



ANNUAL REPORT 2020-21





CONTENTS

MESSAGE FROM THE MAYOR	1
AURUKUN SHIRE PROFILE	3
Legal Status	3
COMMUNITY PROFILES	4
OUR SENIOR EXECUTIVE TEAM	5
Land Tenure: Aurukun Land Transfer Day	5
Services Available in Aurukun	6
Location	7
Aurukun is a Welfare Reform Community	8
Alcohol Management Plan	8
Community Safety Strategy and Plan	9
Corporate Vision	10
Shire History	11
Challenges We Face	11
Housing	12
Our Environment	12
Shire Boundaries	14
FOR VISITORS	15
Access to Country (Outside Aurukun Township)	15
Travel and Transport to Aurukun	15
MESSAGE FROM THE CHIEF EXECUTIVE OFFICER	17
CORPORATE SERVICES OVERVIEW	18
COMMUNITY SERVICES OVERVIEW	21
TECHNICAL SERVICES OVERVIEW	27
ORGANISATION CHART AS AT 30 JUNE 2021	31
COMMUNITY FINANCIAL REPORT	37
STATUTORY REPORTING REQUIREMENTS	43
ANNUAL FINANCIAL STATEMENTS	50

MESSAGE FROM THE MAYOR

I welcome the opportunity to present my second report as Mayor of Aurukun Shire Council.

Council is committed to making Aurukun a safer place to live. We want to see people come together; we need to get along with one another and all lead peaceful lives. A community safety plan was implemented in early 2021. Council will continue to ensure that all residents and stakeholders pursue the goals of this plan.

I look forward to more consultation with Aurukun residents and stakeholders.

Your input is always appreciated. Please share your ideas and suggestions with us.

Council encourages residents to pursue their small business possibilities such as cleaning, tourism, retail and fishing businesses. Council wishes to hear from you and will assist with relevant advice.

It is most important that local residents take up job opportunities. We should not continue to rely on handouts. We should get up each day and have a positive purpose of going to work.

The regular conferences with Ministerial Champion Di Farmer and Government Champion Rachel Hunter continue to provide Council with an opportunity to seek assistance for improving community services, infrastructure and funding.

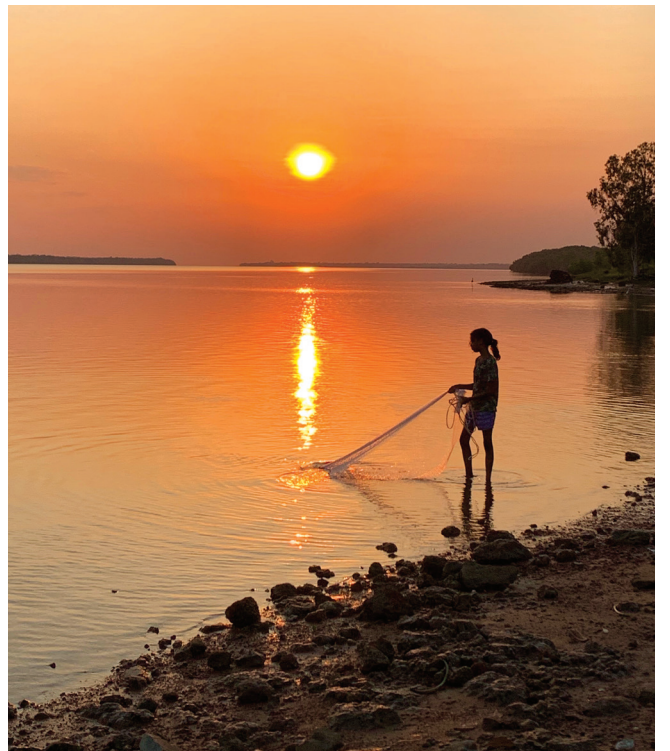
It is pleasing that an unqualified report has again been received for Council's financial statements from the Queensland Audit Office. The ongoing efforts of our management team and staff are appreciated.

It is so important that our children go to school and receive a good education. I ask all parents to make a special effort in sending your children to school every day.

Council looks forward to further positive achievement and seeks the solid support of all community members.

Keri Tamwoy
Mayor





AURUKUN SHIRE PROFILE

Legal Status

The Aurukun Shire Council operates under Queensland Government Legislation, namely the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Council is constituted by the Councillors who are elected or appointed to be local government under this Act. Council's ABN is 32 338 490 426. Council's GST registration is effective from 1 July 2000.



COMMUNITY PROFILES

Portfolio and Committee Representation

Mayor Cr Keri Tamwoy



- Elected 2020 to date.
- Portfolio – Business Development, Employment and Training
- **Council Representative:**
Local Government Association of Queensland (LGAQ)
Torres Cape Indigenous Council Alliance (TCICA) Inc
Island and Cape Retail Enterprises
Local Disaster Management Group (LDMG)
Western Cape Communities Trust – Southern Region
Aurukun Supermarket Advisory Committee

Deputy Mayor
Cr Craig Koomeeta



- Elected 2000-2003 and 2020 to date.
- Portfolio – Health, Community Safety/Environment, Arts, Craft and Culture
- **Council Representative:**
Local Disaster Management Group (LDMG)
Torres Cape Indigenous Council Alliance (TCICA) Inc
Aurukun Health Action Team

Cr Delys Yunkaporta



- Elected 2020 to date.
- Portfolio – Housing and Community Services and
Education Services
- **Council Representative:**
Wik Kath Min Committee

Cr Kemuel Tamwoy



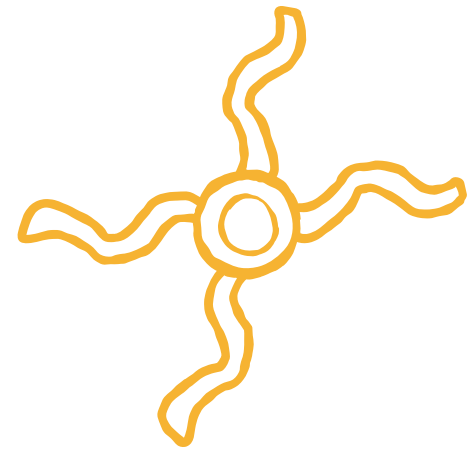
- Elected 2020 to date.
- Portfolio – Transport and Infrastructure, Youth, Sports and Recreation, Education Services
- **Council Representative:**
Western Cape Communities Trust – Southern Region
(substitute for Mayor)

Cr Jayden Marrott



- Elected 31 October 2020 to date.
- Portfolio – Employment and Training, Housing, Youth, Sports and Recreation

OUR SENIOR EXECUTIVE TEAM



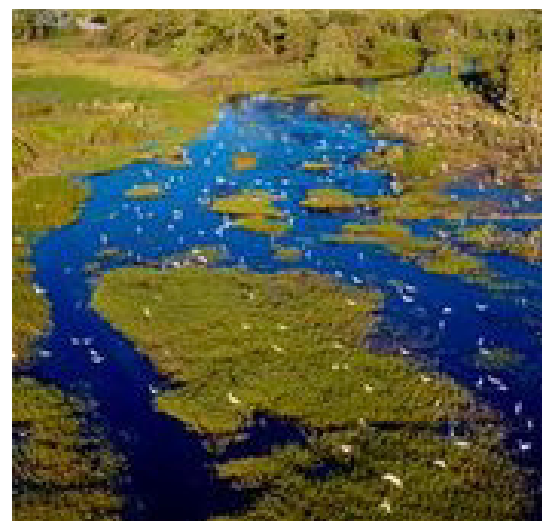
Chief Executive Officer	Bernie McCarthy
Director of Corporate Services	Colin Stevenson
Director of Technical Services	Augustus Yates
Director of Community Services	Alan Neilan
Finance Manager	Lucy Deemal

Land Tenure: Aurukun Land Transfer Day

On 18 September 2013, Aurukun saw a long-awaited land transfer come to fruition. Following the transfer, the Shire Lease was cancelled, and the land became Aboriginal Freehold land with two trustees:

- (1) Aurukun Shire Council became the trustee of the town area and the reserve land;
and
- (2) Ngan Aak-Kunch Aboriginal Corporation RNTBC was made trustee of the balance of the Shire Lease except Peppan lot and the four State land lots.

Both Trustees are responsible for managing the land that they hold and making decisions about that land on behalf of the people they hold the land for. However, ASC has some jurisdiction over the whole shire, particularly through the Aurukun Shire Planning Scheme.





Services Available in Aurukun

- Aurukun has the following services available to residents and visitors:
- Koolkan Aurukun State School – Prep to Year 12
- Airport and Skytrans agency – daily flights (weekdays) from and to Cairns
- Kang Kang Cafe and Giftshop
- Health Clinic
- RFDS (Emergency Service)
- Apunipima Wellbeing Centre
- Koolkan Child Care Centre and Family Support Hub
- Queensland Police Service
- SES
- Community Police
- Bendigo Bank
- Post Office
- Wik Mungkan Library/IKC Services (also radio broadcasting)
- Cape York Partnerships Opportunity Hub
- Centrelink
- Freight Services –Hawkins Transport. Tuxworths Transport. Sea Swift Barge Services
- Winchanam Ngench Thayan Sports Centre (PCYC)
- Neville Pootchemunka Sports Field
- Tennis/Basketball Courts
- Wik and Kugu Arts Centre
- Akay Koo’oila Women’s Art Centre
- Kooth Pach Guest House Accommodation
- Wuungkam Lodge Accommodation
- May Min Eatery
- Supermarket, fast food take-away
- Aurukun Retail Fuel Depot
- Uniting Church of Australia
- Wo’uw Ko’alam Community Centre
- Waterfront Boat ramp for recreational fishing/freight
- Aawuch Mee’-aathanak Training Centre
- Families Responsibilities Commission
- Community Justice Group and Mediation Centre
- Cape York Employment (CDP)
- Aak Puul Ngantam (APN) Depot and Office
- Ngan Aak Kunch Aboriginal Corporation (NAKAC) Office
- Child Support Services
- Ma’aathan Women’s Shelter
- Aged Care, Disability and Respite Services (Chivaree Centre)
- Rio Tinto Office
- Ergon Power Station
- Radio Stations: ABC, Blackstar, Vision
- Television Stations: ABC Regional, SBS, ABC 24 Hrs News, WIN, Satellite TV also available
- Queensland Government Hub and Department of Seniors, Disability Services, Aboriginal and Torres Strait Islander Policy Development.
- Queensland Department of Communities, Housing and Digital Economy
- Themp Street Offices – Glencore Bauxite Resources Pty Ltd, National Indigenous Australians Agency (NIAA)
- Act for Kids – Safe House

Location

The Aurukun Shire is a very remote area of Queensland which is starkly different to most other Queensland shires. Our community is among the most disadvantaged in Australia, but it has outstanding potentials for growth and prosperity. The community of Aurukun is located on the north-west coast of the Cape York Peninsula, 200 km (2hrs 30mins) by road south of the mining town of Weipa and 831 km (11hrs 30mins) from Cairns. The community is located within the Aurukun Shire; nearly the entire population (97%) lives within the township.

The Shire covers an area of 7,500 sq. km (approximately 192 km long and up to 50 km wide). It has about 107 km of Gulf of Carpentaria coastline. The Accessibility/Remoteness Index of Australia (ARIA) produced by the Department of Health and Ageing rates Aurukun in the highest category of remoteness.



Aurukun is a Welfare Reform Community

Aurukun is one of only four Welfare Reform communities in Queensland. This means that possession of alcohol within the Shire is illegal and Family Income Management is applied to families who do not satisfy certain criteria related to childcare. Low school attendance is an ongoing challenge.

Aurukun has strong potential to grow in prosperity. To do that, it will need investment in business infrastructure. It will also need appropriate management able to develop business in a manner that harmonises with the local culture and protects the natural and cultural resources of the Wik and Wik Way people. Opportunities exist in:

Eco-cultural tourism – supported by large and pristine areas of the Shire with rare ecological values and the strong traditional culture and arts and crafts industry of the community.

The development of the Shire through road improvement and transport services.

Mining – Glencore Bauxite Resources Pty Ltd continues to progress consultation with Aurukun Community and Traditional Owners on the establishment of their proposed mining operations.

If its mining project proceeds, there will be benefits in direct employment, in service industries to support mining operations. The clearing and rehabilitation of the land mined with plantings that will create sustainable timber-related industries eg. timber, and bush tucker supplies. Rio Tinto is now fully operating its Amrun Mine project and is providing excellent training and employment opportunities for local Aurukun people.

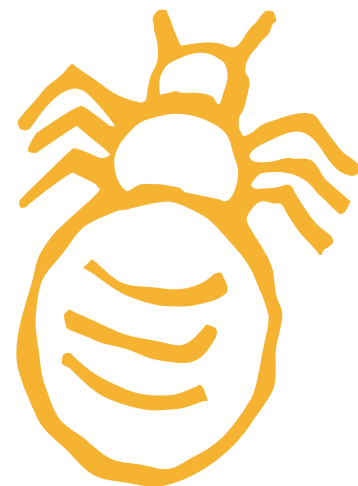
Employment in construction – new Social and Government Housing, Works for Queensland, Civil Works, Sewer and Water upgrades all provide employment opportunities for local residents.

Alcohol Management Plan

Aurukun Shire is a restricted area with zero carriage limit. This means that the shire, community (including the airport) is totally ‘dry’ and no alcohol is allowed.

Additionally, local brew is not permitted, and heavy fines apply for offenders. For further information please refer to: <https://www.datsip.qld.gov.au/publicationsgovernance-resources/policy-governance/alcohol-management-plan>

There are serious penalties for breaching the alcohol limits. Police have the power to stop and search all vehicles, boats, planes, air passengers, etc. coming into the restricted area.



Community Safety Strategy and Plan

Council operates 85 CCTV cameras in the township under a Memorandum of Understanding with the Queensland Police Service. The use of CCTV cameras has been found to be effective in reducing the incidence of crime. The Community Safety Plan has been adopted on 18 March 2021 and has a number of safety platforms including, Leadership, Community Education, Surveillance, Security, Drug and Alcohol Management, Infrastructure, Policing, Vulnerable Groups, Agency Provider Performance, Animal Control, Money Management, Tenancy Management, Employment, Town Planning, Telecommunications and Local Laws. The Community Safety Plan can be viewed on the Aurukun Shire Council website:

<https://www.aurukun.qld.gov.au/council/documents/community-safety-plan/>

Council is also ensuring streetlights are repaired by Ergon Energy within a reasonable time to make our streets safer. Other safety initiatives include the installation of traffic signage and limiting speed near the Business Precinct and Wuungkam Street; sealing of all streets to improve traffic flow and inhibit dust; replacement of all damaged street signs and undertaking ongoing maintenance.





Corporate Vision

Our Community Vision and Council Mission



OUR VISION

Our Vision for our community is based on our core community values. Our vision focuses on our community, our future leaders and the importance of respect in our community.



OUR MISSION

As a Council, it is important to understand our role and purpose. We exist to both lead and serve our community.

Shire History

Cape Keerweer, on the Gulf of Carpentaria coast, was the site of the first attempted settlement in Australia. In 1606 the Dutch ship Duyfken, under Captain Willem Janszoon, sailed down the west coast of Cape York Peninsula and made the first recorded Dutch landing in Australia at Cape Keerweer, south of Aurukun. Janszoon planned to build a city at the site. However, after exploitative actions by the crew, fighting broke out with the local people, several sailors were killed and the Duyfken departed.

Aurukun was established as a Presbyterian mission (formerly known as Archer River Mission Station) in 1904. Aboriginal people were relocated from large surrounding areas to the mission settlement over several decades. Today's township is on the site of the original mission.

On 22 May 1978, the *Local Government (Aboriginal Lands) Act* came into force, constituting the Aurukun Shire Council. The Act granted a 50-year lease to the Council over most of the land in the original Reserve, a large part of the traditional lands of the Aurukun people.

On 18 September 2013, Aurukun saw a long-awaited land transfer come to fruition. The Shire Lease was cancelled, and the land became Aboriginal Freehold with two trustees; Aurukun Shire Council and Ngan Aak-Kunch Aboriginal Corporation (NAKAC) Registered Native Title Bodies Corporate.

Challenges We Face

Size – The Shire comprises some 7,500 square kilometres.

Isolation – The isolation of Aurukun limits its ability to attract skilled workers. The cost of materials and services is high due to freight costs and the distance from regional centres.

Wet Season – The climate creates special challenges. Roads outside of the community are impassable during the wet season. This greatly increases freight costs – which flow through and raise the cost of just about everything. Extreme isolation for nearly half of the year also causes social and community stresses.





Housing

Council provides the following housing services in Aurukun:

Management and maintenance of 44 employee housing tenancies with a further eight leased to non-government organisations. A further 67 commercial leases are in place for offices and accommodation.

Aurukun Shire Council provides subcontract maintenance services to the Department of Housing and Public Works with a stock of 284 community houses.

Houses are closed by the relatives for cultural reasons upon the passing of a resident. An Opening Ceremony is held after a period which is agreed upon by the family. The five clan groups come together at the opening to celebrate this event with traditional dancing and a smoking ceremony. After this ceremony, the family returns to reside within the house.

Our Environment

Wik, Wik Way and Kugu Country – Almost the whole of the Shire is comprised in five areas of high conservation significance. The majority of the Shire is of very high quality wilderness. There are several areas that demonstrate the geology of the region and the geological processes that formed most of the Gulf coastline. Landform and vegetation types are varied, and many vegetation types are among the best of their class. Large, powerful and ancient species like saltwater crocodile are not the only natural treasures in the Aurukun Shire.

The Spotted Cuscus and the Palm Cockatoo are two other important species. Freshwater Anchovies and the River Garfish have their only habitats on Cape York Peninsula in the Archer and Embley Rivers respectively. The vulnerable Northern Crimson Finch has important habitat in the coastal section of the Holroyd Wilderness. The Aurukun Wetlands has important breeding sites for Magpie Geese - a culturally important species.

Rich in barramundi, mud crabs and numerous other species including some that are rare and threatened, the lands and waters of the Aurukun Shire benefit from having had little commercial exploitation. Many areas have large shell middens left by the ancient Aboriginal populations. These contain valuable scientific evidence of past climatic conditions, plant populations and cultural artefacts.

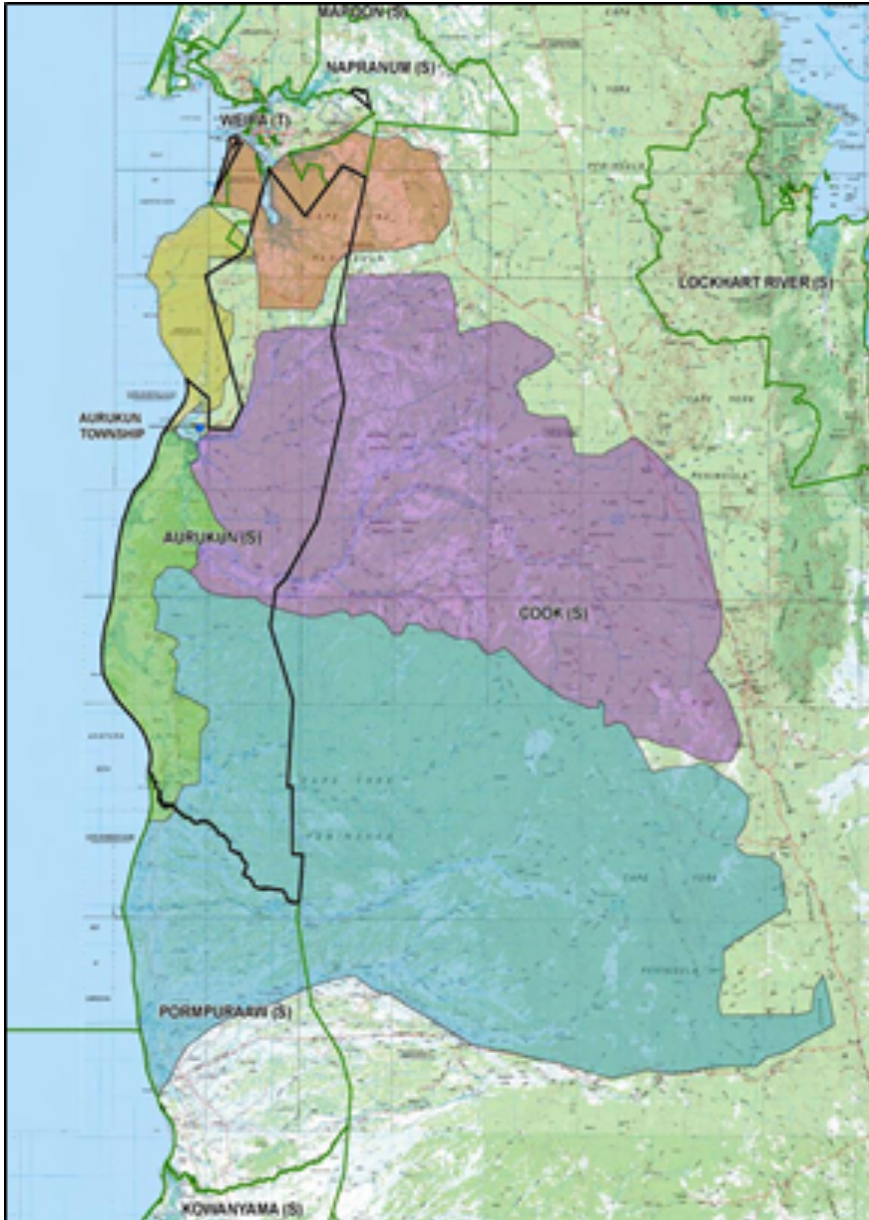
The traditional culture and heritage of the Wik and Wik Way people is vibrant. Most Aboriginal people in Aurukun still speak their native tongue. The Traditional Owners association with land and water is deeply significant.






The Aurukun Wetlands comprise high quality coastal wetland habitats. About 25% of their extent is of very high wilderness quality. They may be the most important dry season refuge for water birds on Cape York Peninsula. They include major breeding colonies for Magpie Geese and other water birds and two wader roost sites of over 5,000 birds. The area is a biodiversity hotspot.



Wik and Kugu: camp dogs

Shire Boundaries



- | | | | |
|------------------------|---|--------------------|---|
| Hey-Embley Rivers Area |  | Archer – Coen Area |  |
| Pera Head Area |  | Holroyd Wilderness |  |
| Aurukun Wetlands |  | | |

FOR VISITORS

Access to Country (Outside Aurukun Township)

Requests should be made directly with Traditional Owners or by application six weeks in advance through Ngan Aak-Kunch Aboriginal Corporation (NAKAC): C/- Post Office, Aurukun, Qld 4892 or Cape York Land Council - www.cylc.org.au

Meals and Supplies in Aurukun

Aurukun is currently providing a range of accommodation types for all types of visitors. You can stay at the Kooth Pach Guest House, MacKenzie Camp Two or Wuungkam Lodge. There are also various contractor accommodation locations with ensuite and shared kitchen facilities, including MacKenzie Camp Two and Airport Contractors accommodation. A restaurant, named May Min Eatery normally operates at Wuungkam Lodge.

A small convenience store operates at Wuungkam Lodge.

There is also a takeaway food bar at the Island and Cape Supermarket serving a variety of takeaway meals. Island and Cape Supermarket stock a large range of foodstuffs including groceries, milk, meat, fruit and vegetables. Opening hours are 8.00am to 5.00pm on Monday to Friday. The supermarket is open 8.00am to 3.00pm on Saturday and Sunday.

The Kang Kang Cafe and Bakery is located at the Sam Kerindun Snr. Business Precinct. This business operates from 8.00am to 8.00pm Monday to Friday and 8.00am to midday on Saturday and Public Holidays. It is closed on Sunday. The gift shop is open 9.00am to 4.00pm Monday to Friday, 9.00am to 12.00pm Saturday and closed Public Holidays.

Travel and Transport to Aurukun

By Road

Aurukun is approximately 752 km by road from Mareeba and 831 km from Cairns. The road is sealed from Cairns to Lakeland Downs. The road is mainly good standard gravel surface from Lakeland (564 km) with some sealed sections. During the wet season (variable – but often December or January to May or June) road access is closed due to flooding.

Road condition reports can be obtained from Department of Transport and Main Roads Ph: 131940, the RACQ website <https://www.racq.com.au/cars-anddriving/safety-on-the-road/road-conditions> and in relation to the Aurukun Access Road, visit www.aurukun.qld.gov.au or contact the Queensland Police Service on 4083 4999. Cook Shire Road information visit www.cook.qld.gov.au.

Fuel can be purchased at Mareeba, Lakeland, Musgrave, Coen and Archer River Roadhouse. Freight transport to Aurukun, when accessible by road, is provided by Tuxworths Transport Phone 07 4035 4022 and Hawkins Transport 07 4033 7452.

By Air

Passenger and freight transport to Aurukun is available on scheduled flights operated by Skytrans. Visit their website at www.skytrans.com.au for schedules and bookings Phone 1300 SKYTRANS (1300759872)

Skytrans flights may also be booked through Aurukun Shire Council at the Post Office. Eligible residents may also access the Local Fare Scheme.

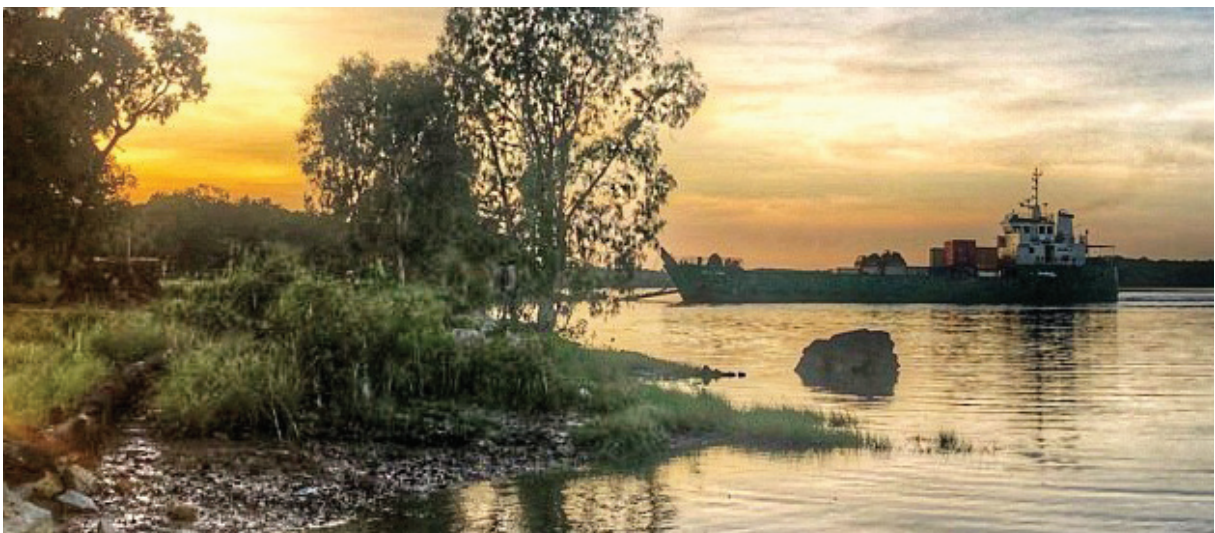
Freight is consigned through Toll Priority in Cairns – Phone 13 15 31.



Skytrans aircraft servicing Aurukun

By Sea

The shipping company Sea Swift provides weekly barge transport to Aurukun. Sea Swift can be contacted on 07 4035 1234.



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Bernie McCarthy PSM
Chief Executive Officer



My ninth and final year as Chief Executive Officer continues to be rewarding but challenging. The COVID-19 pandemic continues to be a threat in Australia and abroad. It is encouraging that the vaccination roll out is scheduled to occur in Aurukun in August. It is essential that we all get vaccinated.

Council remains as the major services and infrastructure provider for the Aurukun community. Thanks to the government agencies, police, stakeholders and residents for their ongoing efforts to make Aurukun a better place to live.

It is pleasing that our employees and sponsors keenly participate in the ASC Deadly Employee Awards which recognise staff's performance, safety and volunteer efforts.

During this year there has been positive achievements in the review of the ASC Corporate Plan, review of the ASC Local Laws, implementation of a Workforce Engagement Strategy and the completion of the Aurukun Master Plan.

Thanks to all ASC staff for their contributions and continuing efforts in maintaining services throughout the past year.

All local persons are encouraged to take up employment with Council or other employers in our community. Work can be a major contribution to solving current issues that Aurukun faces.

In conclusion Council and its staff continues to be fully committed to working towards improving the quality of lifestyle for all Aurukun residents.

Bernie McCarthy PSM
Chief Executive Officer



CORPORATE SERVICES OVERVIEW

Another successful year was completed by the Corporate Services Team. Aurukun Shire Council continued as the main provider in delivering community services to the township.

Wik and Kugu Arts Centre

The Arts Centre has begun a cultural revitalisation program for the maintenance of Wik and Kugu Arts heritage. The program will include the re-engagement of women's artistic practices, a sustainability study and a digital media strategy to connect the centre with national and international opportunities to sell art.

Arts programs continue to be funded through the Indigenous Visual Arts and Industry Support (IVAIS) and Backing Indigenous Arts (BIA) programs. The centre has also secured a few small grants this year from both the Indigenous Regional Arts Development Fund (IRADF) and the Indigenous Languages and Arts program (ILA). Both grants have a professional arts development focus and will be used to support excellence in contemporary art production. The funding will also support a series of on-Country camps for senior artists and youth.



Artist Leigh Namponan and sculptures

Local Fare Scheme

Local Fare Scheme (LFS) through Skytrans and the Department of Transport and Main roads and has been extended until 30 June 2022. Airfare subsidy under the scheme is available to residents who can demonstrate they currently live, and have lived for the last 3 years, in a Local Fare Scheme region. Up until May 2021, there were 685 eligible registrations. Local Fare Scheme continues to recognise eligibility for residents from other Cape Communities. Any enquiries on the LFS should be addressed to the Council's Business Manager.

Customer Service Centre

Bank and post office agencies operate 9am to 12noon and 1pm to 3.30pm Monday to Friday. Emphasis is on continued improvement to customer service. Mail and parcel delivery through the post office continued to increase at a rapid rate.

Council's cleaning crew continued to provide services to the Council office and staff housing. Contractors have been engaged where local staff are not able to meet cleaning needs of other Council properties.



Information Technology.

During the financial year 2020/21 Aurukun Shire Council built upon its established computer network with several incremental upgrades. Cloud based email archive and file backup solutions were deployed, electronic signatures were adopted as part of a move towards electronic records and all of Council's network switches were replaced with higher capacity switches that are remotely monitored and managed. Banking services were moved from the local Telstra 4G service, which had become unreliable, onto Council's fibre landline link and, in response to an increase in cyber phishing and hacking activity, Council also adopted multi-factor authentication for its cloud user accounts.

Cairns Support Office

Cairns Support Office assists Council with the delivery of the finance and accounting functions as well as providing administrative support to operations in Aurukun. The office also serves as a meeting venue, allowing Mayor, Councillors and Management to effectively engage with external stakeholders, including various government agencies.

The Finance Team is based in the Cairns Support Office, and their focus areas for 2020/21 included:

- Implementation of paper-light finance function
- Revision of internal controls processes
- Long-term financial planning and effective revenue collection
- Provision of critical financial information to assist Council and Management in making informed decisions
- Compliance with legislative requirements and accounting standards; and
- Passing external audit



Human Resources

ASC Deadly Employee awards continued throughout the year with quarterly/annual presentations. It is pleasing to award employees for their hard work and efforts. The generous sponsorship of ASC suppliers continues for these awards.

Ongoing commitment to the employment and training of local Aurukun Indigenous residents continues as a priority employment strategy. This is underpinned by a strong focus on local job agency networking to deliver “job ready” employment programs to strengthen numeracy and literacy skills.

Recruitment and Traineeships strategies for local Indigenous persons continued during the year, Work Employment and School Leavers programs continue to be offered.

Aurukun Shire Council strives to retain local and external employees by offering a wide range of Employees Benefits.

Workplace Health and Safety

The following summarises improvements and achievements for the year:

- Toolbox meetings and sessions
- Formation of Workplace Health and Safety Committee; and
- Ongoing training in First Aid, CPR, High risk licences and plant operator competencies.

Aurukun office is ongoing with the priority of managing permanent and high-value records utilising the existing processes and methods.

Council Stores

The ASC Stores Depot continued to operate satisfactorily. A review of operations will be conducted by an external consultant in late 2021, to improve the function of stores.

The recently implemented diesel fuel system, Smart Fill, in conjunction with the new stores inventory system is operating successfully.

Commercial Accommodation

Council continues to lease commercial accommodation to Sodexo Australia: Kooth Pach Guest House; MacKenzie Two Camp; and Wuungkam Lodge. The occupancy rate has improved but it is not back to pre-COVID demand. Council is currently leasing MacKenzie Camp One to building contractors.

Thank you to all staff for their efforts during the past year plus Council and Management for their ongoing support. Corporate Services looks forward to a positive 2021/22.

Bernie McCarthy, CEO on behalf of Corporate Services Team



COMMUNITY SERVICES OVERVIEW

Alan Neilan
Director Community Services



Community Services Overview

The Community Services portfolio undertakes the following functions and services:

- Koolkan Early Childhood Centre
- Family Support Hub and Playgroup
- Chivaree Home, Community Care and Disability Support services
- Community Police
- Security and CCTV
- Wik Mungkan Indigenous Knowledge Centre and Radio Broadcasting
- Animal Control
- Environmental Health – Food Premises Licensing and Illegal Dumping
- Funerals
- Community Events
- Wo'uw Ko'alam Community Centre
- Aak Muunchanak Splash Park



Play Activity at Koolkan ECC

Koolkan Early Childhood Centre

At Koolkan Early Childhood Centre, the qualified educators are passionate about fostering a safe place where children can explore their environment through playfulness and stimulating play-based programs. The children are nurtured and challenged as they grow into confident and inspiring young people.

Koolkan Early Childhood Centre is committed to providing flexible and high-quality play-based activities using the principles within the Early Years Learning Framework.

The learning outcomes are

- Children have a strong sense of identity
- Children are connected and contribute to their world
- Children have a strong sense of well-being
- Children are confident and involved learners
- Children are effective communicators

We aim to strengthen their connection to family and culture and develop the next generation of leaders.



Play Activity at Koolkan ECC



Playgroup activity at IKC

Family Support Hub and Playgroup Services

Our Family Support and Playgroup workers have continued to deliver programs in the community; although these have at times been delivered 'at home' due to the impact of COVID-19. Playgroup has rotated to various venues, including the Indigenous Knowledge Centre, Community Centre, Splash Park and the Landing. Face painting and activity packs have been popular at community events. Staff have also participated in the coordination and conduct of activities during the school holiday period.

Chivaree Centre Aged and Disability Services

Our beautiful Chivaree Centre is in the Far North Queensland in a town called Aurukun. Chivaree Centre is a service provider on behalf of Aboriginal and Torres Strait Islander people and their carers. Chivaree means Old Man in Wik Kath Min.

Chivaree Centre is a respite centre that provides services to Aurukun Community Clients. The services that we provide -

- Meals
- Transport
- Linen Services
- Domestic Assistance
- Garden Maintenance
- Social Support Individual
- Group Activities
- Personal Care

We focus on ensuring that the Age Care Quality Standards are met to help clients to keep their independence. Our staff take extreme care to ensure clients are supported in an environment that is safe and secure.

Community Police

Community Police Officers (CPO) play an important role in our community safety and are rostered on a weekly cycle covering a 24/7 roster. Their role is to support community members in resolving problems which would usually escalate to a police matter. CPOs also undertake property checks during both day and night rosters checking ASC building assets.

Security / CCTV System

Security Officers patrol day and night to protect Council assets, report community unrest and incidents. A total of 84 CCTV cameras are installed externally in the township. These cameras are monitored at the Aurukun Police Station and Council Office.



Jasper Kowearpta with a great catch.

Wik Mungkan Indigenous Knowledge Centre (IKC)

The Wik Mungkan Indigenous Knowledge Centre is a unique partnership between the Aurukun Shire Council (ASC), the State Library of Queensland (SLQ) and the Queensland Education Department (EQ). The centre supports the preservation of Wik and Kugu Culture, Languages and Traditional Knowledge through hands-on practical projects focused on Wik Biocultural interactions which include bush tucker trips, traditional bush crafts (such as canoe making, fibre craft and traditional dance with its associated body paint ochres, costumes and accessories) and stories and translation work. All activities are led by Wik Elders and are video recorded in Language with English subtitles by the fledgling IKC multi-media team. The You Tube channel is gradually gaining more viewers and an interactive educational app (Learning on Wik Country) has been developed which also features much of the digital content produced at the IKC.

The Centre also provides Flexi-Ed support for disengaged youth to be able to access (along with the wider community) numeracy and literacy learning opportunities, books, magazines, digital devices and the internet. The youth are often involved in getting out on Country to visit and record information from biocultural hotspots, once again led by Elders, which lends itself to



The IKC's visits into the school to support Language and Culture included this collaboration with some Wik and Kugu Artists who shared their Art stories with the students.

Two-Way-Science activities in a natural setting. Several outdoor learning spaces are maintained by the IKC where students and Elders can sit together, yarn and practice some of the traditional Wik crafts, as well as regular timeslots at the Koolkan Aurukun State School for Cultural activities under the mango trees.

The IKC facilitated over thirty dancers from two years old to eighty-four years old who attend the 2021 Laura Aboriginal Dance Festival and the 2021 Ruchook Cultural Festival at Napranum with Flexi students often lending a hand collecting materials for the dancers as well as for the Artists from the Wik and Kugu Arts Centre where young emerging artists are welcome and encouraged.

The IKC is also home of the First Five Forever Family Support Play Group, which meets every day from 10am to 1pm. The Centre is also used as a meeting place occasionally for various community service providers, and acts as a Cultural hub and contact point for community events and visitors. Community viewing of Cultural videos and documentaries on the big IKC screen is often popular, with the kettle always on and a welcoming cup of tea always on offer.



Herbert Yunkaporta and Perry Yunkaporta preparing to perform with the Aurukun Traditional Dance Team attending the Laura Aboriginal Dance Festival.

Animal Management

The animal management program focuses on animal health and registration.

The implementation of Local Laws e.g., registration and microchipping assists in tracking our dog population. Owners wishing to have two or more dogs are encouraged to contact the Animal Control Officer and submit an excess dog application to Council.

The animal health program is supported by the visiting Vet Clinic.

Council encourages residents to register and de-sex their pets. This helps to stop roaming aggressive behaviour and unwanted litters. Approximately 70-95 percent of dogs are treated in town every eight to ten weeks for all parasites including ticks, scabies/mange. Communication with dog owners needs to continue and encourage residents to register their dogs. Those dogs which are impounded or surrendered are considered for our rehoming program.



CPO Patrick Bell assisting Animal Health program

Food Premises Licensing

All commercial food preparation premises have been issued with Food Licenses under the *Food Act 2006*. These premises are inspected annually by the Environmental Health Officer.

Funerals

Traditional owners are supported by an arrangement with Western Cape Communities Trust to access funds for funerals and house openings. Council assists in liaison with family members and funeral arrangements.

Aak Ngench Thayan Cemetery on Obon Road is the only site for burials in Aurukun. Council will continue to maintain the Aurukun Old Cemetery which has been closed for any further burials.

Community Events and Wo'uw Ko'alam Community Centre

Council continues to host successful events throughout the year.

Community events and Programs included Aurukun Day, Photo Competition, Movie nights, School vacation programs, NAIDOC Celebration, Community Christmas Celebration, Australia day, Onchan Min festival, Ngangk Min Festival, River to Ramp Fun Run.

A continuing number of organisations are utilising the Wo'uw Ko'alam Community Centre for community engagement forums. The COVID-19 pandemic has required electronic sign for entry. The Centre is an ideal venue for family celebrations and funeral wakes.

Community stake holders are also invited to participate in these events or programs to promote their services or be volunteers.

Aak Muunchanak Splash Park

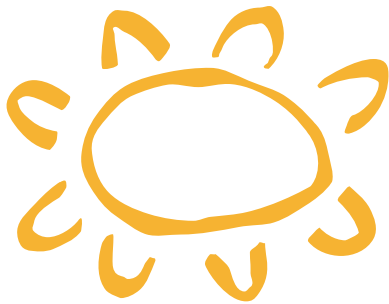
Located on Mackenzie Drive, this facility is becoming popular and an excellent location for those young bathers wanting to cool down or enjoy the activities at the adjacent PCYC. There are three covered areas with seating, including an electric BBQ.

Operating all year around, water quality is maintained to Queensland Health guidelines.

An electronic operator activation unit is located on the pad for the water features. This technology places the aquatic area in standby mode when timed out, during those quiet moments of activity.

Construction is planned to commence in October 2021 with the installation of shade sails covering most of the aquatic area, giving relief from the hot sun when most needed during activities.

Alan Neilan
Director Community Services



Fun at the Aak Muunchanak Splash Park

TECHNICAL SERVICES OVERVIEW

Augustus Yates
Director of Technical Services



Technical Services Overview

The Technical Services Department continues to provide essential services for the Aurukun community plus delivery of numerous projects throughout the year. Details are provided below.

Road Works

Disaster Recovery Funding Arrangements (DRFA) restorations works were completed in accordance with the approved scopes.

DRFA 2019 scope of works comprised of various types of restoration treatments and reinstatement works on the Aurukun Access Road, formation grading and gravel resheeting of Amban Road, heavy formation grading on Back Beach Road and various other restoration works within the town streets.

DRFA 2019 Betterment works completed comprised of cement stabilisation of road shoulders to a width of 2.4m. A total of 40km (approx.) of road shoulder was cement stabilised with reinstatement of shoulder bitumen seal.



*Aurukun
Access Road
Upgrade*



*Aurukun
Waterfront
Development*

Water Reticulation and Supply

Council provides water supply services to the community of Aurukun and is responsible for the sourcing, treatment and supply of drinking water to the community.

Water sampling is being undertaken daily with one sample per week being sent to Cairns Regional Council for compliance testing as per regulation.

The Department of Local Government, Racing and Multicultural Affairs, Indigenous Council Critical Infrastructure Program (ICCIP) funded Water improvement project was designed during the 2020 – 2021 Financial year. With delivery programmed in the 2021 – 2022 Financial year.

Sewerage Infrastructure

The Department of Local Government, Racing and Multicultural Affairs, Indigenous Council Critical Infrastructure Program (ICCIP) funded Wastewater improvement project was designed, tendered, and had the contract awarded in this financial year.

Works are programmed to be delivered in the first half of the 2021 – 2022 Financial Year.

Aurukun Waste Management Facility

Works commenced in August 2020 on the Indigenous Council Critical Infrastructure Program (ICCIP) approved \$1.8M of funding Solid Waste facility Project in Aurukun. Works were not completed by the start of the 2020 – 2021 wet season, works were scheduled to recommence in June 2021 however have been delayed into the 2021 – 2022 year.

Kerbside bin collection is currently being undertaken by ASC employees on Wednesdays. Commercial premises collection is undertaken on other days.

Regulated wastes are appropriately stored at Councils facilities prior to transport to Weipa for recycling.

Building, Construction, Capital and Maintenance Works

The following are a representation of the works completed by the building Construction and Maintenance team in 2020 – 2021:

- successfully completed 85 externally funded upgrade and renewal projects.
- reroofing three Council building.
- removing 12 Container rooms at the Wuungkam lodge and replacing them with three four room Transportable buildings.
- Ongoing improvements to the Aurukun waterfront.
- Numerous maintenance and repair tasks for internal, external customers and Community housing.



Accommodation Upgrade – Wuungkam Lodge



Fleet & Mechanical Workshop

A number of new fleet items were purchased in the 2020 – 2021 financial year to replace fleet items that had reached the end of their useful lives. Workshop staff continue to service and repair Council plant and Vehicles. Along with providing third party works to Community members and service providers.

Electrical Services & CCTV

Councils' electrician staff have continued servicing and repairing the City Safe CCTV system within Aurukun. Maintenance efficiency and response times have been improved as a supply of parts is now being stocked in Aurukun. Since servicing and repairs have been undertaken by on site Council staff the average percentage of cameras fully operational has increased to 95% at all times.



Master Plan

The proposed Aurukun Master Plan continues to be a positive process for planning of future community and infrastructure development, and we look forward to this plan being completed and published for community and stakeholder consultation.



Aurukun Airport

The Aurukun Airport has continued to serve as the primary port of access to the Aurukun Community during the 2020 – 2021 financial year.

Works commenced on Aurukun Airport Terminal upgrade project November 2020. The airport is expected to start being utilised as the entry port into Aurukun in October 2021. This project has been fully funded by the Works for Queensland allocations.

Thanks to all Technical Services staff for their ongoing efforts throughout the year. We all look forward to a positive year working and operating at the required level to provide a diverse range of facilities and services to the Aurukun community.

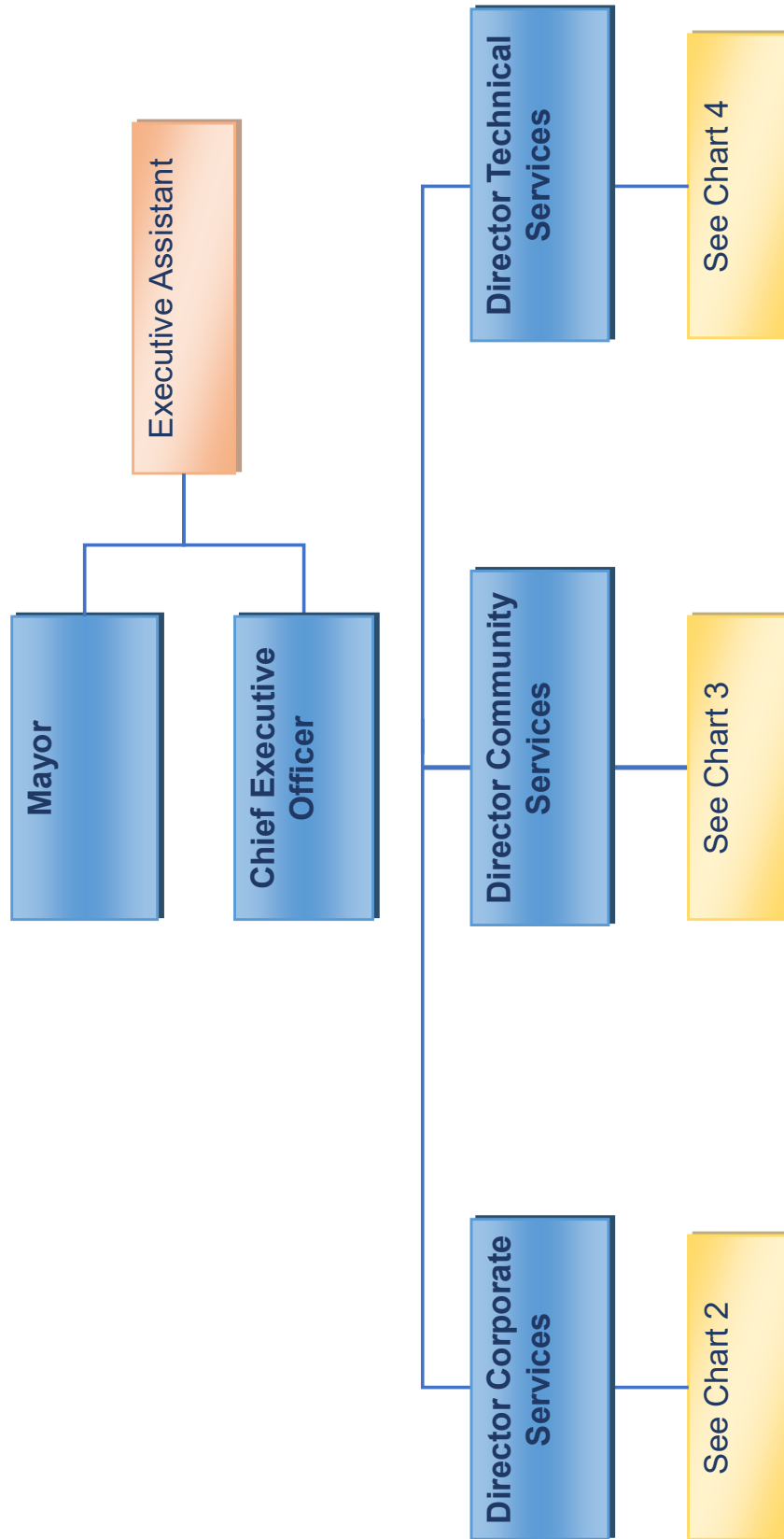


The upgraded Airport Terminal, expected to be officially opened in October 2021

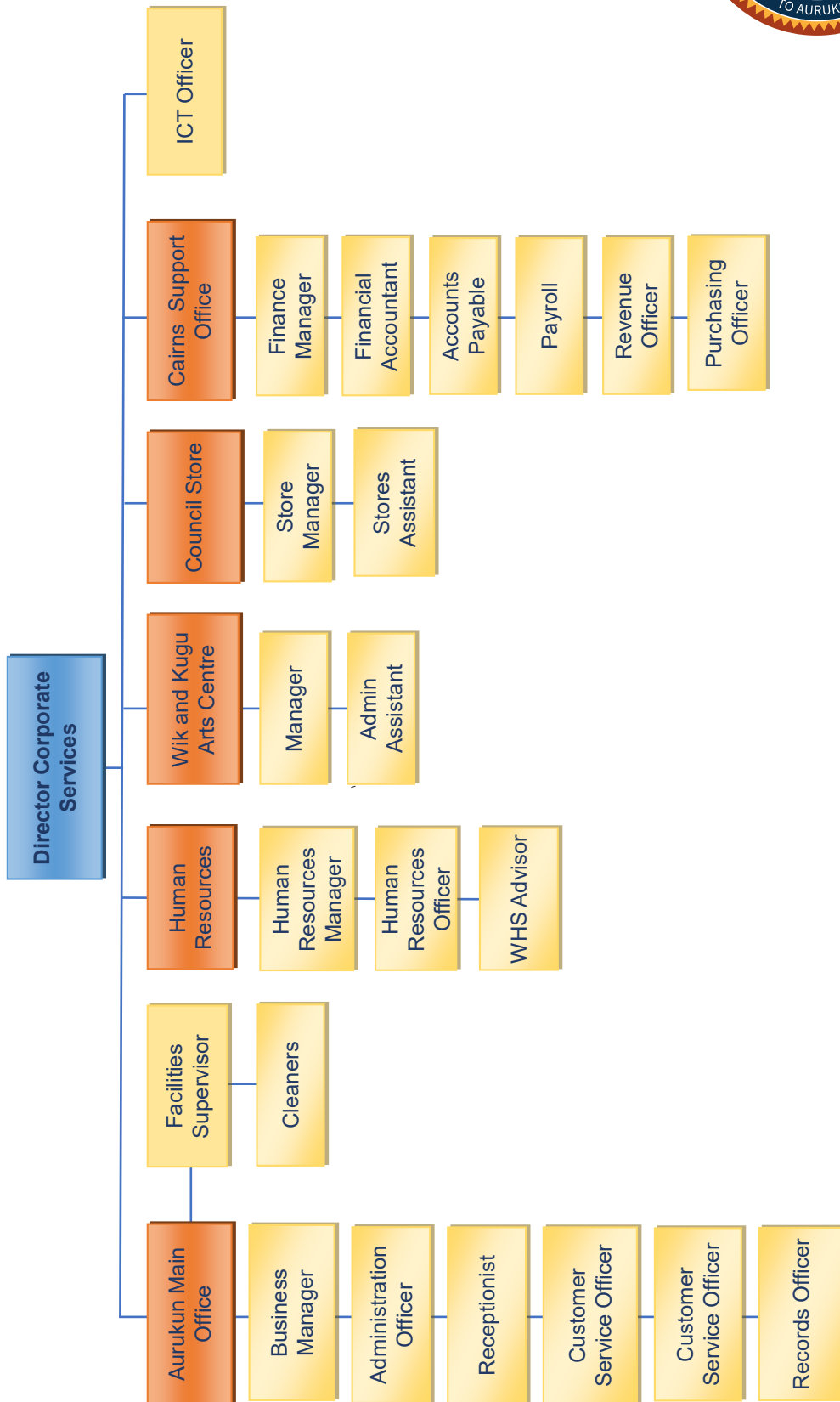


Internal view of the new Aurukun Airport Terminal

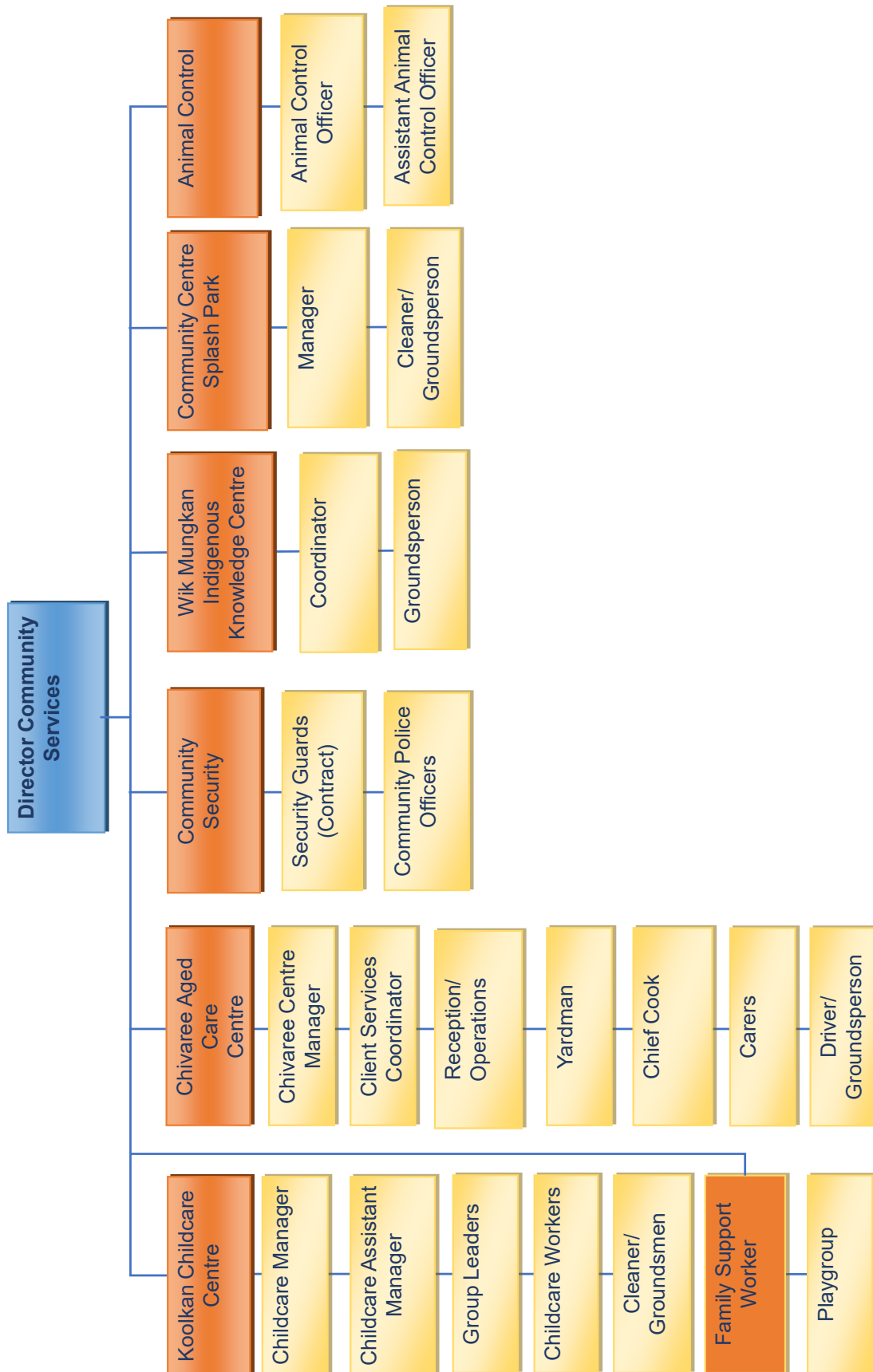
ORGANISATION CHART AS AT 30 JUNE 2021



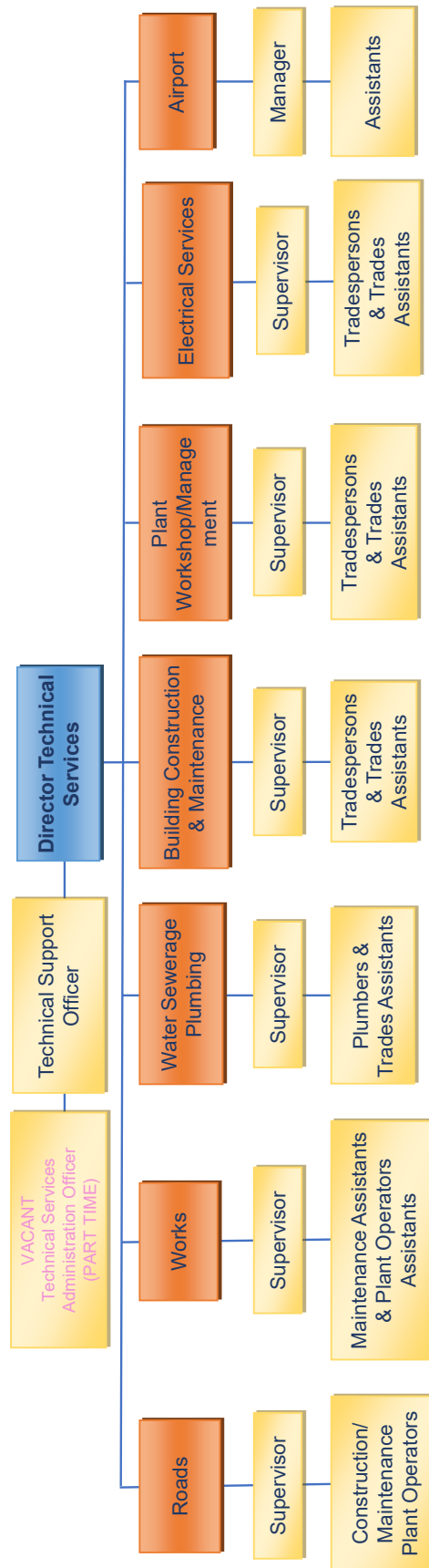
Organisation Chart 2 - Director Corporate Services



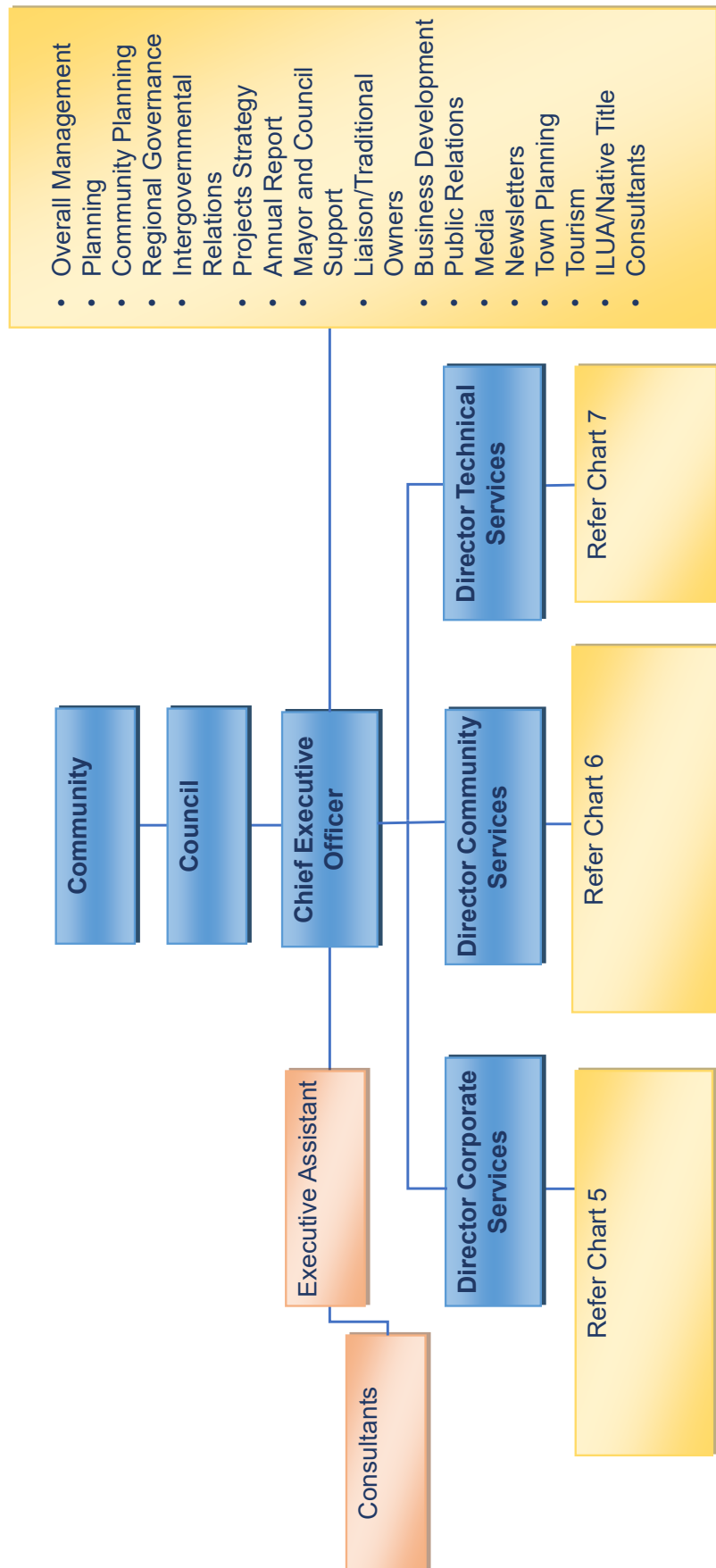
Organisation Chart 3 - Director Community Services



Organisation Chart 4 - Director Technical Services



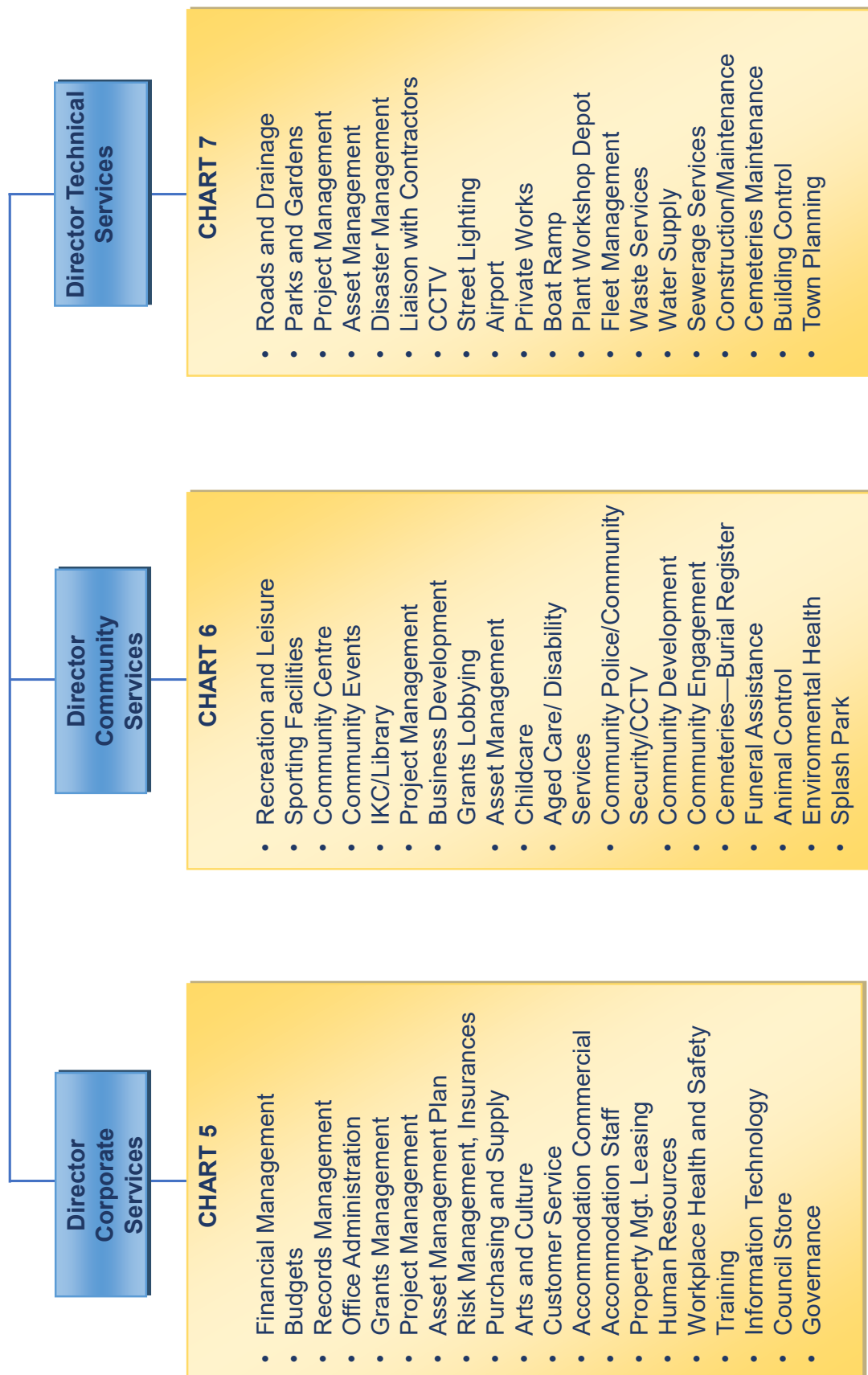
Aurukun Shire Council Functional Chart



- Overall Management
- Planning
- Community Planning
- Regional Governance
- Intergovernmental Relations
- Projects Strategy
- Annual Report
- Mayor and Council Support
- Liaison/Traditional Owners
- Business Development
- Public Relations
- Media
- Newsletters
- Town Planning
- Tourism
- ILUA/Native Title
- Consultants



Aurukun Shire Council Functional Chart



COMMUNITY FINANCIAL REPORT

The Annual Report must contain the community financial report for the financial year.

This community financial report provides a summary of the financial statements with the aim of providing understandable information to the members of our community. The use of graphs allows readers to easily evaluate Council's financial performance and financial position.

The financial statements following this report contains information in the following sections:

- **Statement of Comprehensive Income**

A summary of Aurukun Shire Council's financial performance for the year, includes Council's operating and capital revenue, operating and capital expenses for the period.

- **Statement of Financial Position**

Shown at a point in time, is a snapshot of what we own and what we owe at 30 June 2021.

- **Statement of Cash Flows**

Shows the movement in Council's cash position during the period, where Council's cash came from and where it was spent.

- **Statement of Changes in Equity**

Shows the movement in Council's Equity balance.

- **Notes to the financial statements**

These notes provide greater detail to the values presented in the above Statements as well as significant accounting policies. Each line in the statements where further detail can be found, is referenced by number to a location in the notes.

- **Measures of Financial Sustainability**

Three ratios which serve as useful indicators to monitor the current and long-term sustainability of Council.



Financial Statements at a Glance

	\$
Operating revenue	17,191,829
Operating expenses	(20,904,837)
Operating position	(3,713,008)
Capital revenue	8,757,607
Capital expenses	(354,365)
Net result	4,690,234
Current assets	20,227,450
Non-current assets	137,403,599
Total assets	157,631,049
Current liabilities	4,930,798
Non-current liabilities	1,528,866
Total liabilities	6,459,664
Net community assets (Equity)	151,171,385

Aurukun Shire Council has performed well throughout the 2020/21 financial year, finishing the year with a \$4.69 million net result.

The operating position is the total operating revenue less the total operating expenses. The operating position reflects how effective Council is at meeting its running costs. Council's net result is the operating position, plus capital revenue and expenses.

Council has a strong asset base of \$157.631 million (2019/20: \$145.387 million) which is made up of predominantly of \$109.338 million of property, plant and equipment assets and \$15.484 million in cash and term deposits.

Statement of Comprehensive Income

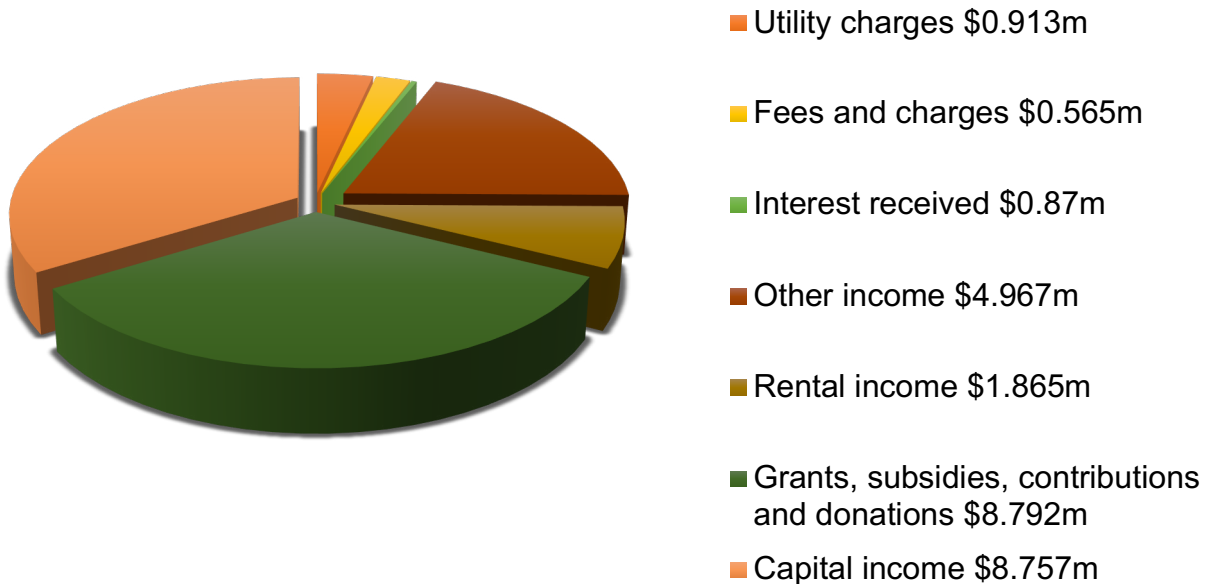
Revenue: Where did the money come from?

The following graph shows the various types of funds that Council received during the year.

The majority of Council's revenue (34%) is capital grants, subsidies and donations which is received solely for the purpose of funding infrastructure and other capital projects for the benefit of the community. Council's revenue also includes interest received and rental income, including recognising the movement in 40-year lease receivables.

Revenue has reduced since the prior year, with the main variance due to private works income, which has decreased in 2020/21 to \$4.466 million (2019/20: \$8.022 million).

Total Income \$25.9m





Expenses: How was the money spent?

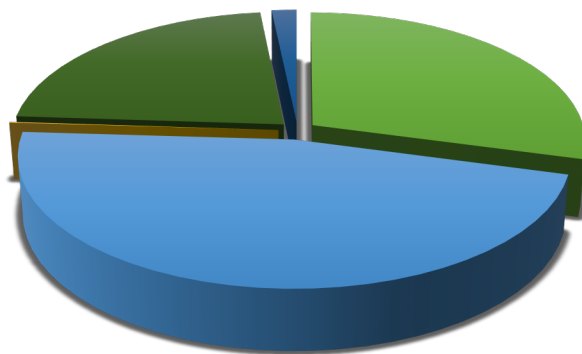
Council's recurrent expenditure has decreased in 2020/21 compared to the prior year for employee benefits, materials and services, finance costs and depreciation expense, however Council's total expenditure has increased by \$1.4m since prior year. This is partly due to how income earned from Council's 284 dwellings on 40-year lease arrangements is recognised. Due to the length of the lease, long term bond rates are used to calculate the amount that Council should recognise each year and given the current economic climate and low interest rates forecast, this year has resulted in an expense of \$0.246m, rather than revenue (2019/20: \$3.528m).

Materials and services makes up 46.75% of the Council's total expenses and includes items like Council's administration expense, costs to run the Arts Centre, Aged Care, Child Care as well as operational costs for technical services and private works.

Council is the largest employer in Aurukun township and employee benefits makes up 29% of total expenses.

Depreciation expense is the reduction in value of Council's owned assets for the current financial year, which has increased this year to \$4.741 million (2019/20: \$4.5m).

Total Expenses \$21.2m



- Employee benefits \$6.204m
- Materials and services \$9.938m
- Finance cost \$0.019m
- Depreciation \$4.741m
- Capital expenses \$0.354m

Statement of Financial Position

The Statement of Financial Position, sometimes referred to as the Balance Sheet, shows Council's position in relation to its assets (what the Council owns), liabilities (what Council owes to others) and community equity (Council's net worth), which is calculated as total assets less total liabilities.

Assets

	2020/21 \$'000s	2019/20 \$'000s
Current Assets	20,227	19,829
Non-Current Assets	137,404	125,559
Total Assets	157,631	145,388

Total assets have increased by \$12.2 million in 2020/21 from \$145.388 million in 2019/20. A major reason being the balance of Property Plant & Equipment increasing \$13.01 million this year. This is mainly due to a full comprehensive asset revaluation being undertaken in 2020/21. The major increases were seen in Water and Sewerage asset categories.

There is an increase in Contract Assets of \$1.697 million given costs incurred. Contract balances (assets and liabilities) relate to whether Council has incurred more or less costs than it has invoiced the customer or grantor. The increase to Contract Assets is mostly in relation to completed projects under Disaster Recovery Funding Arrangements (DRFA), where costs incurred are in excess of the amount invoiced as at reporting date.

Liabilities

	2020/21 \$'000s	2019/20 \$'000s
Current Liabilities	4,931	6,247
Non-Current Liabilities	1,528	1,590
Total Liabilities	6,459	7,837

Total liabilities have decreased by \$1.378 million in 2020/21. This is mainly due to a decrease in current contract liabilities of \$1.73 million (2019/20: \$4.015 million). A contract liability is recognised when the funds received upfront to construct Council-controlled assets is greater than the costs incurred for the project at reporting date. Historically this would have been recognised as revenue when received, however due to a change in accounting standards coming into effect last year, Council must recognise these funds as a liability until the contract is completed.



Community Equity

Council's total community equity at 30 June 2021 is \$151,171,385. Community equity represents Council's asset revaluation surplus of \$120.577 million and retained surplus of \$30,593,681.

Further details can be found in note 16 of the financial statements.

Measures of Financial Sustainability

Section 179 (2) [c] of the *Local Government Regulation 2012* requires a Local Government to include in its Community Financial Report the relevant Financial Sustainability Ratios for the current financial year.

Ratio	What the Ratio Provides	How the Ratio is Calculated	Actual Result	Target Result
Operating surplus ratio	An indication to how well revenues raised can cover operating expenses.	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-23%	Between 0% and 10%
Asset sustainability ratio	This ratio shows the level that Council is replacing assets as they reach the end of their useful lives.	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	2%	Greater than 90%
Net financial liabilities ratio	An indicator to the extent that Council's net liabilities can be serviced by its operating revenues.	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-80%	Not greater than 60%

The operating surplus ratio is not within target range, indicating that there is not enough revenue raised to cover Council's operational expenses.

The asset sustainability ratio is lower than target, mostly due to limited capital works renewal projects taking place during the financial year.

The net financial liabilities ratio indicates that Council is in a very healthy position to service its existing liabilities.

STATUTORY REPORTING REQUIREMENTS

The annual report has been prepared in accordance with Chapter 5, Part 3 of the *Local Government Regulation 2012*.

1. Councillors and Councillor Remuneration

Councillors are elected for a four-year term to represent the Shire and the community of Aurukun.

Councillors must:

- Attend Council meetings regularly and all other meetings as required from time to time;
- Vote on matters requiring a decision;
- Perform their duties and responsibilities in a transparent, impartial and faithful manner at all times.

Meetings:

The following table displays the Councillor's attendance at meetings for 2020/21.

2020/21	Ordinary Meetings Held	Ordinary Meetings Attended	Special Meetings Held(?)	Special Meetings Attended
Cr Keri Tamwoy	11	11	4	4
Cr Craig Koomeeta	11	10	4	3
Cr Delys Yunkaporta	11	6	4	3
Cr Kemuel Tamwoy	11	9	4	4
Cr Anna Kerindun	1	0	1	0
Cr Jaydon Marrott	7	5	2	2





The following table displays the total Councillors' remuneration for the year (s186):

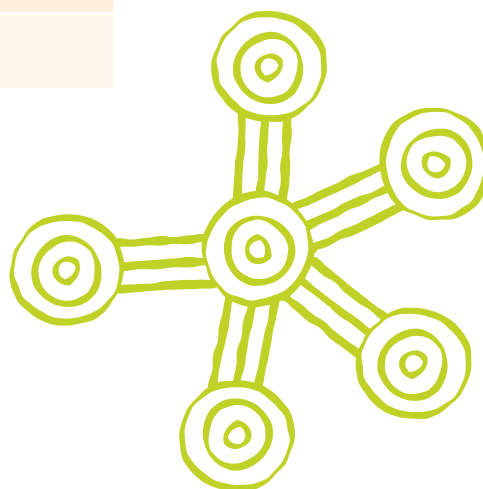
2020/21	Salary \$	Meeting Fees \$	Total Gross \$	Super. \$	Other Exp
Cr Keri Tamwoy	108,183		108,183	12,982	19,036
Cr Craig Koomeeta	62,412		62,412	7,489	
Cr Delys Yunkaporta	35,637	18,037	53,403	6,408	
Cr Kemuel Tamwoy	35,713	18,037	53,750	6,450	
Cr Anna Kerindun	4,497	3,006	7,503	900	
Cr Jaydon Marrott	23,412	12,024	35,436	4,252	

Resolution – Councillors Remuneration

On Special Meeting of Council held on 27 January 2021, the following resolution was passed:

Resolution 21.6859 (1 July 2021 to date)

Position	Remuneration Payable
Mayor	\$108,222 pa
Deputy Mayor	\$62,435 pa
Councillors	\$54,110 pa



2. Conduct and Performance of Councillors Sections 186 (1)(d)-(f) and Sections 353 LGR 2012.

Compliance with S186 of the Local Government Regulation 2012 under S186 (1)(d)-(f) the Council performance against set standards were as follows:

Compliance Requirements

Orders made under section 150I(2) of the LGA.....	Nil
Orders made under section 150AH(1) of the LGA.....	Nil
Decisions, orders and recommendations made under section 150AR(1) of the LGA.....	Nil
Name of each Councillor for whom a decision, order or recommendation was made under section 150(I(2),150AH(1) or 150AR(1) of the LGA	Nil
A description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each councillor	Nil
A summary of the decision, order or recommendation made for each councillor	Nil
Complaints referred to the assessor under section150P(2)(a) of the LGA by local government entities for the local government	2
Matters, mentioned in section 150(P)(3) of the LGA, notifies to the Crime and Corruption Commission.....	Nil
Notices given under section150R(2) of the LGA.....	Nil
Notices given under section 150S(2)(a) of the LGA.....	Nil
Decisions made under section 150W(1)(a), (b) and (d) of the LGA	Nil
Decisions made under section 150A(1)(a), (b) and (e) of the LGA (1 September 2019 to 30 June 2020)	Nil
Referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the LGA.....	Nil
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 about the alleged misconduct of a councillor (1 July 2019 to 31 August 2020)	Nil



3. Administrative Action Complaints – Local Government Regulation 2012 Section 187

The Council has a complaints management process in place and is committed to dealing fairly with administrative complaints. The complaints management process is designed to ensure that any member of the public can lodge a complaint about how they have been dealt with by Council staff or how they have been affected by any Council administrative decision. The complaints management process is available on the Council's website.

There were no administrative action complaints made in the in the financial year, and none remain unresolved from previous years.

4. Senior Contract Employees Remuneration- Local Government Act 2009 Section 201

As at 30 June, 2021, Aurukun Shire Council employed four senior contract employees.

Details of the total remuneration packages for the senior contract employees are as follows:

Two senior employees with a total remuneration package in the range of \$100,000 to \$200,000.

Two senior employees with a total remuneration package in the range of \$200,001 to \$300,000.

5. Overseas Travel - Local Government Regulation 2012 Section 188

No Council staff or Councillors undertook any overseas travel on Council business during the 2020/21 financial year.

6. Grants to Community Organisations – Local Government Regulation 2012 Sections 189 and 190

Concessions were not paid for the waiver of:

- Hire or rental fees associated with council facilities
- Airport landing fees

During the 2020/21 financial year, no grants were paid to community organisations.

7. Reserves and Controlled Roads

No land is a reserve under the Land Act or roads that are not owned by the Council were under the control of the Council at any time during the financial year.

8. Assessment of Performance in Implementing Corporate, Operational and Community Plans

Corporate Plan

The Corporate Plan 2020-2025 sets out the strategic direction of the Council's operations and activities for the abovementioned period. An annual review of the Corporate Plan was undertaken in 2020/21 and an amended Corporate Plan was adopted on 20 April 2021 (Resolution 21.6921).

Operational Plan

The Operational Plan is developed annually and is linked to the objectives in the new Corporate Plan. The Operational Plan sets out the projects and services Council will deliver in the financial year.

9. Other Relevant Issues to Making an Informed Assessment – Local Government Regulation 2012 Section 190

There are no known issues relevant to making an informed assessment of Council's operation and performance in the financial year.

10. Investigation Notices Given in the Financial Year under Section 49 of Local Government Regulation 2012 for Competitive Neutrality Complaints

No investigation notices were given during the 2020-21 financial year.

11. Responses to the QCA Recommendations Competitive Neutrality Complaints – Local Government Regulation 2012 Section 190

No responses to report under section 52(3) of the Local Government Regulation 2012 as no complaints were received during the 2020-21 financial year.

12. Invitations to Tenderers to Change Tenders - Local Government Regulation Section 190 (e) and Local Government Act Section 228 (7)

No invitations to tenderers occurred during the reporting period.



13. Registers kept by Council - Local Government Regulation Section 190(f)

The following registers are held by Aurukun Shire Council and are available for viewing by members of the public on request:

- (1) Minutes of Council Meetings
- (2) Register of Personal Interests of Councillors
- (3) Register of Personal Interests of Chief Executive Officers and/or Senior Managers
- (4) Road Register
- (5) Schedule of Fees and Charges
- (6) Register of Local Laws and Subordinate Local Laws
- (7) Register of Burials
- (8) Register of Regulatory Fees
- (9) Register of Delegations
- (10) Register of Council Policies
- (11) Register of Contact by Lobbyists
- (12) Register of Fraud Incidents
- (13) Register of Gifts to Staff
- (14) Register of Public Interest Disclosures
- (15) Register of Complaints against Mayor and Councillors
- (16) Register of Administrative Complaints
- (17) Register of Unsuitable Council Meeting Conduct



14. Summary of Concessions for Rates and Charges granted by the Local Government: Local Government Regulation Section 190(g)

Council does not grant any concessions for Rates and Utility Charges under its Revenue Policy.

Due to COVID-19 travel restrictions which saw a significant reduction of visitors to Aurukun and the Cape York region. Council granted one of its lessees' a concession on fees and charges from 1 June 2020, and that arrangement ceased on 31 December 2021. Total concessions granted were as follows:

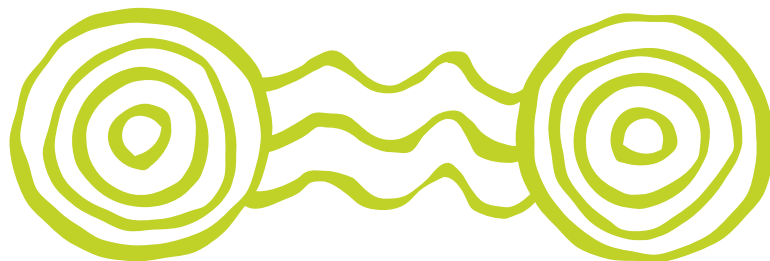
Concession on Cleansing Charges	\$5,440
Concession on Sewerage Charges	\$9,200
Concession on Water Charges	\$8,100

Under the General Fees and Charges Council grants an exemption for landing fees to the Royal Flying Doctor Service and Queensland Police Service.

15. Equal Employment Opportunity

Aurukun Shire Council is an equal opportunity employer and does not discriminate against any individual or member of groups. The Council is committed and dedicated throughout its management and operations in recruiting and retaining the best available staff to improve efficiencies and productivity and ensure effective and efficient service delivery to the community of Aurukun.

We promote the principles of merit and fairness in its employment practices and people are selected on merit. We ensure equal opportunity within the organisation for all our potential and existing employees in regard to recruitment, promotion, transfer, training, education and employment conditions. All recruitment and promotion of employees will be based on merit regardless of gender, pregnancy, sexual preference, race, age, family responsibilities, marital status, disability or religion.”



16. Capital Works Projects

Council completed the following works program during the period 1 July 2020 to 30 June 2021:

Source of funds and/or projects – specific purpose grants	Expense \$
Aurukun Fuel Facility Upgrade - BoR R05	300,548
WCCT - Refurbishment of Park & Basketball Courts	72,727
WCCT - Football Oval Upgrade	19,951
LGGSP - Community Facilities	10,065
Local Roads and Community Infrastructure Phase	1 29,746
2019-20 TIDS	229,613
2020-21 TIDS	174,225
2019-20 Roads to Recovery	167,054
2020-21 Roads to Recovery	97,481
2018-19 DRFA - Capital Works	2,036,624
2019-20 DRFA - Capital Works	69,180
Works for Queensland Round 3 – Waterfront Development	795,081
Works for Queensland Round 3 – Airport Terminal Upgrade	991,959
Works for Queensland COVID 2020-21 – Airport Terminal Upgrade	543,302
ICCIP - Solid Waste Facility Refurbishment	1,045,058
ICCIP - Waste Water infrastructure	61,652
ICCIP - Water infrastructure	109,989
Total	6,754,257

17. Report on 2020/21 Internal Audit: Local Government Regulation Section 190 (h)

Aurukun Shire Council, being a small Council, does not have an internal audit committee. The governance and monitoring function are managed through the Executive Team and internal auditors who report to Council.

Aurukun Shire Council appointed, Grant Thornton Australia as its Internal Audit contractor in 2021 after competitive quotes were received and independently evaluated by the organisation's internal evaluation panel.

Internal audit will assist the organisation to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal Audit will achieve this by performing review of our processes and providing recommendations based on their analysis and assessment of Council's information and processes.

We look forward to working with Grant Thornton Australia in progressing the internal audit plan for 2021-23, however, as of yet there have been no Internal Audit reports finalised in the period 1 July 2020 to date.



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

ABN 32 338 490 426

Photo: Noel Waterman



AURUKUN SHIRE COUNCIL
ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

ABN 32 338 490 426



AURUKUN SHIRE COUNCIL
Financial statements
For the year ended 30 June 2021

Table of Contents

Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	
1 Information about these financial statements	7
2 Analysis of results by function	8
3 Revenue	10
4 Employee benefits	12
5 Materials and services	12
6 Capital income / expenses	12
7 Cash and cash equivalents	12
8 Trade and other receivables	13
9 Inventories	13
10 Leases	14
11 Property, plant and equipment	16
12 Contract balances	21
13 Trade and other payables	21
14 Borrowings	21
15 Provisions	22
16 Asset revaluation surplus	23
17 Contingent liabilities	23
18 Superannuation	24
19 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities	24
20 Reconciliation of liabilities arising from finance activities	25
21 Events after the reporting period	25
22 Transactions with related parties	25
23 Tied grants by project	27
Management Certificate	28
Independent Auditor's Report on the financial statements	29
Current Year Financial Sustainability Statement	34
Certificate of Accuracy - for the Current Year Financial Sustainability Statement	35
Independent Auditor's Report (Current Year Financial Sustainability Statement)	36
Unaudited Long Term Financial Sustainability Statement	39
Certificate of Accuracy - for the Long Term Financial Sustainability Statement	40

AURUKUN SHIRE COUNCIL
Statement of Comprehensive Income
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Income			
Revenue			
Recurrent revenue			
Utility charges	3(a)	913,381	927,841
Fees and charges	3(b)	565,619	612,253
Other recurrent income	3(c)	4,953,303	8,574,774
Grants, subsidies, contributions and donations	3(d)	8,792,136	7,816,337
Total recurrent revenue		<u>15,224,440</u>	<u>17,931,205</u>
Capital revenue			
Grants, subsidies, contributions and donations	3(d)	8,757,607	4,217,640
Total capital revenue		<u>8,757,607</u>	<u>4,217,640</u>
Rental income	10	1,865,267	1,819,158
Interest received		87,808	180,402
Other capital income	6	14,314	606,408
Total income		<u>25,949,436</u>	<u>24,754,813</u>
Expenses			
Recurrent expenses			
Employee benefits	4	(6,204,988)	(6,548,434)
Materials and services	5	(9,938,978)	(11,408,171)
Finance cost		(19,269)	(27,873)
Depreciation	11	(4,741,602)	(4,552,865)
Total recurrent expenses		<u>(20,904,837)</u>	<u>(22,537,343)</u>
Capital expenses			
Loss on disposal of assets	6	(108,360)	(844,143)
Loss on revaluation of finance leases	10(b)(i)	(246,005)	3,528,115
Total capital expenses		<u>(354,365)</u>	<u>2,683,972</u>
Total expenses		<u>(21,259,202)</u>	<u>(19,853,371)</u>
Net result		<u>4,690,234</u>	<u>4,901,442</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase/(decrease) in asset revaluation surplus	16	8,819,447	560,109
Total other comprehensive income for the year		<u>8,819,447</u>	<u>560,109</u>
Total comprehensive income for the year		<u>13,509,681</u>	<u>5,461,551</u>

The above statement should be read in conjunction with the accompanying notes and accounting policies.



AURUKUN SHIRE COUNCIL
Statement of Financial Position
as at 30 June 2021

	Note	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	7	15,484,065	16,968,410
Trade and other receivables	8	1,147,151	848,914
Inventories	9	634,124	763,164
Lease receivables	10(b)(i)	933,962	917,083
Contract assets	12(a)	2,028,148	331,092
Total current assets		20,227,450	19,828,663
Non-current assets			
Property, plant and equipment	11	109,338,517	96,319,549
Lease receivables	10(b)(i)	28,065,082	29,239,147
Total non-current assets		137,403,599	125,558,695
Total assets		157,631,049	145,387,357
Current liabilities			
Trade and other payables	13	2,502,689	2,159,210
Contract liabilities	12(b)	2,285,326	4,015,504
Provisions	15	110,700	41,425
Borrowings	14	32,083	30,898
Total current liabilities		4,930,798	6,247,037
Non-current liabilities			
Provisions	15	985,517	1,016,137
Borrowings	14	543,350	574,480
Total non-current liabilities		1,528,866	1,590,617
Total liabilities		6,459,664	7,837,654
Net community assets		151,171,385	137,549,704
Community equity			
Asset revaluation surplus	16	120,577,704	111,758,257
Retained surplus		30,593,681	25,791,447
Total community equity		151,171,385	137,549,704

The above statement should be read in conjunction with the accompanying notes and accounting policies.

AURUKUN SHIRE COUNCIL
Statement of Changes in Equity
For the year ended 30 June 2021

	Note	Asset revaluation surplus		Retained surplus		Total	
		2021	2020	2021	2020	2021	2020
		\$	\$	\$	\$	\$	\$
Balance as at 1 July		111,758,257	111,198,148	25,791,447	25,309,381	137,549,704	136,507,529
Adjustment on initial application of AASB 15 / 1058		-	-	-	(4,419,377)	-	(4,419,377)
Restated balance at 1 July		111,758,257	111,198,148	25,791,447	20,890,004	137,549,704	132,088,152
Net result		-	-	4,690,234	4,901,442	4,690,234	4,901,442
Assets not previously recognised	11(a)	-	-	112,000	-	112,000	-
Other comprehensive income for the year		8,819,447	560,109	-	-	8,819,447	560,109
Increase/(decrease) in asset revaluation surplus		8,819,447	560,109	4,802,234	4,901,442	13,621,681	5,461,551
Total comprehensive income for the year		120,577,704	111,758,257	30,593,681	25,791,447	151,171,385	137,549,704

The above statement should be read in conjunction with the accompanying notes and accounting policies.



AURUKUN SHIRE COUNCIL
Statement of Cash Flows
For the year ended 30 June 2021

	Note	2021	2020
		\$	\$
Cash flows from operating activities:			
Receipts from customers		5,905,674	10,655,366
Payments to suppliers and employees		<u>(15,632,792)</u>	<u>(19,444,897)</u>
		(9,727,118)	(8,789,531)
Interest received		87,808	180,402
Rental income		1,929,987	1,935,973
Non capital grants and contributions		8,792,136	7,816,337
Net cash inflow (outflow) from operating activities	19	<u>1,082,813</u>	<u>1,143,181</u>
Cash flows from investing activities:			
Payments for property, plant and equipment		(6,539,333)	(4,369,413)
Proceeds from sale of property, plant and equipment	6	62,948	45,550
Finance lease receipts	10	911,182	894,715
Grants, subsidies, contributions and donations		3,047,260	3,758,176
Net cash inflow (outflow) from investing activities		<u>(2,517,943)</u>	<u>329,029</u>
Cash flows from financing activities:			
Repayment of borrowings	14	(29,946)	(28,759)
Finance costs		<u>(19,269)</u>	<u>(27,873)</u>
Net cash inflow (outflow) from financing activities		<u>(49,215)</u>	<u>(56,631)</u>
Net increase (decrease) in cash and cash equivalent held		(1,484,344)	1,415,579
Cash and cash equivalents at beginning of the financial year		<u>16,968,410</u>	<u>15,552,832</u>
Cash and cash equivalents at end of the financial year	7	<u>15,484,065</u>	<u>16,968,410</u>

The above statement should be read in conjunction with the accompanying notes and accounting policies.



AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

Note 1: Information about these financial statements

1(a) Basis of preparation

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

These general purpose financial statements are for the period 1 July 2020 to 30 June 2021 and have been prepared in compliance with the requirements of the *Local Government Act 2009* 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 complies with Australian Accounting Standards as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain current and non-current assets.

1(b) New and revised Accounting Standards adopted during the year

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

1(c) Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and where material will be included in the financial statements on their effective date. None of the standards are expected to have a significant impact for Council.

1(d) Estimates and judgements

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

Revenue recognition - Note 3

Valuation of finance leases - Note 10

Valuation, impairment and depreciation of property, plant and equipment - Note 11

Contract assets and liabilities - Note 12

Provisions - Note 15

Contingent liabilities - Note 17

1(e) Rounding and comparatives

The financial statements are in Australian dollars that have been rounded 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.

1(e) Taxation

Council is exempt from income tax and payroll tax, however council is subject to Fringe Benefits Tax, 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(f) COVID-19

Council's operations for the year ended 30 June 2021 have been impacted by the COVID-19 pandemic. The overall impact has not been material. It is confirmed that any known impacts have been reflected in the financial statements.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021



Note 2: Analysis of results by function

2(a) Components of Council functions

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

Corporate services

The objective of corporate services is for Council to be open, accountable, transparent and deliver value for money community outcomes. This function comprises the support for the mayor and councillors, Council and committee meetings and administration.

Also included are financial and information services that provide professional finance and information services across all of Council. This includes internal audit, budget support, financial accounting, the taxation unit, marketing and communication and information technology services. The objective is to provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

Engineering services

This function facilitates the shires growth and prosperity through well planned and quality development. The objective of engineering services is to ensure the Aurukun Shire is well designed, efficient and facilitates growth yet also preserves the character and natural environment of the Shire. This function includes construction and maintenance of Shire roads, operation and maintenance of plant and equipment, provision of support for other Council activities and private works.

Environmental services

The goal of environmental services is to support a healthy, safe community through the operation and planning of the management of animal control, emergency services and health inspections.

Welfare and social services

The core function of welfare and social services is to protect the vulnerable, supporting independent living and providing improved life outcomes for the children and elder citizens of the Shire. This includes the provision of:

- Child care services
- Family and parenting programs
- Aged care services
- Disability services

Community and cultural services

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

This function includes:

- Libraries
- Cemeteries
- Community police
- Traditional arts and crafts

Housing

The objective of the housing function is to promote community wellbeing through better provision of housing that is compatible with community needs. This includes the provision of community housing and housing for Council employees.

Public amenities and utilities

The goal of this program is to protect and support our community and natural environment by sustainably managing the provision of cleansing, water and sewerage services. This function also includes the operation of the aerodrome and management of the barge landing.

Enterprises

The function of enterprises is to move towards Aurukun's vision of self-sustainability and utilise the opportunities arising from the resources of our region. This includes provision of visitor accommodation, general store, Bendigo Bank agency, and Australia Post agency etc.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

Note 2: Analysis of results by function (continued)

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

Year ended 30 June 2021 Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net result from recurring	Net result	Assets
	Recurring	Other	Grants	Capital		Recurring	Capital				
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
Corporate services	\$ 4,313,595	\$ 1,809,065	\$ 733,148	\$ 14,314	\$ 6,870,123	\$ 4,948,045	\$ 354,365	\$ 5,302,410	\$ 1,174,615	\$ 1,567,713	\$ 62,115,988
Engineering services	393,190	4,417,085	2,337,434	-	7,147,709	7,158,560	-	7,158,560	(2,348,284)	(10,851)	36,082,128
Environmental services	195,671	2,878	-	-	198,548	264,496	-	264,496	(65,947)	(65,947)	374,325
Welfare & social services	2,591,438	214,697	-	-	2,806,135	2,306,712	-	2,306,712	499,424	499,424	4,950,230
Community & cultural services	1,298,242	367,719	2,132,498	-	3,798,460	2,982,620	-	2,982,620	(1,316,658)	815,840	14,524,118
Housing	-	207,345	-	-	207,345	672,734	-	672,734	(465,389)	(465,389)	8,097,662
Public amenities & utilities	-	1,262,969	3,554,526	-	4,817,495	2,234,707	-	2,234,707	(971,738)	2,582,788	26,244,835
Enterprises	-	103,621	-	-	103,621	336,964	-	336,964	(233,343)	(233,343)	5,241,764
Total	8,792,136	8,385,379	8,757,607	14,314	25,949,436	20,904,837	354,365	21,259,202	(3,727,322)	4,690,234	157,631,049

**Year ended 30 June 2020
Functions**

Year ended 30 June 2020 Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net result from recurring	Net result	Assets
	Recurring	Other	Grants	Capital		Recurring	Capital				
	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
Corporate services	\$ 4,299,177	\$ 5,051,739	\$ 10,590	\$ -	\$ 9,361,506	\$ 6,006,042	\$ 129,342	\$ 6,135,383	\$ 3,344,874	\$ 3,226,123	\$ 63,830,733
Engineering services	224,540	7,767,030	2,696,285	-	10,687,855	7,835,008	707,105	8,542,113	156,563	2,145,742	31,942,255
Environmental services	191,588	1,368	20,000	-	212,956	292,495	-	292,495	(99,539)	(79,539)	379,149
Welfare & social services	2,457,349	169,606	-	-	2,626,955	1,795,982	-	1,795,982	830,973	830,973	4,667,193
Community & cultural services	643,683	533,127	518,996	-	1,695,806	3,077,568	7,696	3,085,265	(1,900,758)	(1,389,459)	11,899,589
Housing	-	391,597	495,539	-	887,136	1,037,133	-	1,037,133	(645,536)	(149,998)	8,748,443
Public amenities & utilities	-	1,969,951	468,309	-	2,438,260	1,759,861	-	1,759,861	210,090	678,399	18,337,937
Enterprises	-	364,532	7,922	-	372,454	733,253	-	733,253	(368,721)	(360,799)	5,582,057
Total	7,816,337	16,248,951	4,217,640	-	28,282,928	22,537,343	844,143	23,381,486	1,527,945	4,901,442	145,387,357



AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

<u>Note</u>	<u>2021</u>	<u>2020</u>
	\$	\$

Note 3: Revenue

3(a) Utility charges

Utility charges are recognised as revenue at the beginning of the charging period to which they relate. Prepaid utility charges are recognised as a financial liability until the beginning of the charging period.

Water	274,139	279,781
Sewerage	450,007	454,511
Garbage charges	189,234	193,550
	<u>913,381</u>	<u>927,841</u>

3(b) Fees and charges

Revenue arising from fees and charges are 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 arrival, for example room hire. 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.

Accommodation fees	53,536	14,673
Airport landing fees	102,964	209,878
Aerodrome baggage handling fees	144,125	139,945
Aerodrome fuel handling fees	56,160	56,160
Other fees and charges	208,834	191,598
	<u>565,619</u>	<u>612,253</u>

3(c) Other recurrent income

Revenue from private 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 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.

Sale of art work 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.

Private works	4,466,799	8,022,810
Recoverable costs	119,553	115,335
Art work sales	198,868	184,282
Agency commissions	99,734	94,989
Other income	68,349	157,357
	<u>4,953,303</u>	<u>8,574,774</u>

3(d) Grants, subsidies, contributions and donations

Grant income under AASB 15

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

Performance obligations vary in each agreement but include Home Care Packages. 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, revenue is recognised using either costs or time incurred.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

<u>Note</u>	<u>2021</u>	<u>2020</u>
	\$	\$

Note 3: Revenue (continued)

3(d) Grants, subsidies, contributions and donations (continued)

Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income then 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.

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.

Physical assets contributed to council 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. Non-cash contributions with a value in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

3(d)(i) Recurrent

General purpose grants (state and commonwealth governments)	4,313,595	4,299,177
State government subsidies and grants	1,582,566	1,038,448
Commonwealth government subsidies and grants	1,634,528	1,422,894
Contributions, donations and other grants	1,261,447	1,055,818
	<u>8,792,136</u>	<u>7,816,337</u>

3(d)(ii) Capital

Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investments in new assets. It also includes non-cash contributions of assets.

State government capital grants	5,938,183	1,261,943
Commonwealth government capital grants	235,560	5,375
Other capital contributions and grants	2,583,864	2,950,323
	<u>8,757,607</u>	<u>4,217,640</u>

3(d)(iii) Timing of revenue recognition of grants, subsidies, contributions and donations

	2021		2020	
	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Grants and subsidies	7,016,687	6,981,527	6,697,888	1,413,312
Subsidies, contributions and donations	2,694,942	856,586	-	3,922,027
	<u>9,711,629</u>	<u>7,838,114</u>	<u>6,697,888</u>	<u>5,335,339</u>

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021



	<u>Note</u>	<u>2021</u>	<u>2020</u>
		\$	\$
Note 4: Employee benefits			
Employee benefit expenses are recorded when the service has been provided by the employee.			
Staff wages and salaries		4,617,968	4,964,659
Councillors' remuneration		320,687	332,658
Annual, sick and long service leave entitlements		624,579	668,076
Superannuation	18	554,272	589,649
		<u>6,117,506</u>	<u>6,555,041</u>
Other employee related expenses		253,586	284,194
		<u>6,371,092</u>	<u>6,839,235</u>
Less: capitalised employee expenses		(166,104)	(290,801)
		<u>6,204,988</u>	<u>6,548,434</u>

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

Total Council employees at the reporting date:

Elected members	5	5
Administrative staff	40	34
Depot and outdoors staff	44	35
Total full time equivalent employees	<u>89</u>	<u>74</u>

Note 5: Materials and services

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

Administration expenses	1,110,874	1,763,141
Aged care	740,815	651,996
Arts centre	234,606	295,099
Audit of annual financial statements by the Auditor-General of Queensland*	81,000	75,455
Child care	208,744	238,560
Insurance	627,362	584,106
Other materials and services	2,502,432	1,165,697
Plant operations	355,863	415,547
Private works	2,912,807	5,310,926
Property, building and housing	1,007,662	777,845
Technical services	156,813	129,799
	<u>9,938,978</u>	<u>11,408,171</u>

* Total audit fees quoted by the Queensland Audit Office relating to the 2020-21 financial statements are \$81,000 (2020: \$75,455)

Note 6: Capital income / expenses

Provision for landfill restoration

Discount rate adjustment to landfill restoration provision	15	14,314	-
		<u>14,314</u>	<u>-</u>

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

Proceeds from the sale of property, plant and equipment	62,948	45,550
Less: book value of property, plant and equipment disposed	(171,308)	(889,693)
	<u>(108,360)</u>	<u>(844,143)</u>

Note 7: Cash and cash equivalents

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

Cash at bank and on hand	14,150,004	12,134,194
Term deposits - 3 months or less	1,334,061	4,834,216
Balance per Statement of Cash Flows	<u>15,484,065</u>	<u>16,968,410</u>

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

	<u>Note</u>	<u>2021</u>	<u>2020</u>
		\$	\$
Note 7: Cash and cash equivalents (continued)			
Councils cash and cash equivalents are subject to a number of external restrictions that limit amounts available for discretionary or future use. These include:			
Externally imposed expenditure restrictions at the reporting date:			
Constrained works		2,247,007	3,842,357
Future recurrent expenditure		799,363	321,228
Total externally imposed restrictions on cash assets	23	<u><u>3,046,370</u></u>	<u><u>4,163,585</u></u>

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include security deposits lodged to guarantee performance and unclaimed monies (e.g. wages). The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities

Security deposits		116,138	116,138
Mission account		44,428	44,428
		641	641
		<u><u>161,207</u></u>	<u><u>161,207</u></u>

Note 8: Trade and other receivables

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

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

Service charge debtors		15,863	18,675
Lease receivables		105,960	170,680
Other debtors and accruals		897,008	704,979
GST receivable		160,584	113
Prepayments		2,000	-
		<u><u>1,181,415</u></u>	<u><u>894,447</u></u>
Less: Loss allowance		<u><u>(34,264)</u></u>	<u><u>(45,533)</u></u>
		<u><u>1,147,151</u></u>	<u><u>848,914</u></u>

Movement in accumulated impairment losses is as follows:

Opening balance at 1 July		(45,533)	(56,544)
Impairment debts written off during the year		-	14,097
Reduction / (Additional) impairments recognised		11,269	(3,086)
Closing balance at 30 June		<u><u>(34,264)</u></u>	<u><u>(45,533)</u></u>

Note 9: Inventories

Plant and equipment stores and miscellaneous saleable items are held for resale and distribution and 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 for sale:

Miscellaneous saleable items		6,480	6,411
Total inventories for sale		<u><u>6,480</u></u>	<u><u>6,411</u></u>

Inventories for consumption:

Plant and equipment stores		637,644	766,753
Less: Provision for slow moving and obsolete materials		<u><u>(10,000)</u></u>	<u><u>(10,000)</u></u>
Total inventories for consumption		<u><u>627,644</u></u>	<u><u>756,753</u></u>
Total inventories		<u><u>634,124</u></u>	<u><u>763,164</u></u>

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021



Note	2021	2020
	\$	\$

Note 10: Leases

10(a) Council as a lessee

Council has leases in place over land, buildings and equipment. Council has applied the exception to lease accounting for leases of low-value assets and short-term leases.

10(a)(i) Short-term leases

Council has no existing lease contracts which are required to be recognised in accordance with AASB 16 Leases. The only contracts are leases for equipment used in the road works, however, these are renewed every year (12 month agreements).

10(a)(ii) Leases at significantly below market value - concessionary / peppercorn leases

Council has a peppercorn lease contract with Department of Education for the use of 2,581 m2 land and the buildings on the premises for educational purposes. The lease expires 31 December 2021.

The Council is responsible for land assigned to it under a Lease granted to the Council pursuant to the provisions of the Aboriginal Land Act 1991 over an area of about 750,000 hectares described as Lot 293 on Plan 276451. The rights and interests are reserved to the Crown by Deed of Grant No. 40066958 (Lot 42 on SP 239441) which took effect on 18 September 2013. Council holds the interest in the land in trust for the benefit of persons who for the time being reside on any part of the land. It is considered that the nature of this lease does not fall within the scope of AASB 16.

Council does not currently have any lease agreements which require recognition under AASB 16 with a right-of-use lease asset and corresponding liability.

10(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 then 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.

10(b)(i) Finance leases

Council has leased 284 dwellings (2020: 284) as lessor to the Queensland Government for a total lease term of 40 years. The total lease payment per dwelling in the current year ranged between \$2,897 and \$3,257 (2020: \$2,845 and \$3,198). 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 measured at the present value of the expected future lease payments receivable (fair value). Gains or loss on revaluation of finance lease assets are recognised as other recurrent income.

Current other financial assets

Finance leases on social housing receivable	933,962	917,083
	933,962	917,083

Non-current other financial assets

Finance leases on social housing receivable	28,065,082	29,239,147
	28,065,082	29,239,147

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	933,962	917,083
Later than one year but not later than five years	4,669,809	4,585,415
Later than five years	23,567,121	24,058,293
	29,170,892	29,560,791
Add: Estimated contingent rent	14,323,861	15,132,715
Less: Present value adjustment	(14,495,709)	(14,537,275)
Fair value of lease payments	28,999,044	30,156,230

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

<u>Note</u>	<u>2021</u>	<u>2020</u>
	\$	\$
Note 10: Leases (continued)		
10(b) Council as a lessor (continued)		
10(b)(i) Finance leases (continued)		
The fair value of lease payments are receivable as follows:		
Not later than one year	933,962	917,083
Later than one year but not later than five years	3,732,205	3,679,993
Later than five years	24,332,877	25,559,155
	<u>28,999,044</u>	<u>30,156,230</u>
Movements in finance leases were as follows:		
Opening balance	30,156,230	27,522,831
Less: Lease receipts	(911,182)	(894,715)
Plus: Gain/(Loss) on revaluation	(246,005)	3,528,115
Closing balance	<u>28,999,044</u>	<u>30,156,230</u>
The calculation of fair value has included an estimate of average annual CPI increases of 2.5% per annum (2020: 2.5%) and a discount rate of 2.54% per annum (2020: 2.35%).		
10(b)(ii) Operating leases		
Where Council retains the risks and rewards relating to a lease, the lease is classified as an operating lease.		
The Aurukun General Store was leased to an operator until 31 March 2020. Operating lease income was calculated as 6% of gross sales.		
Wuungkam Lodge, Kooth Pach Guesthouse and MacKenzie One Camp are leased to an operator until 28 February 2022. Operating lease income is calculated as 10% of gross accommodation revenue.		
The assets are included in the statement of financial position as property, plant and equipment as the assets are held to meet Council's service delivery objectives (refer note 11).		
Rental income (excluding variable lease payments not dependent on an index or rate)	1,342,831	1,246,758
Rental income relating to variable lease payments not dependent on an index or rate	522,436	572,400
Amount of property, plant and equipment leased out by Council under operating leases		
Buildings and other structures	<u>6,017,513</u>	<u>3,785,198</u>
Total property, plant and equipment leased out by Council under operating leases	<u>6,017,513</u>	<u>3,785,198</u>
The minimum lease receipts arising from operating leases are as follows:		
Not later than one year	1,233,244	457,706
One to five years	3,007,327	630,971
Later than five years	784,911	799,752
	<u>5,025,482</u>	<u>1,888,429</u>

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

Note 11: Property, plant and equipment

11(a) For the year ended 30 June 2021

Basis of measurement Fair value category	Note	Office equipment	Plant & equipment	Buildings and other structures		Land Level 2	Road, drainage and bridge network		Aerodrome Level 3	Sewerage Level 3	Water Fair value Level 3	Capital works in progress	TOTAL
				Fair value Levels 2 & 3	Fair value Level 3		Fair value Level 3	Fair value Level 3					
Asset values		Cost \$	Cost \$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2020		438,765	4,077,575	81,415,554	475,000	34,689,186	5,811,600	15,465,430	13,286,070	1,288,424	156,947,603		
Additions at cost		-	-	70,806	-	-	20,300	-	-	-	91,106		
- Renewals		9,525	189,078	3,423,822	-	1,833,082	1,900	-	11,759	3,440,160	8,909,326		
- Other additions		-	(158,047)	(314,716)	-	-	(20,300)	-	-	-	(493,064)		
Disposals	6	-	-	(600,867)	45,000	473,332	(871,045)	(135,320)	(3,330,610)	-	(4,419,510)		
Revaluation adjustment to asset revaluation surplus	16	-	-	165,568	-	344,302	-	-	-	(509,870)	-		
Internal transfers		-	-	-	-	112,000	-	-	-	-	112,000		
Assets not previously recognised		-	-	-	-	-	-	-	-	-	-		
Closing gross value as at 30 June 2021		448,290	4,108,605	84,160,166	520,000	37,451,901	4,942,455	15,330,110	9,967,219	4,218,715	161,147,462		
Accumulated depreciation													
Opening balance as at 1 July 2020		353,698	2,275,837	32,150,542	-	7,152,915	1,218,998	8,327,353	9,148,712	-	60,628,056		
Depreciation expense		29,373	341,448	2,638,304	-	818,563	117,498	365,730	430,685	-	4,741,602		
Disposals	6	-	(105,706)	(209,088)	-	-	(6,961)	-	-	-	(321,756)		
Revaluation adjustment to asset revaluation surplus	16	-	-	(487,566)	-	(2,918,055)	(1,017,306)	(1,238,882)	(7,577,149)	-	(13,238,958)		
Accumulated depreciation as at 30 June 2021		383,071	2,511,579	34,092,193	-	5,053,423	312,229	7,454,201	2,002,248	-	51,808,944		
Book value as at 30 June 2021		65,219	1,597,026	50,067,974	520,000	32,398,478	4,630,226	7,875,909	7,964,971	4,218,715	109,338,517		
Residual value		-	164,112	-	-	-	-	-	-	-	164,112		
Range of estimated useful life in years		4-10	2-25	5-80	Indefinite	25-indefinite	2-indefinite	7-100	10-80	-	-		



AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

Note 11: Property, plant and equipment

11(b) For the year ended 30 June 2020

Basis of measurement Fair value category	Office equipment	Plant & equipment	Buildings and other structures		Land	Road, drainage and bridge network		Aerodrome	Sewerage		Water	Capital works in progress	TOTAL
			Cost	Fair value Levels 2 & 3		Fair value Level 2	Fair value Level 3		Fair value Level 3	Fair value Level 3			
Asset values													
Opening gross value as at 1 July 2019	\$ 389,376	\$ 4,050,044	\$ 78,038,923	\$ 475,000	\$ 32,906,389	\$ 5,725,760	\$ 15,350,282	\$ 13,187,280	\$ 1,352,988	\$ 151,476,044			
Additions at cost													
- Renewals	-	-	353,841	-	970,577	-	8,325	-	-	-	-	-	1,332,742
-Other additions	18,304	441,286	619,980	-	1,583,770	-	-	-	-	832,795	-	-	3,496,135
Disposals	-	(431,914)	(353,841)	-	(1,032,173)	-	(8,325)	-	-	-	-	-	(1,826,253)
Internal transfers	31,086	18,158	796,450	-	51,665	-	-	-	-	(897,360)	-	-	-
Revaluation adjustment to asset revaluation surplus	-	-	1,960,200	-	208,958	85,840	115,148	98,790	-	-	-	-	2,468,936
Closing gross value as at 30 June 2020	438,765	4,077,575	81,415,554	475,000	34,689,186	5,811,600	15,465,430	13,286,070	1,288,424	156,947,605			
Accumulated depreciation													
Opening balance as at 1 July 2019	328,627	2,293,413	29,642,458	-	5,808,430	1,093,910	7,320,065	8,616,020	-	-	-	-	55,102,923
Depreciation expense	25,072	368,554	2,471,271	-	769,342	106,020	351,681	460,925	-	-	-	-	4,552,865
Disposals	-	(386,129)	(208,354)	-	(337,279)	-	(4,797)	-	-	-	-	-	(936,559)
Revaluation adjustment to asset revaluation surplus	-	-	245,167	-	912,421	19,068	660,404	71,767	-	-	-	-	1,908,828
Accumulated depreciation as at 30 June 2020	353,698	2,275,837	32,150,542	-	7,152,915	1,218,998	8,327,353	9,148,712	-	60,628,056			
Book value as at 30 June 2020	85,067	1,801,737	49,265,012	475,000	27,536,271	4,592,602	7,138,077	4,137,358	1,288,424	96,319,549			
Residual value	-	164,112	-	-	-	-	-	-	-	-	-	-	164,112
Range of estimated useful life in years	4-10	2-25	5-80	Indefinite	25-indefinite	25-indefinite	7-100	10-80	-	-	-	-	-

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021



Note 11: Property, plant and equipment (continued)

11(c) 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.

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 34I of the Land Act 1994. It comprises an area of approximately 286.1425 hectares described in Title References 40066957 and 4066958.

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.

11(d) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value 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 are recognised as assets and revenue at fair value.

When Council raises a provision for the restoration of a Council-controlled site, such as a landfill site, the provision is initially recognised against property, plant and equipment. Subsequent changes in the provision relating to the discount rate or the estimated amount or timing of restoration costs are recognised against profit.

11(e) Depreciation

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

Land and work in progress are not depreciated.

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.

The useful life of leasehold improvements is the shorter of the useful life of the asset or the remaining life of the lease.

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

Depreciation methods, estimated useful lives and residual values 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 judgements and estimates:

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.

11(f) 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.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

Note 11: Property, plant and equipment (continued)

11(g) Valuation

Key judgements 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.

11(g)(i) Valuation processes

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. Every 3 years, council performs a full comprehensive revaluation by engaging an external professionally qualified valuer.

In the intervening years, Council undertakes a "desktop" valuation for land and improvements, buildings and infrastructure asset classes which 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.

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.

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.

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

Council does not have any assets or liabilities measured at fair value which meet the criteria for categorisation as level 1.

There were no transfers between levels during the year.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

Note 11: Property, plant and equipment

11(g) Valuation (continued)

11(g)(ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)
Land (level 2)	Market value	30/06/2021	AssetVal	The values have been determined based on sales of land in the locality, and take into consideration zoning, size, shape, location topography and exposure characteristics for each lot; as well as overall market conditions as at the date of valuation.
Buildings and other structures (level 2) 2021: \$780,000 2020: \$950,000	Market value	30/06/2021	AssetVal	Sales price per square metre of comparable properties, adjusted for differences in key attributes such as condition.
Buildings and other structures (level 3) 2021: \$49,290,371 2020: \$48,315,012	Current replacement cost	30/06/2021	AssetVal	Current gross replacement cost Unit rates for construction as at the comprehensive valuation date (recent construction data, Rawlinson's cost data and cost indices for different regions in Queensland, taking into account site specifics and consideration on size, material, type and structure). Accumulated depreciation The valuer assessed the remaining useful life and hence accumulated depreciation by analysing factors that contribute to the three forms of obsolescence: physical, functional and economic obsolescence.
Road, drainage and bridge network (level 3)	Current replacement cost	30/06/2021	AssetVal	Current gross replacement cost The unit rates applied include all materials, labour and overheads. These unit rates are estimated using information collated from similar recent project costs, direct quotations from suppliers, unit rate databases, indices and industry standard sources such as Rawlinson's Construction Handbook. Accumulated depreciation The valuer assessed the remaining useful life and hence accumulated depreciation by analysing factors that contribute to the three forms of obsolescence: physical, functional and economic obsolescence.
Aerodrome (level 3)				
Sewerage (level 3)				
Water (level 3)				



AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

	<u>Note</u>	<u>2021</u>	<u>2020</u>
		\$	\$
Note 12: 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.			
12(a) Contract assets		<u>2,028,148</u>	<u>331,092</u>
12(b) Contract liabilities			
Funds received upfront to construct Council controlled assets		2,285,326	3,837,516
Non-capital performance obligations not yet satisfied		-	177,988
		<u>2,285,326</u>	<u>4,015,504</u>
Revenue recognised that was included in the contract liability balance at the beginning of the year			
Funds to construct Council controlled assets		2,981,209	5,525,363
Non-capital performance obligations		112,638	-
		<u>3,093,847</u>	<u>5,525,363</u>

12(c) Significant changes in contract balances

Performance obligations of Works for Queensland projects have progressed reducing contract liabilities. Disaster recovery funding arrangement projects have been completed creating contract assets.

Note 13: Trade and other payables

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.

A liability for annual leave is recognised. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As council does not have an unconditional right to defer this liability beyond 12 months annual leave is classified as a current liability.

Current

Creditors and accruals	2,026,084	1,761,162
Annual leave payable	476,605	398,048
	<u>2,502,689</u>	<u>2,159,210</u>

Note 14: Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, borrowing costs are expensed as they accrue. No borrowing costs have been capitalised during the current or comparative reporting period. Expected final repayment date is 15 June 2035.

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.

Current

Loans - Queensland Treasury Corporation	32,083	30,898
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Non-current

Loans - Queensland Treasury Corporation	543,350	574,480
	<u>575,433</u>	<u>605,378</u>

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021



Note	2021	2020
	\$	\$
Note 14: Borrowings (continued)		
Loans - Queensland Treasury Corporation		
Opening balance at beginning of financial year	605,378	634,137
Principal repayments	(29,946)	(28,759)
Book value at end of financial year	<u>575,433</u>	<u>605,378</u>

The QTC loan market value at the reporting date was \$664,522 (2020: \$718,780). This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

The following table represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period.

Loans - QTC	0 to 1 year	1 - 5 Years	Over 5 years	Total
	\$	\$	\$	\$
30-Jun-21	54,018	216,073	486,165	756,256
30-Jun-20	54,018	216,073	540,183	810,274

Note 15: Provisions

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

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

Long service leave

The provision for long service leave represents 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 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 provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

Landfill restoration

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 is 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 and circumstances available at the time. Changes in the provision are treated as an expense or income.

The total projected cost of \$865,377 is expected to be incurred between 2030 and 2060. The figure excludes rehabilitating landfill cells on existing sites that are yet to be constructed or used.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

<u>Note</u>	<u>2021</u>	<u>2020</u>
	\$	\$
Note 15: Provisions (continued)		
Landfill restoration (continued)		
Current		
Long service leave	110,700	41,425
	<u>110,700</u>	<u>41,425</u>
Non-current		
Landfill restoration	851,063	865,377
Long service leave	134,454	150,759
	<u>985,517</u>	<u>1,016,137</u>
Long service leave		
Balance at beginning of financial year	192,184	199,609
Long service entitlement paid	(32,846)	(82,483)
Long service leave entitlement extinguished	(19,838)	(54,225)
Long service leave entitlement arising	105,654	129,284
Balance at end of financial year	<u>245,154</u>	<u>192,184</u>
Landfill restoration		
Balance at beginning of financial year	865,377	1,471,785
(Gain) / loss due to change in available information	-	(606,408)
Increase (decrease) due to unwinding of discount	(14,314)	-
Balance at end of financial year	<u>851,063</u>	<u>865,377</u>

Note 16: Asset revaluation surplus

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

Land	45,000	-
Buildings and other structures	85,241,005	85,354,307
Road, drainage and bridge network	23,861,772	20,470,385
Aerodrome	3,838,916	3,692,655
Sewerage	3,251,788	2,148,226
Water	4,339,223	92,683
	<u>120,577,704</u>	<u>111,758,257</u>

Note 17: Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

Local Government Mutual

The Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2021 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme, the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self-insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$209,073.29.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021



<u>Note</u>	<u>2021</u>	<u>2020</u>
	\$	\$

Note 18: Superannuation

Council contributes to the LGIASuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIASuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the Local Government Act 2009.

The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at the council level.

Any amount by which the scheme is over or under funded may affect future contribution rate obligations, but has not been recognised as an asset or liability of the council.

Aurukun Shire Council may be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them, However the risk of this occurring is extremely low and in accordance with the LGIASuper trust deed changes to council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee salary or wages and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is not due until 1 July 2021.

The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:

Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.

Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

Total superannuation contributions paid by Council for employees	554,272	589,649
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Note 19: Reconciliation of net result for the year to net cash inflow (outflow) from operating activities

Net result		4,690,234	4,901,442
Non-cash operating items:			
Depreciation and amortisation		4,741,602	4,552,865
		<u>4,741,602</u>	<u>4,552,865</u>
Investing and development activities (non-cash):			
Net (profit) loss on disposal of non-current assets	6	108,360	844,143
(Gain) loss on revaluation of finance leases	10	246,005	(3,528,115)
Changes in accounting policy		-	(4,419,377)
Capital grants and contributions	3(d)	(8,757,607)	(4,217,640)
Finance costs		19,269	27,873
		<u>(8,383,973)</u>	<u>(11,293,116)</u>

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

Note	2021	2020
	\$	\$
Note 19: Reconciliation of net result for the year to net cash inflow (outflow) from operating activities (continued)		
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(298,237)	785,871
(Increase)/decrease in inventories	129,040	(44,162)
(Increase)/decrease in contract assets	-	(331,092)
Increase/(decrease) in payables	343,479	(830,298)
Increase/(decrease) in contract liabilities	(177,988)	4,015,504
Increase/(decrease) in provisions	38,655	(613,832)
	<u>34,950</u>	<u>2,981,991</u>
Net cash inflow/(outflow) from operating activities	<u>1,082,813</u>	<u>1,143,181</u>

Note 20: Reconciliation of liabilities arising from finance activities

Loans		
Balance as at 1 July	605,378	634,137
Cash flows	(29,946)	(28,759)
Balance as at 30 June	<u>575,433</u>	<u>605,378</u>

Note 21: Events after the reporting date

There were no material adjusting events after the balance date.

Note 22: Transactions with related parties

22(a) Related entities

Aurukun Shire Council has no associates or joint ventures.

22(b) Transactions with key management personnel (KMP)

KMP include the Mayor, councillors, council's Chief Executive Officer and the Directors of Corporate, Technical and Community Services and officers acting in these positions.

The compensation paid to KMP comprises:

Short-term employee benefits	1,319,411	1,297,756
Post-employment benefits	111,369	112,587
Long-term benefits	66,916	43,806
Termination benefits	5,067	23,966
Total	<u>1,502,763</u>	<u>1,478,115</u>

Detailed remuneration disclosures are provided in the annual report.

22(c) 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.

Aurukun is one of the larger communities in the cape. Most residents are traditional owners of the shire and surrounding lands. There are five spiritual clan groups: Apalech, Winchanam, Wanam, Chara and Puutch. As such it would be typical for KMPs to have several close family members.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021



	<u>Note</u>	<u>2021</u>	<u>2020</u>
		\$	\$
Note 22: Transactions with related parties (continued)			
22(c) Transactions with other related parties (continued)			
Details of transactions between council and other related parties are disclosed below:			
Details of transaction			
Fees and charges charged to close family members of key management personnel	22(c)(i)	-	7,153
Employee expenses for close family members of key management personnel	22(c)(ii)	197,039	497,250
Purchase of materials and services from close family members of key management personnel	22(c)(iii)	261,291	51,789

22(c)(i) The fees and charges charged to close family members of key management personnel were on an arm's length basis in accordance with the schedule of fees and charges adopted by council.

22(c)(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.

The council employs 161 staff of which 8 (2020: 30) are close family members of key management personnel.

22(c)(iii) The material and services purchased from close family members of key management personnel related to artwork. All purchases were at arm's length and were in the normal course of council operations.

22(d) Outstanding balances

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

Receivables	Commercial rent	
Current	-	-
Past due 31-60 days	-	-
Past due 61-90 days	-	-
More than 90 days overdue	-	805
	<u>-</u>	<u>805</u>

No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

22(e) Loans and guarantees to/from related parties

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

22(f) Commitments to/from other related parties

Council has made no commitments to or received commitments from other related parties.

22(g) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of council live and operate within Aurukun Council. Therefore, on a regular basis ordinary citizen transactions occur between council and its related parties. Some examples include dog registration and borrowing books from the council library.

AURUKUN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2021

Note 23: Tied grants by project

The following note is prepared on a cash basis.

Source of funds and/or projects	Balance 1/07/2020	Revenue	Expense	Balance 30/06/2021
	\$	\$	\$	\$
General purpose grants				
Grants for the whole of Council:				
Financial assistance grant	-	2,196,313	2,196,313	-
State government financial aid	-	1,369,582	1,369,582	-
Revenue replacement grant	-	667,700	667,700	-
Indigenous economic development	-	80,000	80,000	-
	-	4,313,595	4,313,595	-
Specific purpose grants				
Indigenous visual arts industry support	74,056	290,000	185,457	178,599
Indigenous regional arts development fund	2,479	15,000	-	17,479
Backing indigenous arts (Arts Qld)	29,732	105,000	10,139	124,594
Indigenous languages and arts program	-	38,200	9,864	28,336
Aurukun fuel facility upgrade	-	300,548	300,548	-
Local roads and community infrastructure phase 1	-	26,875	47,784	(20,909)
Splash park	-	346,100	338,011	8,089
NAIDOC - heal country	-	500	500	-
Refurbishment of park & basketball courts	72,727	-	72,727	-
Football oval upgrade	(72,012)	91,964	19,951	-
Community facilities	(39,235)	-	10,065	(49,300)
Christmas hampers	-	115,141	115,141	-
Community events	-	18,182	18,182	-
Indigenous knowledge centre	-	21,500	18,088	3,412
State library of Queensland strategic priorities	44,361	25,000	32,024	37,337
Deadly digital communities	2,760	10,000	2,375	10,385
Tech savvy seniors Queensland	8,740	-	4,480	4,260
Wik firestick story	-	9,965	4,530	5,435
Indigenous languages	-	15,000	36	14,964
Koolkan Woyan Min child and family hub program	(8,734)	138,503	75,941	53,828
Aurukun playgroup and early childhood learning	(1,457)	90,992	68,672	20,862
Koolkan Woyan Min child care centre - long day care	68,153	140,239	208,392	-
Community child care foundation	-	522,739	473,046	49,693
Community transport	-	10,000	10,000	-
Commonwealth home support program	-	463,890	314,521	149,369
Indigenous employment initiative	-	147,360	125,451	21,909
Queensland community support scheme	-	80,980	80,980	-
Emergency support for COVID-19 meals activity	-	12,135	12,135	-
COVID-19 aged care emergency food service	-	128,016	128,016	-
Community safety plan	-	50,000	29,725	20,275
ATSI public health	21,394	176,018	197,412	-
Rio Tinto - road user agreement	361,349	-	71,624	289,725
Local roads and community infrastructure phase 2	-	51,175	638	50,537
TIDS 2019-20	(3,187)	232,800	229,613	-
TIDS 2020-21	-	-	156,370	-
Roads to recovery 2019-20	167,054	-	167,054	-
Roads to recovery 2020-21	30,055	67,186	97,481	(240)
Natural disaster relief & recovery 2018	(84,375)	83,947	(428)	-
Disaster recovery funding arrangements 2018-19	659,531	249,521	2,036,624	(1,127,572)
Disaster recovery funding arrangements 2019-20	-	101,341	69,180	32,161
Strategic planning for the airport	(129,695)	129,695	-	-
Works for Queensland round 3	990,279	-	1,787,040	(796,761)
Works for Queensland COVID 2020-21	-	955,000	543,302	411,698
Solid waste facility refurbishment	834,698	593,009	1,045,058	382,650
Waste water infrastructure improvements	397,712	535,822	61,652	871,882
Water infrastructure improvements	328,952	39,930	109,989	258,893
Get ready Queensland	4,203	6,102	10,983	(678)
Family income management	65,350	-	65,350	-
	3,824,890	6,435,373	13,679,318	1,050,910
Add back negative grants	338,695			1,995,460
Unspent grant revenue	4,163,585	10,748,968	17,992,913	3,046,370



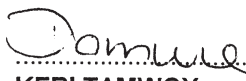
AURUKUN SHIRE COUNCIL
Financial Statements
For the year ended 30 June 2021

Management Certificate
For the year ended 30 June 2021

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

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

- (i) the prescribed requirements of the Local Government Act 2009 and Local Government Regulation 2012 for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 2 to 27, 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.


.....
KERI TAMWOY
Mayor

Date: 06/10/2021


.....
BERNIE MCCARTHY
Chief Executive Officer

Date: 6/10/2021.

INDEPENDENT AUDITOR'S REPORT

To the councillors of Aurukun Shire Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Aurukun Shire Council.

In my opinion, the financial report:

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

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

Basis for opinion

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

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

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

Other information

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

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

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Report on other legal and regulatory requirements

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

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

Prescribed requirements scope

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



Sri Narasimhan
as delegate of the Auditor-General

7 October 2021

Queensland Audit Office
Brisbane



AURUKUN SHIRE COUNCIL

FINANCIAL SUSTAINABILITY STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021



AURUKUN SHIRE COUNCIL
Financial Statements
For the year ended 30 June 2021

Current year financial sustainability statement	34
Certificate of Accuracy for the current year financial sustainability statement	35
Independent Auditor's Report on the current year financial sustainability statement	36
Long-term financial sustainability statement	39
Certificate of Accuracy for the long-term financial sustainability statement	40

AURUKUN SHIRE COUNCIL Current-year Financial Sustainability Statement For the year ended 30 June 2021

Measures of Financial Sustainability

	How the measure is calculated	Actual - Council	Target
Council's performance at 30 June 2021 against key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-23%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	2%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-80%	not greater than 60%

Note 1 - Basis of Preparation

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

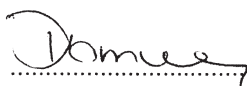


AURUKUN SHIRE COUNCIL
Current-year Financial Sustainability Statement
For the year ended 30 June 2021

AURUKUN SHIRE COUNCIL
Certificate of Accuracy for the current year financial sustainability statement
For the year ended 30 June 2021

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.



KERI TAMWOY
Mayor

Date: 06/10/2021



BERNIE MCCARTHY
Chief Executive Officer

Date: 6/10/2021.

INDEPENDENT AUDITOR'S REPORT

To the councillors of Aurukun Shire Council

Report on the current-year financial sustainability statement

Opinion

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

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

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other Information

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

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

The councillors are responsible for the other information.

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

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

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

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

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

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

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

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

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

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

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

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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.

Sri Narasimhan
as delegate of the Auditor-General

7 October 2021

Queensland Audit Office
Brisbane

AURUKUN SHIRE COUNCIL
Long-Term Financial Sustainability Statement (Unaudited)
Prepared as at 30 June 2021

Measures of Financial Sustainability	Council	Measure	Target	Actuals at 30 June 2021	Projected for the years ended								
					30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030
Operating surplus ratio		Net result divided by total operating revenue	Between 0% and 15%	-23%	-22.42%	-27.28%	-26.72%	-27.80%	-27.60%	-27.49%	-27.76%	-34.02%	-34.18%
Asset sustainability ratio		Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	2%	142.14%	138.21%	133.31%	125.06%	123.41%	121.35%	117.56%	92.20%	89.76%
Net financial liabilities ratio		Total liabilities less current assets divided by total operating revenue	not greater than 60%	-80%	-76.88%	-74.29%	-69.80%	-65.87%	-61.97%	-58.09%	-54.22%	-50.38%	-46.56%

Aurukun Shire Council's Financial Management

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.




AURUKUN SHIRE COUNCIL
Long-term Financial Sustainability Statement
For the year ended 30 June 2021

AURUKUN SHIRE COUNCIL
Certificate of Accuracy for the long-term financial sustainability statement
as at 30 June 2021

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.


.....

KERI TAMWOY
Mayor

Date: 06/10/2021


.....

BERNIE MCCARTHY
Chief Executive Officer

Date: 6/10/2021.



ANNUAL REPORT FEEDBACK

Aurukun Shire Council aims to make this Annual Report transparent and easy to read. Council welcomes your feedback and suggestions for improvement. If you have any comments you wish to share, please direct them to the Chief Executive Officer by phoning 07 4060 6800 or emailing ceo@aurukun.qld.gov.au

Acknowledgment of Photographs

Special acknowledgment for contributions from Aurukun Shire Council employees, community agencies and residents.

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Contact Details

Legal Name:	Aurukun Shire Council
Postal address (Aurukun):	Post Office Box 1, Aurukun QLD 4892
Postal address (Cairns):	Post Office Box 887N Cairns QLD 4870
Office address (Aurukun):	39 Kang Kang Road, Aurukun QLD 4892
Office address (Cairns):	200 McLeod Street, Cairns QLD 4870
Telephone (Aurukun):	(07) 4060 6800
Telephone (Cairns):	(07) 4047 6700
Email address:	council@aurukun.qld.gov.au
ABN	32 338 490 426
GST Registered	01/07/2000
Website:	www.aurukun.qld.gov.au
Facebook:	www.facebook.com/AurukunShireCouncil



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