



**LOCKHART RIVER ABORIGINAL SHIRE COUNCIL**

**BUDGET REPORT 2022-2023**



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LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

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## HIGHLIGHTS OF BUDGET ASSUMPTIONS AND PRINCIPLES

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The Lockhart River Aboriginal Shire Council is highly dependent on federal and state grant funding for operational, maintenance and capital expenditure to meet service delivery requirements of Lockhart River community. This grant funding arrangement is certainly expected to continue to be available to fund operational and capital needs of the Council.

Any funded programs that cannot be predicted have not been included in this budget and only includes those programs whose continuity is absolutely certain. The Council has primarily relied on SGFA and FAG grant funding for general purposes and it is assumed that these general purpose grants will continue to flow well into the forecasted period. Other community development and services grants are provided on specific service agreements, and unless where intention to terminate them has been confirmed, the Council has budgeted for them even without extended funding agreement period.

The Council does not borrow to fund its financial needs and the existing liabilities are made up of normal business creditors. In the forecast period there is nil interest expenses from borrowings.

Restoration and emergency works due to activated weather events are funded by Queensland Reconstruction Authority and the Council includes the approved submissions into the forecast. Any unapproved or in progress submissions have not been included in this budget. Any future weather events are highly unpredictable and difficult to assess their impact to include in the long term forecasts.

All the major capital works are funded through federal and state government grant programs and this is very essential to enable carrying out upgrade works for creek crossings, road formation, pavement improvements and surface sealing on both Portland Road and Old Mission Road and affiliated rural roads.

The long term trend of inflation rate is predicted at 5.0% and its impact has been included in the long term forecast by adjusting costs using prevailing CPI. Generally, an increase factor of 5.0% has been used in forecasting of revenue and expenditure items.

Without significant additional sources of revenue, there was 10% increase in most of the general Council revenues and fees but subject to future inter period reviews to update with market trend. Any waiver or discounting of Council fees and charges will be at the discretion of the CEO exercising powers delegated by the Council and the Mayor.

The capital funding on renewals, replacements and upgrades is only limited to the equivalent of depreciation amount where the Council achieves breakeven operating results as Council does not have any cash reserves to utilize for capital funding. Moreover, the general assumption is that capital grants will continue to flow from the federal and state government to fund capital works on Community Housing, Council Buildings, Public Facilities, Roads, Water, and Sewerage Infrastructures.

The employment costs have been adjusted to accommodate any future wage increases by 5.0% and work attendance is assumed to be 100% of total budgeted ordinary working hours.

It was assumed that the capital work projects in progress have been rolled over to the new financial year for completion and have been included in the forecasts accordingly. The Council seek authority to expend any unspent funds for funded programs before including them in the budget.

Lockhart River Aboriginal Shire recognises the importance of State and Federal Governments funding and their importance on its financial sustainability. The Council will ensure full compliance with all the funding terms and conditions to provide consistent availability of grants funding.

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## BUDGET SUMMARY

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### **Council operations**

Operating revenue	\$25,557,923
Operating expenditure	\$26,423,591

### **Council capital works**

Capital expenditure	\$11,551,392
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#### ***Capital works funded by:***

Capital grants	\$9,997,812
Council own revenue	\$1,553,580

### **Aerodrome Company operations**

Operating revenue	\$1,569,659
Operating expenditure	\$1,542,760

### **Aerodrome Company capital works**

Capital expenditure	\$657,834
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#### ***Capital works funded by***

Capital grants	\$173,034
Council in-kind contribution	\$310,800
Aerodrome Company own revenue	\$174,000

The following budgeted financial statements are combination of Council and Aerodrome Company reporting as Consolidated Entity.

## BUDGET VARIANCES FOR THE YEAR

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL Budget Statement of Comprehensive Income Budget Variance						
For the year ended 30 June	Actual 2021/22	Budget 2021/22	Budget* 2022/23	Variance to budget	% Change	Reasons
	\$	\$	\$	\$		
<b>Recurrent revenue</b>						
Rates, levies and charges	168,383	157,500	173,250	15,750	10%	Annual review and increase by 10%
Rental income	96,161	150,000	105,000	(45,000)	-30%	Decreased rent from community houses
Interest received	33,673	50,000	50,000	-	0%	
Sales and recoverable works	5,849,079	5,150,252	6,754,658	1,604,406	31%	Increased revenue expected from new community and staff houses
Other income	5,509,500	1,077,869	60,000	(1,017,869)	-94%	Gain on fair value of lease receivable from 40 year leases
Grants, subsidies, contributions and donations	10,033,583	7,128,221	19,984,673	12,856,452	180%	Active DRFA restoration works - Tropical Low 24-30 January 2021
	21,690,379	13,713,842	27,127,581	13,413,739	98%	
<b>Capital revenue</b>						
Grants, subsidies, contributions and donations	8,447,858	13,822,575	10,251,846	(3,570,729)	-26%	Completed DRFA Betterment works and W4Q projects
Total revenue	30,138,237	27,536,417	37,379,427	9,843,010	36%	
<b>Total income</b>	<b>30,138,237</b>	<b>27,536,417</b>	<b>37,379,427</b>	<b>9,843,010</b>	<b>36%</b>	
<b>Operating Expenses</b>						
Recurrent expenses						
Employee benefits	(5,799,846)	(7,149,127)	(7,578,940)	(429,813)	6%	
Materials and services	(9,181,066)	(6,802,605)	(17,748,217)	(10,945,612)	161%	Effect of active DRFA restoration works - Tropical Low 24-30 January 2021
Finance costs	(11,800)	(3,749)	(3,000)	749	-20%	Increase in loss allowance on debtors due to more aged balances
Depreciation and amortisation	(2,664,838)	(2,528,871)	(2,665,941)	(137,070)	5%	
<b>Total expenses</b>	<b>(17,657,550)</b>	<b>(16,484,352)</b>	<b>(27,996,098)</b>	<b>(11,511,746)</b>	<b>70%</b>	
<b>Net Operating Result</b>	<b>12,480,687</b>	<b>11,052,065</b>	<b>9,383,329</b>	<b>(1,668,736)</b>	<b>-15%</b>	

## LOCKHART RIVER ABORIGINAL SHIRE COUNCIL Capital Expenditure Budget Variance

	Actual 2021/22	Budget 2021/22	Budget* 2022/23	Variance to budget	% Change	Reasons
BUILDINGS (>\$5,000)	355,998	270,000	420,000	150,000	56%	Major repairs scheduled for Council admin building
HOUSING (>\$5,000)	271,059	2,249,000	2,431,597	182,597	8%	
OTHER STRUCTURES (>\$5,000)	2,017,409	3,507,604	2,015,423	(1,492,181)	-43%	Cultural Precinct is nearly completed
OFFICE FURNITURE & EQUIPMENT	46,849	45,000	44,000	(1,000)	-2%	
PLANT & EQUIPMENT (>\$1,000)	227,427	165,000	740,000	575,000	348%	Replacement of Community Bus and Garbage Truck
ROAD INFRASTRUCTURE (>\$5,000)	5,174,874	6,013,320	5,174,187	(839,133)	-14%	Completed DRFA Betterment works
WATER INFRASTRUCTURE (>\$5,000)	223,624	206,000	429,185	223,185	108%	New subdivision water infrastructure
SEWERAGE INFRASTRUCTURE (>\$5,000)	112,321	750,000	297,000	(453,000)	-60%	Variation to water infrastructure of some ICCIP projects
	<b>8,429,561</b>	<b>13,205,924</b>	<b>11,551,392</b>	<b>(1,654,532)</b>	<b>-13%</b>	

Consolidated entity budget - Council and Aerodrome Company

**LOCKHART RIVER ABORIGINAL SHIRE COUNCIL**

**Budgeted and 2 Years Forecasted Statement of Comprehensive Income**

Year ended	Budget	Forecast	
	30-Jun-23	30-Jun-24	30-Jun-25
	\$	\$	\$
<b>Revenue</b>			
<b>Recurrent revenue</b>			
General rates	173,250	181,913	191,008
Other rental income	105,000	110,250	115,763
Other interest received	50,000	52,500	55,125
Contract and recoverable works	6,754,658	7,092,391	7,447,010
State subsidies and grants—operating	18,510,768	19,436,306	20,408,122
Commonwealth subsidies and grants—operating	1,473,905	1,547,600	1,624,980
Other income	60,000	63,000	66,150
<b>Total recurrent revenue</b>	<b>27,127,581</b>	<b>28,483,960</b>	<b>29,908,158</b>
<b>Capital revenue</b>			
Government subsidies and grants—capital	10,251,846	4,300,000	1,500,000
<b>Total income</b>	<b>37,379,427</b>	<b>32,783,960</b>	<b>31,408,158</b>
<b>Expenses</b>			
Employee benefits	7,578,940	7,781,362	7,989,492
Materials and services	17,718,417	18,604,338	19,534,555
Depreciation and amortisation	2,665,941	3,025,164	3,119,274
Other expenses	3,000	3,150	3,308
<b>Total expenses</b>	<b>27,966,298</b>	<b>29,414,014</b>	<b>30,646,628</b>
<b>Net result attributable to Council</b>	<b>9,413,129</b>	<b>3,369,946</b>	<b>761,530</b>
<b>Operating Result</b>			
Operating revenue	27,127,581	28,483,960	29,908,158
Operating expense	27,966,298	29,414,014	30,646,628
<b>Net Operating result</b>	<b>(838,717)</b>	<b>(930,054)</b>	<b>(738,470)</b>

Consolidated entity budget - Council and Aerodrome Company

## LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

### Budgeted and 2 Years Forecasted Statement of Financial Position

Year ended	Budget	Forecast	
	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$
<b>Current assets</b>			
Cash assets and cash equivalents	10,784,871	11,117,271	10,490,117
Inventories	319,673	331,690	344,307
Receivables	1,992,375	2,330,671	2,453,897
Other non-current assets	332,838	341,159	349,688
<b>Total current assets</b>	<b>13,429,757</b>	<b>14,120,791</b>	<b>13,638,009</b>
<b>Non-current assets</b>			
Property, plant and equipment	116,715,883	119,988,606	121,908,959
Other non-current assets	14,520,153	14,178,994	13,829,306
Investment	100	100	100
Right of use assets	205,889	151,127	96,478
<b>Total non-current assets</b>	<b>131,442,025</b>	<b>134,318,827</b>	<b>135,834,843</b>
<b>Total assets</b>	<b>144,871,782</b>	<b>148,439,618</b>	<b>149,472,852</b>
<b>Current liabilities</b>			
Trade and other payables	2,079,481	2,163,020	2,262,522
Employee payables/provisions	444,467	465,769	487,071
Lease liabilities	57,775	57,775	57,775
Other current liabilities	-	-	-
<b>Total current liabilities</b>	<b>2,581,724</b>	<b>2,686,565</b>	<b>2,807,368</b>
<b>Non-current liabilities</b>			
Employee payables/provisions	1,870,331	1,878,829	1,887,327
Lease liabilities	151,863	94,088	36,313
<b>Total non-current liabilities</b>	<b>2,022,194</b>	<b>1,972,917</b>	<b>1,923,640</b>
<b>Total liabilities</b>	<b>4,603,917</b>	<b>4,659,481</b>	<b>4,731,008</b>
<b>Net community assets</b>	<b>140,267,865</b>	<b>143,780,137</b>	<b>144,741,844</b>
<b>Community equity</b>			
Asset revaluation reserve	43,958,489	44,130,614	44,360,592
Retained surplus (deficiency)	96,309,376	99,649,522	100,381,252
<b>Total community equity</b>	<b>140,267,865</b>	<b>143,780,137</b>	<b>144,741,844</b>

**LOCKHART RIVER ABORIGINAL SHIRE COUNCIL**  
**Budgeted and 2 Years Forecasted Statement of Cash Flows**

Year ended	Budget	Forecast	
	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$
<b>Cash flows from operating activities:</b>			
Receipts from customers	6,876,686	7,309,472	7,672,368
Payment to suppliers and employees	(25,373,487)	(26,317,327)	(27,440,470)
Interest received	50,000	52,500	55,125
Rental income	102,636	109,843	115,285
Non-capital grants and contributions	16,769,106	20,673,850	21,942,154
<b>Net cash inflow (outflow) from operating activities</b>	<b>(1,575,058)</b>	<b>1,828,338</b>	<b>2,344,462</b>
<b>Cash flows from investing activities:</b>			
Payments for property, plant and equipment	(12,209,226)	(6,071,000)	(4,755,000)
Grants, subsidies, contributions and donations	10,992,185	4,300,000	1,500,000
Other cash flows from investing activities	324,720	332,838	341,159
<b>Net cash inflow (outflow) from investing activities</b>	<b>(892,321)</b>	<b>(1,438,162)</b>	<b>(2,913,841)</b>
<b>Cash flows from financing activities:</b>			
Repayment of leases	(57,775)	(57,775)	(57,775)
<b>Net cash inflow (outflow) from investing activities</b>	<b>(57,775)</b>	<b>(57,775)</b>	<b>(57,775)</b>
<b>Net increase (decrease) in cash held</b>	<b>(2,525,154)</b>	<b>332,401</b>	<b>(627,154)</b>
Cash at beginning of reporting period	13,310,025	10,784,871	11,117,271
<b>Cash at end of reporting period</b>	<b>10,784,871</b>	<b>11,117,271</b>	<b>10,490,117</b>



**LOCKHART RIVER ABORIGINAL SHIRE  
COUNCIL**

**Budgeted and 2 Years Forecasted Statement of Changes in Equity**

Year ended	Budget	Forecast	
	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$
<b>Asset revaluation surplus</b>			
Opening balance	43,958,008	43,958,489	44,130,614
Increase in asset revaluation surplus	481	172,125	229,978
Closing balance	43,958,489	44,130,614	44,360,592
<b>Retained surplus</b>			
Opening balance	86,926,047	96,309,376	99,649,522
Net result	9,383,329	3,340,146	731,730
Closing balance	96,309,376	99,649,522	100,381,252
<b>Total</b>			
Opening balance	130,884,055	140,267,865	143,780,137
Net result	9,383,329	3,340,146	731,730
Increase in asset revaluation surplus	481	172,125	229,978
<b>Closing balance</b>	<b>140,267,865</b>	<b>143,780,137</b>	<b>144,741,844</b>

Consolidated entity budget - Council and Aerodrome Company

## LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

### Budgeted and 9 Years Forecasted Measures of Financial Sustainability (Ratios)

Year ended	Target Ratio	Budget	Forecast								
		30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30	30-Jun-31	30-Jun-32

#### 1 Operating Surplus Ratio

(Net Operating Surplus / Total Operating Revenue) (%)	0 - 10%	(3.1)%	(3.3)%	(2.5)%	(1.4)%	0.2%	1.0%	2.0%	2.6%	3.3%	4.4%
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#### 2 Net Financial Asset / Liability Ratio

((Total Liabilities - Current Assets) / Total Operating Revenue)	60.0%	(32.5)%	(33.2)%	(29.8)%	(35.5)%	(40.2)%	(48.1)%	(41.4)%	(42.4)%	(40.5)%	(42.5)%
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#### 3 Asset Sustainability Ratio

(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)	90.0%	175.3%	162.9%	145.9%	84.3%	74.9%	59.7%	67.4%	88.0%	40.0%	99.0%
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Consolidated entity budget - Council and Aerodrome Company

## LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

### Budgeted and 9 Years Forecasted Statement of Comprehensive Income

Year ended	Budget	Forecast								
	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$	30-Jun-26 \$	30-Jun-27 \$	30-Jun-28 \$	30-Jun-29 \$	30-Jun-30 \$	30-Jun-31 \$	30-Jun-32 \$
<b>Revenue</b>										
<b>Recurrent revenue</b>										
General rates	173,250	181,913	191,008	200,559	210,586	221,116	232,172	243,780	255,969	268,768
Other rental income	105,000	110,250	115,763	121,551	127,628	134,010	140,710	147,746	155,133	162,889
Other interest received	50,000	52,500	55,125	57,881	60,775	63,814	67,005	70,355	73,873	77,566
Contract and recoverable works	6,754,658	7,092,391	7,447,010	7,819,361	8,210,329	8,620,845	9,051,888	9,504,482	9,979,706	10,478,692
State subsidies and grants	18,510,768	19,436,306	20,408,122	21,428,528	22,499,954	23,624,952	24,806,200	26,046,509	27,348,835	28,716,277
Commonwealth subsidies & grants	1,473,905	1,547,600	1,624,980	1,706,229	1,791,541	1,881,118	1,975,174	2,073,932	2,177,629	2,286,510
Other income	60,000	63,000	66,150	69,458	72,930	76,577	80,406	84,426	88,647	93,080
<b>Total recurrent revenue</b>	<b>27,127,581</b>	<b>28,483,960</b>	<b>29,908,158</b>	<b>31,403,566</b>	<b>32,973,744</b>	<b>34,622,431</b>	<b>36,353,553</b>	<b>38,171,231</b>	<b>40,079,792</b>	<b>42,083,782</b>
<b>Capital revenue</b>										
Government subsidies and grants ca	10,251,846	4,300,000	1,500,000	2,350,000	2,930,000	2,400,000	2,130,000	2,500,000	580,000	3,100,000
<b>Total income</b>	<b>37,379,427</b>	<b>32,783,960</b>	<b>31,408,158</b>	<b>33,753,566</b>	<b>35,903,744</b>	<b>37,022,431</b>	<b>38,483,553</b>	<b>40,671,231</b>	<b>40,659,792</b>	<b>45,183,782</b>
<b>Recurrent expenses</b>										
Employee benefits	7,578,940	7,781,362	7,989,492	8,203,505	8,423,582	8,649,911	8,882,684	9,122,104	9,368,376	9,621,716
Materials and services	17,718,417	18,604,338	19,534,555	20,511,282	21,536,847	22,613,689	23,744,373	24,931,592	26,178,172	27,487,080
Depreciation and amortisation	2,665,941	3,025,164	3,119,274	3,137,400	2,948,858	3,021,518	3,012,975	3,123,597	3,199,107	3,130,820
Other expenses	3,000	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654
<b>Total recurrent expenses</b>	<b>27,966,298</b>	<b>29,414,014</b>	<b>30,646,628</b>	<b>31,855,660</b>	<b>32,912,933</b>	<b>34,288,946</b>	<b>35,644,053</b>	<b>37,181,514</b>	<b>38,750,087</b>	<b>40,244,271</b>
<b>Capital expenses</b>										
Total capital expenses	29,800	29,800	29,800	29,800						
<b>Total expenses</b>	<b>27,996,098</b>	<b>29,443,814</b>	<b>30,676,428</b>	<b>31,885,460</b>	<b>32,912,933</b>	<b>34,288,946</b>	<b>35,644,053</b>	<b>37,181,514</b>	<b>38,750,087</b>	<b>40,244,271</b>
<b>Net result attributable to Council</b>	<b>9,383,329</b>	<b>3,340,146</b>	<b>731,730</b>	<b>1,868,106</b>	<b>2,990,811</b>	<b>2,733,485</b>	<b>2,839,500</b>	<b>3,489,717</b>	<b>1,909,705</b>	<b>4,939,511</b>
<b>OPERATING RESULT</b>										
<b>Operating revenue</b>	27,127,581	28,483,960	29,908,158	31,403,566	32,973,744	34,622,431	36,353,553	38,171,231	40,079,792	42,083,782
<b>Operating expense</b>	27,966,298	29,414,014	30,646,628	31,855,660	32,912,933	34,288,946	35,644,053	37,181,514	38,750,087	40,244,271
<b>Operating result</b>	<b>(838,717)</b>	<b>(930,054)</b>	<b>(738,470)</b>	<b>(452,094)</b>	<b>60,811</b>	<b>333,485</b>	<b>709,500</b>	<b>989,717</b>	<b>1,329,705</b>	<b>1,839,511</b>

Consolidated entity budget - Council and Aerodrome Company

## LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

### Budgeted and 9 Years Forecasted Statement of Financial Position

Year ended	Budget	Forecast								
	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$	30-Jun-26 \$	30-Jun-27 \$	30-Jun-28 \$	30-Jun-29 \$	30-Jun-30 \$	30-Jun-31 \$	30-Jun-32 \$
<b>Current assets</b>										
Cash assets and cash equiva	10,784,871	11,117,271	10,490,117	12,669,287	14,690,600	16,330,406	14,687,418	15,759,083	15,754,422	17,335,658
Inventories	319,673	331,690	344,307	357,555	370,141	382,097	393,456	404,247	414,498	424,236
Receivables	1,992,375	2,330,671	2,453,897	2,576,581	2,705,399	2,832,897	2,982,679	3,131,802	3,288,381	3,443,355
Other non-current assets	332,838	341,159	349,688	358,430	367,391	376,576	385,990	395,640	405,531	415,422
<b>Total current assets</b>	<b>13,429,757</b>	<b>14,120,791</b>	<b>13,638,009</b>	<b>15,961,853</b>	<b>18,133,530</b>	<b>19,921,976</b>	<b>18,449,543</b>	<b>19,690,771</b>	<b>19,862,832</b>	<b>21,618,672</b>
<b>Non-current assets</b>										
Property, plant and equipm	116,715,883	119,988,606	121,908,959	122,210,570	123,804,919	123,866,544	127,843,396	128,524,622	131,237,876	132,453,612
Other non-current assets	14,520,153	14,178,994	13,829,306	13,470,876	13,103,485	12,726,909	12,340,919	11,945,279	11,539,748	11,124,327
Investment	100	100	100	100	100	100	100	100	100	100
Right of use assets	205,889	151,127	96,478	41,829	4,566	-	-	-	-	-
<b>Total non-current assets</b>	<b>131,442,025</b>	<b>134,318,827</b>	<b>135,834,843</b>	<b>135,723,375</b>	<b>136,913,070</b>	<b>136,593,553</b>	<b>140,184,415</b>	<b>140,470,001</b>	<b>142,777,724</b>	<b>143,578,039</b>
<b>Total assets</b>	<b>144,871,782</b>	<b>148,439,618</b>	<b>149,472,852</b>	<b>151,685,227</b>	<b>155,046,601</b>	<b>156,515,529</b>	<b>158,633,958</b>	<b>160,160,772</b>	<b>162,640,556</b>	<b>165,196,711</b>
<b>Current liabilities</b>										
Trade and other payables	2,079,481	2,163,020	2,262,522	2,360,405	2,462,801	2,562,904	2,682,006	2,799,281	2,921,998	3,042,086
Employee payables / provisi	444,467	465,769	487,071	508,373	529,675	550,976	572,278	593,580	614,882	636,184
Lease liabilities	57,775	57,775	57,775	32,778	3,535	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>2,581,724</b>	<b>2,686,565</b>	<b>2,807,368</b>	<b>2,901,556</b>	<b>2,996,010</b>	<b>3,113,880</b>	<b>3,254,285</b>	<b>3,392,861</b>	<b>3,536,880</b>	<b>3,678,270</b>
<b>Non-current liabilities</b>										
Employee payables / provisi	1,870,331	1,878,829	1,887,327	1,895,825	1,874,523	154,520	133,218	111,916	90,614	69,312
Lease liabilities	151,863	94,088	36,313	3,535	-	-	-	-	-	-
<b>Total non-current liabilities</b>	<b>2,022,194</b>	<b>1,972,917</b>	<b>1,923,640</b>	<b>1,899,360</b>	<b>1,874,523</b>	<b>154,520</b>	<b>133,218</b>	<b>111,916</b>	<b>90,614</b>	<b>69,312</b>
<b>Total liabilities</b>	<b>4,603,917</b>	<b>4,659,481</b>	<b>4,731,008</b>	<b>4,800,916</b>	<b>4,870,534</b>	<b>3,268,400</b>	<b>3,387,502</b>	<b>3,504,778</b>	<b>3,627,494</b>	<b>3,747,582</b>
<b>Net community assets</b>	<b>140,267,865</b>	<b>143,780,137</b>	<b>144,741,844</b>	<b>146,884,312</b>	<b>150,176,067</b>	<b>153,247,130</b>	<b>155,246,456</b>	<b>156,655,996</b>	<b>159,013,062</b>	<b>161,449,129</b>
<b>Community equity</b>										
Asset revaluation reserve	43,958,489	44,130,614	44,360,592	44,634,954	44,935,899	45,273,476	45,633,303	46,053,125	46,500,486	46,997,043
Retained surplus (deficienc)	96,309,376	99,649,522	100,381,252	102,249,358	105,240,169	107,973,654	109,613,154	110,602,870	112,512,575	114,452,086
<b>Total community equity</b>	<b>140,267,865</b>	<b>143,780,137</b>	<b>144,741,844</b>	<b>146,884,312</b>	<b>150,176,067</b>	<b>153,247,130</b>	<b>155,246,456</b>	<b>156,655,996</b>	<b>159,013,062</b>	<b>161,449,129</b>

Consolidated entity budget - Council and Aerodrome Co (0.45) - (0) - (0) - (0) - (0)

## LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

### Budgeted and 9 Years Forecasted Statement of Cash Flows

Year ended	Budget	Forecast								
	30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30	30-Jun-31	30-Jun-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cash flows from operating activities:</b>										
Receipts from customers	6,876,686	7,309,472	7,672,368	8,057,716	8,460,602	8,885,635	9,325,811	9,794,204	10,283,914	10,800,545
Payment to suppliers and employees	(25,373,487)	(26,317,327)	(27,440,470)	(28,633,626)	(29,874,265)	(32,877,984)	(32,523,334)	(33,951,433)	(35,438,514)	(37,003,101)
Interest received	50,000	52,500	55,125	57,881	60,775	63,814	67,005	70,355	73,873	77,566
Rental income	102,636.24	109,843.25	115,284.66	121,074.89	127,128.63	133,515.16	140,129.22	147,167.28	154,525.65	162,288.51
Non-capital grants and contributions	16,769,106	20,673,850	21,942,154	23,044,210	24,196,421	25,411,969	26,670,826	28,010,381	29,410,900	30,888,408
<b>Net cash inflow (outflow) from operating activities</b>	<b>(1,575,058)</b>	<b>1,828,338</b>	<b>2,344,462</b>	<b>2,647,256</b>	<b>2,970,661</b>	<b>1,616,950</b>	<b>3,680,436</b>	<b>4,070,675</b>	<b>4,484,699</b>	<b>4,925,706</b>
<b>Cash flows from investing activities:</b>										
Payments for property, plant and equipment	(12,209,226)	(6,071,000)	(4,755,000)	(3,110,000)	(4,205,000)	(2,741,000)	(6,630,000)	(3,385,000)	(5,465,000)	(3,850,000)
Grants, subsidies, contributions and donations	10,992,185	4,300,000	1,500,000	2,350,000	2,930,000	2,400,000	930,000	-	580,000	100,000
Other cash flows from investing activities	324,720	332,838	341,159	349,688	358,430	367,391	376,576	385,990	395,640	405,530
<b>Net cash inflow (outflow) from investing activities</b>	<b>(892,321)</b>	<b>(1,438,162)</b>	<b>(2,913,841)</b>	<b>(410,312)</b>	<b>(916,570)</b>	<b>26,391</b>	<b>(5,323,424)</b>	<b>(2,999,010)</b>	<b>(4,489,360)</b>	<b>(3,344,470)</b>
<b>Cash flows from financing activities:</b>										
Repayment of leases	(57,775)	(57,775)	(57,775)	(57,775)	(32,778)	(3,535)	-	-	-	-
<b>Net cash inflow (outflow) from investing activities</b>	<b>(57,775)</b>	<b>(57,775)</b>	<b>(57,775)</b>	<b>(57,775)</b>	<b>(32,778)</b>	<b>(3,535)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>	<b>(2,525,154)</b>	<b>332,401</b>	<b>(627,154)</b>	<b>2,179,169</b>	<b>2,021,313</b>	<b>1,639,806</b>	<b>(1,642,988)</b>	<b>1,071,665</b>	<b>(4,661)</b>	<b>1,581,236</b>
Cash at beginning of reporting period	13,310,025	10,784,871	11,117,271	10,490,117	12,669,287	14,690,600	16,330,406	14,687,418	15,759,083	15,754,422
<b>Cash at end of reporting period</b>	<b>10,784,871</b>	<b>11,117,271</b>	<b>10,490,117</b>	<b>12,669,287</b>	<b>14,690,600</b>	<b>16,330,406</b>	<b>14,687,418</b>	<b>15,759,083</b>	<b>15,754,422</b>	<b>17,335,658</b>

Consolidated entity budget - Council and Aerodrome Company

## LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

### Budgeted and 9 Years Forecasted Statement of Changes in Equity

Year ended	Budget	Forecast								
	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$	30-Jun-26 \$	30-Jun-27 \$	30-Jun-28 \$	30-Jun-29 \$	30-Jun-30 \$	30-Jun-31 \$	30-Jun-32 \$
<b>Asset revaluation surplus</b>										
Opening balance	43,958,008	43,958,489	44,130,614	44,360,592	44,634,954	44,935,899	45,273,476	45,633,303	46,053,125	46,500,486
Increase in asset revaluation surplus	481	172,125	229,978	274,362	300,944	337,577	359,827	419,823	447,361	496,557
Closing balance	43,958,489	44,130,614	44,360,592	44,634,954	44,935,899	45,273,476	45,633,303	46,053,125	46,500,486	46,997,043
<b>Retained surplus</b>										
Opening balance	86,926,047	96,309,376	99,649,522	100,381,252	102,249,358	105,240,169	107,973,654	109,613,154	110,602,870	112,512,575
Net result	9,383,329	3,340,146	731,730	1,868,106	2,990,811	2,733,485	1,639,500	989,717	1,909,705	1,939,511
Closing balance	96,309,376	99,649,522	100,381,252	102,249,358	105,240,169	107,973,654	109,613,154	110,602,870	112,512,575	114,452,086
<b>Total</b>										
Opening balance	130,884,055	140,267,865	143,780,137	144,741,844	146,884,312	150,176,067	153,247,130	155,246,456	156,655,996	159,013,062
Net result	9,383,329	3,340,146	731,730	1,868,106	2,990,811	2,733,485	1,639,500	989,717	1,909,705	1,939,511
Increase in asset revaluation surplus	481	172,125	229,978	274,362	300,944	337,577	359,827	419,823	447,361	496,557
<b>Closing balance</b>	<b>140,267,865</b>	<b>143,780,137</b>	<b>144,741,844</b>	<b>146,884,312</b>	<b>150,176,067</b>	<b>153,247,130</b>	<b>155,246,456</b>	<b>156,655,996</b>	<b>159,013,062</b>	<b>161,449,129</b>

Consolidated entity budget - Council and Aerodrome Company



## REVENUE POLICY

<b>ADOPTION DATE:</b>	July 2022
<b>REVISION DATE:</b>	June 2023
<b>DIVISION</b>	Corporate Services
<b>RESPONSIBLE OFFICER:</b>	Chief Executive Officer Director Finance & Administration

### 1. POLICY OBJECTIVE

To establish the principles for the raising of adequate revenue to ensure balanced budget, long-term financial sustainability and providing services to the residents of Lockhart River.

### 2. RELEVANT LEGISLATION

Local Government Regulation 2012 (s.193)

Local Government Act 2009 (s. 94)

### 3. POLICY STATEMENT

Every year the Council is required to develop and adopt by resolution a revenue policy based on the following principles to guide generation of revenue

- transparency
- simplicity
- cost effectiveness
- equity, and
- flexibility

The Council principles are applicable to the following sources of Council

- The making of rates and charges
- The levying of rates and charges
- The recovery of rates and charges
- Granting rebates and concessions
- Charges for council services and use of Council facilities
- Charges for Council's other recoverable works (motor vehicle repairs and construction services)
- Cost recovery and user fees and charges
- Overheads cost recovery for grants administration

Council has the option to make and levy rates and charges (s.91-100). However in this policy "Rates and Charges" refers to user fees and charges for cost-recovery purposes only because Council does not levy rates on properties.

Council did not make any resolution to limit an increase of rates and charges.

#### 3.1 Making of Charges:

In the making of rates and charges, Council will be guided by the principle of user pays, so as to minimise the impact of rating on the efficiency of the local economy.

Council will also have regard to the principles of:-

- transparency in the making of rates and charges;

- 
- a charging system that is simple and inexpensive to administer
  - equity, by taking account of the different levels of capacity to pay within the local community; and
  - flexibility to take account of changes in the local community

### 3.2 Levying of Charges:

To ensure there is a clear understanding on the responsibilities of Council and each ratepayer, the following principles will be applied:-

- the levying system will be simple and inexpensive to administer
- the timing for levying of rates and charges must take into account the financial cycle of the local economy
- allow for a flexible payment arrangement for ratepayers with a lower capacity to pay

### 3.3 Recovery of Rates and Charges:

In exercising its rate recovery powers and to reduce the overall burden on ratepayers, Council will be guided by the following principles:

- ensuring there is transparency in the processes used by council to meet financial obligations
- ensuring ratepayers are clear on their obligations
- ensuring processes used to recover outstanding rates and charges are clear, simple to administer, and cost effective
- ensuring capacity of ratepayers is considered in determining arrangements for payment
- ensuring there is equity in arrangements for ratepayers in similar circumstances
- ensuring flexibility to respond to local economic issues

The Council may use (but not be limited to) the following processes to collect outstanding rates and charges: -

- Issue notification letters to individuals/corporations
- Attempt to work out a schedule of repayment
- Initiate formal recovery procedures where debt settlement is not forthcoming
- Withdraw service until debt is recovered
- Other actions consistent with Council's debt recovery policies

### 3.4 Rebates and Concessions:

Council will grant rebates and concessions to residents who demonstrate genuine financial hardship or pensioners

In considering the application of concessions, Council will be guided by the following principles:-

- ensuring equity by having regard to the different levels of capacity to pay within the local community
- ensuring the same treatment for ratepayers with similar circumstances
- ensuring transparency by clearly setting out the requirements necessary to receive concessions; and
- ensuring flexibility to respond to local economic issues

### 3.5 Physical and social infrastructure costs for new development

Council and developers will agree on special/additional rates and charges required to pay for costs associated with



- 
- Any increase in maintenance costs on the available capacity of the existing infrastructure due to new development
  - Any additional infrastructure required due to new development
  - Where appropriate, a contribution towards social infrastructure changes required to cater for the increase or changes in population caused by new development.

3.6 Review of rates and charges:

The Council will undertake an annual review of rates and charges with a view to adjusting charges based upon the cost of providing the service and CPI increases. The intention of the review is to ensure full cost recovery because the Council does not make profit margins.

4. BUDGET IMPLICATIONS

Council is unable to fund major asset replacements/capital works and as such it relies on state and federal government grants to fund all new developments.

5. IMPLEMENTATION

Policy to be implemented by the Chief Executive Officer

Policy commences immediately on adoption by Council

Policy applies to all employees of the Council.

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DOCUMENT END



## REVENUE STATEMENT

<b>POLICY NO:</b>	<b>STAT008</b>
<b>ADOPTION DATE:</b>	<b>July 2022</b>
<b>REVISION DATE:</b>	<b>June 2023</b>
<b>DIVISION</b>	<b>Corporate Services</b>
<b>RESPONSIBLE OFFICER:</b>	<b>Chief Executive Officer Manager Finance and Admin</b>
Note: P - Primary Author, S - Secondary Author	

### POLICY OBJECTIVE:

To provide an outline and the measures the Council has adopted for raising revenue including the rates, charges and concessions for each.

### RELEVANT LEGISLATION:

Local Government Regulation 2012 (s.172)

Local Government Act 2009 (s. 94)

### PROCEDURES:

This Statement is adopted pursuant to Local Government Regulation 2012, Chapter 5 Financial Planning and Accountability, Part 3 Financial Accountability Documents, Division 1.

- a) Council's ability to raise a general rate or other rate is limited, as the Shire controls the land, which is predominantly Deed of Grant in Trust with Council as Trustee. Council is reliant on continued government grant funding remaining at least at its current levels to maintain operating capability.

Details of budget grant funding revenue is disclosed as an attachment to the budget.

Council also raises revenue from various other sources including housing rent, sale of goods and services and miscellaneous fees and charges. Details of budget non-grant revenue are disclosed as an attachment to the budget. Concessions are granted only in accordance with the Revenue Policy.

Utility service fees and charges will be levied in 2020/21 on each Government owned, leased, or occupied property in relation to:-

- Sewerage
- Waste collection and disposal
- Water supply

These charges are set to recover the cost of provision of each service including on-going operations and maintenance and are set out in the schedule of fees and charges.

- b) No resolution has been made to limit increases in fees and charges.

- 
- c) Physical and social infrastructure costs for new development are partly funded by charges for the development.
  - d) The operational capability of the Council is to be maintained.
  - e) Depreciation on infrastructure and community housing is not funded by Council.

**BUDGETARY IMPLICATIONS:**

Council is not in a position to self-fund major asset replacement and is solely reliant on government grants to do so.

**New Developments:** All new developments will be funded from Government Grants

**Reserves:** It is not intended to establish reserves to fund projects unless they have been specifically identified in the Corporate and Operational Plans.

**IMPLEMENTATION:**

To be implemented by the Chief Executive Officer

Commences immediately on adoption by Council

Applies to all employees of the Council.

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DOCUMENT END



## SCHEDULE OF REGULATORY AND NON-REGULATORY FEES AND CHARGES

<b>ADOPTION DATE:</b>	<b>July 2022</b>
<b>REVISION DATE:</b>	<b>June 2023</b>
<b>DIVISION:</b>	<b>Corporate Services</b>
<b>RESPONSIBLE OFFICER:</b>	<b>Chief Executive Officer</b>

### POLICY OBJECTIVE:

To set a consistent range of fees and charges payable to Council.

### DEFINITIONS:

The following schedule of fees and charges will be reviewed annually prior to Council adopting the budget.

### RELEVANT LEGISLATION:

Local Government (Finance, Plans and Reporting) Regulation 2012  
Local Government Act 2009

## TRADESMAN AND ASSISTANT TRADESMAN

**NB:** 30% Discount on labour costs only applies to local community residents.

DESCRIPTION	HOURLY RATE (\$) GST INCLUSIVE
– Carpenter	158.00
– Plumber/Painter	158.00
– Mechanic	145.00
– Assistant Tradesman Carpenter	105.50
– Assistant Tradesman Plumber	105.50
– Assistant Tradesman Mechanic	105.50
– Plant Operator/Road Gang	66.00
– Call out fees (Min 2hrs)	173.50

## WORKSHOP MATERIALS

OIL / LUBRICANT DESCRIPTION*	TOTAL (\$) GST INCLUSIVE
– 5W30 per litre	15.50
– 15W40 per litre	14.00
– 80W90 / LS90 per litre	15.50
– Coolant per litre	15.50
– Grease – Cartridge	14.00
* Oils supplied only for work carried out in workshop. Council Stores carries stock and sell	
* Parts (costs + freight + 40%), ordered if required with payment made in full before purchase.	

## WORKSHOP SERVICES

**\*30% Discount Labour for Local Residents only**

SERVICE DESCRIPTION	TOTAL (\$) GST INCLUSIVE
– Tyre Change 'A' – Car	58.00
– Tyre Repair 'A' – Car	92.50
– Tyre Change 'B' – Truck / Plant	115.50
– Tyre Repair 'B' – Truck / Plant	150.00
– Wheel Balance	69.50
– Windscreen Replacement – Labour*	491.00
– Windscreen Replacement – Labour Local Res.	346.50

## MATERIALS

DESCRIPTION	TOTAL (\$) GST INCLUSIVE
– Sand (m <sup>3</sup> )	43.50
– Top Soil (m <sup>3</sup> )	122.50

## GAS BOTTLES AND REFILL – LOCAL RESIDENTS

DESCRIPTION	TOTAL (\$) GST INCLUSIVE - LOCAL RESIDENTS	TOTAL (\$) GST INCLUSIVE - OTHERS
– 45 KG	313.00	340.00
– 8.5 KG (SWAP & GO)	89.50	105.50
– 8.5 KG (NEW BOTTLE INC.)	268.00	284.50

## ADMINISTRATION

DESCRIPTION	TOTAL (\$/%)
– Grants & subsidies overhead recovery	12.5% - 20 %
– General Administration recoveries (Local Subcontracting included)	15%
– Sub-contracting	25%
– Permanent employees - oncosts	43.7%
– Stores issues – oncosts	15%
– Casual employees – oncosts (casual loading apply)	18.6%
– Materials overhead recoveries	Cost + 35%
– Photocopying per page - colour A4	\$1.50
– Photocopying per page - colour A3	\$2.50
– Photocopying per page - black & white A4	\$0.50
– Photocopying per page - black & white A3	\$1.00

## DUMPING FEES

DESCRIPTION	TOTAL (\$)GST INCLUSIVE SMALL LOAD	TOTAL (\$)GST INCLUSIVE LARGE LOAD
– General Waste (Domestic)	82.00	164.50
– Green Waste Domestic	9.00	18.00
– Building Waste	245.50	491.50
– Commercial Waste	100.50	201.00

## SERVICES – PLUMBING

DESCRIPTION	TOTAL (\$)GST INCLUSIVE
– Sewerage/Water connection <i>Subject to Council quotation</i>	3,432.50
– Sewerage Pump Hire per day	171.50

## OTHERS

DESCRIPTION	TOTAL (\$)GST INCLUSIVE
– Application for Development Fees	4,681.00
– Green Wheelie Bin (120L)	234.00
– Dog registration (per dog)	31.50
– Barge offloading services (plant and operator per hour)	193.00

## ACCOMMODATION / HIRE OF FACILITIES

DESCRIPTION	TOTAL (\$) GST INCLUSIVE
– Guesthouse Accommodation per night	203.00
– Staff housing per week	77.50
– Contractor Donga per night	75.50
– <b>Community Hall</b> – Full Day Hire	780.00
– <b>Community Hall</b> – ½ Day Hire	468.50
– <b>Puuya Centre Hall</b> – Full Day Hire	468.50
– <b>Puuya Centre Hall</b> – ½ Day Hire	311.50
– <b>Puuya Centre Office Spare</b> – Per Week	154.00
– <b>Conference/Meeting Room</b> – Full Day	594.00
– <b>Council Conference/Meeting Room</b> – ½ Day	356.50
Community Housing – Rental charged policy is pegged on 25% of assessable income + rent assistance ( <i>maximum rent per week is determined by Department of Housing</i> )	

## CONCRETE BATCHING

DESCRIPTION	TOTAL \$ AMOUNT GST INCLUSIVE	
	COUNCIL WORK	NON-COUNCIL WORK
Batched concrete m <sup>3</sup>	1,100.00	1,485.00

## YARD CLEANING

DESCRIPTION	TOTAL (\$) EXC GST
– Mowing/slashing (normal cut) / 800 m <sup>2</sup>	87.00
– Mowing/slashing (overgrown yard) 800 m <sup>2</sup>	172.00
– General waste/garbage per m <sup>3</sup>	35.00

GENERAL RATES AND SERVICE CHARGES (INCLUDES UNLIMITED WATER USAGE, GARBAGE / WASTE DISPOSAL, SEWERAGE AND OTHER SERVICES)

PROPERTY OF	DESCRIPTION OF PROPERTY	TOTAL \$ EXC. GST PER ANNUM
Lockhart River State School	– School	11,802.00
Queensland Education	– 13A/13B Blady Grass St	7,080.50
Queensland Education	– 7 Blady Grass St	5,974.50
Department of Housing and Public Works, Government Employee Housing	– 3A / 3B Piiramo St	7,080.50
Department of Housing and Public Works, Government Employee Housing	– 8A / 8B BladyGrass St	7,080.50
Department of Housing and Public Works, Government Employee Housing	– 1 Paytham St	5,974.50
Department of Housing and Public Works, Government Employee Housing	– 6 Piiramo St	5,974.50
Torres and Cape Hospital and Health Service	– Hospital	11,802.00
Torres and Cape Hospital and Health Service	– Duplex x2	7,080.50
Torres and Cape Hospital and Health Service	– Houses x2	5,974.50
Queensland Police Service	– Police Station / Watch House / Court	18,723.50
Queensland Police Service	– Houses x 2	5,691.00
Queensland Police Service	– Duplex x 1	7,080.50
Department of Communities	– Multi-Tenancy Centre (new)	11,802.00
Community Enterprise Queensland (Former Retail Store)	– Retail Store	11,802.00
Community Enterprise Queensland (Former Retail Store)	– Manager’s House	8,865.00
Community Enterprise Anglican Store	– Church, Lot 70	5,975.50
Ergon Energy	– Power Station	7,803.00
Puuya Foundation	– Kuunchi Kakana Centre	11,802.00
Puuya Foundation	– Residential	7,080.50



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PLANT HIRE – WET / DRY

*NB: Hire of Plant and/or Plant Operator is set at minimum of 2 hours.*

Please contact Council for details of Plant available for hire and applicable pricing schedule on 07 4060 7144 / 07 4031 0155.

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DOCUMENT END