

**Lockhart  
River**

**Aboriginal  
Shire  
Council**



**Annual  
Report**

**2020/21**



## Front Cover Artwork

The artwork featured on the cover of the Lockhart River Aboriginal Shire Council Annual Report 2020/21 was created by Fiona Omeenyo, a proud descendant of the Umpila people. Fiona is one of the founding artists from the Lockhart River Art Gang. Her figures are about family and country. Fiona paints and themes her other works on the parrot sisters story from her country.

## Acknowledgement of country

We respectfully acknowledge the Traditional Custodians – Niiymuchin Kanthanumpu people – of the of the lands, waters and seas of Lockhart River where we live, learn and work. We pay our respects to ancestors and elders both past, present, and emerging for their ongoing effort to protect and preserve Aboriginal and Torres Strait peoples culture within Lockhart River Shire.

**Photo credits:** Ngana Malngkanichi Pama Cultural Heritage Archive pictures used with permission in this report contain Indigenous people who have passed away.

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The story of the 2020 - 2021 year was one of further growth for our Council and a record civil program delivered. With thirty-eight people involved in the roadworks between our road gang and our contractor community, our civil program is proving an important employment and business driver for our town. In addition the below projects were delivered

- New water supply infrastructure via two new bores securing our township water needs well into the future;
- New sewerage management system installed with back-up generator for disaster management security;
- Sewerage ponds renovated to maintain their capacity to accommodate township expansion;
- New water pipeline to the beach to support our new sub-division and cultural precinct;
- Commenced work on our new Cultural Precinct;
- Major rebuild of our sports field to QRL standard allowing Lockhart to host carnivals;
- Completing construction of our new Social Club;
- Airport cabins expansion with six new high end units coming on line at Iron Range Cabins;
- Airport fencing and community infrastructure fencing delivered;
- Preparation for our new subdivision completed.



Council's policy of Investing in our People continues to pay dividends with apprentices becoming tradesman, new apprentices signing up and courses for traffic control, plant tickets, administration, dogman, security, safe food handling, and responsible service of alcohol delivered. Council welcomes our first home grown building contractor, AW Bowie Carpentry, to the Building Services delivery team.



It was a financially challenging year with an operational loss recorded noting Council's capital reserves more than covered this. Council remains in a sound financial position. The year featured controlled and strategic cap ex investments that provide downstream employment and business opportunities for our township. Our new concreting team and bitumen truck minimise our need for outside contractors and open the door to future small business opportunities.

Our social services continue to be delivered through our Community Services Directorate. Although we had unfortunate instability in our Community Development leadership, Council is now back on an even keel and we are once again delivering quality social services to our people. NDIS delivery presents new challenges and opportunities for our Community Development team going forward.



**DAVID CLARKE**  
CEO



**WAYNE BUTCHER**  
MAYOR

## ABOUT THIS REPORT

This is Lockhart River Aboriginal Shire Council annual report for the period 1 July 2020 to 30 June 2021. In this report you will read through the greatest achievements during the year and the challenges encountered on the way that turned out to be learned experiences for the Council. The below overview will provide you with the overall picture of what to expect from the detailed report.

Lockhart River Aboriginal Shire Council has achieved another year of good performance in providing service to our community. The most outstanding achievement to the Council and Community was the expansion of local businesses in all areas of Council services. Local businesses have been subcontracting to jointly work with Council to deliver major community infrastructure works.

Through this delivery methodology, many road work projects were undertaken and completed during the year especially along Old Mission Road and Portland Road and the affiliated feeder roads.

The restoration works made lengths of road safer and more accessible whereas betterment works upgraded culvert crossings and pavement stabilization. The combined synergy of the road gang team and local contracting crews made this achievement a reality. Special thanks to all the funding programs (DRFA, R2R, LRACI, ATSI/TIDS, TCICA and W4Q) that provided funds to accomplish these works in our community.

The local contracting notably did an outstanding job delivering these works as compared to the previous year. We are proud of the progress they have made after coming a long way of hills and valleys of challenges and opportunities. These local businesses are more competitive and now they can match delivery capacity of external contractors.

The building services crew under the leadership of a qualified builder was able to deliver new cabins and almost completed the refurbishment of the Social Club that will soon be operational. They carried out several major upgrades and renovations in addition to the maintenance work.

In sight in the coming year we have to build a new subdivision and Cultural Precinct Centre. The designing and site clearance works have been progressed significantly. Council renewed its fleet by purchasing new crawler excavator, batching plant, cement truck, heavy duty trailer, bitumen sprayer, and water truck. The Workshop team was always at the mechanical workshop getting plant and machines fixed tirelessly. Council fleet is cleaner and healthier.

The governance and leadership was steadfast with community leadership and setting strategic direction through monthly council meetings and public engagement. They maintained good working relationship with the government departments and agencies that are key to sustainability of funded programs in our community. During the year there were minimal complaints and those reported were well managed by our robust complaints management process. Elected members represented the community interest everywhere they went and in all what they did. They carried out their portfolio businesses diligently and did not have any inappropriate conduct issues. Disaster and risk management was given a priority.

Community development and services continued operating specialized programs in women shelter, home and community care, NDIS, indigenous primary health care, community justice program, mens support services, youth at risk support, outside school care programs, Indigenous Knowledge Centre and Community radio. None of these programs were downsized as they continued their crucial role of enabling better livelihood to the community members. There is every certainty of their funding inflow well into the future.

Water infrastructure recorded the biggest additions to the water systems of two new bores and sewer infrastructure improvement all funded by State Government through ICCIP program. Water equipment including SCADA were revitalized during the year. These capital and maintenance works were carried out by the Council crews with very limited outside subcontracting.

Lockhart River Airport facility is the most strategic asset the community treasures. This provides access to this community throughout the year during wet and dry season.





During the year the Council continued to supply and install security fencing structures all-round the runway. This work is still work in progress and due for completion next year. The delivery of this project is being undertaken by local fencing talents. Motel accommodation is undergoing expansion by 5 new units that will open for business as soon as they are completed.

Corporate Services is the backbone support of all the other Council departments. The team has been very stable despite the increased workload. They have been able to deliver operational plan and budget proposals to the Council on time. Both internal and external audits have been completed on time and to the budget. They have achieved another unmodified audit opinion from the Auditor-General and this is a clean opinion on Council's books of accounts. This strengthens our relationship with the government funding departments and agencies. It also portrays the good leadership and governance provided by the elected members and Chief Executive Officer.

Financial sustainability is a challenge that cannot be underestimated. Although the financial indicators are within industry averages, our Council is not celebrating these results as we aspire to do better. This is a challenge that both elected members and senior management are keen to address in the immediate future. There is good understanding that the good work we are doing now will return high yields in future.

Welcome to read this annual report, for more details. Copies of the annual report and financial statements are available free of charge electronically on Council website [www.lockhart.qld.gov.au](http://www.lockhart.qld.gov.au)

Our CEO would like to invite any feedback and comments on where we need improvements and please feel free to email to him directly [ceo@lockhart.qld.gov.au](mailto:ceo@lockhart.qld.gov.au)





## OUR VISION

Strong Puuya  
Strong Culture  
Strong Future

## OUR MISSION

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

## OUR 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.



## Queensland Regional Profiles

Resident Profile - people who live in the region

### Lockhart River (S) Local Government Area (LGA)

Compared with Queensland

<https://statistics.qgso.qld.gov.au/>

Statistics as of 30/06/2021

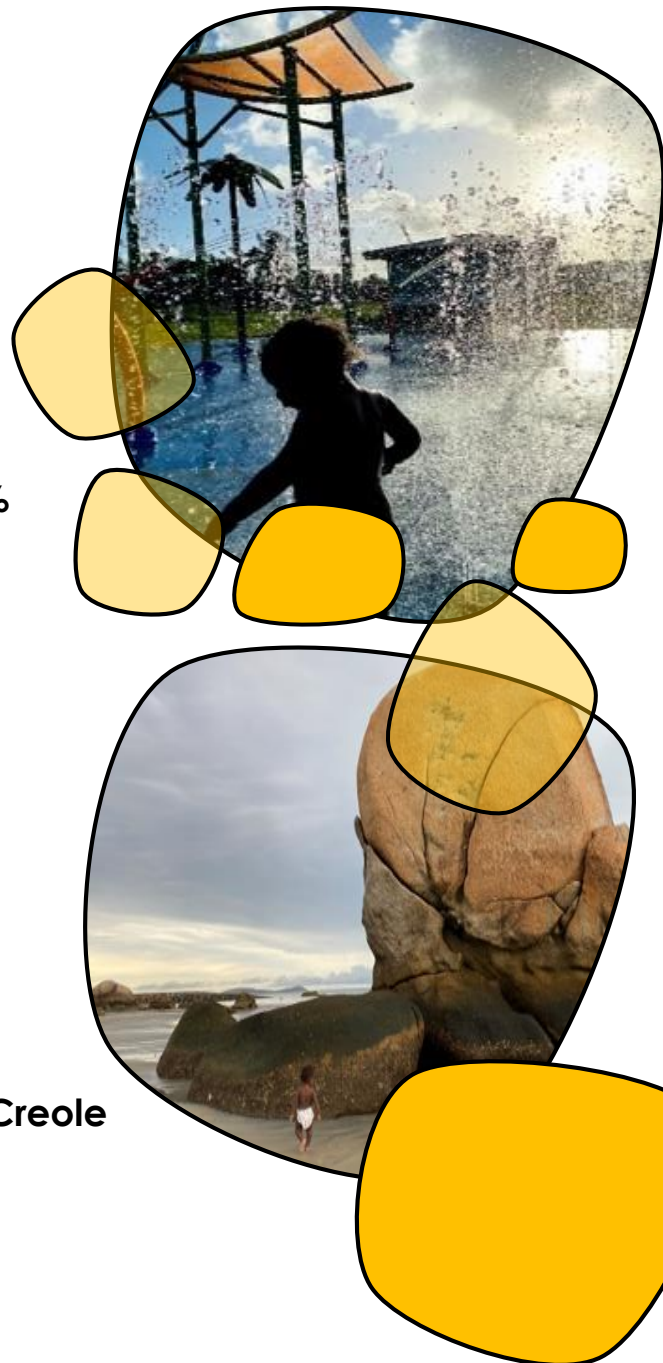
|                                |                  |
|--------------------------------|------------------|
| Aged: 0-14 yrs                 | <b>26%</b>       |
| 15-65 yrs                      | <b>67%</b>       |
| 65+ yrs                        | <b>7%</b>        |
| English not spoken at home     | <b>36%</b>       |
| Year 11 and 12 equivalent      | <b>36%</b>       |
| Dominated by Anglican Families | <b>72%</b>       |
| Occupied dwellings             | <b>135 / 43%</b> |
| Median income per week         | <b>94%</b>       |
| Median income per year         | <b>\$332</b>     |
| Employment Rate                | <b>\$17,264</b>  |
|                                | <b>79%</b>       |

### Australian Bureau of Statistics

- Population: **810**
- Aboriginal and/or Torres Strait Islander people: **685**
- Language Spoken: **English, Creole**
- Houses: **155**

### Weather

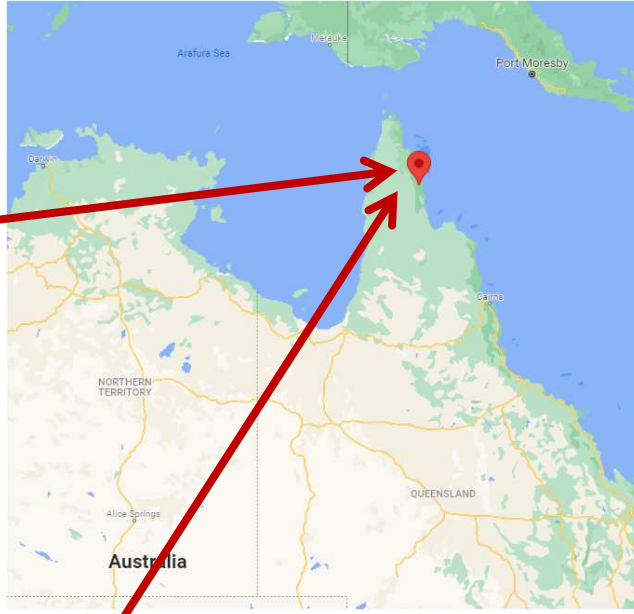
|                          |   |
|--------------------------|---|
| Temperature              | <b>19° - 32°</b>                          |
| Rainfall (avg per month) | <b>172 mm (Wet Season November - May)</b> |
| Humidity                 | <b>61 - 76%</b>                           |



# MAP OF LOCKHART RIVER

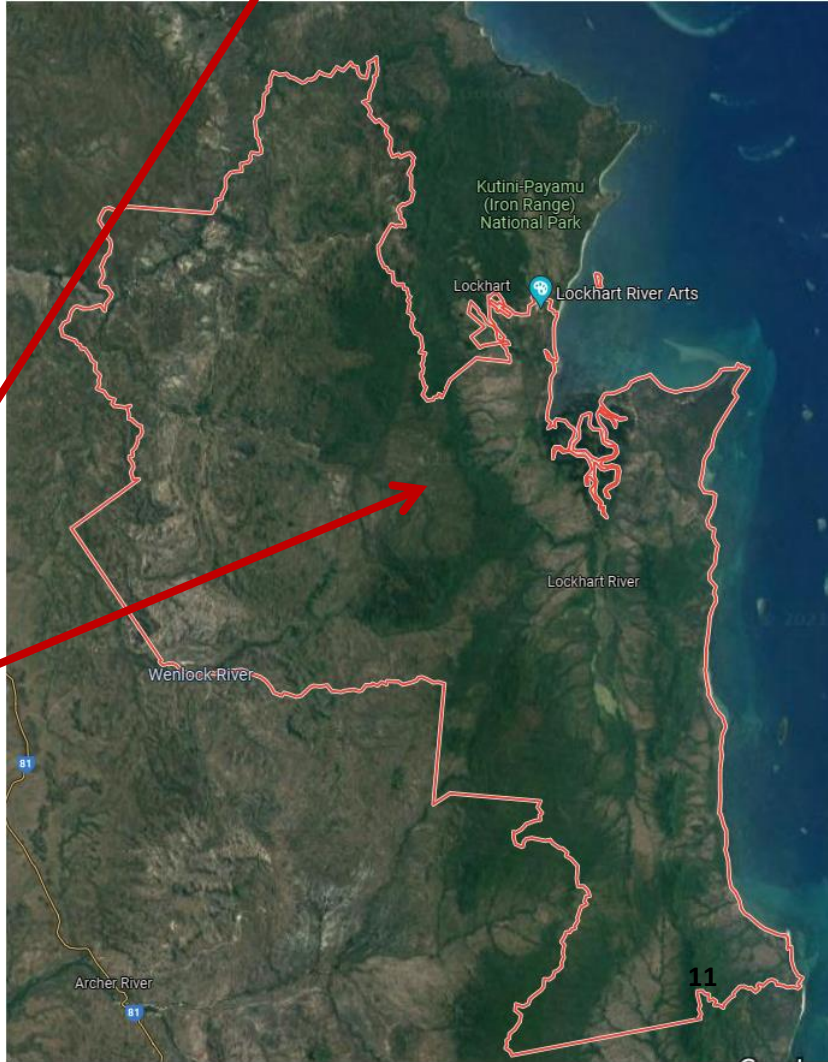
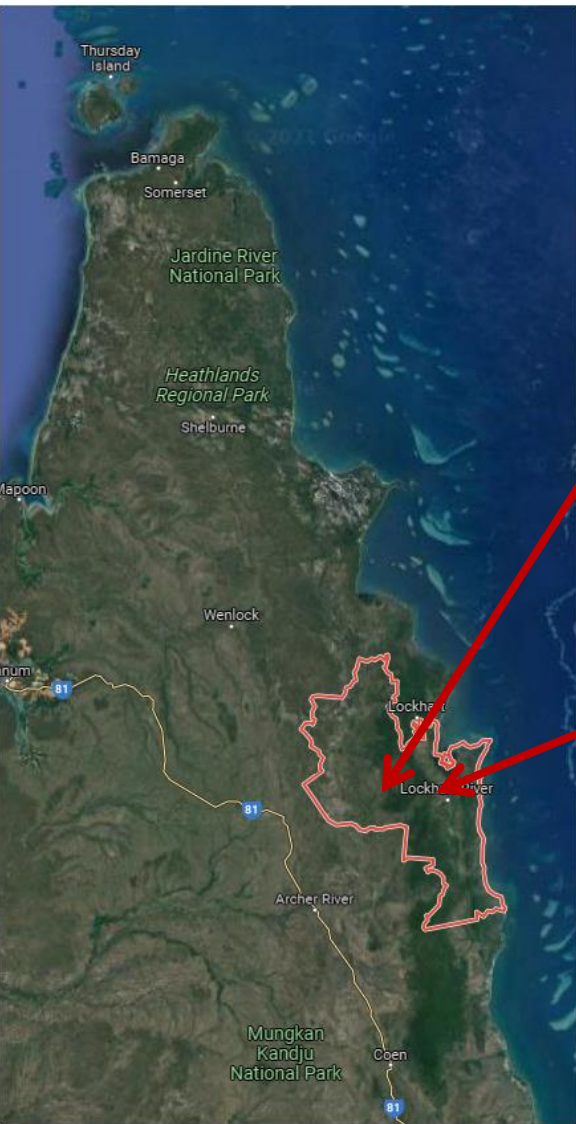


Far North Queensland, Australia



Land area: 5,877 km<sup>2</sup>

Federal division: **Division of Leichardt**  
State: **Cook**



# 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, Uuthaalnganu, 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.

Map of the Lockhart River Region



Lockhart River region  
(Map reproduced courtesy of the Lockhart River Aboriginal Shire Council)

The Lockhart River people's traditional territories span from Double Point to Breakfast Creek and inland to mountains. The major language groups from the north to south are the:

- Wuthathi (southern)
- Kuuku Ya'u (Northern and Kanthanapoo (southern Kuuku Ya'u))
- Uutaalnganu (Night Island)
- Umpila
- Kaanju (Northern and Southern)

Standard English is spoken as a second language in Lockhart River.

## 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

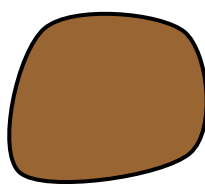
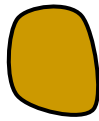
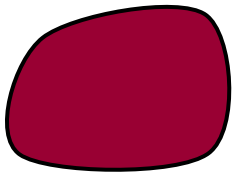
From the 1880s, sailors enlisted Aboriginal family groups to dive for beche-de-mer and pearl shell. Some of the lugger captains paid as little as \$1.50 a month and Aboriginal labour on luggers was later prohibited. This period is known as 'lugger time'.

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.





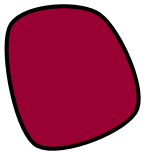
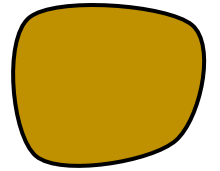
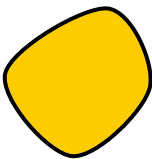
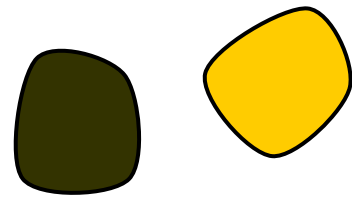
Council Parks and Gardens worker, Allan Warradoo 2020

### 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.

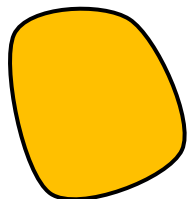
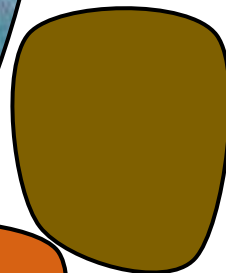
He also pointed to problems relating to the supply of intoxicating liquor to the Lockhart Aborigines and referred to the 'urgent necessity of at once placing an officer of this Department at the Pascoe or Claudie River to see that the provisions of the Aboriginals Protection Act are not evaded'.



'New Village'



'Old Site', 2020



## 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.

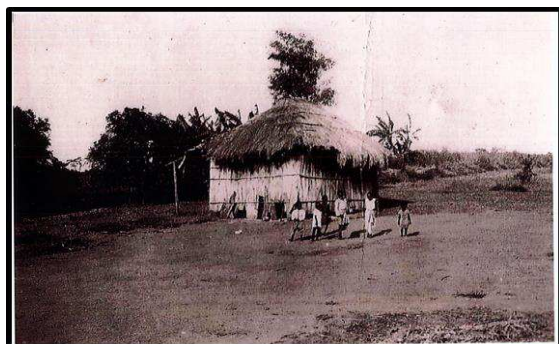
This was a difficult time when people were denied access to their country and forced to live with comparative strangers and, in some cases, enemies.

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.



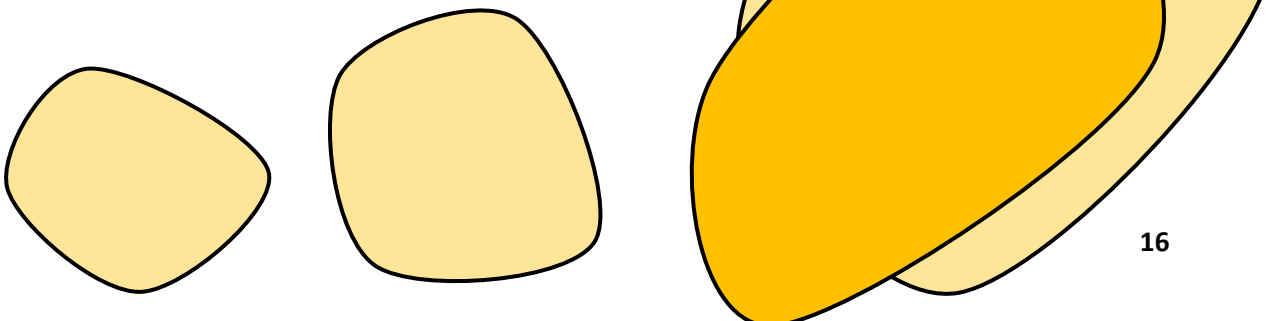
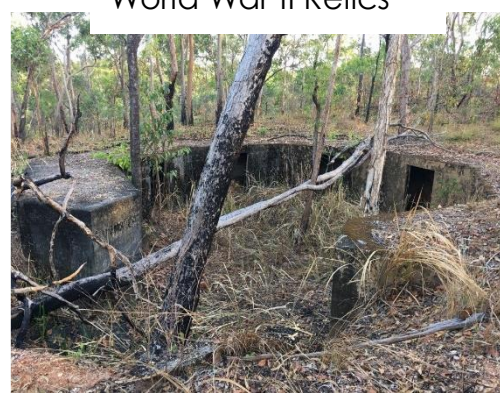
## World War Two

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 ground-breaking 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.



Traditional Lockhart River cultural dancer's



# FACILITIES AND SERVICES



## Early Childhood Development

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

Contact: 0419 681 025



## Kunchi Kakana (Families Together) 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

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.





## Hospital

### 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 local community. Routine services are offered weekly with 24 hour emergency services. Services provided include a suite of regular visiting medical, dentists and dental technicians, child health specialist nurses and mental health, community and allied health services covering diabetes educators, podiatry, pediatricians etc.

Contact: 07 4060 7155



## Education

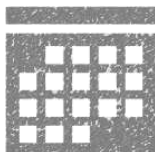
The school has about 120 students from pre-prep to year 12. Lockhart River Secondary School has developed a strategic plan to guide its journey towards ensuring all of its students fulfil their potential.

4 key priorities of the school are:-

- (1) Literacy & Numeracy,
- (2) Student Attendance
- (3) School wide positive behaviour support and
- (4) Connection with community and culture.

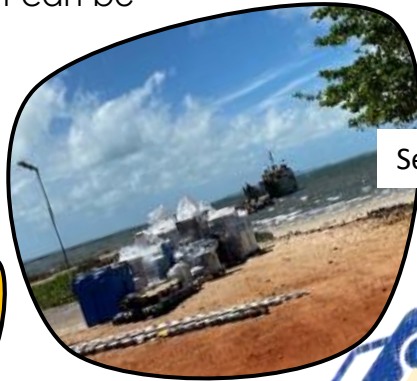
Contact: 07 4083 3888 /

e: [the.principal@lockhartss.eq.edu.au](mailto:the.principal@lockhartss.eq.edu.au)



## 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. Seaswift can be contacted on : 4035 1234



Seaswift



## Shopping

There is a retail store operated by the Community Enterprise Queensland (CEQ) that sells groceries, limited household goods and a few clothes. Fresh food and vegetables are always available; the store also runs a fuel station.

Lockhart River Retail Store Tel: 07 4060 7192.



The Retail Store

## 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 (Dec-May) season. Major transporters provide road services to the area during the dry season (Jun-Nov).



## Church

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.

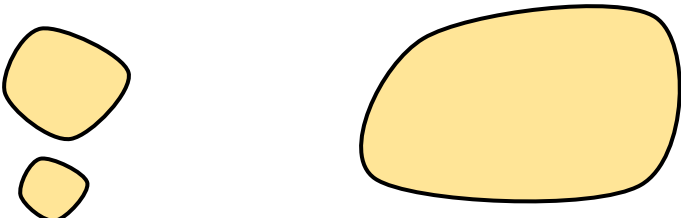


Old Mission Church



## Power

Electricity in the Community is generated by Ergon Energy.



## Post Office

The Australia Post is responsible for the daily banking activities and postal services in the community. Everyday transactions are available. The Bank and Post Office 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.



## Parks & 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.



Quintell Beach



## 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

<https://www.qld.gov.au/firstnations/community-alcohol-restrictions/remote-discrete-communities> 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.



Aerodrome Manager,  
Peter Wells



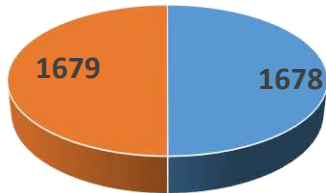
# Aerodrome Company Pty Ltd

## Air Transport



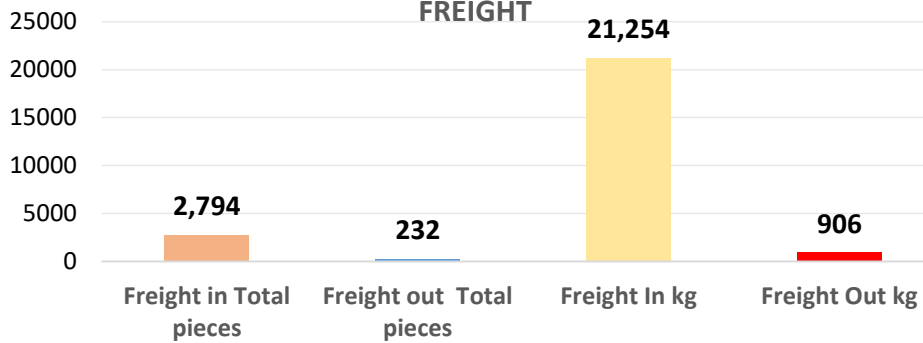
Lockhart River boasts a 1500m sealed and secure, all weather run-way. Due to the installation of pilot activated lights, the aerodrome can now be accessed 24 hours a day. During the wet season when road access can be cut off for months, the aerodrome plays a key role in getting vital supplies and services 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.

### PASSENGER MOVEMENT



■ Passengers In ■ Passengers out

### FREIGHT



## Fuel Supply

The Aerodrome Company also supplies JETA1 and avgas fuel to aircrafts. The Aerodrome Company also supplies diesel to the community members and visitors visiting in the community. Airport Telephone Number: 07 4060 7121.





## Accommodation

Accommodation is available at the following places.

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

The Puuya Centre is the focal point of community development, culture and capacity building activities training, counselling meetings, therapy, group work and story sharing. It is a convenient facility for group meetings away from town centre.

*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.*







# Private Enterprises

## Other Facilities

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 services to visitors to the area
- Puul'u Contracting for fencing services
- Gray Ochre Contracting
- AW Bowie Carpentry
- R Elu & M Hobson
- Piva family Trust to hire heavy plant and equipment for construction works
- D&C Contracting
- Wayne Butcher Enterprise
- Donovan Moses
- Rodney Accoom



## Other local private enterprises

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





Chief Executive Officer  
**DAVID CLARKE**

Director Corporate Services  
**STANLEY MUGWIRIA**



Director Building Services  
**REGIS EDMOND**



Director Essential Services  
**VACANT**



Director Engineering  
**VACANT**



Aerodrome Company  
**PETER WELLS**



Director Community Development  
**DOMINIC STOWER**



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 next election will be held in 2024.

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.



### **Elected Members**

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 Polices provides guidance to the Mayor and Councillors on what their roles and responsibilities are, and the Code of Conduct expected of them.

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.



**ELECTED MEMBERS**



**CR DOROTHY HOBSON**  
Deputy Mayor  
Youth, Sports and Recreation



**CR WAYNE BUTCHER**  
Mayor



**CR NORMAN BALLY**  
Councillor  
Law and Order, Men's Group, Land & Sea



**CR KAREN KOKO**  
Councillor  
Housing, Home Ownership, & Health



**CR ALISTAIR BOWIE**  
Councillor  
Economic Development, Employment and Training, and Child Safety





## Building Services

- The Airport Cabins stage 1 have all cabins being built and ready for accommodation whilst driveways are anticipating completion by end of October or early November. Stage 2 has achieved 75% completion.
- New housing donga identified to be used as transitional houses works had commenced and will be completed by end of December 2021.
- School fencing of Teachers residences fencing is approximately 1.5 kms of fencing all materials ordered and work will started next financial year.
- Airport fencing is 45% completed work in progress.
- General BAS maintenance works for remote housing is up to date
- Refurbishment works on remote houses and home ownership houses are getting completed on time.
- Due to COVID-19 there has been a shortage of materials, although we have been able to progress
- New sub-division will be starting in the new financial year, as we wait on details of the sub-divided blocks before our team can provide council with the pre-approved drawings of house to be built.
- Building Services currently has two trainees and will be looking at engaging four apprentices as part of the Skills for Queensland training opportunities.



Director of Building Services,  
Regis Edmond



## Governance & Leadership

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
- The audit committee of 3 members chaired by independent member did not change. They convened 3 meetings to discuss finance and governance matters during the year as mandated by the audit committee charter.
- Pacifica Chartered Accountants continued into the 2nd year of their term. They undertook and completed reviews in records management and systems workflow, project and contract management, and revenue assurance.



## Engineering Services



Once again we have had a busy year starting with the new football oval works followed by cultural precinct works .

We then started on Cape York Regional Package works which included 4 complete culverts ,rock drains, road works and bitumen we are still working on this at present .

Road gang with the backing of council for new plant including new 14 tone excavator which has been used on the pipe line to beach, cultural precinct, excavation of all culverts and drains.

The purchase of the new batching plant will be used with the guidance of Nicholas Lindsay with a few trade assistants and operators in the new financial year.

Council also acquired a new trailer to move plant around sites with ease .

Road crew this year have completed works to a quality that equals any contractors we have had on works previously and the crew under the guidance of Solomon Hobson should be proud of their achievements.

Road crew also appreciate the hard work from the office staff which makes this all work .

Wayne Lavender

Roads Inspector

# Essential Services

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.

- New water bores installed to increase clean water supply.
- Regular vet visits.

# Community Development



Community Development delivers the social services to the members of the community. During the 2020-2021 year the following services were delivered:

| Services  |
|---|
| • Womens Shelter  |
| • Youth Services  |
| • Men’s Healing Services  |
| • Justice Program incorporating the community Justice                               |
| • Home and Community Care including CHSP, QCSS, NDIS Community Connectors           |
| • Indigenous Knowledge Centre – Library and First 5 Forever                         |
| • Community Radio and Cultural Heritage Archive program                             |
| • Outside School Hours Care including school breakfast program and holiday programs |
| • Sport and Recreation programs;  |
| • Primary Health Care programs; and   |
| • Guest House accommodation and training room.                                      |



Although it proved to be a tough year it is with thanks to all our staff for leading and delivering the services and to our partnerships with various stakeholders who have contributed. Going forward we welcome the input from our clients, community members,

staff and stakeholders to further develop and strengthen our services and to finding solutions to our challenges. A great way to give back to your community is to participate in the delivery of social services, be it as a staff member or community member. Together we can look out for our families, friends, community and make a difference as no one knows community like community members.

# Corporate Services

The 2020/21 financial was a year of 'full basket' for the finance team by weighing the impact of the increased volume of transactions. Despite the workload, the support role the Corporate Services provides to other Council departments was the most successful in the recent past. All this happened in the advent of new accounting software into its 2nd year of use. Confidently synergyssoft is considered thoroughly tested and successfully implemented during the year.

## Staffing

Finance team was the most stable team in the Council workforce during the year. Zali and Celeste joined the Cairns Office Team from Lockhart River Office as young finance and administration trainees progressing from the School Kids Program supported by the Council. Rhonda Soerge joined the Cairns Office into the position of Accounts Payables Officer after Elvira Marticio resigned for personal reasons. She was a passionate team member and we wished her the very best in everything she would want to do in future.



## Training

Maureen, Human Resources Officer completed her Diploma in Local Government Finance Management provided by LGAQ. This is an added talent to the finance team that will boost the productivity of the team members.



## Statutory compliance

The 2021/22 Operational Plan and corresponding budget were completed within legislative timeframe whereby the finance team prepared and submitted them to Council for approval before due date.

The 2020/21 annual audit by the QAO was completed and signed on 13th October 2021 which was within the legislative timeframe. QAO issued 'Unmodified Audit Opinion' and these good audit results have been achieved by the finance team since 2008/9 financial year.



Zali Hobson attending TAFE Classes



Other services provided during the year by Corporate Services staff were

- Australia Post for banking and post office services
- ATM services
- Centrelink Office for human services to the Lockhart River community
- Council Warehouse for sale of construction materials

***We acknowledge that these achievements would have not been realized without the support and leadership provided throughout the year by the CEO, Mayor and all 37 elected members.***

# 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 2020 – June 2021.

| Councillor                     | Ordinary Meeting | Special meetings | Total meetings | Remuneration | Super    | Total \$  | Expenses Claimed | Facilities Provided           |
|--------------------------------|------------------|------------------|----------------|--------------|----------|-----------|------------------|-------------------------------|
| Cr Wayne Butcher Mayor         | 11               | 1                | 13             | \$108,222    | \$12,987 | \$121,209 | \$9,410          | Vehicle, Laptop, iPhone, iPad |
| Cr Dorothy Hobson Deputy Mayor | 10               | 1                | 13             | \$62,435     | \$7,492  | \$69,927  | \$2,600          | Vehicle, iPad, Smart Phone    |
| Cr Norman Bally Councillor     | 11               | 1                | 13             | \$54,110     | \$6,493  | \$60,603  | \$1,801          | iPad, iPhone                  |
| Cr Allister Bowie Councillor   | 11               | 1                | 13             | \$54,110     | \$6,493  | \$60,603  | \$2,985          | iPad, iPhone                  |
| Cr Karen Koko Councillor       | 10               | 1                | 13             | \$54,110     | \$5,140  | \$59,251  | \$2,282          | iPad, iPhone                  |



## Senior Management Team

During the 2020/21 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 and Services Mr. Dominic Stower
- Engineering Services Vacant
- Essential Services Vacant
- Aerodrome Company Mr. Peter Wells



## Executive Remuneration

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

In accordance with the requirements of section 201 of the Local Government Act 2009, the remuneration packages of senior officers can be reported as follows:

| Remuneration Package  | Number of Senior Officers |
|-----------------------|---------------------------|
| \$50,000 - \$150,000  | 2                         |
| \$150,001 - \$250,000 | 3                         |

## Invitation to tenderers to change their tender details

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

## Beneficial Enterprises

Puuya Foundation through its operations at Kuunchi Kakana Early Childhood Learning Centre is a beneficial enterprises to the Lockhart River community. This has benefitted the community by creating local employment and providing early childhood education services to the community. The Council recognizes and supports this learning interaction of the parents, kids and teachers at the Centre.

## Significant business

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

## Invitations to provide expressions of interest

Lockhart River Aboriginal Shire Council did not advertise for any expression of interests or tender.



## Internal Audit

Pacifica Chartered continued the role internal auditors for the year and reported directly to the Audit Committee. The composition of Audit Committee remained unchanged with three members and chaired by independent member to promote the achievement of good governance objectives. The Audit Committee and internal auditors updated 2020-21 Annual Audit Plan in response to changing circumstances.

The internal auditors carried out the following reviews and provided recommendations to the management for implementation:

- Project and contract management
- Records management
- Revenue assurance.



Three separate internal audit reports were provided and therefore the Council complied with section 207 of the Local Government Regulation 2012 on internal auditing and reporting for the year.

## External Audit

Grant Thornton Chartered Accountants (contracted auditors) on behalf Queensland Audit Office (Auditor-General of Queensland) audited the 2020-21 annual financial statements. As usual their approach to audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and issue an independent audit opinion.

After the audit of 2020-21 financial statements, the auditors expressed an **unmodified audit opinion** implying Council's financial operations and records have received a clean report.



## Annual Report

Section 182 of the Local Government Regulation 2012 require the Council to prepare and adopt its annual report within 1 month after its financial statements are signed by the Auditor-General. The audited financial statements for the 2020-21 financial year were signed by the Auditor General on 13 October 2021. The 2020-21 Annual Report will be available for reading by 12 November 2021. Hard copies will be available from Council's admin offices in Lockhart River and Cairns. This annual report will also be uploaded to the Council website by 26 November 2021.





## **Assessment of Corporate Planning and Operational Plan**

According to the requirement of section 174 of Local Government Regulation 2012, the Council prepared and adopted 2020-21 Operational Plan. In compliance with section 169 of the Local Government regulations 2012 it prepared and adopted 2020-21 Budget. These corporate documents were regularly reviewed and updated throughout the year as operational environment circumstances changed but no significant changes were noted. The 2018-23 Corporate Plan did not undergo any amendments.

## **Grants to Community organisations**

The Council did not grant any funds to community organisations in compliance with the requirement of section 189 of Local Government Regulation 2012. However, the Council spent \$95,998 on contributions towards support for funeral expenses to the bereaved families, cultural and sporting activities within Lockhart River community only. The Council's Donations Policy and Budget provided guidelines for these contributions.

## **List of Registers available to 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 delegations)
- Register of Council Meeting Minutes
- Asset Register
- Road Register
- Housing Register
- Prequalified Suppliers Register
- Council Local Laws register
- Fraud Register



## Overseas travel

There was no overseas travel by any Councillor or Council employee on official arrangements.

## Other relevant issues to making an informed assessment

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

To comply with section 186 (1)(d) - (f) and section 353 of the Local Government Regulation 2012 the Council performance against set standards were as follows:

| Requirements  | No  |
|---|-----|
| Orders made under section 150I(2) of the Act  | Nil |
| Orders made under section 150AH(1) of the Act   | Nil |
| Decisions, orders and recommendations made under section 150AR(1) of the Act  | Nil |
| Name of each councillor for whom a decision, order or recommendation was made under section 150I(2), 150AH(1) or 150AR(1) of the Act  | Nil |
| A description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each councillor that was made under section 150I(2), 150AH(1) or 150AR(1) of the Act           | Nil |
| A summary of the decision, order or recommendation made for each councillor that was made under section 150I(2), 150AH(1) or 150AR(1) of the Act  | Nil |
| Complaints referred to the assessor under section 150P(2)(a) of the Act by local government entities for the local government   | Nil |
| Matters, mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission   | Nil |
| Notices given under section 150R(2) of the Act  | Nil |
| Notices given under section 150S(2)(a) of the Act   |     |
| Decisions made under section 150W(1)(a),(b) and (e) of the Act  | 2   |
| Referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act  | Nil |
| Occasions information was given under section 150AF(4)(a) of the Act  | Nil |
| Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a councillor | Nil |
| Applications heard by the conduct tribunal under chapter 5A, part v3, division 6 of the Act about whether a councillor engaged in misconduct or inappropriate conduct                             | 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](http://www.lockhart.qld.gov.au). A complaint register has been established providing details with regard to the outcomes of complaints.

### The annual report for a financial year must contain particulars of:

Administrative action complaints recorded during the reporting year are as detailed below.

| Description  | No  |
|--|-----|
| The number of administrative action complaints made to the local government  | 2   |
| The number of administrative action complaints resolved by the local government under the complaints management process      | 1   |
| The number of administrative action complaints not resolved by the local government under the complaints management process. | 1   |
| The number of administrative action complaints that were made in previous financial year.                                    | Nil |





## **Training and Development**

Staff training and development is guided by comprehensive council policy available at the Human Resources Office. It helps Council to develop and retain competent and safe workforce. Council fund training fees and travel expenses to employees in order to attend all work related conferences and workshops in addition to formal training.

## **Equal Employment Opportunity (EEO)**

Council has developed and implemented an Equal Employment Opportunity Policy (EEO) and Management Plan. The EEO 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.

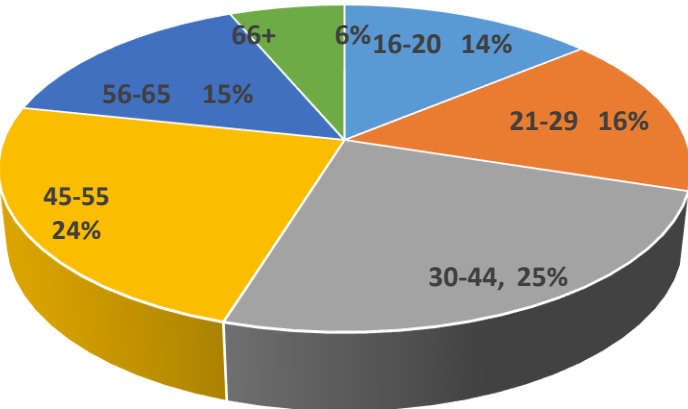


## **Work Place Health and Safety**

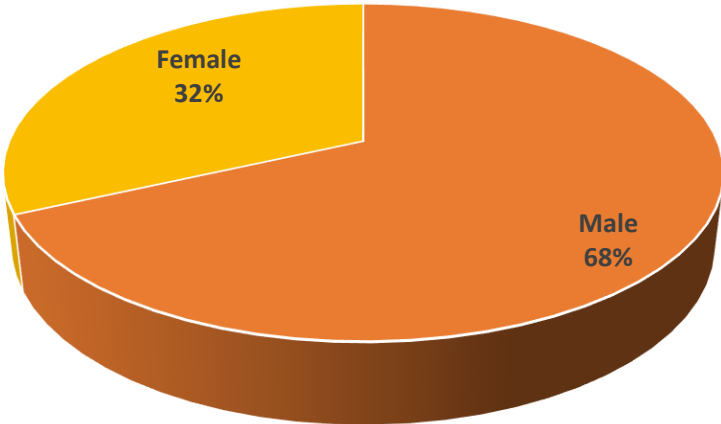
The Council is responsible for ensuring safe working environment for all its employees. Also, the Council is obliged to comply with requirements under Work Health & Safety Act and Regulation 2011. Staff safety awareness has increased through training and robust incidence reporting system to ensure appropriate 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.

**Employees by age and gender category is reflected on the below charts**

**Employees by age category**



**Employees by gender**



**Employees statistics**

Council workforce is dominated by male representing 68 per cent while female are 32 per cent compared to 60 per cent male and 40 per cent female last year. The gender balance of male and female in the Leadership and Governance is 60:40 with 3 male councilors and 2 female councilors. Employees by age category is reflected on the above chart.

**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 granted Puuya Foundation concessions for user service charges of \$17,166 during the financial year.

## Controlled Roads

At Lockhart River, the Council controls the entire 222 km 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:



| Description                                    | No            |
|--|---------------|
| Bridges  | 1             |
| Storm-water culverts and floodways             | 122           |
| Rural/Urban roads – unsealed                   | 182 km        |
| Rural/Urban roads – sealed                     | 40 km         |
| <b>TOTAL LENGTH OF ROAD AND BRIDGE NETWORK</b> | <b>222 km</b> |

# 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 2020/21 (consolidated entity)

Key highlights of the financial year include:

### Major capital expenditure (above \$100,000) during the year includes:-

|  |                     |
|--|---------------------|
| Refurbishment of old canteen building, fencing and landscaping | \$ 218,775          |
| Renewal of Council fleet                                       | \$ 776,448          |
| Road, drainage improvements and culverts                       | \$ 2,487,958        |
| Cultural precinct  | \$ 426,992          |
| Refurbishment of football oval                                 | \$ 100,927          |
| New water boreholes  | \$ 138,791          |
| New water line to Quintell Beach                               | \$ 155,177          |
| New Cabins   | \$ 706,881          |
| Airport security fencing                                       | \$ 229,486          |
| <b>Total capital expenditure</b>                               | <b>\$ 5,455,927</b> |
| <b>Net results for the year</b>                                | <b>\$ 1,462,961</b> |

## 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 2021.

### 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**



A summary of Council's financial performance for the year, listing both




(a) operating income & expenses and



(b) other comprehensive income which records items such as changes in the fair values of Council's assets.




### **Balance Sheet**



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



### **Statement of Changes in Equity**



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




### **Statement of Cash Flows**



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




### **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 2020/21 Financial Statements (Consolidated)

A complete version of Council's Financial Statements for the 12 months to 30 June 2021 can be found at our website: [www.lockhart.qld.gov.au](http://www.lockhart.qld.gov.au) or at the Council's administrative offices at:

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

### An Overview of this year's Financial Result & Financial Position

#### Council's Consolidated Statement of Comprehensive Income for 2020/21

Council's headline consolidated operating result for the year was a net surplus of \$1,462,961. 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.

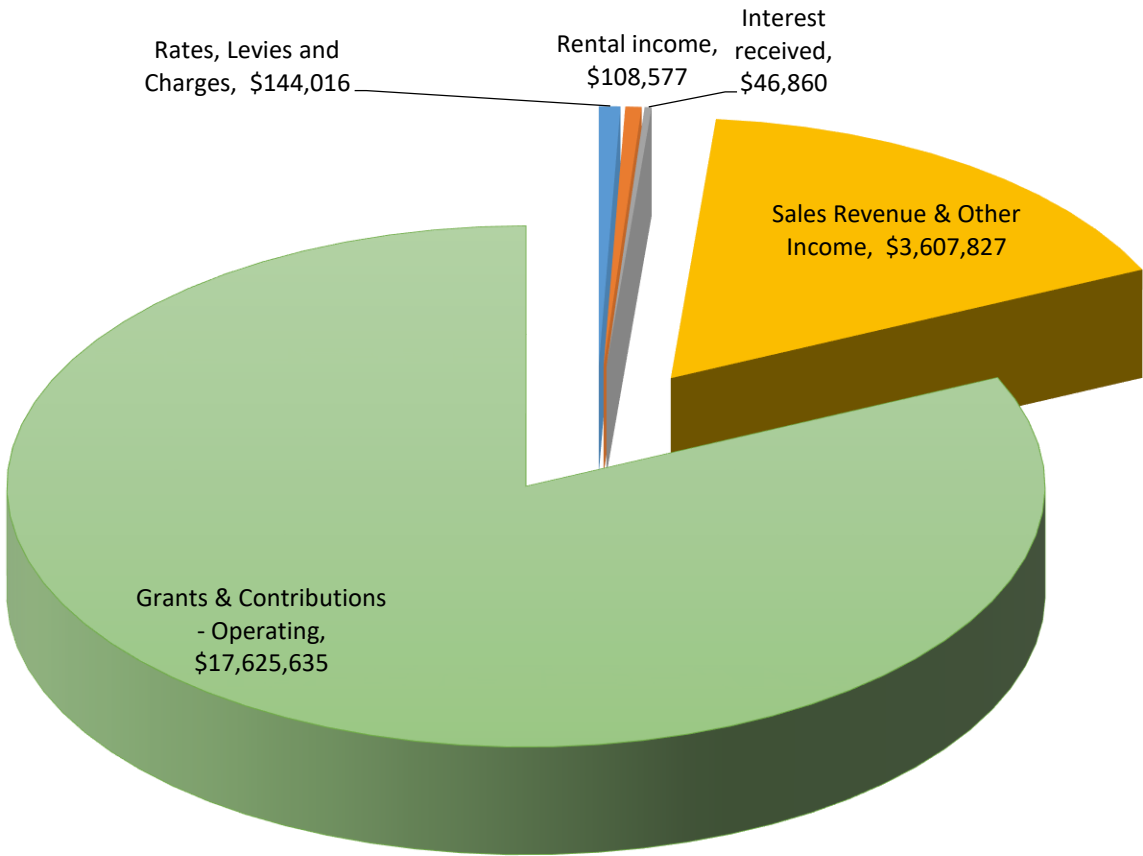
The following are the key financial performance highlights (Consolidated):

Overall, the Council and senior management believe the financial results for the year to be satisfactory but will endeavour for a better outcome in the current financial year.

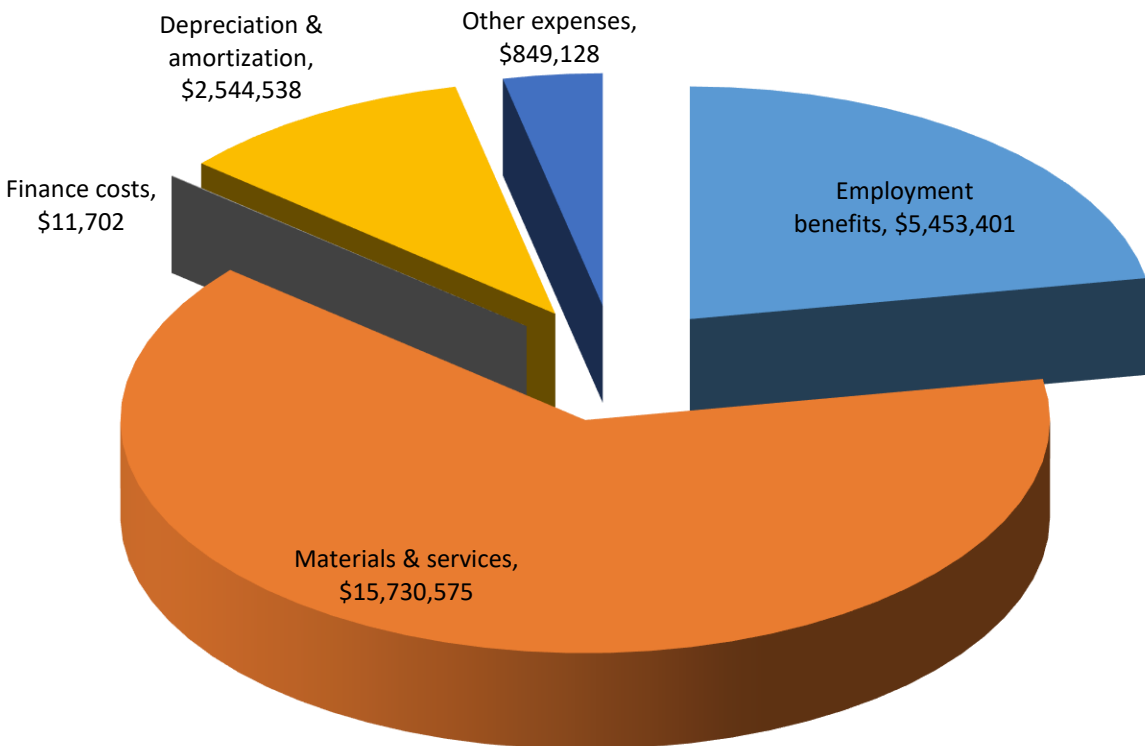
### Consolidated Council Net Result

|   | Actual \$<br>2021  | Budget \$<br>2021  | Actual \$<br>2020  |
|---|--------------------|--------------------|--------------------|
| Revenues (excl. income for capital purposes)                | 21,559,006         | 15,861,826         | 19,562,418         |
| Expenditure (excl. capital expenses)                        | (24,589,343)       | (16,944,857)       | (20,691,633)       |
| <b>Net Result before Capital Grants &amp; Contributions</b> | <b>(3,030,337)</b> | <b>(1,083,031)</b> | <b>(1,129,215)</b> |
| Capital Grants & Contributions                              | 4,493,298          | 5,178,725          | 2,785,786          |
| Capital expenses  | -                  | -                  | (231,175)          |
| <b>Net Results</b>  | <b>1,462,961</b>   | <b>4,095,694</b>   | <b>1,425,396</b>   |

### Consolidated Council recurrent revenue for the year 2020/2021



### Consolidated Council recurrent expenditure for the year 2020/2021



## 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.

### Council's Wealth

|   | Actual \$<br>2021  | Actual \$<br>2020  |
|---|--------------------|--------------------|
| <b>The major items that make up Council's wealth include the following assets:</b>        |                    |                    |
| Available Cash & Investments ****   | 10,371,269         | 14,065,912         |
| Debtors   | 972,746            | 778,156            |
| Inventories   | 306,621            | 309,163            |
| Contract assets   | 1,813,555          | 508,212            |
| Lease receivable - Current  | 306,320            | 301,137            |
| Lease receivable - Non Current  | 9,932,541          | 11,087,989         |
| Infrastructure, Property, Plant & Equipment   |                    |                    |
| - Capital Work in Progress  | 4,764,832          | 3,163,542          |
| - Land  | 1,000,000          | 1,000,000          |
| - Buildings   | 11,356,490         | 11,470,839         |
| - Housing   | 10,540,624         | 10,501,629         |
| - Plant and Equipment   | 1,864,953          | 1,405,580          |
| - Furniture and office equipment  | 177,013            | 195,598            |
| - Road, Drainage and Bridge Network   | 48,718,397         | 48,062,689         |
| - Water   | 4,395,179          | 3,682,537          |
| - Sewerage  | 4,565,449          | 4,590,190          |
| - Other Infrastructure Assets   | 3,339,542          | 3,399,147          |
| - Right of use assets   | 104,694            | 116,843            |
|   | <u>114,530,225</u> | <u>114,639,163</u> |
| <b>Council has funded some of its operations and assets by the following liabilities:</b> |                    |                    |
| Trade and other payables  | 1,633,806          | 1,598,705          |
| Current provisions  | 353,191            | 357,912            |
| Contract liabilities  | 1,754,820          | 3,655,008          |
| Lease liabilities   | 35,710             | 35,070             |
| Non-current lease liabilities   | 75,436             | 88,943             |
| Non-current provisions  | 1,869,992          | 1,844,777          |
|   | <u>5,722,955</u>   | <u>7,580,415</u>   |
| <b>Net Community Equity</b>   | <u>108,807,270</u> | <u>107,058,748</u> |

\*\*\*Cash & Investments "restricted" for future funding purposes

2,118,586

3,130,589

## 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 (\$)  | 2021               | 2020               | 2019              | 2018              | 2017               |
|---|--------------------|--------------------|-------------------|-------------------|--------------------|
| <b>Inflows:</b>   |                    |                    |                   |                   |                    |
| Fees & Charges  | 144,016            | 156,455            | 147,459           | 142,823           | 133,304            |
| Other revenue   | 99,269             | 743,745            | 1,582,172         | 501,500           | 98,916             |
| Rental Income   | 108,577            | 110,207            | 93,064            | 205,954           | 251,055            |
| Interest Received   | 46,860             | 157,638            | 209,604           | 184,334           | 121,783            |
| Sales Revenue   | 3,534,650          | 6,361,259          | 5,255,454         | 6,428,169         | 6,172,982          |
| Grants, Subsidies, Contributions & Donations<br>- Operating & Capital           | 22,118,933         | 14,818,900         | 16,846,937        | 16,055,882        | 22,954,581         |
| <b>Total Income from Continuing Operations</b>                                  | <b>26,052,305</b>  | <b>22,348,204</b>  | <b>24,134,690</b> | <b>23,518,662</b> | <b>29,732,621</b>  |
| Sale Proceeds from PP&E   | -                  | 35,909             | 4,000             | -                 | -                  |
| Finance lease receipts  | 301,137            | 292,701            | 288,340           | 283,545           | 272,719            |
| <b>Outflows:</b>  |                    |                    |                   |                   |                    |
| Employee Benefits   | 5,453,401          | 5,697,603          | 5,217,842         | 4,584,181         | 4,750,916          |
| Materials & Services  | 15,730,575         | 12,529,115         | 8,916,384         | 6,454,383         | 9,903,290          |
| Finance Costs   | 11,702             | 6,915              | 34,643            | (13,682)          | (63,152)           |
| <b>Total Expenses from Continuing Operations</b>                                | <b>21,195,678</b>  | <b>18,233,633</b>  | <b>14,168,869</b> | <b>11,024,882</b> | <b>14,591,054</b>  |
| Total Cash purchases of PP&E  | 5,455,927          | 3,491,335          | 6,276,344         | 11,763,183        | 15,688,840         |
| <b>Operating Surplus/(Deficit) (excl. Capital<br/>Income &amp; Expenditure)</b> | <b>(3,056,428)</b> | <b>(1,141,791)</b> | <b>938,185</b>    | <b>804,695</b>    | <b>(2,976,240)</b> |
| <b>Financial Position Figures (\$)</b>  |                    |                    |                   |                   |                    |
|   | <b>2021</b>        | <b>2020</b>        | <b>2019</b>       | <b>2018</b>       | <b>2017</b>        |
| Current Assets  | 13,770,512         | 15,962,580         | 14,026,613        | 12,665,782        | 14,127,744         |
| Current Liabilities   | 3,777,526          | 5,646,695          | 1,891,477         | 2,972,266         | 4,727,924          |
| <b>Net Current Assets</b>   | <b>9,992,986</b>   | <b>10,315,885</b>  | <b>12,135,136</b> | <b>9,693,516</b>  | <b>9,399,820</b>   |
| Cash & Cash Equivalent  | 10,371,269         | 14,065,912         | 12,420,924        | 10,187,745        | 12,156,711         |
| Total Gross Value of PP&E (excl. Land)  | 129,509,727        | 123,607,141        | 117,167,161       | 107,359,517       | 94,766,985         |
| Total Accumulated Depreciation  | 39,787,248         | 37,135,390         | 32,283,144        | 31,226,949        | 28,602,514         |
| Total Written Down Value of PP&E (excl. Land)                                   | 89,722,479         | 86,471,751         | 84,884,017        | 76,132,568        | 66,164,471         |
| Indicative Remaining Useful Life (as a % of<br>GBV)                             | 69%                | 70%                | 72%               | 71%               | 70%                |

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

# 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)].

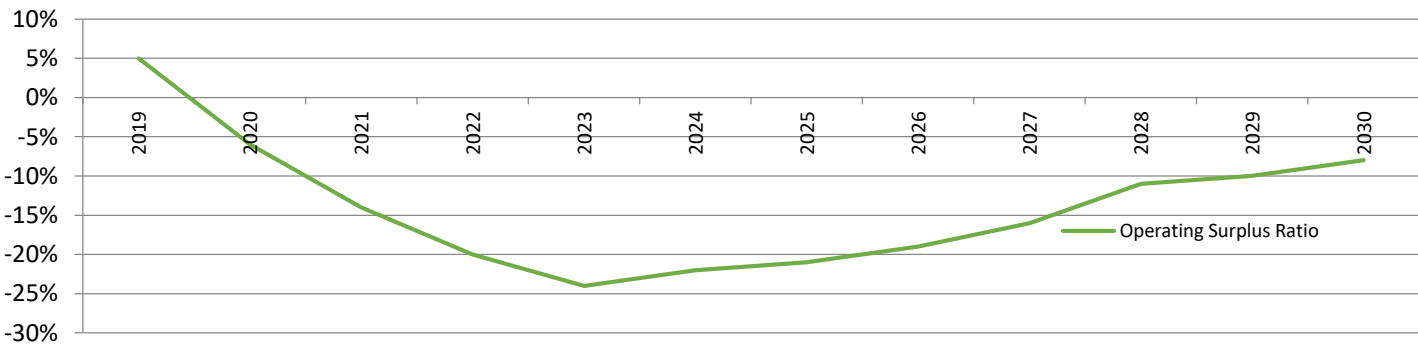
The Financial Sustainability indicators (in accordance with the Local Government Regulation 2012) that Council must publish are as follows:

Financial Sustainability Indicators (Consolidated) for the year ended 30 June 2021

|                                 | Target  | Long Term Financial Plan Projections |             |             |             |           |           |           |           |           |           |           |           |
|---------------------------------|---------|--------------------------------------|-------------|-------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                                 |         | Actual 2019                          | Actual 2020 | Actual 2021 | Budget 2022 | Yr 1 2023 | Yr 2 2024 | Yr 3 2025 | Yr 4 2026 | Yr 5 2027 | Yr 6 2028 | Yr 7 2029 | Yr 8 2030 |
| <b>Ratio</b>                    |         |                                      |             |             |             |           |           |           |           |           |           |           |           |
| Operating Surplus Ratio         | 0 - 10% | 5%                                   | -6%         | -14%        | -20%        | -24%      | -22%      | -21%      | -19%      | -16%      | -11%      | -10%      | -8%       |
| Asset Sustainability Ratio      | > 90%   | 0%                                   | 60%         | 54%         | 232%        | 170%      | 162%      | 77%       | 62%       | 54%       | 70%       | 91%       | 42%       |
| Net Financial Liabilities Ratio | < 60%   | -61%                                 | -43%        | -37%        | -55%        | -42%      | -38%      | -35%      | -31%      | -35%      | -33%      | -36%      | -35%      |

## Operating Surplus Ratio

This ratio measure '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.



The Consolidated entity reported operating surplus ratio of -14% for 20/21 financial year that was not within the target of between 0% and 10% per annum on average over the long term. The Council and Aerodrome Company did not earn sufficient revenue that could cover operating expenses and offset past or future operating deficits or to fund proposed capital expenditure. Management is determined to achieve surpluses in all future financial years.

## Asset Sustainability Ratio

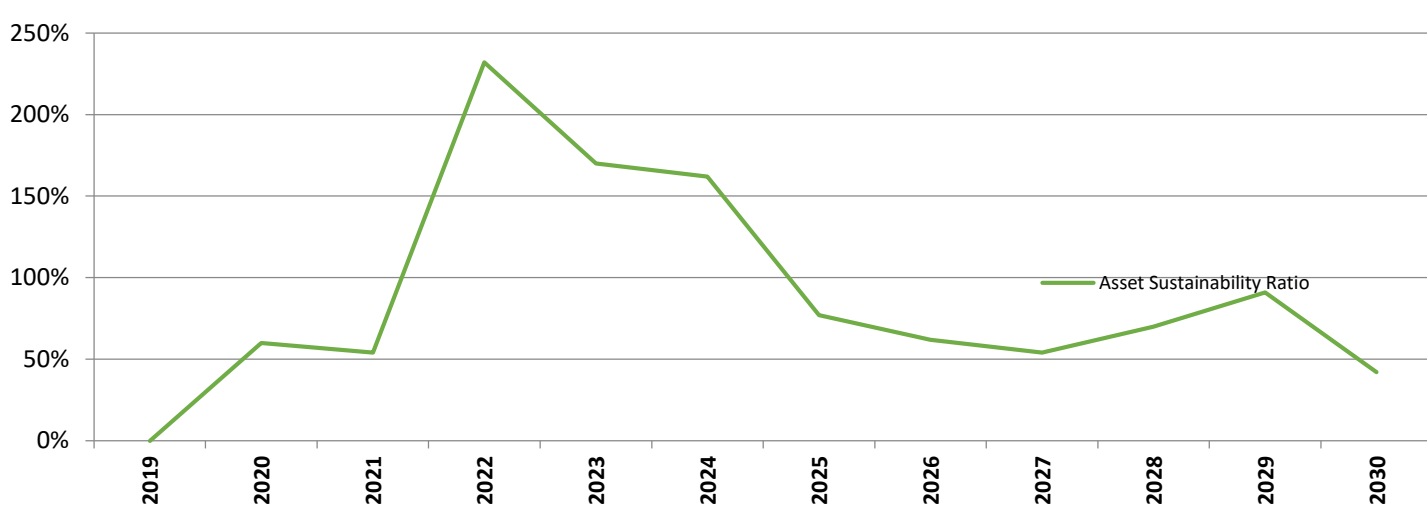
This ratio measure 'Capital Expenditure on the Replacement of Assets (Renewals) divided by Depreciation Expense'.

It approximates the extent to which the infrastructure assets 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 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.



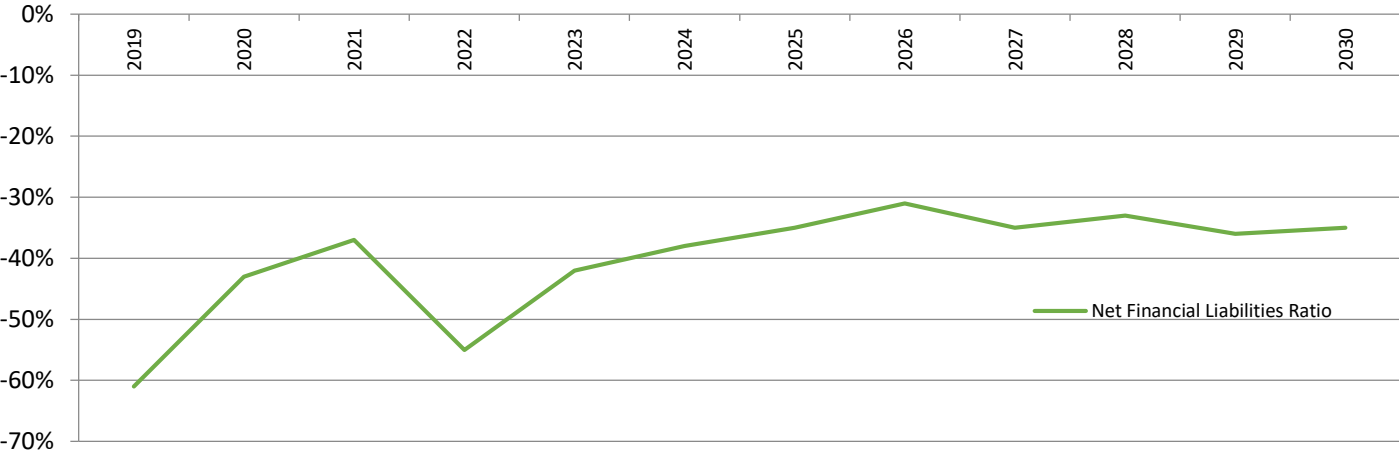
The Consolidated entity achieved Asset Sustainability Ratio of 54% that was below the target of >90% implying that the Council and Aerodrome Company have not sufficiently maintained, replaced or renewed existing infrastructure assets as they are consumed. This may reduce service levels and useful lives of these assets.



# Net Financial Liabilities Ratio

This ratio measure '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.



The Consolidated entity recorded Net Financial Liabilities Ratio of -37% 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 2021, click on the hyperlink below or through the Council's website or obtain a copy from the Council office.

<https://lockhart.qld.gov.au/publications/audited-financial-statements/>

