

Annual Report 2019-2020



Lockhart River Aboriginal Shire Council's achievements and challenges are all highlighted in this year's Annual Report for 2019-2020.

It includes an overview of our performance and a statement of wealth for the period from 1 July 2019 – 30 June 2020.

This is our account of how we have fulfilled our obligations to our community and the public at-large.

We are proud of what we have achieved in what has been a difficult year for everyone.

The tools we have worked with include our Five-Year Corporate and Operational Plans and our budgeting, which help to keep us on track and focused on delivery.

Copies of these documents are available on our website - www.lockhart.qld.gov.au - along with our previous Annual Reports, Council's Financial Statements, Minutes of Meetings and newsletters.

Feedback and comments on any aspect of our services, including this report, can be directed to the CEO on 07 4060 7144 or via email to ceo@lockhart.qld.gov.au

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Contents

COUNCIL OVERVIEW...pages 4-14

Our Vision; Our Mission Statement; Our Guiding Principles and Values... p 5

Lockhart River Aboriginal Community maps... p 6

Lockhart River History... p 7

Lockhart River Shire Council Services... p 10

Lockhart River Community Facilities, Services & Information... p 12

Organisation Chart... p 14

Our Councillors & Portfolios... p 15

Mayor's Report... p 16

CEO's Report... p 18

YEAR IN REVIEW...pages 20-28

Engineering Services... p 20

Building Services... p 22

Essential Services... p 23

Community Development... p 24

Corporate Services... p 26

Governance & Leadership Services... p 27

Aerodrome & Iron Range Cabins.. p 28

DISCLOSURES...pages 29-32

COMMUNITY FINANCIAL REPORT...pages 33-39

APPENDIX – ANNUAL FINANCIAL STATEMENTS

- on our website at www.lockhart.qld.gov.au

Council Overview

Lockhart River Aboriginal Shire Council has five elected representatives, including the Mayor, who are responsible for formulating policy, budget and strategic direction for our community as per the organisation's Corporate and Operational Plans, which are also developed by Council.

The Shire is undivided for electoral purposes therefore each Councillor represents the overall public interest of our community.

Over many years Councils have adopted a portfolio system where each Councillor is assigned one or more specific areas of interest, such as youth, justice, health and/or education, to oversee within the context of the Council's Vision, Mission, Principles and Values (see page 5).

The portfolio system allows for principles of accountability and collective responsibility to thrive.

Councillors are elected every four years in accordance with the Local Government Act and this year in March (2020) we welcomed a mix of new and re-elected sitting members (see page 15).

Acceptance of the duties and responsibilities of the Mayor and Councillors are required to make a 'Declaration of Office' which requires our elected members to promise they will fulfil the duties of office by acting faithfully and impartially to the best of their judgment and ability, and uphold the Council's Code of Conduct.

Councillors are also required to complete a register of interests to ensure conflict of interest and material personal interests are publicly declared.

All our Councillors are required to attend ordinary and special meetings as they are called.

They are required to vote on all matters that require a decision or they may abstain from taking part in the discussions and voting issues where they may have a conflict of material or personal interest.

A legal and binding description of the roles of the Mayor and Councillors can be found in the Local Government Act 2009.

All Councillors are required to undergo training prior to their election to help them understand their roles and responsibilities.

Council authority is exercised as a whole.

Decisions are made by the Council in the best interests of our Lockhart River community, as per the requirements of the Local Government Act 2009 and Council policies, which provide guidance to the Mayor and Councillors on their roles and responsibilities.

The Council's Code of Conduct provides for a range of penalties, from reprimand to disqualification from office, to safeguard against misuse, abuse and miscarriage of power and authority by any elected member.

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.

Council meetings are no longer open to the public, due to COVID-19 restrictions imposed in February 2020.

Minutes and records of Council's agenda, decisions and activities can be found on the Council's website at <http://www.lockhart.qld.gov.au> and in the Council's newsletter, *Waanta*.

LAND AREA

3,540.72km²

WEATHER

(December 2019 – December 2020)

Highest Maximum Temp 36.8 (January 2020)

Lowest Maximum Temp 24.6 (May 2020)

Lowest Minimum Temp 12.3 (August 2020)

Highest Minimum Temp 27.4 (January 2020)

Most rain in a day 120.4mm (12 January 2020)

Our Vision

Strong Puuya

Strong Culture

Strong Future

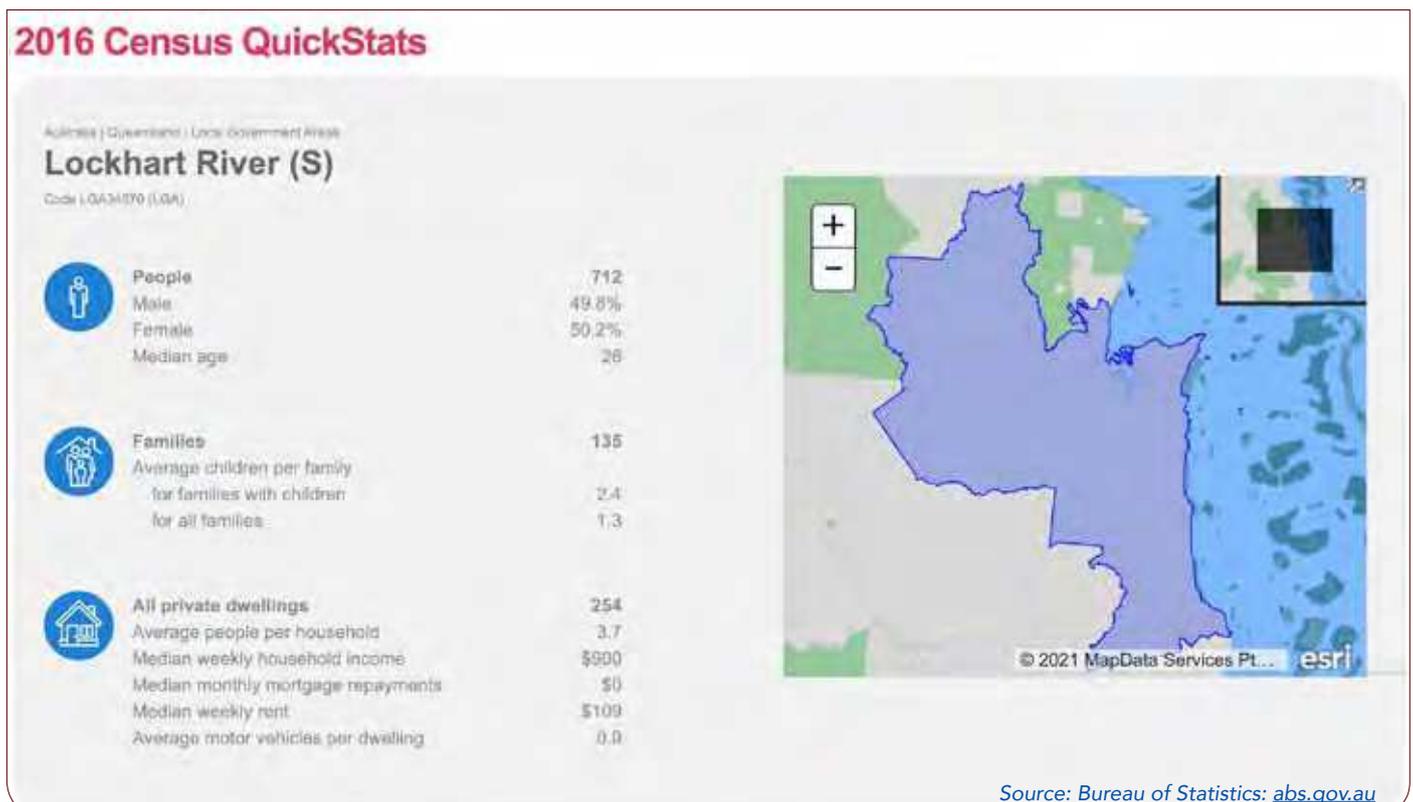
Our Mission Statement

To lead, strengthen and serve the community by providing high quality level of services and 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 principles of:

- Respect, honesty, integrity;
- Working and learning together;
- Fairness, positivity, and accountability; and,
- Respect for Culture.





Lockhart River Aboriginal Community



Lockhart River History

Lockhart River was established in 1924 when people from five traditional territories were coerced into a new Anglican mission in an area close to what is now known as the 'Old Site'.

They were not accustomed to living close together.

Their languages, which they were not allowed to speak, were:

- Wuthathi,
- Kuuku Ya'u,
- Uuthaalnganu,
- Umpila, and
- Kaanju.

Our People were also not allowed 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 the story of strong tradition and determination we are known for, and proud of.

Early European contact

The first European to connect 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 European 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) from Edinburgh.

The Claudie River was named after the son of a prospector in Jack's party, Billy Lakeland.

Early industries

In 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 the luggers was later prohibited.

This period is known as 'lugger time'.

In the early 1900s Orchid Point on Lloyd Bay was a centre for the trade of sandalwood.

A base camp for gathering sandalwood was set up by Hugh Giblett who recruited Aboriginal workers to gather sandalwood.

He protected his workers

from unscrupulous lugger captains and rewarded them with food, clothing and cased liquor at Christmas time.

Giblett's 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

Lay Missionary and Superintendent Harry Rowan was appointed and arrived at the Waterhole (Orchid Point) in Lloyd Bay, next to Giblett's old camp in July 1924.

This site was soon abandoned in favour of Bare Hill (Ba'il), seven nautical miles south of Cape Direction.

The area known as Putchiwu'chi (Fawn Breasted Bower Bird) to the Traditional Owners became the site of the original Lockhart River Mission.

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

In 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 built.

Cutting sandalwood remained the main income for the mission.

During the early 1930s Rowan tried, with mixed success, cotton, bananas, pawpaw, cassava, sweet potatoes and taro.

A new launch was obtained so fish, dugong and turtle as well as garden produce could sustain the mission.

An Act passed in 1934 gave the Queensland Government

the right to move Aborigines at will and soon people from the Flinders Islands area of Princess Charlotte Bay were also 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 Lockhart River Mission.

In 1937 the mission had a population of 388, however the next year, 1938, saw 35 lives claimed by whooping cough and flu.

Many of their graves were too shallow as there weren't enough healthy men left to dig properly.

World War Two

During the Second World War locals say 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 according to instructions issued from down south, all weapons were taken from the people and dumped at sea for fear of collusion with the Japanese.

Although times were still difficult, Traditional Owners took the opportunity to re-

establish connection with their ngaachi (place/land/estates) and spread out as before.

After the War 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 each tribal grouping) to a single settlement, which he saw 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 also encouraged traditional skills such as language, bush craft and hunting.

His successor, Briggs, noted the 'complete absence of vindictiveness or arrogance' in the Lockhart Aborigines, whose spiritual qualities he said, were 'outstanding'.

Briggs resigned in 1950 and was succeeded by John Warby, whose name is commemorated in this era of Lockhart history known as 'Warby time'.

'Warby Time'

Lockhart by now was in a desperate situation.

Writer 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 and established a reliable water supply, schooling, medical care and a new church.

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



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 first of its kind in Australia).

Among other things, it aimed to teach people to run their own cooperative businesses and provide employment and it established a voluntary night school, improving living conditions and fostering church activities.

Mission residents, for the first time, were allowed to participate in decision-making and play a role in routine administration.

Trochus fishing had become the major economic enterprise by 1956, with a Cooperative operating on a sound basis.

Warby reported their work was building initiative, self-respect and self-reliance, which was well-supported by a dramatically improved health situation.

However within just a few years the trochus market collapsed, evening classes were closed due to lack of attendance and 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 the mission over to the Queensland Government who tried and failed to relocate the people to Bamaga.

In 1967 a compromise was reached by moving closer to the airport at Quintell Beach.

This move was not good, either culturally or geographically, taking the settlement from a reasonably neutral location to one owned by a major group in the community; and from a traditional place on the coast to a place further inland.

Friction resulted and marked the community for many years.

On 30 March 1985 the Lockhart River community took the opportunity to elect five councillors to constitute an autonomous Lockhart River Community Council under the then-Community Services Act.

In a ground-breaking recognition of Aboriginal land rights in Queensland, the Community Council area, previously an Aboriginal reserve held by the Government, was transferred into a Deed of Grant in Trust (DOGIT) on October 29, 1987 – a trusteeship held by locally elected Councillors who now provided administration for the Lockhart River community.

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, the Lockhart River Community 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 [KookooYao] people by the Federal Court of Australia in 2009.

Culture

In spite of several 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 we have stood our ground with strength and dignity.

A revival of cultural life took place in the 1970s with a number of dance festivals and traditional activities.

Few people realise Lockhart River was the birthplace of the dance festival which was later moved to Laura, where it became the longest, continuously-run cultural festival in Australia.

The community would dearly love to see a return of the dance festival to the place where it began some 30 years ago and has secured funding to develop a dance/cultural venue at Quintell Beach.

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

Lockhart River Aboriginal Shire Council is committed to providing all the support it can to help keep our culture strong, and encourages recognition and residency of all our language group's homelands.

Lockhart River Shire Council Services

Air Transport

Lockhart River boasts a 1,500m 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.

There are regular air services between Cairns, Lockhart River, Aurukun and Weipa on selected days provided by Skytrans Airline (<http://www.skytrans.com.au>).

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. The new Lockhart River terminal building was opened in September 2019.

Contact: Lockhart River Airport Ph: 4060 7121



Cemetery

There is one cemetery at the top of the hill behind the police station, it is community operated and cared for by Council.



Library & Radio (107.7FM)

The Indigenous Knowledge Centre has five 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.



Meeting Spaces and Accommodation

There is a spacious Community Hall for public meetings and other community events and functions.

The Saint James Anglican church has a big hall which is used for most community functions.

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. 'Puuya' means Life Force in Kuku Ya'u language.



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.

Council-owned and managed accommodation options are:

- Iron Range Cabins at the Airport: Ph: 4060 7147
- Guest House: Piramo Street: Ph: 4060 7134

Parks & Beaches

There are several public parks and spaces around the Lockhart River community including Ivy Park, with safe playing equipment located near the Retail Store.

Our BMX track is accessible and located near the Council office.

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

The Esplanade is located at the Quintell Beach area, accessible by car or via a 2km walkway, which has a number of BBQs and shelters.

Please be aware of parking restrictions in the beach area.



Post Office & Banking Services

The Bank and Post Office opens between 9am and 3pm each day from the Lockhart River Aboriginal Shire Council.

Australia Post is responsible for the daily banking activities and postal services in the community.

There are two ATMs in the Community, one located at the Council Administration office and the other in the Retail Store Complex.



Road Transport

Internal roads within the community are bitumen sealed. Other access roads in the shire are unsealed and pose considerable challenges during the wet season, from about January through to March every year.

Major transporters provide road services to the area during the dry period from about June-November every year.



Lockhart River Community Facilities, Services & Information

Alcohol Management

Lockhart River is a restricted area with zero alcohol carriage limit under Queensland Government legislation. This means the community - all public and private places, including the airport and adjacent accommodation - is totally dry and no alcohol is allowed.

There are serious penalties for breaching the alcohol limits: local police have the power to stop and search all vehicles, boats, air crafts coming into the restricted area.

For more information please see: <https://www.datsip.qld.gov.au/programs-initiatives/community-alcohol-limits/lockhart-river>



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 and holds regular Sunday morning services. See our Community Notice Boards for more information.



Freddie Clarence Moses Supermarket

Lockhart River's retail outlet stocks a range of fresh meats, fruit and vegetables and other grocery and household items. Due to our remote location and a range of other factors, most items are more expensive than elsewhere, and sometimes freshness and quality can be of a lower standard.



The Freddy Clarence Moses Store is operated by Community Enterprise Queensland and was named to commemorate distinguished leader Freddy Clarence Moses.

The store has EFTPOS facilities and an Automated Teller Machine (ATM) is situated inside the store. Opening hours are from 8.30am-6pm Monday to Friday and 8.30am-midday on Saturday. Self-service unleaded and diesel fuels are available seven days a week between 8am and 6pm.

For more information about the goods and services available at the Freddy Clarence Moses Store, contact the manager on 07 4060 7192.

Kuunchi Kakana Centre: Early Childhood Development

The Puuya Foundation operates a range of life changing projects, reflecting their holistic approach to empowering the local Lockhart River community. Their major project is the Early Years Learning and Parenting Program (EYLPP) delivered through the Kuunchi Kakana (families together) Centre, which is community-led and community-run. The aspirational vision for the Centre reflects the holistic and integrated approach of the Puuya Foundation, which recognises that a comprehensive early childhood service must encompass seamless education, health and family support services to the extent that funding allows.



Contact: info@puuyafoundation.com.au

<http://www.puuya.foundation/>

Locally-Owned Private Enterprises

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

- Lockhart River Car Hire for car hire services
- W & P Machine Hire (Piva Family Trust) for civil works
- Grey Ochre T/a Norman Bally for civil works
- Wayne Butcher Enterprises for civil works
- Puul'u Contracting for fencing works
- Rodney Accoom Contracting for civil works
- D & C Contractor for civil works
- Donovan Anthony Moses Contracting for civil works
- AV Pascoe Contracting for civil works
- NS Contracting FNQ Pty Ltd for civil works
- AW Bowie Carpentry for building construction works
- Faraway Fishing for building construction works
- Tonlay Pty Ltd for building construction works
- ESW Construction for building construction works

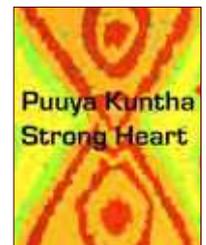


Lockhart River Arts Indigenous Corporation

LRAIC, formerly known as the Lockhart River Art Gang, encourages, works with, promotes and represents Lockhart River artists and their diverse range of artworks through paintings, ceramics, prints, basket weaving and other traditional craft works. "Art Gang" is a trade mark of Lockhart River Indigenous Corporation and cannot be used by other art centres or artists not recognised as a current member of LRAIC.

Contact: 4060 7341

<https://lockhartriverart.com.au/>



Lockhart River Primary Health Care Centre

Our health care centre provides primary clinical care and primary health care services through strong partnerships between nursing staff and Aboriginal and Torres Strait Islander health workers, some of whom are local. The service provides a suite of regular visiting medical, community and allied health services with 24 hour emergency services.

Contact: 4060 7155

<https://lockhart.qld.gov.au/health-services/>



Lockhart River State School

Lockhart State School is a pre-prep to year 12 school catering for a diverse student cohort.

They provide a number of support facilities for students, including a new resource centre to provide a better library and enhanced Information-Communication Technology (ICT) access.

The school has adopted a strong behavioural philosophy, based on respect for self, others and the environment.

Contact: 4083 3888

<https://lockhartss.eq.edu.au/>



Sea Transport

Sea Swift operates weekly barge service to Lockhart River.

Contact: 4035 1234

<https://www.seaswift.com.au>



Organisation Chart

The Lockhart River Aboriginal Shire Council is made up of five departments plus the Lockhart River Aerodrome Company Pty Ltd, which is an enterprise of the Council and includes the Iron Range Cabins.

The heads of these departments and Aerodrome Company form our Senior Management Team, and report to the Chief Executive Officer.

They are responsible for the implementation of Council policies, resolutions and operational plans, and provide advice to the Council from within their key operational areas.



Our Councillors & Portfolios



Deputy Mayor
CR DOROTHY
HOBSON

Portfolios: Youth,
Sports and
Recreation

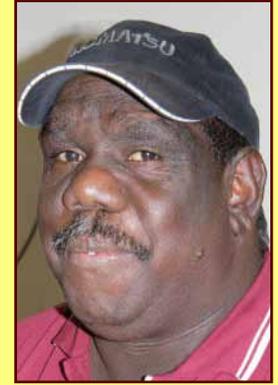
CR KAREN KOKO

Portfolios:
Housing,
Home Ownership
and Health



Mayor CR WAYNE
BUTCHER

Portfolios: Education,
governance, and
Infrastructure



CR NORMAN BALLY
(Deputy Mayor 2016-
20) Portfolios: Law and
Order, Men's Group,
Land & Sea, and Sport
& Recreation

CR ALISTAIR BOWIE

Portfolios: Economic
Development,
Employment and
Training, and Child
Safety



Until March 2020:

Former Councillor Cr Darren Macumboy
Portfolios: Health, Law, Justice and Order

Mayor's Report

As our community worked hard to recover from 2019's cyclone and fire challenges, not to mention an extraordinary burden of Sorry Business, we had no idea of the new challenges 2020 would bring.



There were highlights in 2019, including winning the Cape Cluster rugby league grand final in a back-to-back achievement and, to my mind, seeing the way we came together to fight the post-cyclone fires, where everyone from the HACC women to the road crews jumped in to help.

We finished the year, as we always do, with a community event based around our annual cemetery clean-up, followed by a free BBQ lunch and children's presents in the Community Hall.

This event always seems to bring us together in the right spirit for the season at hand and ready for the new year ahead – a year we had no idea at the time would be as challenging as it was.

We started well in January with Cooktown/Hopevale/Wujal Wujal band 'Black Image' visiting the community for the first time as part of an event called 'Great Australian Bites', funded by the Queensland Government and the National

Australia Day Council.

Once again we saw our community pull together, many of us working for at least most of that day to prepare a huge kup murri for everyone while the kids played organised games and the band warmed up.

It was a great night but it was only days later that COVID-19 showed itself for the first time.

By March the whole of the Cape was closed off to outsiders.

Our rivers at the time provided a natural barricade but by the time they came down, the Federal Government had stepped in and included us in a Biosecurity Zone, covering not just the Cape but all of the remote communities in Australia.

We set up the Iron Range Cabins as our quarantine site on one side and the other side as a safe place for our elderly and most vulnerable.

Around that time I was also asked to be one of eight leaders from around

the country to join a teleconference where we had the chance to speak directly to Prime Minister Scott Morrison and Minister for Indigenous Australians Ken Wyatt.

For now, as we know, the situation is if there's an outbreak in Cairns, our barriers will go up again.

COVID-19 changed many things for us, for better or worse, but we still find ourselves dealing with the impact of sly grogging – the worst I've seen in 20 years.

Sly grogging is very dangerous to our community; it's destructive.

Then there are the pressures around sorry business.

We don't have the mental health support we need and the end result is people, unfortunately, turn to alcohol for comfort.

We have, however, achieved some positives, with our football oval upgrade, a \$14m culvert program, new houses and the new cabins out at Iron

Range, fencing around the airport, two new playgrounds and rebuilding the BBQ sheds at our beach front.

I was grateful to be re-elected as Mayor in the March local government elections, and very happy to welcome our Councillors – some old, some new – on board.

Not long after I was elected, with Hope Vale Mayor Greg Woibo, into the Local Government Association of Queensland's executive policy group.

The LGAQ represents 77 shires throughout Queensland, from Gold Coast to the Torres Strait and out to Mount Isa, including 17 Indigenous shires, and we can lobby the State Government on our issues on behalf of those shires.

The number of meeting days was limited this year because of COVID-19.

I was also elected to be chair of the Torres Cape Indigenous Council Alliance (TCICA), with

CAPE NEWS

Minister for Transport and Main Roads, Mark Bailey and Cynthia officially opened the Lockhart River Phythan Airport terminal in September.

They are pictured (above) with builders LRAASC Building Services Director Reggie Edmond and recently graduated local carpenters Allister Bowie, Chris Jorison & Dominique Maccumboy.

On the same day they were also with local elders, Councillors and other community members celebrating the opening of a new access bridge in and out of the community (above right).

In the middle picture with Cynthia and Mark is small business owner Donovan Moses, who is helping deliver repairs to Taylor's Landing Road.

Staff of Lockhart River State School's famous coffee shop (right) will be looking sharper and smarter with the help of a personal donation from Cynthia towards uniforms for their expert barista and retail service staff.

"This initiative is becoming quite the iconic stopover for locals and visitors alike, including Education Minister Grace Grace," Cynthia said.

"I'm very proud to be able to contribute to this very worthy venture."

Kowanyama Mayor Robbie Sands as my deputy.

In late August I represented us at a Community Cabinet meeting in Cairns which was an opportunity to talk about some of the projects we have coming up, particularly our Cultural Precinct, which will be

in the development phase very soon, and our social club.

Once again I'd like to thank our community for their trust in allowing me to lead them once again, let's hope we are looking at a brighter, happier and safer 12 months to come.

CAPE YORK NEWS

Lockhart River celebrates Great Australian Bites

By CHRISTINE HOWES

FOR the first time, Lockhart River joined the Great Australian Bites experience on Sunday, with an exciting line-up of local, visiting and traditional entertainment, and featuring a community lap market.

Mayor for Cook Cynthia Liu said the Great Australian Bites events were an opportunity to celebrate all three ways to live about Australia.

"Great Australian Bites is an opportunity for Far North Queenslanders to come together to enjoy fresh regional produce cooked by local chefs, while listening to home grown entertainment and soaking up the summer atmosphere," Ms Liu said.

Cooktown/Bingyate/Wujal Wujal local Black Image took the opportunity to make their first visit to Lockhart River – something they felt an enthusiastic crowd they had been meaning to do for years.

"We had a great night," chairman Cliff Harrigan said.

The Great Australian Bites events were presented by the Lockhart River Aboriginal Shire Council, the Queensland Government and the National Australia Day Council.

By all accounts the day was a huge success with almost 100 per cent of the community enjoying what turned out to be a very happy occasion for everyone, including visitors.

Local dancers.

Tug of War enjoyed by the community.

Local musicians and Black Image celebrate Great Australian Bites with Mayor, Cr Wayne Butcher (right).

Local Elders prepare the Kup Murri.

Young local dancers enjoying their performance.

Ice cream cones for all – a rare treat in Lockhart River.

Lockhart River in the news: LEFT: in the Cape York News in January this year AND ABOVE: in local MP Cynthia Liu's Spring 2020 newsletter.

CEO's Report

Lockhart River Aboriginal Shire Council has been on a path of continuous improvement over the reporting period of this Annual Report with Council turnover running at a new record high in the 2019–2020 Financial Year.



Our workforce, systems and policies held up well to the challenges of unsurpassed transaction volumes and delivery on ground.

Financial accountability levels remained strong with the 2019–2020 Audit unmodified for the 12th year in a row.

This record, in concert with our ability to deliver to mainstream standards, assisted Council's outstanding reputation as a market leader in financial viability and business support between our peer Indigenous Councils.

Civil Works

Civil works drove our turnover increase, dominated by necessary repairs from Tropical Cyclone Trevor. These works dovetailed well with the continued emergence of Lockhart's small business community – eight local businesses shared in our record road works season: Council's local Indigenous small business development goals were met and bettered.

In civil works these businesses were complimented by our Council's road gang, who proved themselves the equal

of mainstream contractors with their work on the road east of the Pascoe River, drawing acclaim from roads inspectors and the Queensland Reconstruction Authority.

Council took on an ambitious schedule and, to the credit of all, delivered everything on time, on budget, and to specification.

It was and continues to be an outstanding team effort under pressure that set new standards in leadership and delivery - congratulations to all involved.

Corporate Services

Commendation also to our Corporate Services team who provided high quality support to all our Council business units, even with the considerable increase in transaction levels experienced through the year.

With great focus and good leadership, they kept us all administratively on point and compliant.

To Stanley and his team, we'd like to thank you for your service.



Community Development

Council's Community Development team also continued to perform strongly, delivering a range of social services to our town.

With a change of leadership, we thanked Margie Barnes for her years of service to Lockhart and welcomed Dominic Stower into the role, which he has taken on with enthusiasm.

Our Cultural Heritage database has also finally come to life this year – a tribute to Dr Athol Chase (RIP) and Fr David Thompson, who have worked with us to make sure our cultural heritage stays home in Lockhart.

Aerodrome Company

Lockhart River Aerodrome Company (LRAC) had an improved year with a revenue growth outlook.

Overall, the performance of the LRAC through the reporting period has been sound.

Financial performance has stabilised and we are reaping the rewards of investing in stable and capable leadership in overall management and the Iron Range Cabins.

We thank Aerodrome Manager Peter Wells and Iron Range Cabins Manager Hannah Brown for their sterling effort through the 2019-2020 financial year as we welcomed the opening of



the new terminal and renovation of the old.

Cash holdings are slowly rising, protected to a degree by the Company's success in attracting investment from external sources to meet nearly all our capital replacement requirements.

The LRAC has predicted the Iron Range Cabins' cash flow will grow due to its increased offer of four new studio cabins coming online in 2021 as well as two new three bedroom family options.

These new assets have been designed to fill a current regional market void.

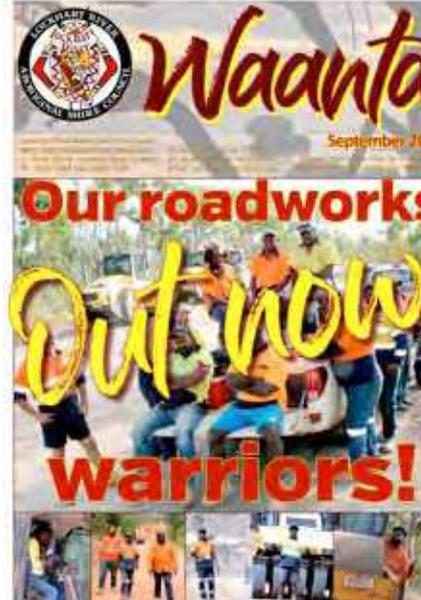
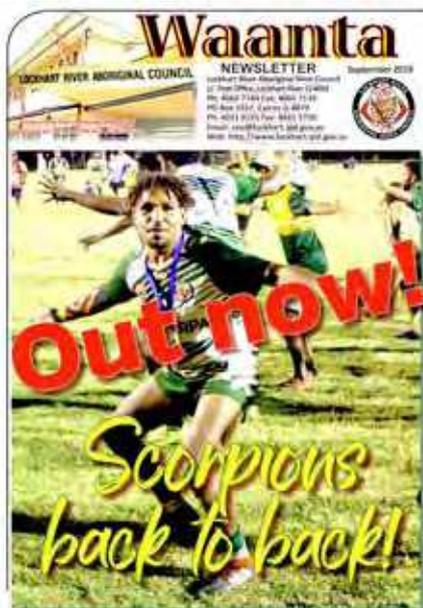
Management are developing new marketing and enhanced on-line products to promote our new and updated facilities.

We are expecting a record year for the cabins with domestic travel at an all time high, thanks to COVID-19 and associated international travel prohibitions.

Looking forward

With a Cultural Precinct to build, a sub-division to get sorted and another ambitious civil roads program in the wings, we look forward to carefully planning and delivering on yet another big year of work.

With our systems, proven workforce and rapidly emerging expertise on board we are capable of bigger and better things.



YEAR IN REVIEW

Engineering Services

Director: Position Vacant: supervised by CEO David Clarke

- Roadworks and Civil Engineering
- Mechanical Workshop
- Parks & Gardens

At Lockhart River, the Council controls the entire 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.



The Engineering Services department aims to ensure a reliable, quality and safe road network during the financial year in line with the objectives of the Council's transport network program.

Various infrastructure programs encompassing construction of new roads, culverts, floodways, bridges, water, sewerage and other infrastructure are in place to achieve this.

They are key to connecting Lockhart River community with other communities and the rest of Australia.

Our infrastructure programs are also in place to maintain existing infrastructure.

Service levels were maintained over the year and our Engineering Services Department recorded the following major achievements:

- Disaster Recovery Funding Arrangements (DRFA) funded restoration for road repairs for damages from TC Trevor and the Tropical Monsoon.
- Works for Queensland (W4Q) funded program, the Council crew

completed installation of playground equipment, outdoor gym facilities, solar security lighting and installation of road furniture along the new walkway from town to Quintell Beach.

- Torres & Cape Indigenous Councils Alliance (TCICA) funded three new crossings on Portland Road, major drainage works on Pascoe River Crossing and final works on the new bridge.
- Indigenous Councils Critical Infrastructure Program (ICCP) funded de-sludging of the sewer treatment lagoon and drilling of 4th Waterbore in the community to increase water supply.
- Roads to Recovery and DRFA funded reconstruction works on the Taylor's landing road culvert.



- Council plant fleet was expanded by acquiring a mini excavator, alterrain forklift, emulsion-aggregate sealing truck and water truck. These assets have improved the team's capacity to deliver more road works.
- Parks and gardens maintained the service levels of clean town.
- Council oversaw roadworks delivered by BAMA Services and NS Contracting, and expanded local contracting crews.



Building Services

Director Regis Edmond

Building Services is one of the key departments of the Council with the enormous responsibility of providing safe, adequate and quality housing to satisfy the growing needs of the community.

This is achieved through construction of new houses/buildings and the renovation, refurbishment and/or maintenance of our existing houses and buildings stock.

With funding provided by the Department of Housing through BAS/QBUILD program, our Building Services are responsible for the supply and maintenance of community houses as per Council's recoverable works business model.

Notable achievements for the year include:

- Generated \$5.1m of recoverable works revenue for Council.
- Made good progress on the reconstruction of the Old Canteen building, earmarked for leasing to expand Council revenue.
- Drew Works For Queensland (W4Q) funding to complete fencing and landscaping works around the community's Social Hub.
- Achieved major renovations works to the plumber's house, mechanic/painter's duplex, SEW donga and BDM donga. These Council staff housing works were completed within budget.
- Construction of three remote camp shelters under funding from COVID-19 allowances.
- Commenced construction works on the new cabins and completed installation of a new toilet block at the Lockhart River Airport.



Essential Services

Director: Position Vacant: supervised by CEO David Clarke

- Environmental Health (Water & Sewage)
- Animal Management

This department encompasses water supply services, sewerage services, garbage collection, animal control and our Environmental Health Officer program, ensuring our Shire has supply of good water, reliable waste water systems and a clean bill of animal health.

Our Essential Services team aims to provide efficient, effective and sustainable water, sewerage and waste management service levels to the Lockhart River Community.

- Animal management is one of the challenging tasks the team has worked hard on, especially control of feral animals.
- To maintain the animal health of the pets, the vet visited the Shire three times over the year to provide professional services and in-house training to our local EHO.
- Weekly water testing was essential and delivered convincing results that the supply of drinking water was compliant with the standards.
- Major works included complete de-sludging of the sewer treatment lagoon and the drilling of a fourth waterbore to increase water supply funded by the Indigenous Councils Critical Infrastructure Program (ICCIP).



Community Development

Former-Director Margaret Barnes
Current Director Dominic Stower

- Outside School Hours Care (OSHC)
- Youth / Youth At Risk Initiative (YARI)
- Home and Community Care (HACC)
- Indigenous Knowledge Centre (Library)
- Community Radio Lockhart River
- Ngana Malngkanichi Pama Cultural Heritage Archive
- Women's Shelter
- Men's Support Services
- Community Justice Group
- Indigenous Primary Health Care Services



Community development and services is a suite of programs at the heart of all our Shire residents and is aimed at supporting a vibrant, healthy and happy Lockhart River Community.

The programs are designed around:

You-me working together, not-standing alone.

You-me it is up to us.

We have got to help one another.

You-me I know we can do it.

The goal is to encourage and participate in the continuing development of community services and cultural activities, and to strengthen individual and community 'Puuya'.

During the year our community development and services programs have been active in almost all aspects of our community, delivered by a strong and united team under the leadership of our COMDEV directors.

The team has worked particularly hard to support several community events over the past 12-18 months, including the Great Australian Bite in January 2020, as well as supporting the efforts of authorities to keep our community safe, especially our Elders, during COVID-19 lockdowns.



Corporate Services

Director Stanley Mugwiria

- Accounting
- Audits
- Information Technology
- Australia Post & Banking
- Centrelink Services
- Payroll & Human Resources
- Purchasing & Warehousing
- Professional financial management and administrative support
- Corporate planning and governance and leadership support



Council's Corporate Services department provides a wide range of support services to all Council departments.

Our 2019-20 Audits were concluded within the legislative time frame.

A new operational plan, budget and accounting software have been put in place successfully.

As construction and road works in particular have increased, so has the workload pressures on our accounts team, who have continued to provide base support for the Lockhart River community.

Earlier in 2020 we welcomed Business Development and Support Officer Jermaine Thomas to assist us in developing local business opportunities.

Our Corporate Services team achieved the following over the year:

- Unmodified audit opinion on the financial statements for the year ended 30 June 2020
- Operational Plan and Budget completed and approved on time
- Implementation and application of new accounting standards (AASB15, AASB16 and AAS1058)
- Implementation of new accounting software (Synergysoft) and the successful rollover of account records from PCS



Governance & Leadership Services

Governance & Leadership Services plays a supporting role to our elected Councillors who strive to deliver strong responsible leadership by implementing clear transparent, fair and accountable practices, systems and processes.

We work as a team to support the Lockhart River community while always maintaining and ensuring compliance with the relevant Council policy and government legislation.

This year this included the facilitation and support for:

- Eleven ordinary meetings and three special meetings of our full Council.
- Four 'Waanta' newsletters.
- March 2020 Local Government elections.
- Council-provided donations and community support increased to \$132,741 and within budget.
- An audit committee of three members was appointed headed by an independent Chair.
- New internal auditors (Pacifica Chartered Accountants) were appointed for an initial two-year period.
- Pacifica Chartered Accountants delivered at least two internal audit reports focusing risk management and procurement systems and controls.



- Local businesses achieved a record performance with more than eight local contracting businesses partnering with Council to deliver Disaster Recovery Funding Arrangements (DRFA) works on Shire roads.
- A power generator was acquired as a backup power supply during disasters.



Aerodrome & Iron Range Cabins

Manager Peter Wells

This year has been full of changes, challenges and positive direction for the future.

The Aerodrome changed Managers in March with the departure of Robert Brown, who has served the Lockhart River Community in many ways over the years, and Peter Wells taking up the role.

COVID-19 brought a new impact to the Aerodrome with the community placed within a Federal biosecurity zone, which meant all aircraft had to seek approval prior to landing and appropriate documentation approved.

This also meant new passenger disembarkment measures such as testing on arrival by the local Queensland Health team and sanitisation.

ANZAC Memorial: With thanks to our local painters, the ANZAC Memorial on site at the Aerodrome was given a fresh coat of paint before ANZAC day giving a bright new look for people and visitors to pay their respects.

Old Terminal revamp: Once again the local tradesmen have delivered a tremendous face-lift to the old terminal, which dates back to 1942.

After weathering cyclones and seeing many passengers come and go, the toilet block was replaced, new timber, windows and coat of paint were applied and the building remains proudly next to the New Terminal completed in 2019 with future plans to develop an historical keeping place and information centre.

Aerodrome Boundary Fence: After a few delays the building of 5.5km of Aerodrome boundary fencing has picked up momentum and is finally moving forward.

A new 1.8m high security fence will take its place and our team is keen to get the job done.

Iron Range Cabins: It has been a busy and exciting year watching the progression of four new cabins close to completion and the start of two new three-bedroom cabins.

This will create further needed accommodation for visiting tourists and visiting workers.

The Cabins staff have provided an amazing service through the year with all the extra preparation, cleaning and sanitation of the current cabins for guests through these times of COVID-19 pandemic.

Along with the new cabins, the Reception area had a revamp providing an exciting new area for visitors and guests.

New solar lighting bollards installed around the internal path of the cabins area and an extension to the BBQ area to accommodate larger groups and provide further shelter from all aspects of the weather.



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 2019 – June 2020.

Councillor	Council Meetings attended	Total Meetings	Remuneration	Superannuation	Expenses claimed	Facilities provided
Cr. Wayne Butcher (Mayor)	14	14	110,108	13,212	31,051	Vehicle, laptop, iPhone & iPad
Cr. Norman Bally (Deputy Mayor)	14	14	61,640	7,397	3,342	Vehicle, iPhone & iPad
Cr. Dorothy Hobson (Deputy Mayor)	12	14	56,937	6,832	7,189	Vehicle, iPhone & iPad
Cr. Karen Koko	13	14	55,053	5,230	1,702	iPad
Cr. Darren Macumboy	5	10	41,199	3,873	3,057	iPad
Cr. Alistair Bowie	4	4	21,370	2,522	-	iPad

Senior Management Team

The Senior Management team of the Lockhart River Aboriginal Shire Council 2019-20 were:

Chief Executive Officer: David Clarke
 Director Engineering Service: Vacant
 Director Building Services: Regis Edmond
 Director Community Development: Dominic Stower
 Director Corporate Services: Stanley Mugwiria
 Manager Aerodrome Company: Peter Wells
 Director Essential Services: Vacant

Executive Remuneration

Senior Officers of the Council are the Chief Executive Officer and any contracted position that reports directly to him.

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
 \$150,000 - \$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

Around May/June 2020, Lockhart River Aboriginal Shire Council advertised seeking expression of interests to update its pre-qualified supplier database.

The selected suppliers usually trade with Council for a period of 2 years in all range of services and products.

Internal Audit

The Council appointed Pacifica Chartered as the internal auditors for an initial period of 2 years and they report directly to the Audit Committee. To strengthen this further, the Audit Committee of three members was appointed and chaired by independent member to promote the achievement of good governance objectives.

The Audit Committee and internal auditors developed and adopted 2019-20 Annual Audit Plan and Three-Year Strategic Internal Audit Plan 2020-22.

The internal auditors focused on very crucial projects with aim of minimizing any risk exposure in the Council operations. The internal auditors were able carry out the following reviews and provided recommendations for implementation by the management:

- Procurement and purchasing practices
- Prior year external issues

The Council confirms that it complied with section 207 of the Local Government Regulation 2012 on internal audit function and reporting.

External Audit

Council financial reports and operations were audited by the Auditor General of Queensland through Grant Thornton Chartered Accountants (contracted auditors).

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.

The Council received an unmodified audit opinion for the 2019-20 financial statements and that means Council's operations have received a clean report for its books of accounts.

Assessment of Corporate Plan and Operational Plan

The 2019-20 Operational Plan and Budget proposals were discussed and adopted for implementation in July 2019.

This was followed with subsequent budget reviews and updates to reflect the changing operational environment of the Council.

The new Council reviewed the 2018-23 Corporate Plan to align with changes to funding sources and service levels.

However no major changes were identified.

Annual Report

Section 104 of the Local Government Act 2009 require the Council to prepare and adopt its annual report within the required legislative time frame.

The audited financial statements for the 2019-20 financial year were signed by the Auditor General on 30 October 2020 but the 2019-20 Annual Report was approved by Council on 17 February 2021.

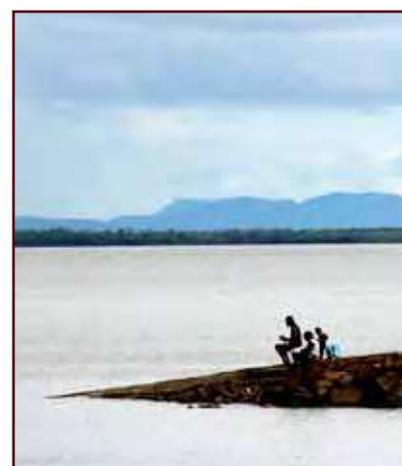
Grants to Community organisations

According to the requirement of section 189 of Local Government Regulation 2012, the Council did not provide grants to any community organization during the year except for \$132,741 contributions to assist local people with funeral costs and support of cultural and sporting activities.

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 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 arrangement for the entire 2019-20 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 an 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 Councillors 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

The Chief Executive Officer reviews all the administrative complaints.

The annual report for a financial year must contain particulars of:	
The number of administrative action complaints made to the local government	Nil
The number of administrative action complaints resolved by the local government under the complaints management process.	Nil
The number of administrative action complaints not resolved by the local government under the complaints management process.	Nil
The number of administrative action complaints that were made in a previous financial year.	Nil

Training & Development

Council has developed a 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.

Employees statistics

Council workforce is dominated by men representing 60 per cent while women are 40 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 shifted to 60:40 with two women elected to the Council.

Majority of employees are in the age bracket of 30 – 59 years and employees' age disparity is 61.

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 behaviour and practices.

This policy document is updated annually due to changing employee behaviour.

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.

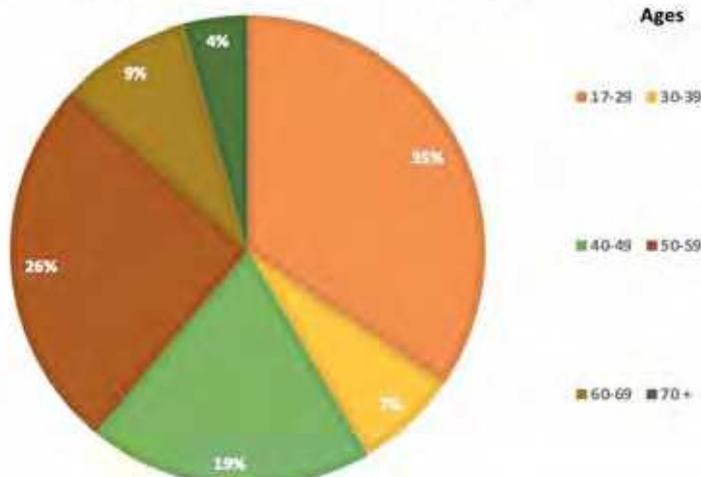
Lockhart River Aboriginal Shire Council did not grant any concessions for user fees charges during the financial year.

Controlled Roads

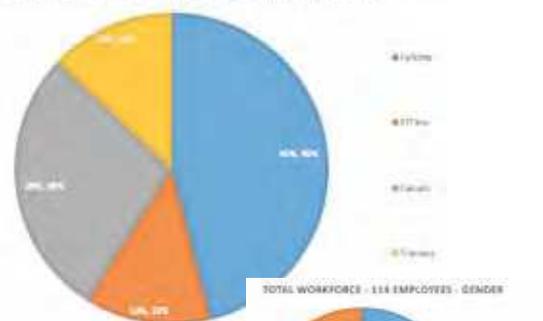
At the date of this report the following was the make-up of the network:

- Bridges: 1
- Storm water culverts and floodways: 115
- Rural/urban roads - unsealed: 182km
- Rural/urban roads - sealed: 40km
- Total length of road & bridge network: 222km

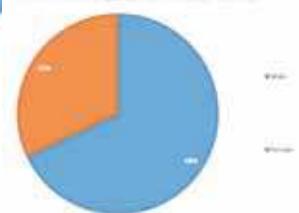
114 EMPLOYEES RANGING FROM 17 - 80 YRS OLD



TOTAL WORKFORCE - 114 EMPLOYEES - EMPLOYMENT TYPE



TOTAL WORKFORCE - 114 EMPLOYEES - GENDER



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.

1. Snapshot of financial year 2019/20 (consolidated entity)

Key highlights of the financial year include:

a) Major capital expenditure for the year included:

Refurbishment of old canteen building, fencing and landscaping	\$730,209
Renewal of Council plant fleet	\$414,600
Drainage improvements, bridge and culverts	\$939,733
New water borehole	\$255,508
Airport terminal building & toilet block	\$115,065
New cabins	\$473,448

b) Net result for the year: \$1,425,396

2. End of Year Financial Statements

What you will find in the Financial Statements

The audited financial statements set out the financial performance, financial position, cash flows and the net wealth of Council (and entity) for the financial year ended 30 June 2020.

About the Management Certificate

The financial statements were certified by the Mayor and the Chief Executive Officer as compliant with requirements of Local Government Act 2009 and Local Government Regulation 2012 and "presenting a true and fair view" in accordance with Australian Accounting Standards. These financial statements were adopted by Council to ensure responsibility and ownership by management & elected representatives.

About the Auditor's Report

Council's financial statements are 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. In this regard, our Council received unmodified audit opinion (good audit report) from Queensland Audit Office.

About the Financial Statements

There are four "primary" financial statements and accompanying notes that make up the financial statements report.

They are:

1.1 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.

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 four "primary" financial statements.

Where to find a complete version of 2019/20 Financial Statements (Consolidated)

A complete version of Council's Financial Statements for the 12 months to 30 June 2020 can be found at the

Council's website at www.lockhart.qld.gov.au or at the Council's administrative offices at:

- 14 Maathuy Street
Lockhart River, QLD 4892
- Or Unit 5 /7 Anderson St
Manunda Street, QLD 4870



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

3.1 Council's Consolidated Statement of Comprehensive Income for 2019/20

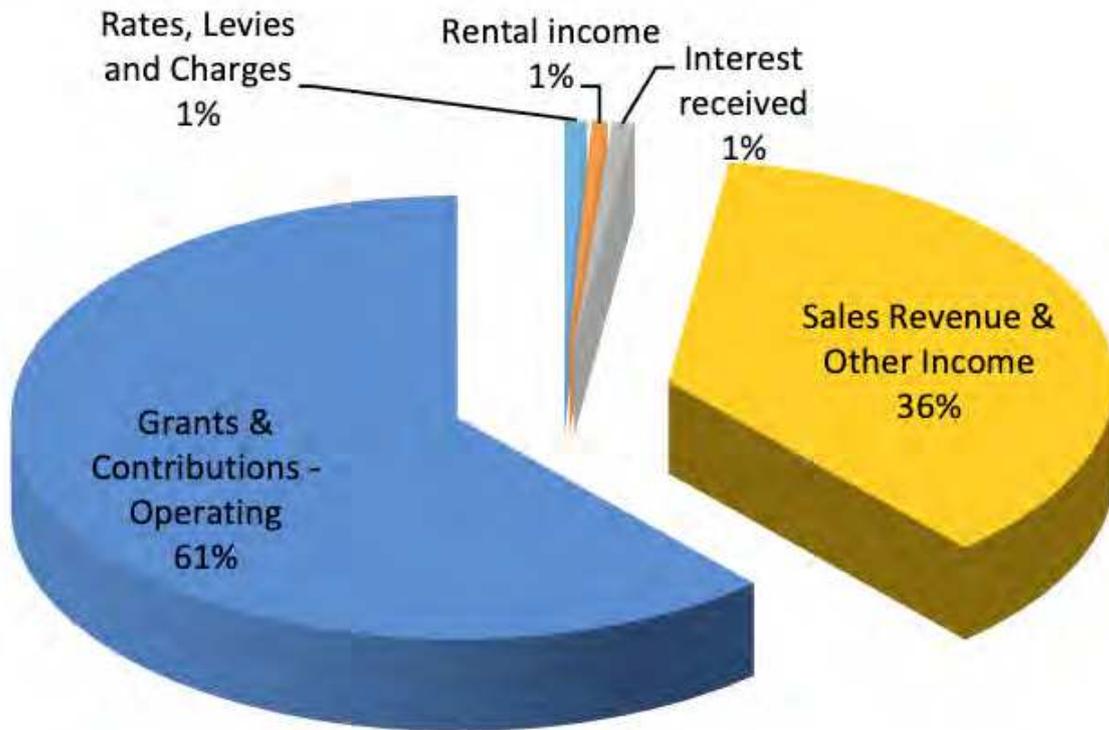
Council's headline consolidated operating result for the year was a net surplus of \$1,425,396. On the overall both revenue and expenses had a reasonable increase except for the capital grants that significantly decreased.

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

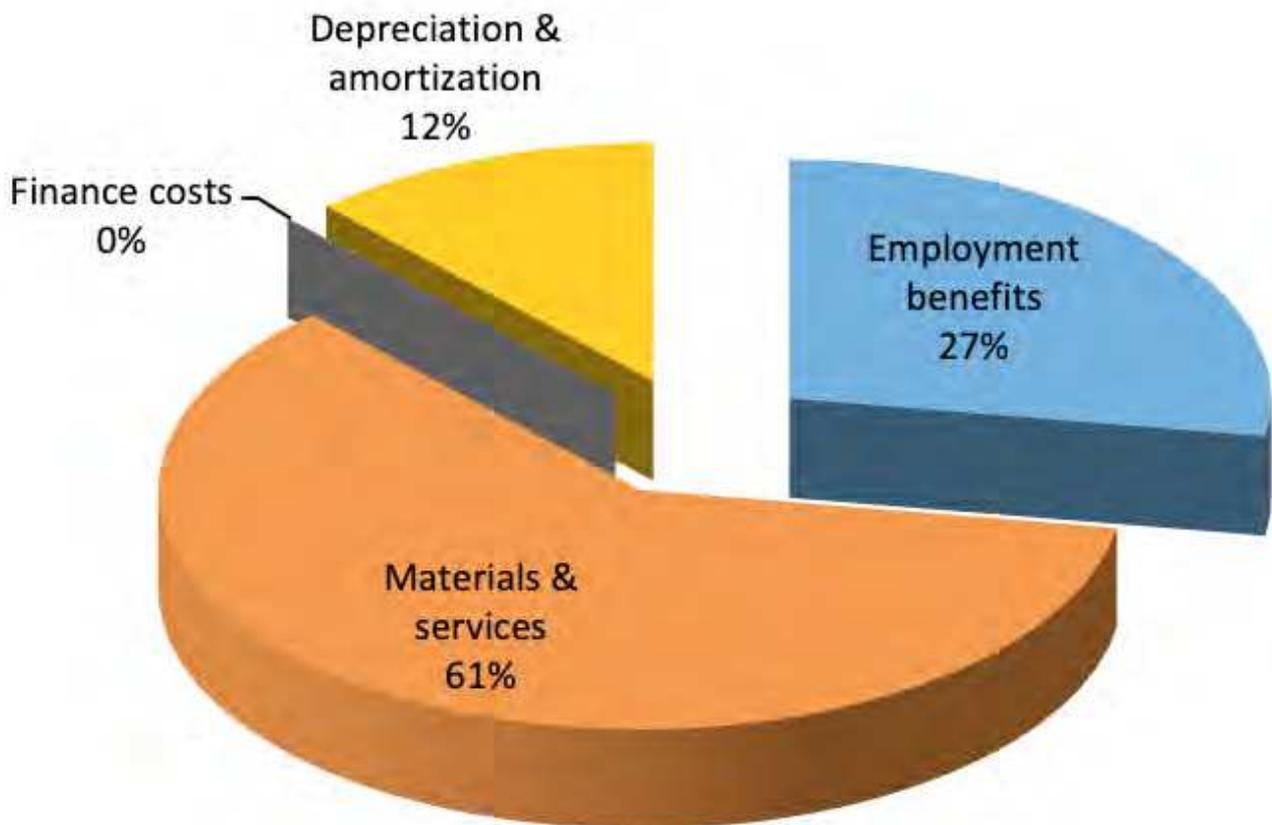
	Actual \$ 2020	Budget \$ 2020	Actual \$ 2019
Revenues (excl. income for capital purposes)	19,562,418	15,861,826	17,346,798
Expenditure (excl. capital expenses)	(20,691,633)	(16,944,857)	(16,408,613)
Net Result before Capital Grants & Contributions	(1,129,215)	(1,083,031)	938,185
Capital Grants & Contributions	2,785,786	5,178,725	6,787,892
Capital expenses	(231,175)	-	(234,860)
Net Results	1,425,396	4,095,694	7,491,217

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 despite the challenges from COVID-19 restrictions.

Recurrent revenue for the year 2019-20



Recurrent expenditure for the year 2019-20



3.2 Council's 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 \$ 2020	Actual \$ 2019
The major items that make up Council's wealth include the following assets:		
Available Cash & Investments *	14,065,912	12,420,924
Debtors	778,156	999,107
Inventories	309,163	313,882
Contract assets	508,212	-
Lease receivable - Current	301,137	292,701
Lease receivable - Non Current	11,087,989	10,829,038
Infrastructure, Property, Plant & Equipment		
- Capital Work in Progress	3,163,542	1,255,247
- Land	1,000,000	1,000,000
- Buildings	11,470,839	11,268,450
- Housing	10,501,629	10,411,792
- Plant and Equipment	1,405,580	1,299,828
- Furniture and office equipment	195,598	338,203
- Road, Drainage and Bridge Network	48,062,689	48,696,528
- Water	3,682,537	3,640,317
- Sewerage	4,590,190	4,021,912
- Other Infrastructure Assets	3,399,147	3,951,740
- Right of use assets	116,843	-
	114,639,163	110,739,668

Council has funded some of its operations and assets by the following liabilities:

Trade and other payables	1,837,899	1,739,716
Current provisions	118,719	151,761
Contract liabilities	3,655,008	-
Lease liabilities	35,070	-
Non-current lease liabilities	88,943	-
Non-current provisions	1,844,777	1,617,356
	<u>7,580,416</u>	<u>3,508,834</u>
Net Community Equity	<u>107,058,747</u>	<u>107,230,835</u>
*Cash & Investments "restricted" for future funding purposes	3,130,589	3,584,801

3.3 Council's Key Financial Figures - A Snapshot

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

Financial Performance Figures (\$)	2020	2019	2018	2017	2016
Inflows:					
Fees & Charges	156,455	147,459	142,823	133,304	121,790
Other revenue	743,745	1,582,172	501,500	98,916	1,681,091
Rental Income	110,207	93,064	205,954	251,055	417,708
Interest Received	157,638	209,604	184,334	121,783	176,110
Sales Revenue	6,361,259	5,255,454	6,428,169	6,172,982	7,616,782
Grants, Subsidies, Contributions & Donations - Operating & Capital	14,818,900	16,846,937	16,055,882	22,954,581	18,189,221
Total Income from Continuing Operations	<u>22,348,204</u>	<u>24,134,690</u>	<u>23,518,662</u>	<u>29,732,621</u>	<u>28,202,702</u>
Sale Proceeds from PP&E	35,909	4,000	-	-	-
Finance lease receipts	292,701	288,340	283,545	272,719	256,814
Outflows:					
Employee Benefits	5,697,603	5,217,842	4,584,181	4,750,916	4,547,114
Materials & Services	12,529,115	8,916,384	6,454,383	9,903,290	9,800,996
Finance Costs	6,915	34,643	(13,682)	(63,152)	37,375
Total Expenses from Continuing Operations	<u>18,233,633</u>	<u>14,168,869</u>	<u>11,024,882</u>	<u>14,591,054</u>	<u>14,385,485</u>
Total Cash purchases of PP&E	<u>3,491,335</u>	<u>6,276,344</u>	<u>11,763,183</u>	<u>15,688,840</u>	<u>6,445,208</u>
Operating Surplus/(Deficit) (excl. Capital Income & Expenditure)	<u>(1,141,791)</u>	<u>938,185</u>	<u>804,695</u>	<u>(2,976,240)</u>	<u>3,458,964</u>
Financial Position Figures (\$)	2020	2019	2018	2017	2016
Current Assets	15,962,580	14,026,613	12,665,782	14,127,744	12,023,689
Current Liabilities	5,646,695	1,891,477	2,972,266	4,727,924	2,064,126
Net Current Assets	<u>10,315,885</u>	<u>12,135,136</u>	<u>9,693,516</u>	<u>9,399,820</u>	<u>9,959,563</u>
Cash & Cash Equivalents	14,065,912	12,420,924	10,187,745	12,156,711	8,842,350
Total Gross Value of PP&E (excl. Land)	123,928,872	117,167,161	107,359,517	94,766,985	80,965,338
Total Accumulated Depreciation	37,340,279	32,283,144	31,226,949	28,602,514	29,559,416
Total Written Down Value of PP&E (excl. Land)	<u>86,588,593</u>	<u>84,884,017</u>	<u>76,132,568</u>	<u>66,164,471</u>	<u>51,405,922</u>
Indicative Remaining Useful Life (as a % of GBV)	70%	72%	71%	70%	63%

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) 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.

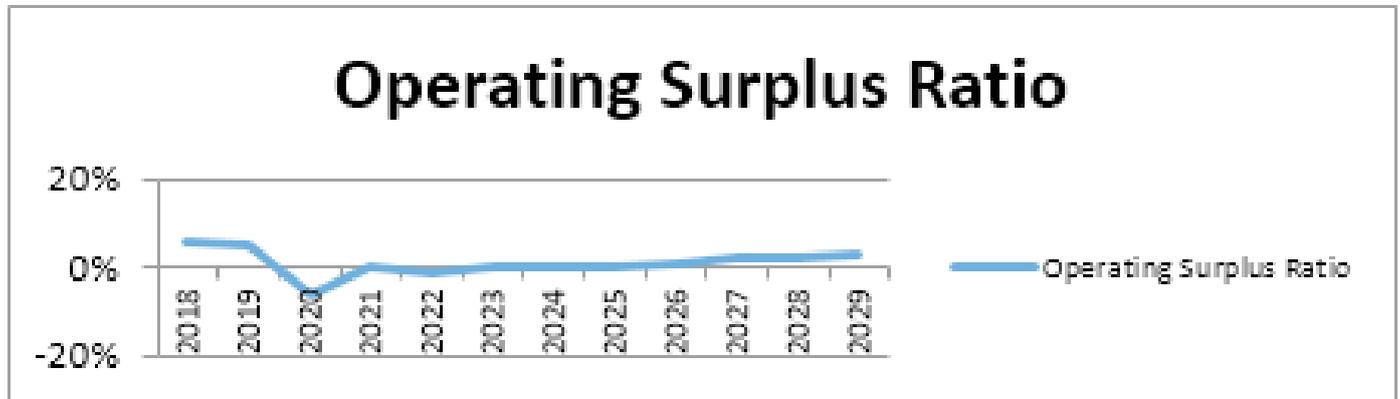
Net Financial Liabilities Ratio

Total Liabilities less Current Assets divided by Total Operating Revenue

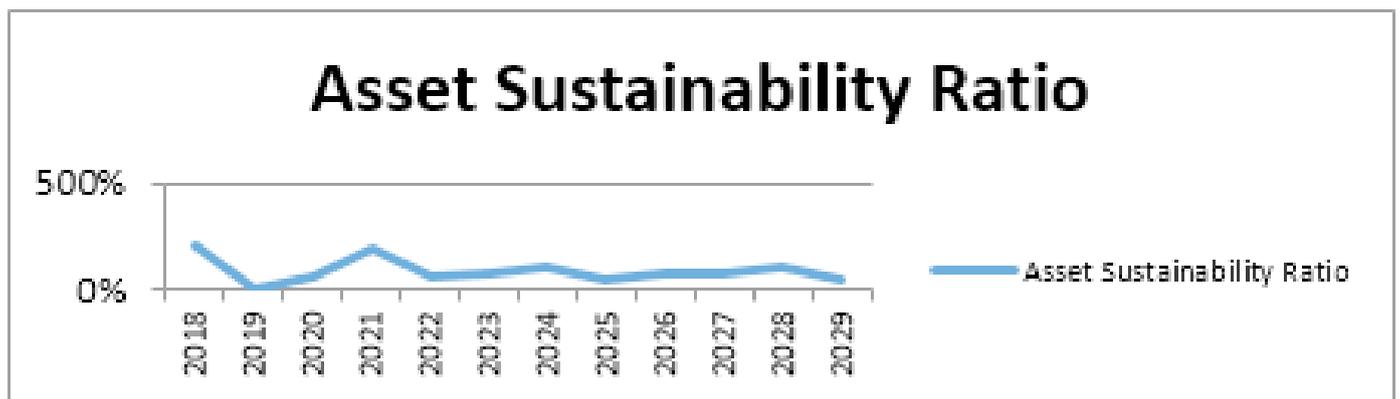
This is an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues.



	Target	Long Term Financial Plan Projections											
		Actual 2018	Actual 2019	Actual 2020	Budget 2021	Yr 1 2022	Yr 2 2023	Yr 3 2024	Yr 4 2025	Yr 5 2026	Yr 6 2027	Yr 7 2028	Yr 8 2029
Ratio													
Operating Surplus Ratio	0 - 10%	6%	5%	-6%	0%	-1%	0%	0%	0%	1%	2%	2%	3%
Asset Sustainability Ratio	> 90%	203%	0%	60%	199%	68%	82%	105%	46%	77%	81%	105%	48%
Net Financial Liabilities Ratio	< 60%	-57%	-61%	-43%	-38%	-39%	-40%	-39%	-41%	-44%	-42%	-42%	-37%



The Consolidated entity reported operating surplus ratio of -6% for 2019/20 financial year that was below the target of between 0% and 10% per annum on average over the long term. The Council and Aerodrome Company did not generate sufficient revenue that could cover operating expenses and offset past or future operating deficits or to fund proposed capital expenditure. Management is hopeful of better results in future financial years



The Consolidated entity achieved Asset Sustainability Ratio of 60% 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 result to reduced service levels and useful lives of these assets.



The Consolidated entity recorded Net Financial Liabilities Ratio of -43% 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.

