beginning of reporting period	13,162,206	12,585,671	12,424,756	12,237,516	12,060,026	11,742,915	11,406,282	11,051,908	10,575,988	10,153,985	
<b>Cash at end of reporting period</b>	<b>12,585,671</b>	<b>12,424,756</b>	<b>12,237,516</b>	<b>12,050,026</b>	<b>11,742,915</b>	<b>11,406,282</b>	<b>11,051,908</b>	<b>10,575,988</b>	<b>10,153,985</b>	<b>9,620,038</b>	
<b>Restricted and unrestricted components:</b>											
Restricted component of cash	3,000,000	-	-	-	-	-	-	-	-	-	
<b>Unrestricted component</b>	<b>9,585,671</b>	<b>12,424,756</b>	<b>12,237,516</b>	<b>12,050,026</b>	<b>11,742,915</b>	<b>11,406,282</b>	<b>11,051,908</b>	<b>10,575,988</b>	<b>10,153,985</b>	<b>9,620,038</b>	

**Aurukun Shire Council**  
**Long Term Financial Forecast - Budgeted Statement of Changes in Equity**  
**For year ending 30 June 2014**

	Total \$	Retained surplus \$	Asset revaluation reserve \$	Other reserves \$
<b>Balance at 30 Jun 2013</b>	111,693,059	(10,853,350)	115,550,511	6,995,898
Net result for the period	594,083	594,083		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-			
<b>Balance at 30 Jun 2014</b>	112,287,142	(10,259,267)	115,550,511	6,995,898
Net result for the period	(3,081,784)	(3,081,784)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-			
<b>Balance at 30 Jun 2015</b>	109,205,358	(13,341,051)	115,550,511	6,995,898
Net result for the period	(2,988,023)	(2,988,023)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-			
<b>Balance at 30 Jun 2016</b>	106,217,335	(16,329,074)	115,550,511	6,995,898
Net result for the period	(2,870,125)	(2,870,125)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-			
<b>Balance at 30 Jun 2017</b>	103,347,210	(19,199,199)	115,550,511	6,995,898
Net result for the period	(2,883,819)	(2,883,819)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-			
<b>Balance at 30 Jun 2018</b>	100,463,391	(22,083,018)	115,550,511	6,995,898
Net result for the period	(2,811,533)	(2,811,533)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-			
<b>Balance at 30 Jun 2019</b>	97,651,858	(24,894,551)	115,550,511	6,995,898

**Aurukun Shire Council**  
**Long Term Financial Forecast - Budgeted Statement of Changes in Equity**  
**For year ending 30 June 2014**

	Total \$	Retained surplus \$	Asset revaluation reserve \$	Other reserves \$
<b>Balance at 30 Jun 2019</b>	<u>97,651,858</u>	<u>(24,894,551)</u>	<u>115,550,511</u>	<u>6,995,898</u>
Net result for the period	(2,697,281)	(2,697,281)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
<b>Balance at 30 Jun 2020</b>	<u>94,954,577</u>	<u>(27,591,832)</u>	<u>115,550,511</u>	<u>6,995,898</u>
Net result for the period	(2,694,307)	(2,694,307)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
<b>Balance at 30 Jun 2021</b>	<u>92,260,270</u>	<u>(30,286,139)</u>	<u>115,550,511</u>	<u>6,995,898</u>
Net result for the period	(2,554,512)	(2,554,512)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
<b>Balance at 30 Jun 2022</b>	<u>89,705,758</u>	<u>(32,840,651)</u>	<u>115,550,511</u>	<u>6,995,898</u>
Net result for the period	(2,585,512)	(2,585,512)		
Transfers to reserves	-	-		-
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
<b>Balance at 30 Jun 2023</b>	<u>87,120,246</u>	<u>(35,426,163)</u>	<u>115,550,511</u>	<u>6,995,898</u>

**AURUKUN SHIRE COUNCIL**  
**REVENUE STATEMENT 2013/14**

**OVERVIEW:**

The purpose of this revenue statement is:

- to provide an explanatory statement outlining and explaining the revenue raising measures adopted in the budget, and
- to comply in all respects with legislative requirements.

**APPLICABILITY:**

This revenue statement applies to the financial year from 1 July 2013 to 30 June 2014. It is approved in conjunction with the budget on 24 July 2013.

Council may, by resolution, amend its revenue statement for a financial year at any time before the year ends.

It is not intended that this revenue statement reproduces all related policies. Related policies will be referred to where appropriate and will take precedence should clarification be required.

**GUIDELINE:**

Pursuant to the provisions of the Local Government Act 2009 and the Local Government Regulation 2012 the following explanation of revenue raising measures adopted in the 2013/14 Budget is provided:

**Rates and charges**

The Council is unable to levy a general rate as the Shire, under the provisions of Aboriginal Land Lease No 1, controls all land.

**Sewerage Charge**

A sewerage charge of \$1,435.00 per pedestal will be levied for the 2013/14 financial year for all government and private enterprises.

**Water Charge**

A water charge of \$1,250.00 per unit will be levied for the 2013/14 financial year for all government and private enterprises.

- Household connection = 1 unit
- Commercial connection = 4 units
- Guesthouse/Motel = 1 unit for every 4 rooms or part thereof.

**Cleansing**

A garbage charge of \$1,050.00 per bin will be levied for the 2013/14 financial year for all government and private enterprises.



**Private Works**

Private Works must be applied for in writing and pre-paid in full or a deposit prior to the work being performed. All such work are to be performed at the approve rates or on a cost plus 30% basis. However, the Chief Executive Officer, may, at his discretion, vary this arrangement in cases where he is convinced there is good reason for doing so.

**Connection Fees**

A connection fee will be charged for the connection of new services to the Council's sewerage and water reticulation systems:

Sewerage connection: Actual cost + 30% with a minimum of \$2,400.00 per connection.

Water connection: Actual cost + 30% with a minimum of \$1,700 per connection.

# AURUKUN SHIRE COUNCIL

## POLICY REGISTER

**SUBJECT** FINANCE POLICY

**POLICY TITLE** INVESTMENT POLICY

**OBJECTIVES** To invest funds at the most advantageous rate of interest available to it at the time, for that investment type, and in a way that it considers the most appropriate given the circumstances.

### **POLICY:**

#### **Scope**

This policy applies to the investment of surplus funds in accordance with Category One (1) investment power under part 6 of the Statutory Bodies Financial Arrangements Act 1982 (SBFAA) and the Statutory Bodies Financial Arrangements Regulations 2007 (SBFAR).

#### **Principles**

To provide Council with a contemporary investment policy based on an assessment of counterparty, market and liquidity risk within the legislative framework of the Statutory Bodies Financial Arrangements Act 1982 (SBFAA). This includes:

- Investing Councils funds not immediately required for financial commitments;
- Maximizing earnings from authorised investments of cash reserves after assessing counterparty, market and liquidity risks;
- Actively managing the net debt position with core surplus funds; and
- Ensuring that appropriate records are kept and that adequate internal controls are in place to safeguard public funds.

#### **Reference (e.g. Legislation, related documents):**

- Local Government Act 2009, Section 101.
- Local Government Regulation 2012, Section 191.
- Statutory Bodies Financial Arrangements Act 1982 (SBFAA).
- Statutory Bodies Financial Arrangement Regulation 2007 (SBFAR).

#### **Policy Statement**

##### **1. Authority for Investment**

Investment of Council funds is to be in accordance with the relevant power of investment under the SBFAA and SBFAR and their subsequent amendments and regulations.

Investment Officers are to manage portfolios not for speculation, but for investment and in accordance with the spirit of this Investment Policy. Investment Officers are to avoid any transaction that might harm confidence in Aurukun Shire Council.

## **2. Ethics and Conflicts of Interest**

Investment officers/employees shall refrain from personal activities that would conflict with the proper execution and management of Aurukun Shire Council's investment portfolio. This includes activities that would impair the investment officers' ability to make impartial decisions.

This Policy requires that employees and investment officers disclose to the Chief Executive Officer any conflict of interest or any investment positions that could be related to the investment portfolio.

## **3. Preservation of Capital**

Preservation of Capital shall be the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security of principal of the overall portfolio. This would include managing credit and interest rate risk within given risk management parameters and avoiding any transactions that would prejudice confidence in Council or its associated entities.

### **3.1 Credit Risk**

Aurukun Shire Council will evaluate and assess risk prior to investment. Credit risk is the risk of loss due to failure of an investment issuer or guarantor. The investment officer will minimise the risk in the investment portfolio by pre-qualifying all transactions including the brokers/securities dealers with which they do business, diversify the portfolio and limit the transactions to secure investments.

### **3.2 Interest Rate Risk**

The investment officers shall seek to minimize the risk of a change in the market value of the portfolio because of a change in the interest rates. This would be achieved by considering the cash flow requirements of Council and structuring the portfolio accordingly. This will avoid having to sell securities prior to maturity in the open market. Secondly, interest rate risk can be limited by investing in shorter term securities.

## **4. Maintenance of Liquidity**

The investment portfolio will maintain sufficient liquidity to meet all reasonably anticipated operating cash flow requirements of Council, as and when they fall due, without incurring significant transaction costs due to being required to sell an investment

## **5. Return on Investment**

The portfolio is expected to achieve a market average rate of return and take into account Aurukun Shire Council's risk tolerance and current interest rates, budget considerations, and the economic cycle. Any additional return target set by Council will also consider the risk limitations, prudent investment principles and cash flow characteristics identified within this Investment Policy.

## **6. Authorised Investments (as per "SBFAA")**

Section 44(1) of the SBFAA provides with the power to invest in authorised investments which include:

- (a) deposits with a financial institution;
- (b) investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- (c) other arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or financial institution;
- (d) investment arrangements, managed or offered by QIC or QTC, prescribed under a regulation for this paragraph;
- (e) An investment arrangement with a rating prescribed under a regulation for this paragraph.

## 7. Prohibited Investments

This Investment Policy prohibits any investment carried out for speculative purposes. The following investments are prohibited by this Investment Policy:

- derivative type investments (excluding floating rate notes);
- principal only investments or securities that provide potentially nil or negative cash flow;
- stand alone securities issued that have underlying futures, options, forward contracts and swaps of any kind; and
- securities issued in non-Australian dollars.

## 8. Portfolio Investment Parameters

The amount invested with institutions or fund managers should not exceed the following percentage ranges of average annual funds invested. When placing investments, consideration should be given to the relationship between credit rating and interest rate.

Long Term Rating (Standard & Poors)	Short Term Rating (Standard & Poors)	Individual Counterparty Limit	Total Limit
AAA to AA-	A1+	Maximum 60%	No Limit
A+ to A- (Except Bendigo Bank)	A1	Maximum 40%	Maximum 50%
BBB+ to BBB- (Except Bendigo Bank)	A2	Maximum 10%	Maximum 10%
Unrated or below BBB- (Except Bendigo Bank)	Unrated or below A2	Maximum 10%	Maximum 10%
Bendigo Bank		Maximum 50%	Maximum 50%
QTC Cash Management Fund		No Limit	No Limit

## 9. Internal Controls

The Chief Accountant shall establish internal controls and processes that will ensure investment objectives are met and that the investment portfolios are protected from loss, theft or inappropriate use.

## 10. Breaches

Any breach of this Investment Policy is to be reported to the Chief Executive Officer and rectified within seven (7) days of the breach occurring.

Where Council holds an investment that is downgraded below the minimum acceptable rating level, as prescribed under regulation for the investment arrangement, Council shall, within 28 days after the change becomes known to Council, either obtain Treasurer approval for continuing with the investment arrangement or sell the investment arrangement.

## 11. Delegation of Authority

Authority for implementation of the Investment Policy is delegated by Council to the Chief Executive Officer in accordance with the Local Government Act 2009, Section 259 (1).

Authority for the day to day management of Council's Investment Portfolio is to be delegated by the Chief Executive Officer to the Chief Financial Officer.

Level at which Policy Approved: **Council**

<b>REVIEW SCHEDULE</b>	<b>DATE</b>	<b>SIGNATURE</b>	<b>NAME/POSITION</b>
Originally Adopted	12 June 2012		
Current Adoption	June 2013		
Due for Revision	23 July 2014		
Revoked/Superseded			

This policy is to remain in force until otherwise determined by Council.

# AURUKUN SHIRE COUNCIL

## POLICY REGISTER

**SUBJECT** FINANCE POLICY

**POLICY TITLE** DEBT (BORROWING) POLICY

**OBJECTIVES** To provide Council with a contemporary Borrowing Policy that provides for responsible financial management on the loan funding of infrastructure capital projects and assets by ensuring the level of Council indebtedness is within acceptable limits to Council, its community and interested external parties.

### POLICY:

#### Scope

This policy applies to the use of loan borrowings to fund infrastructure and other important capital projects.

#### Reference (e.g. Legislation, related documents):

- Local Government Act 2009, Section 104.
- Local Government Regulation 2012, Section 192.

#### Policy Statement

The following is the Council's borrowing policy if Council considers borrowing money:

- Long term borrowing will only be used for capital expenditure and should be limited to income producing asset;
- Borrowings will only be made in accordance with the adopted budget;
- Loan terms are to be no longer than 20 years.

Borrowings planned for 2013/14 is as follows;

Year	Purpose of Borrowing	Amount	Term
2013/14	• Level 2 Office Space in Business Precinct	\$440,000	20 years
	• Purchase of Bauxite Project Office buildings	\$100,000	20 years

At this stage the Council does not intend to borrow any money from 2014/15 to 2022/23.

Level at which Policy Approved: **Council**

REVIEW SCHEDULE	DATE	SIGNATURE	NAME/POSITION
Originally Adopted	11 June 2011		
Current Adoption	24 July 2013		
Due for Revision	23 July 2014		
Revoked/Superseded			

This policy is to remain in force until otherwise determined by Council.

# AURUKUN SHIRE COUNCIL

## POLICY REGISTER

**SUBJECT** FINANCE POLICY

**POLICY TITLE** NON-FUNDING OF DEPRECIATION CHARGES POLICY

**OBJECTIVES** To provide Council with a policy regarding the non-funding of depreciation charges for the 2013/14 financial year.

**POLICY:**

**Scope**

This policy applies to the funding of depreciation charges for the 2013/14 financial year.

**Policy Statement**

Unlike most Queensland Local Authorities, Aurukun Shire Council does not have an established general rate base that would allow it to easily provide for funding long term asset replacement by provision of funding for depreciation.

The majority of the Shire's residents have low incomes and any attempt by Council to replace the general rate with other revenue raising policies will have an adverse effect on both their economic and social well-being.

The Council is reliant on State Government and Federal grants which are generally specific purpose grants that cannot be used to fund depreciation. Depreciation of non-current assets will therefore not be funded in the 2013/14 financial year.

Level at which Policy Approved: **Council**

REVIEW SCHEDULE	DATE	SIGNATURE	NAME/POSITION
Originally Adopted	12 June 2012		
Current Adoption	June 2013		
Due for Revision	23 July 2014		
Revoked/Superseded			

This policy is to remain in force until otherwise determined by Council.