

Lockhart River Aboriginal Shire Council

Annual Report 2017-2018





ABOUT THIS REPORT

This is another prosperous year for Lockhart River Aboriginal Shire Council. During the year more services were delivered that improved the livelihood to Lockhart community. The Annual Report will provide an overview of Council's performance and statement of wealth for the period 1 July 2017 - 30 June 2018.

In this report, Council's achievements for the financial year will be highlighted including the challenges encountered during the same period. Generally, the Council experienced expansion in its operations and construction of new infrastructure assets. The capacity of the Council to undertake this was tested and proven. Several methodologies were used to accomplish such works in collaboration with subcontracting partners. We are proud of the outcome and we will keep doing it.

The role of the Council of being accountable to the community residents did not waiver and the intent of this report is to show how each role was fulfilled. The Council's obligations to other parties like Staff, Councillors, Government Departments and other interested groups was no less during the year.

To achieve its objectives, Council uses a range of tools like our 5-Year Corporate Plan, our Operational Plan, and our Budgeting Tool. We use these to keep us on track and focused on delivery.

Copies of these documents are available in our website along with our Annual Report and the Council's Financial Statements. The can be accessed at any time free of charge electronically on Council website www.lockhart.qld.gov.au.

Like any organisation we are not perfect and can improve. Our Chief Executive Officer encourages feedback and comments on our services and as such they should be directed to him on 07 4060 7144 or email ceo@lockhart.qld.gov.au.

Please spare a moment of your time to read and enjoy this annual report presented herein.

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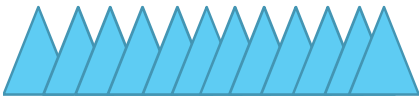


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Mayor's Report

The Lockhart River Aboriginal Shire Council has had another successful and productive Financial Year 2017/18, an "Unmodified" External Audit result has Capitalised on our Capacity to Govern.

Accountability and transparency are critical in "good governance practice" and the credibility goes toward team work in governance, administrations and on the ground staff who are essential to productivity.

Housing funding has been a challenge and will continue to be a challenge. We have put an enormous amount of work towards building homes for our community and at the same time building the people's capacity in the community by training apprentices. Despite this challenge, we have continued with our commitment to training programs for all staff.

The Council will continue to strive for the best of our community, we aim to live up to our VISION statement and hoping for another greater outcome in the next financial year.

Cr Wayne Butcher
Mayor
Lockhart River Aboriginal Shire Council





OUR COUNCIL

Lockhart River Aboriginal Shire Council has five elected representatives who are responsible for formulating Council policies, Corporate Plan, Operational Plan, Council budget and providing strategic direction to the Community.

The Shire is undivided for electoral purposes. Each Councillor therefore represents the overall public interest of the whole area. The Council has adopted a portfolio system and each Councillor is assigned a specific portfolio(s) to look after. This allows for the principle of accountability and collective responsibility to operate.

Councillors are elected every four years in accordance with the Local Government Act. The last election was held on 19 March 2016. Acceptance of the duties and responsibilities of the Mayor and Councillors are signified by their declaration of office.

This declaration requires the elected members to fulfill the duties of office by acting faithfully and impartially to the best of their judgment and ability and to uphold the Council Code of Conduct. In addition, Councillors are required to complete register of interests, as a further check to dealing with the issues of conflict of interest and material personal interest.

To represent the community effectively, Councillors are required to attend ordinary meetings at the Council and any special meetings that may be called. Councillors are required to vote on all matters that require a decision or to abstain from taking part in the discussions and voting issues where they have conflict of interests and material personal interests. The role of the Mayor and Councillors is well spelt out in the Local Government Act 2009. Training has been provided to Councillors to help them understand their roles and responsibilities.

Council authority is exercised as a whole, with decisions being made by the Council in the best interest of the community. In this regard, the Local Government Act 2009 together with Council Policies provides guidance to the Mayor and Councillors on what their roles and responsibilities are, and the Code of Conduct expected of the elected representatives to observe.

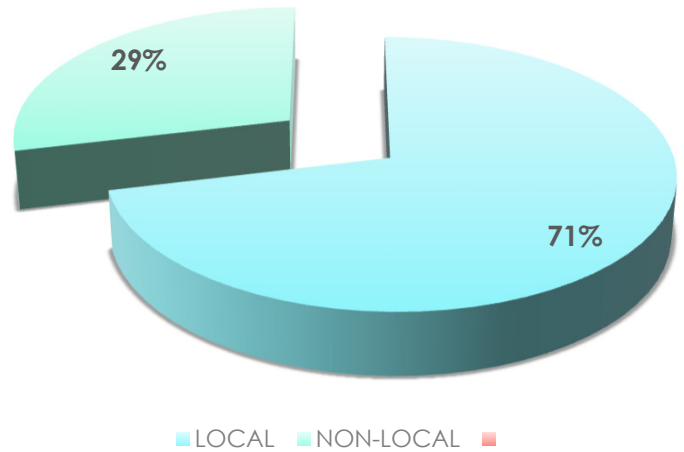
The Code of Conduct provides for penalties ranging from reprimand to disqualification from office. All these measures are intended to safeguard against the misuse, abuse and miscarriage of power and authority by the elected members.

Ordinary meetings of the Council take place on the third Wednesday of the month. Meetings are generally held in the Lockhart River Council Chambers in Lockhart but there are occasions when the meetings are held in the Cairns Office. The Council meeting is open to the public.

Overview of Lockhart River

DEMOGRAPHICS OF STAFF

68 Full time equivalent employees



Population

747 = 51% male
49% female

Source: abs.gov.au

Governance Team

5 = 4 Male
1 Female



Average daily high temperature:
29.8°C

Average daily low temperature:
22.0°C





OUR MISSION

- ***Strong Puuya,***
- ***Strong Culture,***
- ***Strong Future***

OUR MISSION STATEMENT

To lead, strengthen and serve the community by providing high quality level of services as well as providing opportunities for you and me.

OUR GUIDING PRINCIPLES AND VALUES

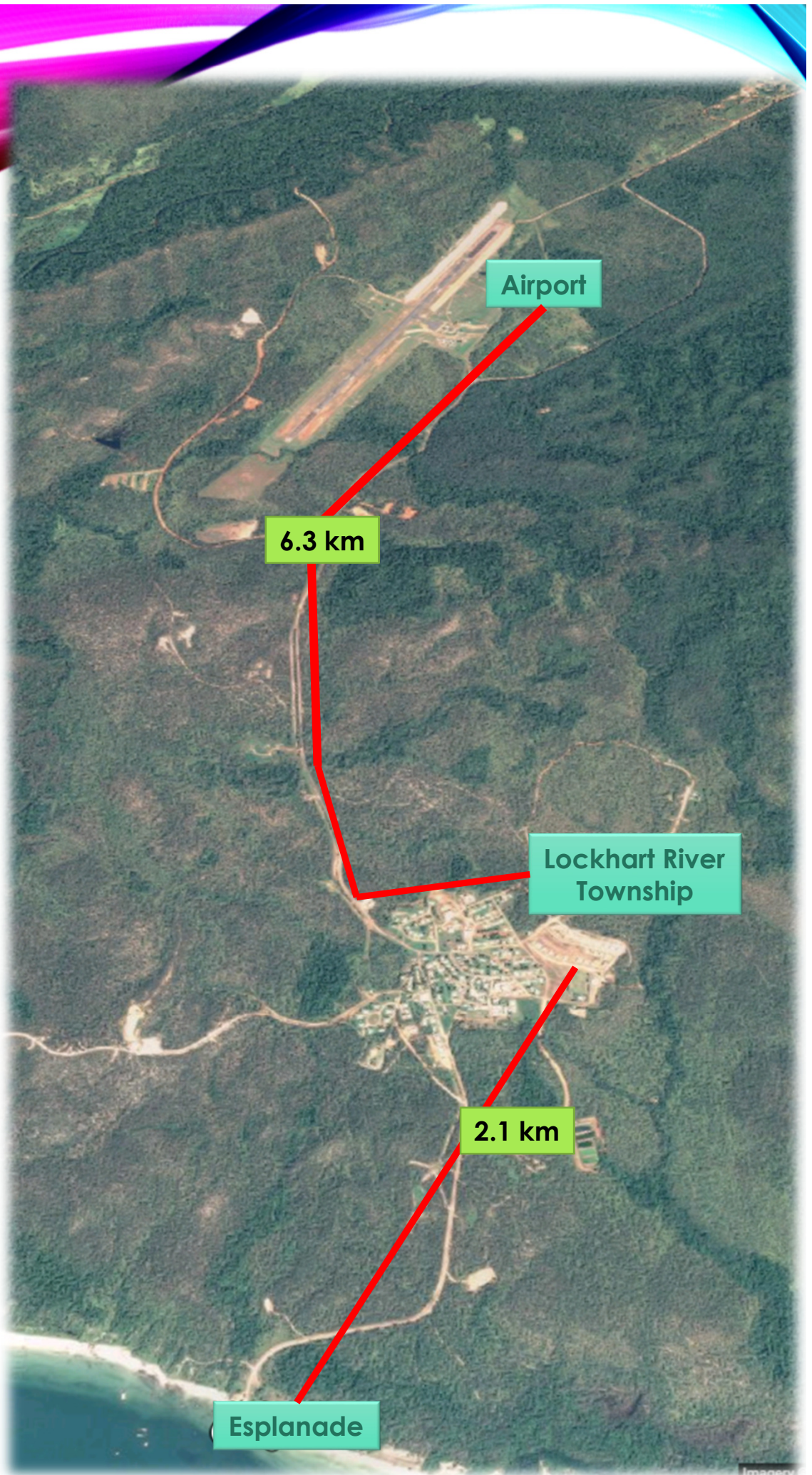
The commitment of the elected representatives and officers of the Lockhart River Aboriginal Shire Council to its residents is underpinned by the following principles:-

- *Respect***
- *Honesty***
- *Integrity***
- *Working and Learning together***
- *Fairness***
- *Being positive***
- *Respect of Culture***
- *Accountability***

Map of Lockhart River



Map of Lockhart River Township





History of Lockhart River

Lockhart River was established in 1924 when people from five traditional territories in the area were coerced into a new Anglican mission (now known as the 'Old Site'). They spoke Wuthathi, Kuuku Ya'u, Uuthaanganu, Umpila, and Kaanju languages and were not used to living close together.

Aboriginal people were not allowed to speak their language or to practise their cultural traditions and they were moved inland away from their sea country.

Marked by the good intentions but often misguided policies of successive governments and missionaries, our history is steeped in the traditional culture of our peoples.

Early European contact

The first European contact with Lockhart River was by William Bligh in 1789. Most people know of the infamous 'mutiny on the Bounty' but many do not realise after being cast adrift, Captain Bligh's first landfall was close to where the Lockhart River mission would one day be built.

Explorer Edmund Kennedy passed through the traditional lands in 1848, swinging westward across the hills to the upper Pascoe River, in the first European attempt to survey the interior and peninsula of this part of Australia. He left a base party of eight on the Pascoe River, six of whom starved to death after refusing fish and other food from the Kuuku Ya'u people.

No further land exploration took place until William Hann came across from the Holroyd River in 1872, passing just south of the present town of Coen. Lockhart River was named during an exploratory expedition by government geologist Robert Logan Jack in 1880 after a friend of his (Hugh Lockhart), of Edinburgh. The Claudie River was named after the son of a prospector in Jack's party, Billy Lakeland.

Early industries

From the 1880s, sailors enlisted Aboriginal family groups to dive for beche-de-mer and pearl shell. Some of the lugger captains paid as little as \$1.50 a month and Aboriginal labour on luggers was later prohibited. This period is known as 'lugger time'.

Early last century, Orchid Point on Lloyd Bay was a centre for the trade of sandalwood. A base camp for gathering sandalwood was set up by Hugh Giblet. Giblet recruited Aboriginal workers to gather sandalwood, protected them from unscrupulous lugger captains and rewarded them with food, clothing and cased liquor for a Christmas party.

Giblet death in late 1923, opened the way for missionaries to establish a base

Aboriginal settlement

In 1906, Chief Protector of Aboriginals, RB Howard, recommended an Aboriginal settlement be established at Lloyd Bay. He wrote glowingly of the 'fine stamp of people – strong, healthy, active fellows who seemed delighted at the idea of a settlement being formed in their own country'.

In 1910, Howard noted sandalwood prices were falling and the Aborigines of the region would 'keenly feel hardship' when employment ceased.

He also pointed to problems relating to the supply of intoxicating liquor to the Lockhart Aborigines and referred to the 'urgent necessity of at once placing an officer of this Department at the Pascoe or Claudie River to see that the provisions of the Aboriginals Protection Act are not evaded'.



A mission is formed

Harry Rowan was appointed Lay Missionary and Superintendent and arrived at the Waterhole (Orchid Point) in Lloyd Bay, next to Gibley's old camp in July 1924. This site was soon abandoned in favour of Bare Hill (*Ba'il*) 7 nautical miles south of Cape Direction. So the area known as *Putchiwu'chi* (*Fawn Breasted Bower Bird*) to the original owners became the site of the original Lockhart River Mission.

This was a difficult time when people were denied access to their country and forced to live with comparative strangers and, in some cases, enemies.

By January 1925, Rowan reported more than 80 Aborigines at the mission. High infant mortality in the previous decade meant the number of children was small but a school started by the end of 1925. In 1928, a church was under construction and cutting sandalwood was still the main income for the mission.

During the early 1930s, Rowan tried cotton, bananas, pawpaw, cassava, sweet potatoes and taro. A new launch was obtained so fish, dugong and turtle as well as garden produce sustained the mission.

An Act passed in 1934 which gave the Queensland Government the right to move Aborigines at will. People of the Flinders Islands area of Princess Charlotte Bay were brought to Lockhart. By 1936 only a few Aborigines in the north-eastern area remained in traditional lands. That same year, 80 older Aborigines were removed from the Coen and Batavia districts to the mission. In 1937, the mission had a population of 388 but 35 lives were claimed by whooping cough in 1938, and flu claimed so many at the end of the war graves were shallow as there weren't enough healthy men to dig proper graves.

World War Two

Locals tell how during the Second World War, all outsiders left to go down south and Aboriginal people were advised to 'go bush' to escape air raids. Typical of the era, prior to leaving, and at external instruction, all weapons were taken from the people and dumped at sea for fear of collusion with the Japanese.

Although times were still difficult, people re-established connection with their *ngaachi* (place/land/estates) and spread out like before.

The mission was re-established in 1947 with H Johnson as Superintendent. To try to establish community spirit, Johnson changed the structure from a series of sub-villages (representing tribal grouping) to a single settlement. He saw it as a necessary step in the 'breaking down of old tribal enmity and establishment of community spirit'.

Trochus fishing and other commercial activities were established. Johnson encouraged traditional skills such as language, bushcraft and hunting. His successor, Briggs, noted the 'complete absence of vindictiveness or arrogance' in the Lockhart Aborigines, whose spiritual qualities were 'outstanding'. Briggs resigned in 1950 and was succeeded by John Warby, whose name is commemorated in an era of Lockhart history as 'Warby time'.



'Warby Time'

Lockhart by now was in a desperate situation. Author Kylie Tennant described it as an 'unsanitary and poverty-stricken little pesthole' and 'the worst mission of them all'. Warby rebuilt the mission along the waterfront, established a reliable water supply, schooling, medical care, and a new church.

In a couple of years the number of deaths was, for the first time for some years, less than the number of births.

In 1953, Warby reported all people living in Lockhart had embraced Christianity.

With the encouragement of the Anglican Board of Missions, Warby established the Lockhart River Christian Cooperative (the 1st of its kind in Australia). Among other things, it aimed to teach people to run their own cooperative business, provide employment, establish a voluntary night school, improve living conditions and foster church activities. For the first time, mission residents were allowed to participate in decision making and play a role in routine administration

Trochus fishing continued to be the major economic enterprise. By 1956, the Cooperative was on a sound basis. Warby reported it was building up initiative, self-respect and self-reliance backed by a dramatically improved health situation. But the trochus market collapsed and evening classes closed due to lack of attendance.

Staff shortages were critical. Warby left in 1959 and his successor JT Currie found it necessary to close the Lockhart River Christian Cooperative in 1961.

Government control

Financial difficulties and the failure to find permanent church workers led to the church relinquishing its control of the mission. In the early 1960s, the Anglican Bishop of Carpentaria secretly negotiated with the Director of Native Affairs to transfer Lockhart River to the state.

In 1964, the Anglican Church handed over the mission to the Queensland Government who tried to relocate the people to Bamaga. The people refused to go but in 1967 compromised with a move closer to the airport at Quintell Beach. This move was not a good one culturally or geographically. It took the settlement from one reasonably neutral location to one owned by a major group in the community; and from a traditional place on the coast to further inland. Friction resulted and continued.



On 30 March 1985, the Lockhart River community elected five councillors to constitute an autonomous Lockhart River Aboriginal Council. In a then groundbreaking recognition of Aboriginal land rights, the council area, previously an Aboriginal reserve held by the Queensland Government, was transferred on October 29, 1987 to the trusteeship of the council under a Deed of Grant in Trust (DOGIT). Locally elected councillors now provided administration for the Lockhart River DOGIT.

Part of the Lockhart River DOGIT area was transferred to Traditional Owners in September 2001 and placed into the Mangkuma [mung-Kooma] Land Trust.

On January 1, 2005, pursuant to the Local Government (Community Government Areas) Act 2004, Lockhart River Aboriginal Council became the Lockhart River Aboriginal Shire Council.

A successful Native Title determination for an area north of Lockhart River was ruled in favour of the KuukuYa'u [Koo-kooYaoo] people by the Federal Court of Australia in 2009.

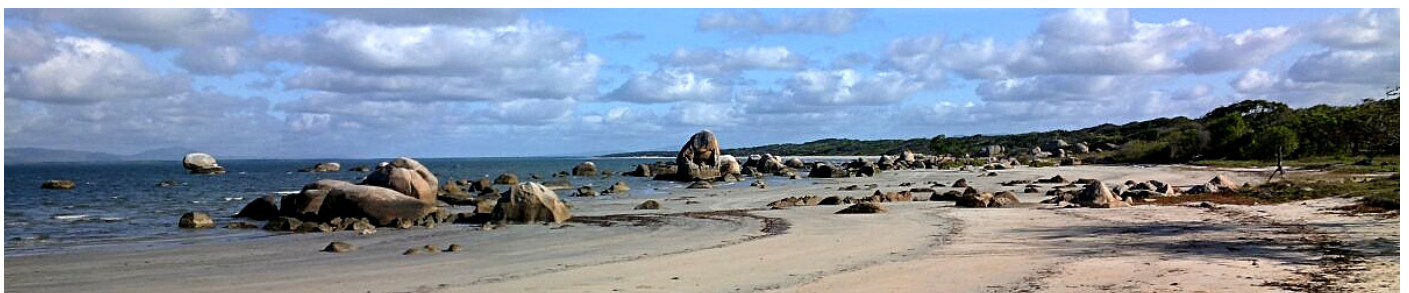
Culture

In spite of numerous attempts to suppress and destroy our culture over the years we have always understood it is a vital part of who we are personally and collectively and have stood strong. Few people realise Lockhart River was the birthplace of the dance festival which later moved to Laura where it became the longest, continuous cultural festival in Australia. Today, Lockhart River dancers still perform regularly at festivals including the Laura Aboriginal Dance Festival.

The community would dearly love to see a return of the dance festival to the place where it began some 30 years ago.

The community's strong cultural identity – as expressed through its dancers and also internationally-renowned Lockhart River Art Gang – makes Lockhart River a natural place to come together to celebrate the proud cultural heritage of Cape York.

Council provides all the support it can to help keep our culture strong and encourages recognition and residency of homelands.



Facilities & Services

Lockhart River Primary Health Care

The Shire has got a health care Centre. The Centre provides primary clinical care and primary healthcare services through strong partnerships between nursing staff and Aboriginal and local staff. Routine services are offered weekly with 24 hour emergency services. Services provided include a suite of regular visiting medical, community and allied health services covering diabetes educators, podiatry, pediatricians etc. Contact: 07 4060 7155



Hospital



Education

Our school is comprised of 140 students from pre-prep to year 12 however most secondary students leave the community to attend boarding schools and other alternative school programs. The school aims to connect with the community and culture, ensuring local culture and traditions are passed on to ensure students have been exposed to their history, culture and languages. Contact: 07 4083 3888.

Puuya Foundation is operating the Early Years Learning and Parenting Program (EYLP) in the community.



Art Centre



Art and Cultural Centre

Lockhart River has an established Art Centre. With respected artists who have been recognized nationally and internationally. The Art Centre has painters, weavers and crafters who have taken their art work to a higher level. For further information, contact Enoch Tel: 07 4060 7341



Library & Radio Building

Library and Radio

The Indigenous Knowledge Centre has 5 computers set up for use by the community for online banking and communicating with family through online networking. The Radio provides a 24 hour local station broadcasting at 107.7FM. Both offices can be contacted on 07 4060 7050.

Facilities & Services

Air Transport

Lockhart River boasts a 1500m sealed and secure, all weather run-way. Due to the installation of pilot activated lights, the aerodrome can now be accessed 24 hours a day. During the wet season when road access can be cut off for months, the aerodrome plays a key role in getting vital supplies and services into the community. There is a regular air service between Cairns and Lockhart River. Skytrans also provides flights from Lockhart River to Aurukun and Weipa on selected days. Airport Telephone Number: 07 4060 7121.

Airport



Shopping

There is a retail store run by the Department of Communities that sells groceries, limited household goods and a few clothes. Good fresh food and vegetables are always available; the store also runs a fuel station. Lockhart River Retail Store Tel: 07 4060 7192.



Jamie Store

Jamies Store is a small privately owned convenience store in the community located across the street from the main retail store. Contact Marshall Symonds (owner) Tel: 07 4060 7368.



Facilities & Services

Sea Transport

The community is serviced by a regular barge service by Seaswift who operates weekly service to Lockhart River. All the barge services are based at the Wharf along Quintell Beach.



Road Transport

Internal roads within the community are bitumen sealed. Other access roads in the shire are unsealed and pose considerable challenge during the wet season. Major transporters provide road services to the area during the dry period.

Puuya Centre

The Puuya Centre is the focal point of community development, culture and capacity building activities training, counseling meetings, therapy, group work and story sharing. Puuya means Life Force in Kuku Ya'u language. It is a convenient facility for group meetings away from town centre.



Accommodation

Accommodation is available at the following places.

- Iron Range Cabins Airport Tel: 074060 7147 (Preferred)
- Puucheewoo at Piiramo Street Tel: 074060 7134

It is strongly recommended that visitors who intend to stay in Lockhart River make reservation at least one month to the date of arrival as there is competition for accommodation.



Facilities & Services

Post Office Services

The Australian Post is responsible for the daily banking activities in the community. Everyday transactions are available. The Bank opens between 9:00 am and 3:00 pm each day. There are two ATMs in the Community. One located at the Council Administration office and the other in the Retail Store Complex.

Post office is open each afternoon from 1:00 pm to 3:00 pm.

These services are operated by the Council.

Power

Electricity in the Community is generated by Ergon Energy.



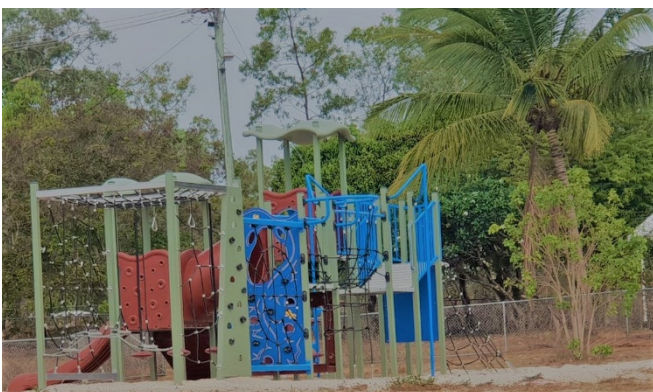
Parks and beaches

There is Ivy Park with safe playing equipment located near the Retail Store.

BMX track is accessible and located near the Council Chambers.

Football oval is located next to the Community Hall and suitable for all field sports.

Esplanade is located at the Quintell Beach area with a BBQ shelter.



Alcohol Management Plan

Lockhart River is what is considered under the Queensland Government liquor licensing as a restricted area with zero carriage limit. This means that the community including the airport is totally dry and no alcohol is allowed. No local brew is allowed as well. For more information please see

<http://www.atsip.qld.gov.au/communities/alcohol-limits/alcohol-reforms/fag.html>

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

St James

The Saint James Anglican church has a big hall which is used for most community functions. The church was built by Lockhart River people in 1971-73.



Facilities & Services

Other Facilities

There is a spacious Community Hall for public meetings and other community events and functions. Other facilities include the kids club, Women's centre, My Pathways Training Centre (Land and sea Centre), Justice Group office, HACC health & aged care services and the Men's Healing Centre.

There is one cemetery facility located within the community operated by the Council.



Community Hall

Private Enterprises

The following are prosperous and potentially expanding local businesses by the local people and for the local people:

- Lockhart River Car Hire that provide vehicle hire services to visitors to the area.
- W&P Machine Hire to hire heavy plant and equipment for construction works
- JP Hobson Contracting for loader plant services
- PC Ropeyarn Contracting for water truck services
- Puul'u Contracting for fencing services
- D&C Contracting
- Gray Ochre Contracting
- WA Contracting

Lockhart River Hire Car Services

Other local private enterprises

- Newton Spencer Contracting Services for general construction works
- Tonlay Pty Ltd for building construction works



Jamies Stores

Elected Members



Mayor

Cr Wayne Butcher,
Ph: 0428 180 325
E: mayor@lockhart.qld.gov.au

**Governance, Employment,
Training and Leadership,
Land, Sea, Homeland (Land
trust)**



Deputy Mayor

Cr Norman Bally ,
Ph: 0409 692 172
E: dmayor@lockhart.qld.gov.au

**Housing, Infrastructure,
Roads, Parks and Gardens**



Councillor

Cr Paul Piva,
Ph: 0427 607 035
E: paul.piva@lockhart.qld.gov.au

**Education, Economic
Development and
Enterprise**



Councillor

Cr Dorothy Hobson,
Ph: 0438 106 160
E: Dorothy.hobson2@lockhart.qld.gov.au

Youth, Sports and Recreation



Councillor

Cr Darren Macumboy
Ph: 07 4060 7144
E: darren.macumboy@lockhart.qld.gov.au

**Health, Law Justice and
Order**

The senior Management



David Clarke
Chief Executive Officer



Paul Jensen
Director Essential Services



Stanley Mugwira
Director Corporate Services



Russell Cox
Director Engineering Services



Margaret Barnes
Director Community Development Services



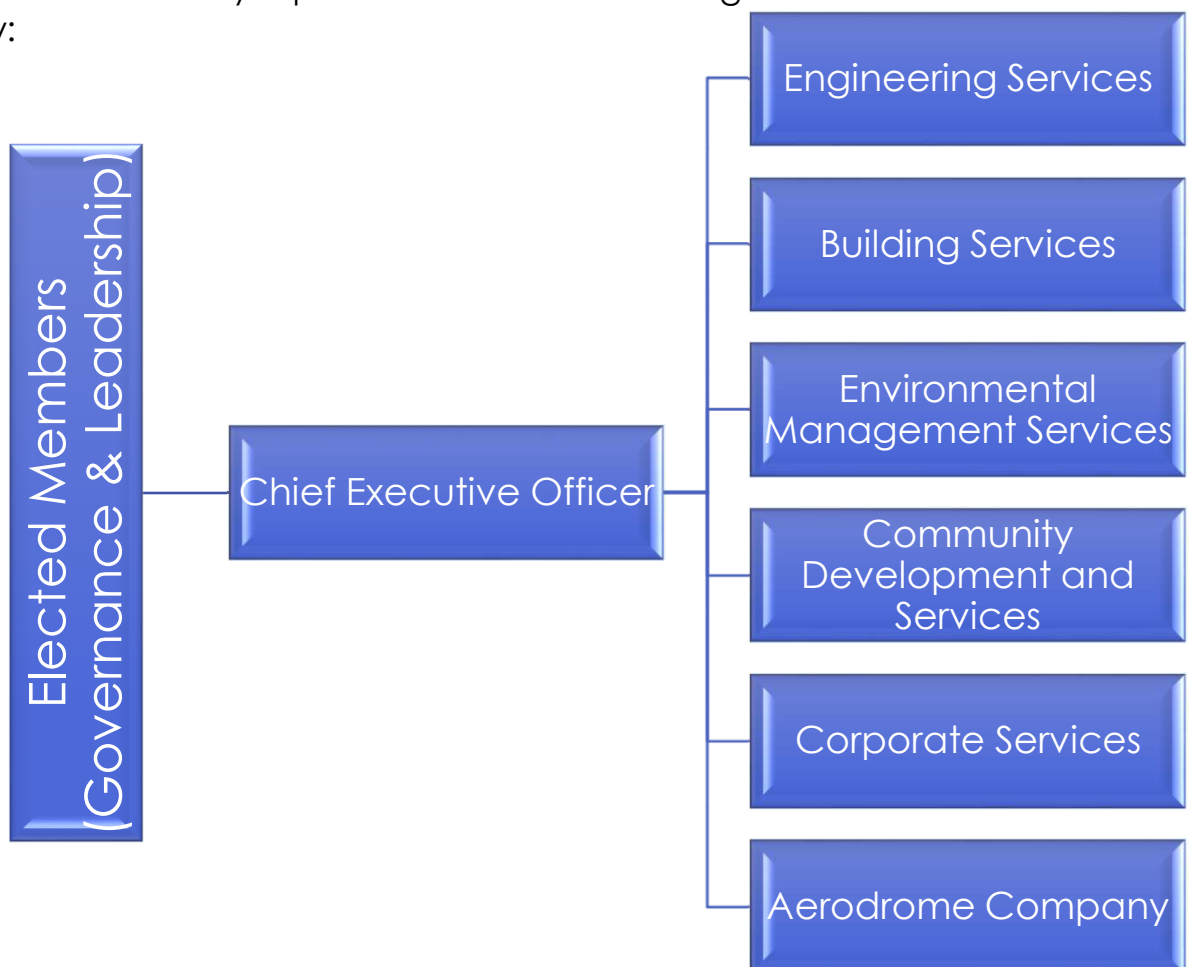
Robert (Bob) Brown
Manager Aerodome Company P/LL



Regis Edmond
Director Building Services

Organizational Structure

The structure consists of five departments and Lockhart River Aerodrome Company Pty Ltd*. The heads of these departments and Aerodrome Company Manager report to the Chief Executive Officer and they form senior management team. They are responsible for the implementation of the Council policies, resolutions and operational plans and provide advice to the Council in their key operational areas. The organizational structure was as below:



*The Council is the parent of controlled entity, Lockhart River Aerodrome Company P/L.

Disclosures

Councillors meetings attendance and remuneration

The Councillors' remuneration is reviewed and determined by the Local Government Remuneration Tribunal annually. The following is the schedule of meetings attendance and remunerations for the period July 2017 – June 2018.

Councillor	Ordinary Meetings	Special meetings	Total meetings	Remuneration	Superannuation	Expense Claimed	Facilities Provided
Cr Wayne Butcher Mayor	12	2	14	\$102,020	\$11,950	\$37,060	Vehicle, Laptop, iPhone & iPad
Cr Norman Bally D/Mayor	12	2	14	\$58,857	\$6,894	\$13,923	Vehicle, iPhone & iPad
Cr Paul Piva Councillor	11	2	13	\$51,009	\$5,975	\$7,968	iPad
Cr Dorothy Hobson Councillor	11	2	13	\$51,009	\$5,975	\$5,224	iPad, iPhone
*Cr Darren Macumboy Councillor	6	1	7	\$33,107	\$4,730	\$2,394	iPad
**Cr Marshall Symonds Councillor	0	0	0	\$10,347	\$1,111	\$1,122	iPad

* Cr Darren Macumboy sworn into office on the 14th November 2018

** Cr Marshall Symonds resigned from position as Councillor on the 24th August 2018

Disclosures

Senior Management Team

During the 2017/18 financial year, the following were the members of Senior Management team:

- | | |
|------------------------------------|----------------------|
| ▪ Chief Executive Officer | Mr. David Clarke |
| ▪ Corporate Services | Mr. Stanley Mugwiria |
| ▪ Building Services | Mr. Edmond Regis |
| ▪ Community Development & Services | Mrs. Margaret Barnes |
| ▪ Engineering Services | Mr. Russell Cox |
| ▪ Environmental Management | Mr. Paul Jensen |
| ▪ Aerodrome Company | Mr. Robert Brown |

Executive Remuneration

A senior officer is a Chief Executive Officer or any contracted position who reports directly to the Chief Executive Officer.

Section 201 of the Local Government Act 2009 requires that the remuneration packages of senior contract employees employed by the Council be reported as follows:

Range of total remuneration package	Number of Senior Officers
Less than \$100,000	1
\$100,000 or more	6

Invitation to tenderers to change their tender details

No actions were taken to amend tender specifications after the tenders were invited.

Beneficial Enterprises

The Lockhart River Aboriginal Shire Council recognizes the operations of Puuya Foundation that has continued to support parents and teachers by establishing the Early Childhood Learning Centre. The Centre has continued providing very professional early childhood learning to Lockhart River kids. The Centre is mainly employed local people.

Significant business

The Lockhart River Aboriginal Shire Council did not conduct any significant business activities during the year.

Invitations to provide expressions of interest

The Council advertised for operating services, trade services and occasional plant hire services providers to be included in the Council's Register of preferred Suppliers for the two years period to 30 June 2020.



Internal Audit

Jessups Chartered Accountants were the internal auditors and during the year the internal audit focused on

- Risk management
- Procurement and contracting
- Payroll processing.

The internal audit report was presented and discussed by the Council during the year.

External Audit

Council financial reports and operations were audited by the Auditor General of Queensland. The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. In making those risks assessments, the auditor consider internal controls relevant to the entity's preparation and fair presentation of the financial report. An audit also evaluates the appropriateness of the accounting policies used and reasonableness of estimates made by the management.

For the financial year 2017-18, the Council received an **unmodified audit opinion** and that means Council's operations have received a good financial report.

Assessment of Corporate Plan and Operational Plan

The 5-Year Corporate Plan, Operational Plan and Budget documents were discussed and adopted on 31 July 2018 for implementation. Quarterly operational plan reviews and monthly budget performance assessment were agreed.

Annual Report

Section 104 of the Local Government Act 2009 require the Council to prepare and adopt its annual report within the required legislative timeframe. The audited 2017/18 financial statements were signed by the Auditor-General on 16 October 2018 but the 2017-18 Annual Report was approved by the Council on **12 December 2018**.

Community donations and support

According to the requirement of section 189 of Local Government Regulation 2012, the Council did not provide grants to any community organisation during the year except for contributions to assist local people with funeral expenses and support of cultural and sporting activities. During the year, the Council spent \$130,794 on these contributions.



List of Registers available to the public

The following registers are held by the Council:

- Register of interests of Councillors
- Register of Election Gifts and Benefits
- Register of Interest of Chief Executive Officer & Senior Contract Employees
- Register of Delegation (including financial)
- Asset Register
- Road Register
- Prequalified Suppliers Register
- Register of Regular and Performance Agreements
- Council Local Laws register
- Register of kids who receive Christmas gifts from Council
- Fraud Register

Overseas travel

Neither the Councillors nor the employees made any overseas travel on official arrangement during the financial year.

Other relevant issues to making an informed decision

During the financial year, there are no known issues relevant to making informed assessment of the Council’s operation and performance.

Conduct and performance of Councillors

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

Compliance Requirements

Orders and recommendations made under S180 (2) or 4 of the Act	Nil
Orders made under S181 of the Act	Nil
Name of each Councillor for whom on order of recommendation was made	Nil
A description of the misconduct or inappropriate conduct engaged in by each Councillor	Nil
Complaints about the conduct or performance of Councillor’s for which no further action was taken under S176 (2)	Nil
Complaints referred to the Department Chief Executive Officer	Nil
Complaints referred to the Mayor under S176 (3) (a) (ii)	Nil
Complaints referred to the department Chief Executive Officer under S176 C (4) (a)	Nil
Complaints assessed by the Chief Executive Officer as being about official misconduct	Nil
Complaints heard by a regional conduct review panel	Nil
Complaints heard by the tribunal	Nil

Complaints Management Process – Administration Action Complaints

Where there are administrative complaints, under section 187 of the Local Government Regulation 2012, the Council has established and maintained effective policy and process for resolving them. This policy and complaints handling framework is fairly consistent in resolving complaints. The policy framework is communicated to all staff at the commencement of their employment and reinforced at staff meetings.

Further information of Council's Complaints Policy and Process can be obtained at www.lockhart.qld.gov.au

A complaint register has been established providing details with regard to the outcomes of complaints.

No administrative action complaints were recorded during the reporting year.

Training and Development

Council has a developed comprehensive policy on staff training and development to support and foster competent and safe workforce. Council provides study time and travel expenses to employees in order to attend all work related training. Council's staff training and development policy is available at the HR office.

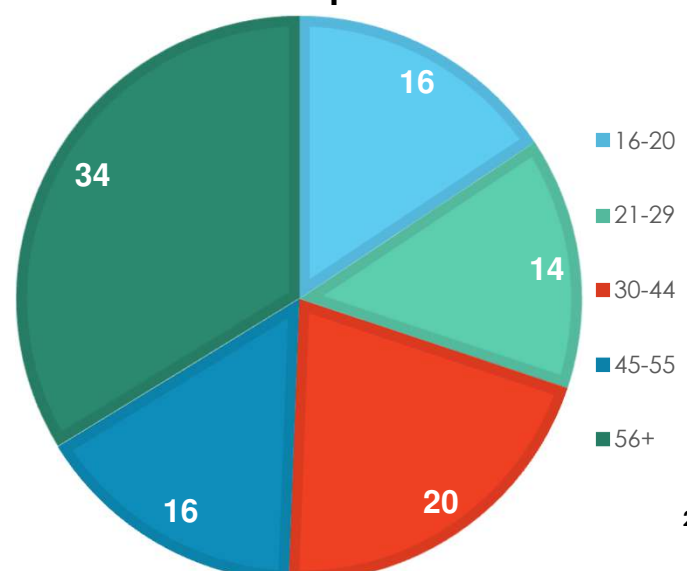
Equal Employment Opportunity (EEO)

Council has developed and implemented on Equal Employment Opportunity Policy (EEOP) and Management Plan. The EEOP and Management plan has been adopted in all areas of Council operations and to ensure that the workforce is free of discrimination, that all vacant positions are advertised openly; that appointments are made on merit and that all forms of harassment are discouraged.

Our workforce comprises people of different ages, cultures, religions, values, beliefs, educations, languages, abilities and gender.

By creating a workplace in which every employee is valued for their diverse skills, knowledge and perspectives, Council is encouraging a more cohesive work environment and better team performance.

Percentage of Workforce per Age Group



Employees statistics

Council workforce is dominated by men representing 62 per cent while women are 38 per cent and this is an improvement from previous years as women representation has been increasing. The balance of male and female in the Leadership and Governance area declined to 80:20 with only one lady elected to the Council. Employees by age:



Work Place Health & Safety

The Council is responsible for ensuring safe working environment for all its employees. Also, the Council is obliged to comply with requirements under Work Health & Safety Act and Regulation 2011.

Staff safety awareness has increased through training and robust incidence reporting system to ensure appropriate actions are carried out to reduce risk of incidents occurrence. Council encourages employees to acquire safety knowledge around workplace and outside working environment for their own safety benefits.

Code of conduct

The Council developed and implemented Code of Conduct for employees that provide guidelines to employee professional behavior and practices. This policy document is updated annually due to changing employee behavior. The policy is part of the human resources set of policies.

Rates and Charges

In accordance with requirement under section 190(1)(g) of the Local Government Regulation 2012, the annual report must prepare a summary of all concessions for rates and charges granted by the local government. Lockhart River Aboriginal Shire Council did not grant any concessions during the financial year.

Controlled Roads

At Lockhart River, the Council controls the entire 217km of road and bridge network. This infrastructure requires dedicated Council's road gang resources to maintain in order to achieve the service level expected by the community members and visitors. At the date of this report the following was the make-up of the network:

Bridges	1
Storm-water culverts and floodways	114
Rural/Urban roads – unsealed	183 km
Rural/Urban roads – sealed	34 km
TOTAL LENGTH OF ROAD AND BRIDGE NETWORK	217 km

Council Performance

“The Year in Review”

We had significant achievement of our objectives and strategies during the year. Most notable are as follows

- Expanded local contracting panel made up of local people and this created more jobs within the community
- Successful by election whereby Councillor Darren Macumboy joined the Council
- Delivered internal audit reports for the year focusing on risk management
- Expenditure by Council on donations and support to community and sporting events was \$130,794 (2017: \$114,190).



Council Performance

“The Year in Review”

The Engineering services had a very busy year and the following road works were accomplished

- The upgrade works on Portland Road was continued and during the year about 10 crossings had culverts and floodways completed.
- New culvert was installed along Community Hall Road and a floodway was replaced at Kuttini East Road.
- Community Hall Road was sealed and adjacent carpark was completed.
- More than 2km of new seal was put on three sections of Portland Road after roadworks funded by CIMA and ATSI.
- As funded by W4Q, a new water main was completed to supply town water to one home that was using unreliable rain water for a very long time.
- Major roadworks funded by NDRRA was undertaken along Portland Road, Old mission road, Line Hill Road, Taylors Landing Road, Kuttini East Road and Blady Grass Road, Council crew and local contractors were heavily involved in delivering these capital works.



Martin Pascoe (Yr 12) employed under the Student Employment program working on a plant



East Kuttini Street road works

Council Performance

“The Year in Review”

Building crew working on the new Airport



The Building Services has energetically and skillfully been central to the accomplishment of many housing projects

- They have been leading in transferring building skills to the local people through a very successful Apprenticeship Program that enrolled 6 trainees
- They constructed 7 new houses contracted by BAS and completed more than 6 major renovations
- Council building team completed 11 major housing renovations and upgrades during the year
- Contract and recoverable works revenue was \$5,190,198 (2017: \$4,957,268) that make up significant portion of Council's recurrent revenue
- Completed major renovation of 2 staff houses
- Water Park related infrastructure was completed.



Building Services

James Macumboy carrying out paint works



Council Performance

“The Year in Review”

The Environmental Management team is involved in the plumbing and garbage collection service lines. They ensure that essential services are reliably available to keep the Community clean and healthy.

- ICCIP funding of more than \$0.5m was secured to upgrade water and sewerage infrastructure in the community for the next two years.
- Quarterly VET visits were achieved during the year that improved the health of our animals.
- Weekly water quality testing ensured compliance with NHMRC Drinking Water Standards. All water tests samples attained pass
- Installed 7 sewer and water connections to the new houses
- Weekly parks and gardens maintenance
- Weekly garbage collection
- EHO Cert IV in Animal Control & Regulation
- EHO attended 1st National ATSI Environmental Health Conference 2017
- EHO attended 'Environment Health & Animal Management Training Workshop
- EHO completed 1st Block – Cert III Indigenous Environment Health
- Two healthy dog programs organised.

**Garbo Truck Operator
Mr Stanley Short**



Water checks



Council Performance

“The Year in Review”



- » Community Development and Services team delivered for the social wellbeing of Lockhart River community targeting all age groups.
- The recruitment for the position of the Director Community Services was accomplished
- Construction of additional sheds for mens' activities were completed
- HACC team provided quality and reliable home care services to the clients
- Women Shelter organized Women Dance in December 2017 and they provided reliable service to the violence and has continued to excel in their clients service
- Major renovation to the Library building was completed.
- Community Radio and Library Services were made available to Lockhart River residents throughout the year
- Youth At Risk Initiative (YARI) delivered youth activities throughout the year
- Outside School Hours Care continued their children's activities
- Puuya Foundation provided early learning services at the Kuunchi Kakana Early Learning Centre.

Water Park

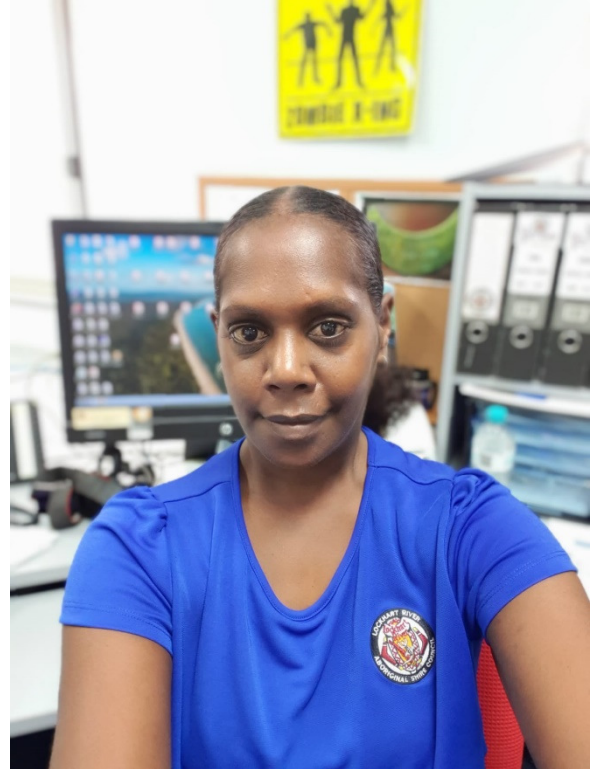


Council Performance

“The Year in Review”

Corporate Services team had a very successful year that listed several achievements towards creating sustainable systems to provide effective and reliable support to other departments

- Implementation of new accounting software is underway with SynergySoft to replace PCS
- New fibre optic network and upgraded twin computer servers
- Unmodified audit opinion on the financial statements for the year ended 30 June 2018.
- Annual Operational Plan and Budget delivered on 31 July 2018
- Australia Post commenced banking services to replace Commonwealth Bank Agency in the community
- The Council constructed a new Fibre Optic infrastructure that reliably networked entire Council work sites
- Very successful school kids program for casual employment during the school holidays.



**Office Manager – Ms
Deanka Omeenyo**



**Maree in the
Post Office**

Council Performance

“The Year in Review”



Aerodrome
Manager –
Robert (Bob)
Brown



Garrett
Hobson
Airport
Officer

The Aerodrome Company is wholly owned by the Lockhart River Aboriginal Shire and operates as a controlled entity. The company is responsible for the operations of the Lockhart River Airport including sale of aviation and diesel fuels and accommodation services at Iron Range Cabins. The airport provides the only means of travel during the wet season when the roads are flooded.

During the year under review:

- Construction of the New Terminal Building is underway to be completed by December 2018
- Secured capital funding for security fencing, helipad and light aircraft parking area. Construction works will commence in October 2018
- Continued renovation works on the Aerodrome manager house and Cabins.



COMMUNITY FINANCIAL REPORT

The Community Financial Report is a plain English summary of Council's Financial Statements prepared in accordance with Section 179 of the *Local Government Regulation 2012*.

Snapshot of financial year 2017/18 (consolidated entity)

Key highlights of the financial year include:

(a) Capital expenditure during the year includes:-

Plant and Equipment	\$681,635
Buildings and Housing	\$563,407
Roads and Bridge Network Infrastructure	\$8,622,710
Other Infrastructure	\$932,082
Furniture and office equipment	\$157,836
Water Infrastructure	\$96,686
Work in Progress	\$708,826
Total capital expenditure	\$11,763,182

(b) Net results for the year **\$9,357,150**

End of Year Financial Statements

What you will find in the Financial Statements

The Audited Financial Statements of Council set out the financial performance, financial position, cash flows and the net wealth of Council for the financial year ended 30 June 2018.

About the Management Certificate

The Financial Statements must be certified by both the Mayor and the Chief Executive Officer as "presenting a true and fair view" and are required to be adopted by Council to ensure responsibility and ownership of the Financial Statements by management & elected representatives.

About the Financial Statements

The Financial Statements incorporate 4 "primary" financial statements and accompanying notes.

Statement of Comprehensive Income



1.2 Balance Sheet

End of year Council's Financial Position that includes Assets, Liabilities and Community Equity.

1.3 Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth"/Community Equity.

1.4 Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

1.5 Notes to the Financial Statements

Provide more details to the line numbers of the 4 "primary" financial statements.

About the Auditor's Report

Council's Financial Statements are required to be audited by the Queensland Audit Office. The Auditor provides an audit report which gives an opinion on whether the Financial Statements present a true and fair view of the Council's financial performance and position. Our Council received unmodified audit opinion (good audit report) from Queensland Audit Office.

Where to find a complete version of 2017/18 Financial Statements (Consolidated)

A complete version of Council's Financial Statements for the 12 months to 30 June 2018 can be found at our website: www.lockhart.qld.gov.au or at the Council's administrative officers at:

**14 Maathuy Street
Lockhart River, QLD 4892
Or
Unit/7 Anderson Street
Manunda Street, QLD 4870**

3. An Overview of this year's Financial Result & Financial Position

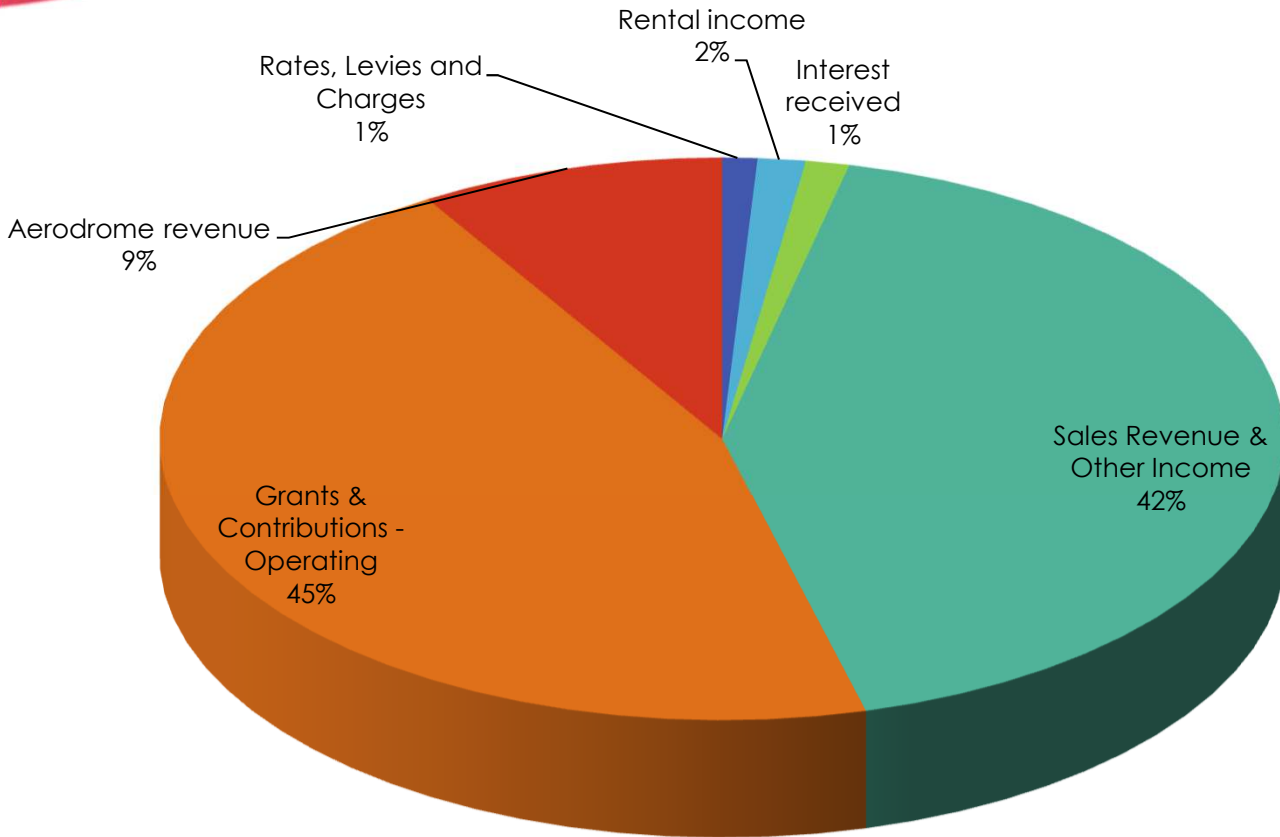
1. Council's Consolidated Statement of Comprehensive Income for 2017/18

Council's headline consolidated operating result for the year was a net surplus of **\$9,357,150**. This surplus is mainly due to increase in capital grant funding and other grants that remained unspent. The revenue from recoverable works decreased whereas operating expenses moderately increased.

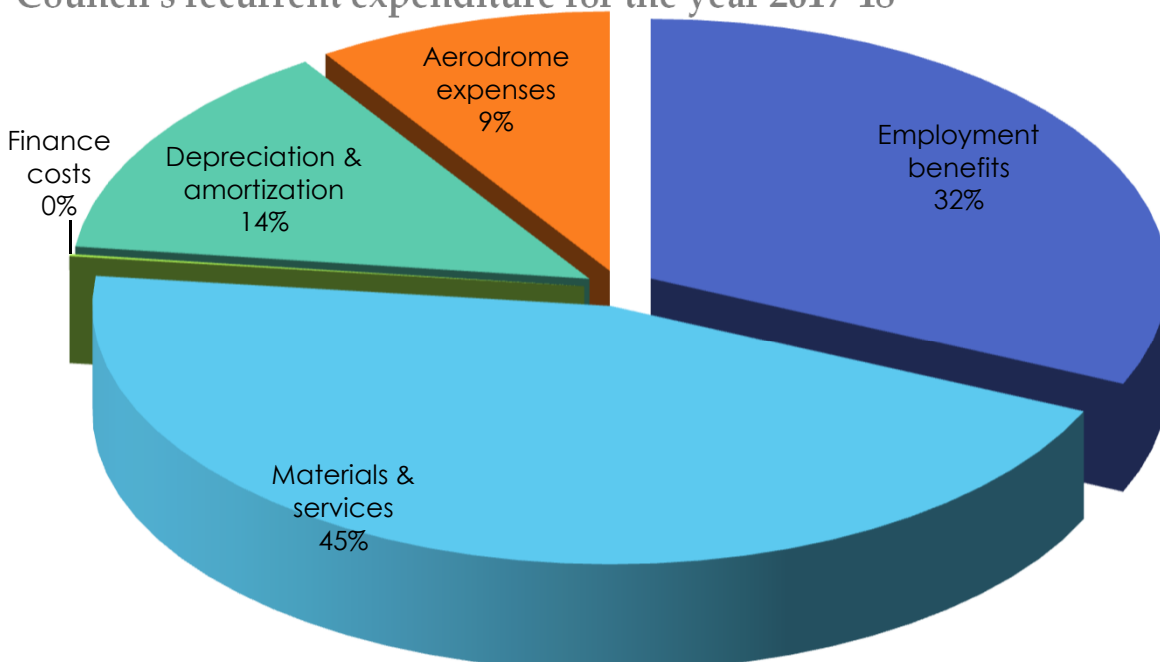
The following are the key financial performance highlights (Consolidated):
In the overall, the Council and senior management believe the financial results for the year to be satisfactory but will endeavor for a better outcome in the current financial year.

	Actual \$ 2018	Budget \$ 2018	Actual \$ 2017
Revenues (excl. income for capital purposes)	13,892,311	13,055,160	14,163,351
Expenditure	(13,087,616)	(12,739,182)	(17,139,591)
Net Result before Capital Grants & Contributions	804,695	315,978	(2,976,240)
Capital Grants & Contributions	9,626,351	10,084,900	15,569,270
Capital expenses	(1,073,896)	-	(27,935)
Net Result	9,357,150	10,400,878	12,565,094

Council's recurrent revenue for the year 2017-18



Council's recurrent expenditure for the year 2017-18



3.2 Councils Consolidated Statement of Financial Position (Balance Sheet) – Net Wealth

The Balance Sheet "bottom line" discloses the Net Community Equity of Council and Aerodrome Company, which represents its wealth as measured by a dollar value of its asset less liabilities.

	Actual \$ 2018	Actual \$ 2017
The major items that make up Council's wealth include the following assets:		
Available Cash & Investments ****	10,187,745	12,156,711
Debtors	1,883,322	1,402,140
Inventories	306,376	285,348
Other financial assets - Current	288,340	283,545
Other financial assets - Non Current	9,659,733	9,461,520
Infrastructure, Property, Plant & Equipment		
- Capital Work in Progress	937,822	1,217,708
- Land	1,100,000	1,100,000
- Buildings	10,428,531	10,323,118
- Housing	8,085,954	8,055,797
- Plant and Equipment	1,447,085	1,007,679
- Furniture and office equipment	229,842	104,753
- Road, Drainage and Bridge Network	44,567,164	36,095,506
- Water	3,391,695	3,390,850
- Sewerage	3,566,109	3,622,356
- Other Infrastructure Assets	3,478,367	2,346,704
	<u>99,558,085</u>	<u>90,853,735</u>
Council has funded some of its operations and assets by the following liabilities:		
Trade and other payables	2,902,328	4,653,944
Current provisions	69,938	73,980
Non-current provisions	1,756,104	1,372,479
	<u>4,728,370</u>	<u>6,100,403</u>
Net Community Equity	<u>94,829,720</u>	<u>84,753,337</u>
***Cash & Investments "restricted" for future funding purposes	3,506,315	3,826,491

3.3 Council's Key Financial Figures - A Snapshot

A summary of some key financial figures over the past 5 years lets you see some overall trends.

Key Financial Figures over the past 5 years (Consolidated)

Financial Performance Figures (\$)	2018	2017	2016	2015	2014
Inflows:					
Fees & Charges	142,823	133,304	121,790	116,069	111,821
Other revenue	501,500	98,916	1,681,091	166,166	244,557
Rental Income	205,954	251,055	417,708	418,245	681,075
Interest Received	184,334	121,783	176,110	77,487	72,354
Sales Revenue	6,428,169	6,172,982	7,616,782	7,404,352	3,807,880
Grants, Subsidies, Contributions & Donations - Operating & Capital	16,055,882	22,954,581	18,189,221	10,144,837	6,949,836
Total Income from Continuing Operations	23,518,662	29,732,621	28,202,702	18,327,156	11,867,523
Sale Proceeds from PP&E	-	-	-	42,182	57,056
Finance lease receipts	283,545	272,719	256,814	343,838	50,860
Outflows:					
Employee Benefits	4,584,181	4,750,916	4,547,114	3,967,194	4,203,082
Materials & Services	6,454,383	9,903,290	9,800,996	4,453,118	3,971,537
Finance Costs	(13,682)	(63,152)	37,375	114,719	541
Total Expenses from Continuing Operations	11,024,882	14,591,054	14,385,485	8,535,031	8,175,160
Total Cash purchases of PP&E	11,763,183	15,688,840	6,445,208	5,028,936	4,620,991
Operating Surplus/(Deficit) (excl. Capital Income & Expenditure)	804,695	(2,976,240)	3,458,964	7,770,981	(7,507,304)
Financial Position Figures (\$)					
Current Assets	12,665,782	14,127,744	12,023,689	7,869,023	4,682,708
Current Liabilities	2,972,266	4,727,924	2,064,126	2,538,265	1,569,097
Net Current Assets	9,693,516	9,399,820	9,959,563	5,330,758	3,113,611
Cash & Cash Equivalents	10,187,745	12,156,711	8,842,350	4,855,783	3,104,374
Total Gross Value of PP&E (excl. Land)	107,359,517	94,766,985	80,965,338	76,166,356	71,513,500
Total Accumulated Depreciation	31,226,949	28,602,514	29,559,416	17,117,771	20,520,813
Total Written Down Value of PP&E (excl. Land)	76,132,568	66,164,471	51,405,922	59,048,585	50,992,687
Indicative Remaining Useful Life (as a % of GBV)	71%	70%	63%	78%	71%

Source: Published audited financial statements of Council (current year & prior year annual financial statements)

4. Financial Sustainability Measures

The Financial Sustainability of Councils is now a requirement by the Local Government Act 2009 and responsibility of individual Councils across Queensland.

Financial Sustainability is defined as when a **"Local Government is able to maintain its financial capital and infrastructure capital over the long term"** [source: Local Government Act 2009 section 102(2)].

The Financial Sustainability indicators (in accordance with the *Local Government Regulation 2012*) that Council must publish are as follows:

Operating Surplus Ratio

Net Result divided by Total Operating Revenue

This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.

Asset Sustainability Ratio

Capital Expenditure on the Replacement of Assets (Renewals) divided by Depreciation Expense

This is an approximation of the extent to which the infrastructure assets managed by the local government are being replaced as they reach the end of their useful lives.

Depreciation expense represents an estimate of the extent to which the infrastructure assets have been consumed in one year period.

Capital expenditure on renewals (replacing assets that the local government already has) is an indicator of the extent to which the infrastructure assets are being replaced.

This ratio indicates whether a local government is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.

Net Financial Liabilities Ratio

Total Liabilities less Current Assets divided by Total Operating Revenue

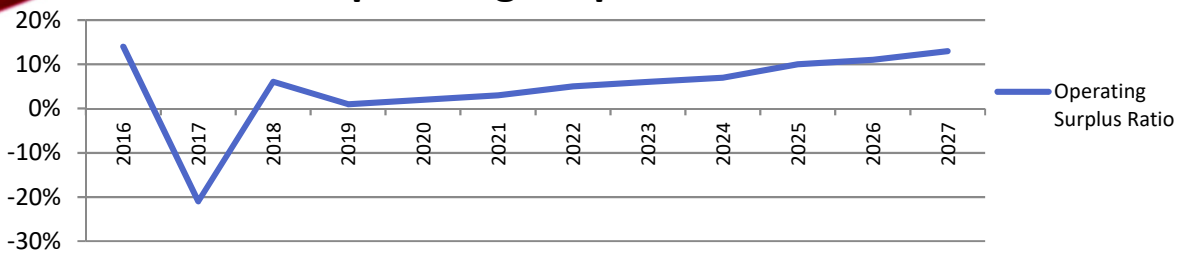
This is an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues.

Financial Sustainability Indicators (Consolidated)

for the year ended 30 June

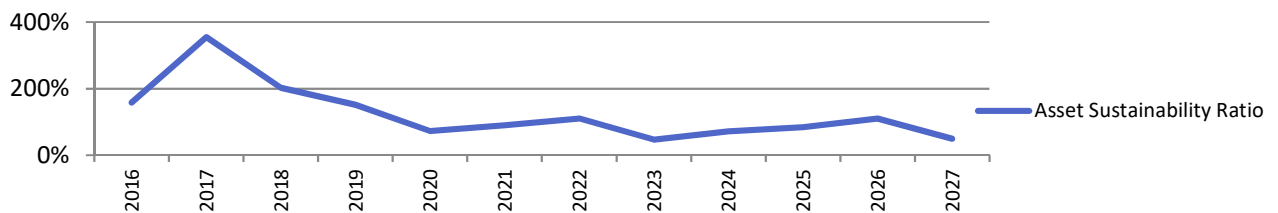
	Target	Long Term Financial Plan Projections											
		Actual 2016	Actual 2017	Actual 2018	Budget 2019	Yr 1 2020	Yr 2 2021	Yr 3 2022	Yr 4 2023	Yr 5 2024	Yr 6 2025	Yr 7 2026	Yr 8 2027
Ratio													
Operating Surplus Ratio	0 - 10%	14%	-21%	6%	1%	2%	3%	5%	6%	7%	10%	11%	13%
Asset Sustainability Ratio	> 90%	158%	355%	203%	152%	73%	90%	110%	47%	72%	84%	110%	50%
Net Financial Liabilities Ratio	< 60%	-45%	-57%	-57%	-38%	-58%	-60%	-60%	-60%	-65%	-56%	-62%	-58%

Operating Surplus Ratio



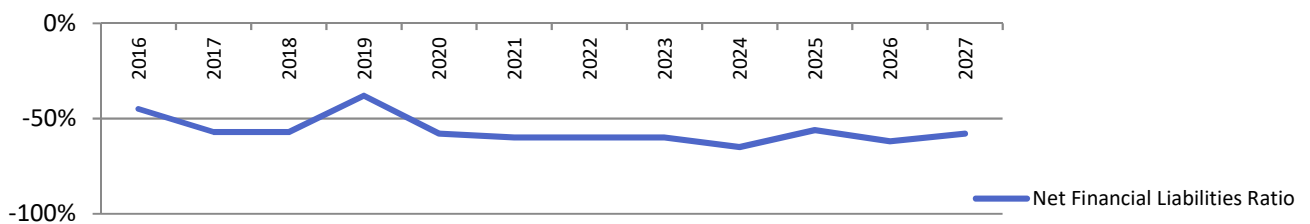
The Consolidated entity reported operating surplus ratio of 6% for 2017/18 financial year that was within the target of between 0% and 10% per annum on average over the long term. The Council and Aerodrome Company earned sufficient revenue that could cover operating expenses and offset past or future operating deficits or to fund proposed capital expenditure. The management is determined to achieve for better surpluses in all future financial years.

Asset Sustainability Ratio



The Consolidated entity achieved Asset Sustainability Ratio of 203% that was above the target of >90% implying that the Council and Aerodrome Company have sufficiently maintained, replaced or renewed existing infrastructure assets as they are consumed. This will increase service levels and useful lives of these assets.

Net Financial Liabilities Ratio



The Consolidated entity recorded Net Financial Liabilities Ratio of -57% against a target of <60% and this indicates that the current assets exceed the total liabilities. The Council and Aerodrome Company appears to have the capacity to increase its funding.

APPENDIX - ANNUAL FINANCIAL STATEMENTS

To access the Audited Financial Statements for the year ended 30 June 2018, click on the hyperlink below or through the Council's website or obtain a copy from the Council office.

<http://lockhart.qld.gov.au/wp-content/uploads/2018/11/Audited-LRASC-Financial-statements-for-2017-18.pdf>

