

2021 /2022



ANNUAL REPORT



NAPRANUM ABORIGINAL SHIRE COUNCIL

320 Wa-Tyne St, Napranum QLD 4874

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WELCOME

This Annual Report provides the opportunity to report back to council clients, both internal and external, on our performance for the year under review.

Napranum Aboriginal Shire Council through its Mayor, councillors and staff provide services to the residents living in Napranum community. Napranum, meaning ‘meeting place’, is located 819 kilometres North West of Cairns on the western side of the Cape York Peninsula. Napranum is home to approximately 957 Indigenous people (2016 census) who are descended from as many as 40 different groups from around Cape York Peninsula.

As a fully-fledged local Government Shire Council, the council is required under the Local Government Act 2009, to prepare and adopt an Annual Report for each financial year. In addition, the report is also required to have a section on community financial reporting in a form that is readily understood by the community members.

This annual report provides a snapshot of the council’s performance, including the significant achievements made during the reporting period from the 1 July 2021 to 30 June 2022. It also highlights some of the challenges encountered during the reporting period as well as a guide to what lies ahead.

The annual report is an important accountability tool in the council’s corporate governance framework to enable objective assessment to be made on the efficiency, effectiveness and overall operations at the council.

This Annual Report and other useful information on the council will be available on the council website at

www.napranum.qld.gov.au

We welcome your feedback and suggestions on our Annual Report. Please direct your comments to Chief Executive Officer email ceo@napranum.qld.gov.au



COUNCIL STATEMENTS

Council shares the Vision and Values identified by the Community during the development of the 10 Year Plan

OUR MISSION AND COMMITMENTS

Build a strong, **prosperous** and **healthy Community** by ensuring:

- Strong **leadership**
- **Excellence** in service
- Transparency and **accountability**
- Community Consultation and **ownership**
- Consistency in Decision making
- **Financial** Sustainability
- Good Governance

OUR VISION

“Our **legacy** is the creation of a **sustainable community**...based on **choice, trust and respect!**”

ONE TEAM

In line with our Mission and Commitments, Napranum Aboriginal Shire Council have created the One Team Challenge that focuses on the Social & Emotional wellbeing of staff. One Team Events are run monthly to encourage staff participation in events such as meditation, staff BBQ's, team building days and improving workplace safety.

Key Result Areas from the 5 Year Corporate Plan 2017 – 2022 are:

- A. Financial Management
 - Responsible Financial Management with efficient and timely cost controls

- B. Strong Cultural Wellbeing
 - Revival of Culture
 - Seeing, being, knowing, doing
 - Every focus to come back to culture

- C. Healthy and Safe Community with strong relationships
 - Community Ownership
 - Community Engagement
 - Improvement in services
 - Community Accountability to ensure a safe and healthy Community
 - Support for strong Men's, Women's and Youth Groups

- D. Skilled and Educated Community
 - Improvement in Educational Services
 - Community and Parental responsibility

- E. Good Governance
 - Uphold and promote ethical standards of practice supported by policies and procedures that are audited, monitored, reviewed and reported.

- F. Economically progressive and prosperous Community
 - Support for Local Business
 - Focus on Economic Development.

MAYORS MESSAGE



It is with great pleasure that I present the Napranum Aboriginal Shire Council Annual Report for the financial year ending 30 June 2022.

I would like to begin by paying my respect and acknowledgment to the the traditional owners of this area, the Alngith people. I would also like to acknowledge the other traditional owner groups in this area and pay my respects to the elders past, present and emerging.

I would like say thanks to Cr Marie Pitt who resigned in January 2022 and welcome Cr Roy Chevathen as our new Councillor. Thank you to my Deputy Mayor and Councillors as well as the Chief Executive Officer. We also welcome a new Executive Assistant Ethel Ryan.

Thank you to our Community members, our Stakeholders and visitors for always raising your aspirations and concerns to me and my fellow Elected Representatives. It is your voice that continues to motivate us to build and strengthen our Community!

I would like to recognise the impact of the COVID-19 restrictions on our community. Our drive to fulfill NASC's Mission Statement of "Build a Strong, Prosperous and Healthy Community" has never been more evident throughout the trying times since I was elected have brought us. I'd like to express my gratitude to the Napranum community for their continued support and compliance with restrictions. In addition, I'd like to express my gratitude to the members of our LDMG for their contributions to disaster management operations, as well as community organizations and companies. I encourage the community to continue to educate yourselves around Vaccinations so that we can move forward into a safer future.

Thank you to our Operations Division within Council for their continued hard work in all aspects of community. We have achieved so much with the 2021/22 QBuild Works Upgrades program and have shown an outstanding effort to keep all Housing maintenance requests a priority with at a 93% completion rate in the last financial year!

Napranum has seen a lot new of upgrades from new footpaths and drainage, new shade structures for our communal areas such as our play grounds and Splash park, upgrades to our Indigenous Knowledge Centre and Suzie Madua Hall and the addition of new street lights. With much more in the works behind the scenes, the promise for further development in Napranum as Council actively pursues grant funding to support new community development in Napranum as we move into 2023.

We look forward to working towards:

- Housing Development
- Solar Power in Napranum
- Youth Education Programs
- Successful Community Events
- New Basketball and Netball Court
- Takeaway
- New Water Reservoir
- Foreshore Fitness Equipment
- New Corporate Plan and Corporate Structure

Finally, I would like to thank my fellow Councillors, Senior Executive Staff and all of the workers of Council who are providing the services to our communities.

A MESSAGE FROM THE CEO



2021/22 was my second full financial year at Napranum and we have again achieved so much. I wish to thank the Mayor, Councillors, the Executive Team and every staff member for contributing to another great year.

In January, 2022 we said goodbye to Cr Marie Pitt which triggered a By-Election and we welcomed Cr Roy Chevathen as our new Councillor. We also saw our first Covid-19 Case in February, 2022 which impacted the Community and Council Staff during the relevant periods of isolation required for infected households.

During the year we have celebrated Naidoc Day, DOGIT Day, our Community Christmas Party, ANZAC Day where the whole community came together. The staff celebrated our end of year function at the Albatross Hotel and we have also had a couple of whole of staff BBQ's at the Splash Park. We continue to improve our staff morale with our Are you Ok and Team building day at the Bowls Club. I wish to thank our events staff and volunteers who go above and beyond to make these events possible.

We have also seen the container for our New Food Take-away and are now waiting for the decking and shade sail to be installed. The Napranum Early Childhood Centre received an upgrade to the Kindergarten rooms.

We reopened our Childcare service initially for Napranum Aboriginal Shire Council and now the service is open to the public. As we employ additional staff we are able to open up additional space. We are currently operating at capacity with a waiting list.

We improved our flood mitigation and drainage for the football field. During the 2021/22 year the CEQ IBIS Store was flooded a number of times. By improving the drainage at the football field it will redirect the water which will stop the store from flooding.

We continue to do the planning and background work on our Football Field upgrade which should start construction after the wet season in 2023. The lighting at the Ruchook grounds was completed and we watched the construction of the 2 x 2 bedroom duplexes and 1 three bedroom house in Kwokkunum Street. We have also begun the planning for our next new housing project of 4 x 2 Bedroom houses and 2 x 3 bedroom houses.

This report is a transparent record of Council's legislative requirements which is to be declared and highlighted to the Public, its Stakeholders and other interested parties under the Local Government Regulation 2012 regarding its operational performance, financial decision making and other important information for the financial year. Napranum Aboriginal Shire Council is strongly committed to transparency of its operations and has ensured this report provides you with as much information with the intent of having a clear understanding of Council's current status in accordance with legislative requirements.

NAPRANUM PROFILE

Napranum is a small community on the Cape York Peninsula in remote Far North Queensland.

The Napranum Aboriginal Community Council was established in 1989 and continues with unaltered boundaries under the name of Napranum Aboriginal Shire Council (2005).

Napranum Aboriginal Shire comprising several parts has an area of 1995 square km, is 15 km north-west and north-east of Weipa. Napranum has a mini-supermarket, a community health centre, Pre-school, an aged care centre and a cultural ground which is the venue for an annual cultural festival. As with many remote communities' infrastructure and service access continues to be a major challenge. A housing subdivision has recently been completed allowing for the construction of new houses for the people of Napranum. There is also greater emphasis on establishing the community farm operationally.

The main employment sector is local government administration. Residents of Napranum are also employed by Rio Tinto at its Bauxite operation in Weipa and surrounds. There were originally five main clan groups with a history dating back many thousands of years. Formerly known as Weipa South, Napranum which means 'meeting place' was established in 1898 by Moravian missionaries on behalf of the Presbyterian church.

The original mission site at 20 mile was relocated to the Jessica Point site in 1932 due to an outbreak of malaria. At this time most of the people were Awngthim but soon different tribes and clans were brought from Old Mapoon. In 1955 a geologist, Henry Evans, discovered that the red cliffs on the Aboriginal reserve, previously remarked on by the early Dutch explorers and Matthew Flinders, were actually enormous deposits of bauxite - the ore from which aluminium is made.

The "Comalco Act of 1957" revoked the reserve status, giving the company 5,760 square km of Aboriginal reserve land on the west coast of the peninsula and 5,135 square km on the east coast of Aboriginal-owned land.

Mining commenced in 1960. The mission became a government settlement in 1966 with continued attempts by Comalco to relocate the whole community elsewhere. The company then built a new town for its workers on the other side of the bay. In 2006, 43.8% of census respondents recorded their religion as Uniting Church, reflecting the fact that the Presbyterian Church administered the former mission.

Napranum eventually received DOGIT status on 28th October 1988, and has its own community council separate from the Shire of Cook.



ABOUT NAPRANUM

FACILITIES AND SERVICE

HEALTH

The Shire has a Queensland Health Primary Health Care Centre, which provides basic health care services. Cases that are more serious are referred to the Weipa Integrated Health Services. The hospital facility contains primary health care, emergency and medical imaging, day surgery, acute care accommodation, aged care accommodation, mortuary, support services, administration, staff accommodation plus a co-located ambulance service.

WEATHER

The climate of Cape York Peninsula is tropical and at times hot and humid. The tropical wet season runs from November to April and the tropical dry season from May to October.

Temperature averages are 32.8 °C daily maximum and 22 °C overnight minimum

SHOPPING

All residents do their major household shopping in Weipa. Napranum has an IBIS Supermarket that is open 7 days a week.

POST OFFICE SERVICES

Council provides a small post office in Napranum, which distributes mail only. The community post office, is located in the council building, is open on weekdays from 8:45 to 4pm

ALCOHOL RESTRICTIONS

Napranum is what is considered under the Queensland Government liquor licensing as a restricted area. The Napranum restricted area is the Napranum Aboriginal Shire including all public and private places. This includes all waterways where both banks are within the shire.

The section of the Peninsula Development Road that passes through the shire is excluded from the restricted area.

No alcohol or homebrew and homebrew equipment is allowed in restricted areas.

For more information please see the alcohol reforms page at <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 etc. coming into a restricted area.

NAPRANUM AGED & DISABILITY SERVICES

Napranum Aged and Disability Services (NADS) conducts community outreach for aged clients (over 50 years of age) and those with disabilities (up to 50 years of age). Most clients live in Napranum, although we also service limited clients in Weipa. The centre has up to 4 independent living units and 1 respite room based at the Centre. The Centre delivers a range of services including: meals, social support (individual and group), transport, assisting clients with shopping, medical appointments, personal care and domestic assistance. Refer report below in Corporate and Community Services

EDUCATION

The Napranum Early Childhood Centre, (Kindergarten and Pre-School) is operated by council and has been functioning within the community for 40+ years. The NECC is affiliated with the Crèche and Kindergarten Association of Queensland, (C&K) indicating that a centre has reached prescribed high standards in relation to buildings and facilities, safety, qualifications of staff and delivery of educational curricula. Napranum Council re-opened the Long Daycare in July 2021 to further enhance early education opportunities in the community and assist families in returning to work. Refer report below in Corporate and Community Services

OTHER FACILITIES

Napranum has a football oval and community hall. Other facilities include the Napranum Youth Centre, PCYC, PaL (Parents and Learning), Justice Group, Men's Group, Women's Group, Napranum Safe House, Basketball Court, Boat Ramp and the Saint Barnabas Uniting Church.

ACCOMMODATION

Accommodation is available in Weipa (approximately 13km away). It is strongly recommended that visitors who intend to visit Napranum make reservations at least one month before the date of arrival as there is high demand for accommodation during the winter (dry season) when many visitors from the southern states arrive for holiday and fishing.

OUR COUNCIL

The Napranum Aboriginal Shire Council has five elected representatives who are responsible for formulating council policies, corporate plan, operational plan, adopting council budget and making decisions to achieve council goals. The shire is undivided for electoral purposes. Each councillor represents the overall public interest of the whole area, although council has adopted a portfolio management system.

Councillors provide the most direct form of representation to the community.

Each of them brings an individual perspective to the decision's council must make on behalf of the community.

Background information on each of the councillors as well as details for each councillor is provided in the following pages.

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 fulfil the duties of office by acting faithfully and impartially to the best of their judgment and ability and to agree to uphold the council code of conduct. In addition, Councillors are required to complete a set of forms on Councillor's interests.

To represent the community effectively Councillors are required to attend ordinary monthly council meetings and any other special meeting and to vote on all matters that require a decision or abstain from taking part in the discussions and voting on issues where they have a conflict of interest. The role of the Councillors and the Mayor is set out in the Local Government Act 2009.

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 Act provides guidance to the Mayor and Councillors on what their roles and responsibilities are and the code of conduct expected of them to observe. The code of conduct provides for penalties ranging from reprimand to disqualification from office. All these are intended to safeguard against the misuse, abuse and miscarriage of power and authority by the elected members.



ELECTED COUNCIL APRIL 2020



Mayor
Janita Motton

Portfolio
Housing and Environment
Also covering all other Portfolio's



Deputy Mayor
Kaylene Jawai

Portfolio
Education and Social Services
Health, Sports, Recreation and Arts



Councillor
Margie Adidi

Portfolio
Municipal Services, Small Business,
Training and Development
Education and Social Services
Health, Sports, Recreation and Arts



Councillor
Egito Mairu

Portfolio
Alcohol Management



Councillor
Marie Pitt (until
January 2022)

Portfolio
Alcohol Management
Health, Sports, Recreation and Arts



Councillor
Roy Chevathen (From
April 2022)

Portfolio
Alcohol Management
Health, Sports, Recreation and Arts

CEO

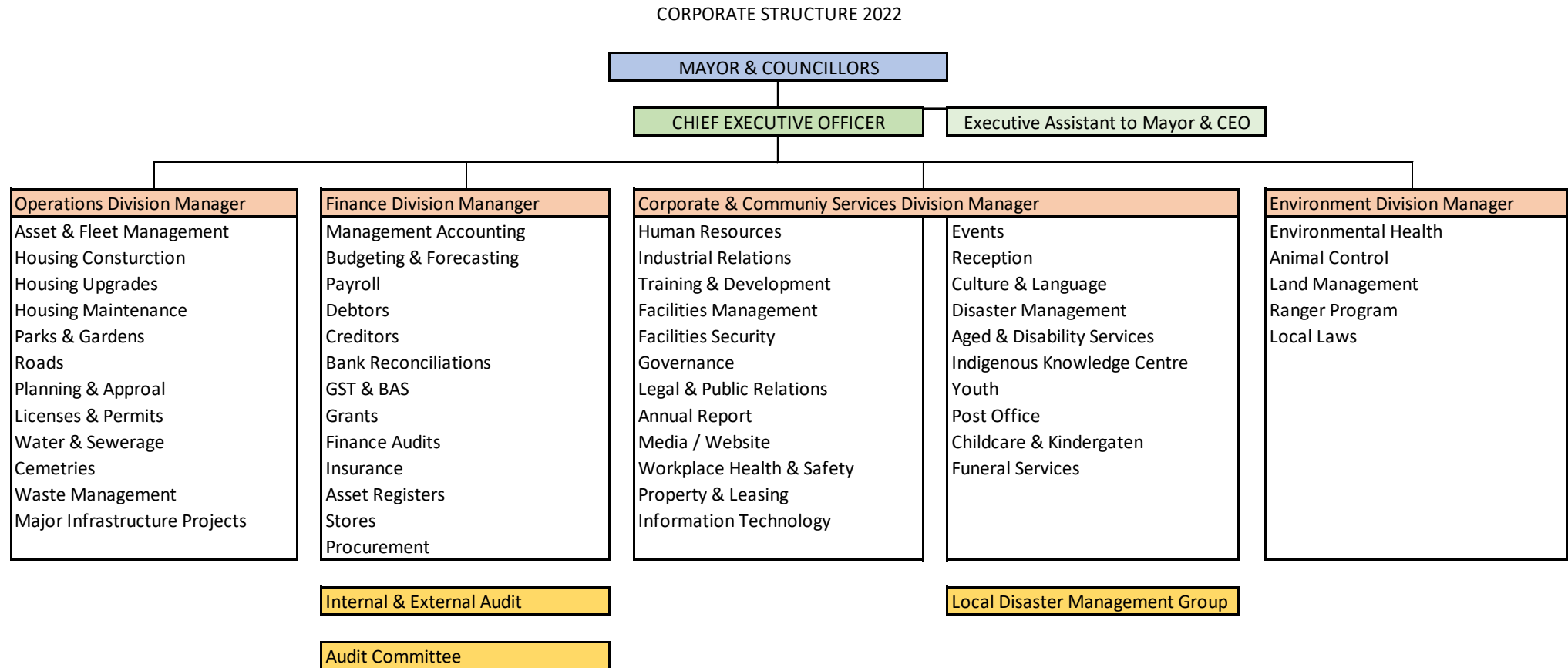


Janelle Menzies

Mrs Janelle Menzies commenced as the Chief Executive Officer 1st June 2020

ORGANISATIONAL STRUCTURE 2022

Corporate Structure as at 30 June 2022



COUNCIL DEPARTMENTS

OPERATIONS DIVISION

INTERIM OPERATIONS DIVISIONAL MANAGER 2021/2022 ANNUAL REPORT

The Operations Division is comprised of Housing, Essential Services, Parks and Gardens, Cemeteries, Waste Management. The Division consisted of some 31 personnel as at 30th June 2022. The workforce includes carpenters, plumbers, painters, boilermakers along with plant operators.

Napranum Aboriginal Shire Council (NASC), encourages local residents to undertake apprenticeships and or traineeships; NASC has currently engaged a young local indigenous lady as an apprentice painter

The highlights this financial year include:

HOUSING AND MAINTENANCE

There are 256 Social Housing Properties of which 238 are under a 40year lease arrangement. These range from one-bedroom units to three & four-bedroom dwellings.

Upgrades

The 2021/2022 QBuild works Upgrades program has been very challenging to say the least but with thanks to the NASC Building team and locally engaged contractors it is drawing to an end. The majority of upgrades works during this period has been divided up between our local contractors and the NASC team members which still allowed Council to maintain its workforce as well as provide upskilling to some team members.

Maintenance

The Operations Division maintains the housing in response to instructions from QBuild. During the financial year, Council received approximately 1750 maintenance requests and have at the time of reporting accomplished a 98% completion rate. Operations once again took the initiative to ensure essential maintenance was undertaken in the event of a COVID-19 outbreak / closure which fortunately did not eventuate.

2021/2022 COMPLETED PROJECTS

New Drainage System & Culvert across Wa-Tyne Road

New concrete V drain and culvert have been undertaken so as to help improve the water movements during the wet seasons.



VARIOUS STREET BITUMEN RE-SEALING WAS UNDERTAKEN



VARIOUS RE-PAINTING OF LINE MARKING ETC. WITH-IN NAPRANUM COMMUNITY



NEW BOUNDARY FENCE AT NADS WITH CANINE PROOFING



New Housing

The two new two-bedroom duplexes that have been planned and approved for 258 and 259 Kwokkunum Street as well as one 3-bedroom house located at Lot 1 Kwokkunum street are all due for completion by the end of 2022. These dwellings fall under the 2019 Interim Capital Works program by the State Governments' \$40M commitment to an interim housing program for remote and discrete communities



Early Childhood Centre

The early childhood Centre has once again had major works upgrade programs carried out over the past 12 months. The indoor childhood old ablution (toilets) were totally upgraded to bring life back into the center. As well as this upgrade, a totally new external toilet block consisting of two Unisex toilets were constructed for external use.





ESSENTIAL SERVICES

The Essential Services section is responsible for the management of the potable water supply, the sewerage system and the general upkeep and maintenance of community parks, gardens and open spaces ensuring that all services are in line with current standards and community expectations.

WATER

NASC operates a modern gaseous chlorination plant with a Sodium Hypochlorite back up system; the system is maintained through a (SCADA) to provide a continuous supply of potable water to the community. Council is proactive in upskilling the operators to take advantage of latest developments. Water is sampled daily at five discrete outlets and audited by The Cairns Regional Council, a NATA credited laboratory.

A new water reservoir also planned for the 2021/2022 period is currently under construction and due for completion on or before the end of 2022.

SEWERAGE

The Essential Services section maintains three pump stations and a primary treatment facility comprising three evaporative treatment lagoons and outfall.

Napranum Aboriginal Shire Council has an effective sewage collection system and a primary treatment system in the form of evaporative lagoons.

These lagoons are closely monitored and maintained so as to provide a healthy environment for all community members.

FLEET MANAGEMENT

Council maintains a relatively new vehicle fleet so as to reduce maintenance costs and improve productivity.

CORPORATE AND COMMUNITY SERVICES DIVISION

HUMAN RESOURCE

Council ended the financial year with 82 employees, no overall change from the previous year. Some key employee data for Council is:

- 69.5% of council's workforce identify as Aboriginal and Torres Strait Islander an increase of 7% on the previous year
- 24% (up by 4%) of the workforce are aged between 16-29, 37% (no change) between 30-44 years and 39% (down by 4%) aged 44 or overs
- 40% (down by 11%) identify as male and 60% (up by 11%) identify as female.

Council staff turnover continues to be high with 53 new starters for the year, with no change to overall staff numbers.

SAFETY AND TRAINING

Council has continued to make strong inroads to improve the safety of our workforce and community. Improvements and initiatives include:

- Refinement of Safety Induction program and Contractor program
- Updating key work equipment including Breathing Apparatus, ladder safety, trade tools, fleet reliability and safety
- Virtual Reality training
- Improving our standards initiative to improve standards across all work sites and encourage leading by example of acceptable standards of workplace housekeeping, presentation, safety and well being

Council continues to increase the capacity of its employees and assist with professional development. Key training delivered in the reporting period includes:

- ICAM
- Leadership and Supervisor training
- Cybersecurity
- Recruitment and Industrial Relations
- Food Safety / First Aid / CPR
- Traffic Management

NAPRANUM AGED AND DISABILITY SERVICES

Overview of Napranum Aged & Disability Services - Atakuny Elders Village

The Centre delivers a range of programs funded by both State and Federal governments. Commonwealth Home Support Program (CHSP), Home Care Packages (HCP), Queensland Community Support Scheme (QCSS) and RCC (Remote Community Connector Program) to support NDIS clients. Services offered across these funding streams include: meals, social support (individual and group), transport, assisting clients with shopping, medical appointments, personal care, medication assistance, domestic assistance and yard maintenance (through private contractors - Brokered). Clients also participate in activities based at the center e.g. bingo, hoy, craft, physiotherapy, exercise and other activities such as: cultural functions and events, picnics, community center visits, social outings and fishing.

The service has a fully functioning commercial kitchen and supports Meals on Wheels to approx. 30 clients on a daily basis.

Our goals are to keep clients and their family supported in ways to promote their wellness, reablement and independence for as long as possible whilst living in their own homes with family and often extended families within Napranum community.

Clients/Funding

Napranum Aged and Disability Services (NADS) conducts community outreach for aged clients (over 50 years of age) and those with disabilities (up to 55 years of age). Most clients live in Napranum, although we also service limited clients in Weipa. The centre has up to 4 independent living units and 1 respite room based at the Centre. We currently have 2 permanent client's living in.

There are no client's receiving funding and services through QCSS (Queensland Community Support Services) as they have all transitioned to NDIS with 9 participants, 29 CHSP clients, 13 Commonwealth HCP clients ranging from level 1-4.

Staffing:

The service currently employs 10 staff (mixed between Full time to Casual and Male/Female). 4 staff are nearing completion in their Cert III Individual Support with 2 modules remaining. This training is supported by Indigenous Employment Initiatives (IEI) funding from the Federal Government and will greatly improve the outcomes for our service and community.

Improvements:

The Atakuny Elders Village received an improvement to security with new fencing and electronic gate access to improve client safety and wellbeing. Other improvements include an additional vehicle to support NDIS services, fleet repairs and upgrade of certain whitegoods to improve reliability, computer and workstation upgrades for staff training and development.



NAPRANUM EARLY CHILDHOOD CENTRE

The Napranum Early Childhood Centre (NECC), operated by the Napranum Aboriginal Shire Council, has been functioning as a community kindergarten and preschool for 40 years. The NECC is affiliated with the Crèche and Kindergarten Association of Queensland, (C&K) indicating that a centre has reached prescribed high standards in relation to buildings and facilities, safety, qualifications of staff and delivery of educational service.

The NECC has 5 units with enrolments at 64.

- Yarr A and B, 6mths -3 years
- Alandhak, 3yrs - 3 ½yrs and Kyemba, 3 ½ - 4 ½ yrs. (Currently combined with a waiting list)
- Thungganh- Approved Kindergarten Program

Events/activities celebrated throughout the year included Easter Party, Mother's Day Morning Tea, Day Camp, Christmas Party, Graduation, Under 8's Day, NAIDOC, Weipa Rodeo, Crazy Hair Day and National Aboriginal & Torres Strait Islander Children's day. As well as transitions for the Kindergarten Children with St Josephs and Western Cape College



The long Day-care facility re-opened and has a large waiting list for Yarr A and Yarr B.

Western Cape College Satellite Prep room at the NECC continues to operate with enrolment numbers at 10. This provides a vital link for community in transitioning children from Napranum campus to the large campus in Weipa.

NECC has secured its own centre bus, which will soon assist community families and kindergarten children to boost their attendance during the vital years before starting at school. It will also assist the centre to have more community engagement and get out and about for excursions and events.

Funding

Support for the service is via funding from Department of Education, Crèche and Kindergarten Association of Queensland and NIAA.

Additional funding has been secured from the ELY Trust to purchase a Coaster Bus for the centre which will boost attendance to the centre and provide reliable transportation for excursions and transitions around the Napranum/Weipa communities.

NECC was included in the Kindy Uplift pilot program from April 2022. This has enabled staff to participate in several professional development sessions including, Carrie Rose to assist in improving our curriculum, PECS training which assists in communication with children that may struggle to communicate verbally. Phoenix Cups which assists in Behavioural Management and some local language sessions with PAL to get more cultural practices and language embedded into the centre.

Staffing

Quality education and care is provided by the staff. Initiatives throughout the year continue to see strong partnerships develop with families, support services and community that focus on the Education and wellbeing of families and children.

Educators at the NECC continue to improve on their skills, 2 staff working towards there Bachelor in Early Childhood Education, 3 staff working towards their Diplomas of Early Childhood Education and Care and 2 staff working towards their Certificate III in Early Childhood Education and Care.

Kindy Uplift has provided some much-needed professional development which the staff are embracing and applying in the centre.

Community

NECC is continuing to grow our partnerships with other community organisations, we have had a visit from St Joseph's College during Naidoc week as well as us visiting them for Under 8s day and transitions. Visits from PCYC to assist on our event days and help with transportation to and from excursions.

Apunipima have worked with the NECC in many ways from ear and eye checks to dental visits and fortnightly healthy eating sessions with the staff and children. Additionally, sessions have been had with Hockey Australia and AFL

COMMUNITY EVENTS

The following events occurred throughout the reporting period:

- DOGIT Day 2021
- NAIDOC 2021
- Napranum ANZAC Day Service 2022
- Napranum Foundation Day 2021
- Ruchook Cultural Festival 2021
- Napranum Community Christmas Party Dec 2021

The biannual Napranum Ruchook Cultural Festival occurred on 23rd and 24th July 2021. The event is the centrepiece of Councils cultural celebrations and was a major success with large crowds over 2 days enjoying and participating in Cultural dance and activities, satisfying their appetite with the wonderful food options, exploring the different information stalls and coming together as a community and region to show-case local and regional performers.

The community Christmas celebration was a huge success, held at the Ruchook Cultural grounds. The weather was kind for this outdoor celebration and was well supported by the community in attendance and assistance in catering for 700 people.

Council would like to thank all our sponsors, external and internal events committees and our volunteers who without their support events and celebrations would not be possible.



INDIGENOUS KNOWLEDGE CENTRE

Council provides a safe and culturally appropriate knowledge centre for community to access reading and learning materials, conduct research and yarning. The service is supported in funding by State Libraries Queensland (SLQ). This year we further expanded the services the IKC delivers with additional devices for community use, part integration of our Cultural Keeping Place and the official opening of the centre in a new building known as the Maryanne Coconut Library.

FACILITY MANAGEMENT

Council has continued to work towards ensuring its assets are used for the best purpose and obtaining the best return for the benefit of community. Council has been able to retain their long-term tenants in some of its larger buildings, thereby assisting with the sustainability of its assets and delivery of key services to community. Council has upgraded security at a number of its sites and backup generator power options with support of funding. Repairs and maintenance are undertaken as required and asset management is now effectively covered with a new program.

INFORMATION TECHNOLOGY

Council has continued to invest strongly in its software and hardware throughout the year. As workforce needs change Council is transitioning its hardware to more portable options giving workplace flexibility, investing in program improvements and continual upgrade of our connectivity with 1st half of 22/23 Financial year to see all council sites have fibre connection.

DISASTER MANAGEMENT

The Napranum Local Disaster Management Group continued to be primarily occupied with COVID related activities and directions, with COVID having a strong presence in community at the beginning of the 2nd half of the reporting period.

A successful Get Ready campaign and event was run in assisting the community to be prepared for the storm/cyclone season. Some significant storms and rainfall events impacted Community with power outages playing a major role. Water diversion projects around community have prevented inundation of assets with more planned for upcoming years.



FINANCE DIVISION

FINANCE DIVISION

The finance team comprises eight staff taking care of payroll, payables, receivables, grants, business development, inventory, budgeting, cash management, accounts preparation and long term forecasting.

The 21/22 statutory audit was brought in on time and on budget demonstrating a strong commitment to teamwork, quality results and strengthening internal controls.

The year ahead will focus on internal audit processes, internal controls, asset management plans and asset revaluations, the implementation of a more efficient accounting system and professional development so as to build a stronger and more resilient finance team.

WAREHOUSE MANAGEMENT

Councils 'Warehouse Management System' "WMS" is continuing to make stock accountability and movement easier and links in to MYOB at the administration office. Extensive work by dedicated warehouse and finance staff has allowed for improved accountability and tracking of stock held and moved through Councils warehouse with cataloguing and recording progressing to stock codes. This makes accounting for materials used for specific jobs to be tracked more efficiently and accurately.

ENVIRONMENT DIVISION

ANIMAL MANAGEMENT

Domestic Animal Management

The animal management staff visit the PCYC on school days during the breakfast program to keep nuisance dogs from hanging around the centre while children are eating their breakfast and walking to the school bus.

During the year an animal census was undertaken and 326 dogs were identified. We undertook a desexing program or birth control implants were administered to some of the dogs. We also treated dogs for worms and parasites.

ENVIRONMENTAL HEALTH

During the year we undertook 2 kerbside clean ups. One in July 2021 just before the Ruchook Festival and one in November before the cyclone season.

33 abandoned vehicles were identified and 10 were donated to the Weipa SES for emergency exercises.

Cameras were installed at the Council's transfer station on Beening Road and a number of infringements were issued by the Department of Environment and Science.

The old dump site on Beening Road was cleared ready for rehabilitation.

LAND AND SEA RANGERS

Fire Management

6 fire management burns planned this season (permits acquired) with 2 in community and 4 on country:

Community

- Bushland north of new village between the Embley River and Napranum Road, north to Kerr Point Road; and
- East of the waste transfer station, southern side of Beening Road.

On Country

Bouchat

Red Beach

20 Mile

Billy's Lagoon

Attended the regional fire management workshop at Morton Telegraph Station last week. Engaging with regional fire management groups on planned burns with an emphasis on collaboration with more expensive and specialist activities (i.e. incendiary helicopter burning).

Rio Tinto assisting with incendiary burning of 3 strategic areas of DOGIT in consultation with Traditional Owners

Turtle Monitoring

Pennefather Beach turtle monitoring program underway. 65 turtle nesting sites reported for the season thus far, including 1 Olive Ridley nest which has been protected with a cage cover.

Feral Species Management

Four (4) sorties (aerial shooting exercises) conducted in the Pennefather region prior to main marine turtle nesting period.

A total of 304 feral pigs and 2 wild dogs managed.

Cultural Heritage Sites

Red Beach and Bouchat cultural heritage sites have had maintenance programs conducted over the reporting period.

Two (2) water wells were identified at the foreshore development site and marked for further assessment for preservation. The wider community were requested to be engaged prior to works commencing.

Scarred trees were identified at the old landfill site.

STATUTORY REPORTING REQUIREMENTS

COUNCILLORS

Councillor remuneration and other expenses for the year ended 30 June 2022

Position	Name	Councillor Remuneration	Super	Travel and Conference Expenses
Mayor	Janita Motton	112,384	416	8,350
Deputy Mayor	Kaylene Jawai	64,836	NIL	5,360
Councillor	Margie Adidi	56,191	NIL	9,859
Councillor	Egito Mairu	56,351	720	3,142
Councillor	Marie Pitt	29,136	NIL	5,586
Councillor	Roy Chevathen	18,730	NIL	2,606
TOTAL		337,629	NIL	34,906

Note –Mayor Motton is also provided with a vehicle for business and personal use

COUNCILLOR FACILITIES

MAYOR

- Separate office accommodation with secretarial and Executive Assistant support and motor vehicle for business and personal use.

COUNCILLORS

- Office accommodation and secretarial/administrative support in accordance with the established staff structure

ADDITIONAL SUPPORT FOR COUNCILLORS

- Councillors are provided with access to facsimile, scanner, printer, photocopier and paper shredder for business use.
- Council provides each Councillor the necessary stationery and letterhead including postage costs, for the undertaking of duties directly associated with their position
- Councillors are provided with fully maintained and serviced meeting/committee rooms, kitchen amenities and ablution facilities
- Each Councillor has the option to be provided with an Electronic Tablet device or laptop and mobile phone. Each device will be provided with appropriate software to enable Councillors to perform their role.

CONDUCT AND PERFORMANCE OF COUNCILLORS

To ensure appropriate standards of conduct and performance are maintained by Councillors, the Local Government Act 2009 outlines the roles, responsibilities and obligations required. In addition to this Napranum Aboriginal Shire Council has a number of Policies to support the behaviours expected of its elected representatives.

Details	Result
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	NIL
Decisions made under section 150W(1)(a)(b)(d) of the Act	NIL
Decisions made under section 150W(1)(a)(b)(e) of the Act	NIL
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 3, division 6 of the Act about whether a councillor engaged in misconduct or inappropriate conduct	NIL

COUNCIL MEETINGS ATTENDED

Register of Attendance at Council meetings – July 2021 – June 2022

Position	Name	Number of Ordinary Council meetings attended	Number of special Council meetings attended	Total number of meetings attended
		Total 12 Meetings	Total 2 Meetings	Total 14 Meetings
Mayor	Janita Motton	12	1	13
Deputy Mayor	Kaylene Jawai	10	2	12
Councillor	Egito Mairu	8	1	9
Councillor	Margaret Adidi	12	1	13
		Total 6 Meetings	Total 1 Meetings	Total 7 Meetings
Councillor	Marie Pitt	5	1	6
		Total 4 Meetings	Total 1 Meeting	Total 5 Meetings
Councillor	Roy Chevathen	3	1	4

ADMINISTRATIVE ACTION COMPLAINTS

Napranum Aboriginal Shire Council is committed to the principles of natural justice and fairness in all administrative complaint dealings. Council intends to provide a level of customer service that does not attract complaints, but acknowledges the right of persons to provide feedback, both positive and negative, on its services and/or to lodge a complaint about a decision or other action it takes. Council's Administrative Complaints Policy and Procedure is available on Council's website and has been updated to reflect changes as required in the Human Rights Act 2019. Council commits to providing adequate resources and trained officers to deal with complaints and to record and analyse complaints data. This enables Council to respond to complaints accurately and in a timely manner to ensure outcomes are achieved and delivered.

Administrative Action Complaints recorded in accordance with Section 187 (2)(a) of the Local Government Regulation 2012		
(i)	administrative action complaints made to the local government	1
(ii)	administrative action complaints resolved by the local government under the complaint's management process	1
(iii)	administrative action complaints not resolved by the local government under the complaint's management process	0
(b)	the number of administrative action complaints under paragraph (a)(iii) that were made in a previous financial year	0

Council updated its Administrative Action Complaints policy to support the updates required and outlined in the Human Rights Act 2019. Council will continue to review and update policies and procedures and educate its employees and community of changes and improvements in administering the obligations of the Human Rights Act 2019.

EXPENSE REIMBURSEMENT POLICY

During 2020-2021, Council reviewed the expense reimbursement policy. A copy of the Expense Reimbursement Policy is available on the Council's website, Resolution 200728/10.

The Napranum Aboriginal Shire Council resolves to: -

Adopt the following Council Policies and Register (5 in total)

d) Expense Reimbursement Policy (Updated Mandatory Policy)

Resolution 200728/10

Moved: Cr. Marie Pitt

Seconded: Cr. Margie Adidi

IMPLEMENTING THE CORPORATE PLAN

Our Current Corporate Plan runs from 2018 – 2022. Our strategies and performance targets outlined in the Corporate Plan Continue to be successfully implemented.

IMPLEMENTING THE OPERATIONAL PLAN

Council continues to align our Operational Plan with realistic and achievable goals that link to our Corporate Plan, budgets and community service requirements.

OVERSEAS TRAVEL

The annual report for a financial year must contain information about any overseas travel made by a Councillor or local government employee in an official capacity during the financial year.

Overseas travel recorded in accordance with Section 188 (1) of the Local Government Regulation 2012			
Name/Position	Destination	Purpose	Amount \$
N/A	N/A	N/A	-

There was no overseas travel during the reporting period.

EXPENDITURE ON GRANTS TO COMMUNITY ORGANISATIONS

Local Government Regulation 2012 Section 189

There was no expenditure on grants to community organisations during the 2021/22 financial year

LOCAL GOVERNMENT DISCRETIONARY FUNDS

Section 189 During the 2020/21 Financial Year Napranum Aboriginal Shire Council did not have any discretionary funds.

SPECIAL RATES OR CHARGES

Section 190 (1) (d) During the 2021/22 Financial Year Napranum Aboriginal Shire Council did not enter into any agreement with any other local government to conduct any joint government activity or levy any special rates or charges.

REGISTERS

The Local Government Regulation 2012 requires council to keep a list of registers. During the year, the council maintained the following registers:

REGISTER	PURPOSE
Personal interest of Councillor	To record certain financial and other personal interests of the Councillor
Minutes of council meeting	To record all resolutions made by the council of ordinary and special meetings
Policy register	To record all policies adopted by the council
Fees and charges and rates	To record charges set by the council
Purchasing policy	To document the procedures to be followed for the procurement of goods and services
Asset register	To record names including details of all council assets
Delegations register	To record the delegations made by the Council and the CEO
Annual report	To document the financial position and to report on achievements and the attainment of objectives set out in the corporate and operations plans
Corporate and operational plans	To document goals strategies and performance indicators set by the council for the period of the corporate plan and in the case of the operations plan for the year
Budget	To record the proposed expenditure and revenues required to implement the council strategies and goals for the year
Administrative and action complaints	To record the administrative action complaints made to the local government
Complaints referred to the department	Complaints made and referred to the department
Roads Register	To record the roads and their location within Napranum

INVITATIONS TO CHANGE TENDERS

Section 190 (1) (e) The annual report for a financial year must contain the number of invitations to change tenders under section 228(7) during the year.

There were no invitations to change tenders during the reporting period

COMPETITIVE NEUTRALITY COMPLAINTS

A summary of investigation notices given in the financial year under section 49 for competitive neutrality complaints

There were no competitive neutrality complaints received during the reporting period and no responses were required under section 52(3)

INTERNAL AUDIT REPORT

Council's Internal Audit Function is undertaken by Altius Advisors Chartered Accountants. The goal of the 2020-2021 Internal Audit Plan was to identify and document areas of significant operational risk and develop practical recommendations for improvement.

The major areas of focus for the 2021-2022 financial year were:-

1. Fraud controls and risk management review
2. Cyber risk and data security review

SENIOR STAFF REMUNERATION

Local Government Act 2009 Section 201 Annual Report must detail remuneration

Senior Staff Remuneration.

Range	No of Staff
\$200,000 - \$300,000	1
\$100,000 - \$200,000	5
0 - \$100,000	2

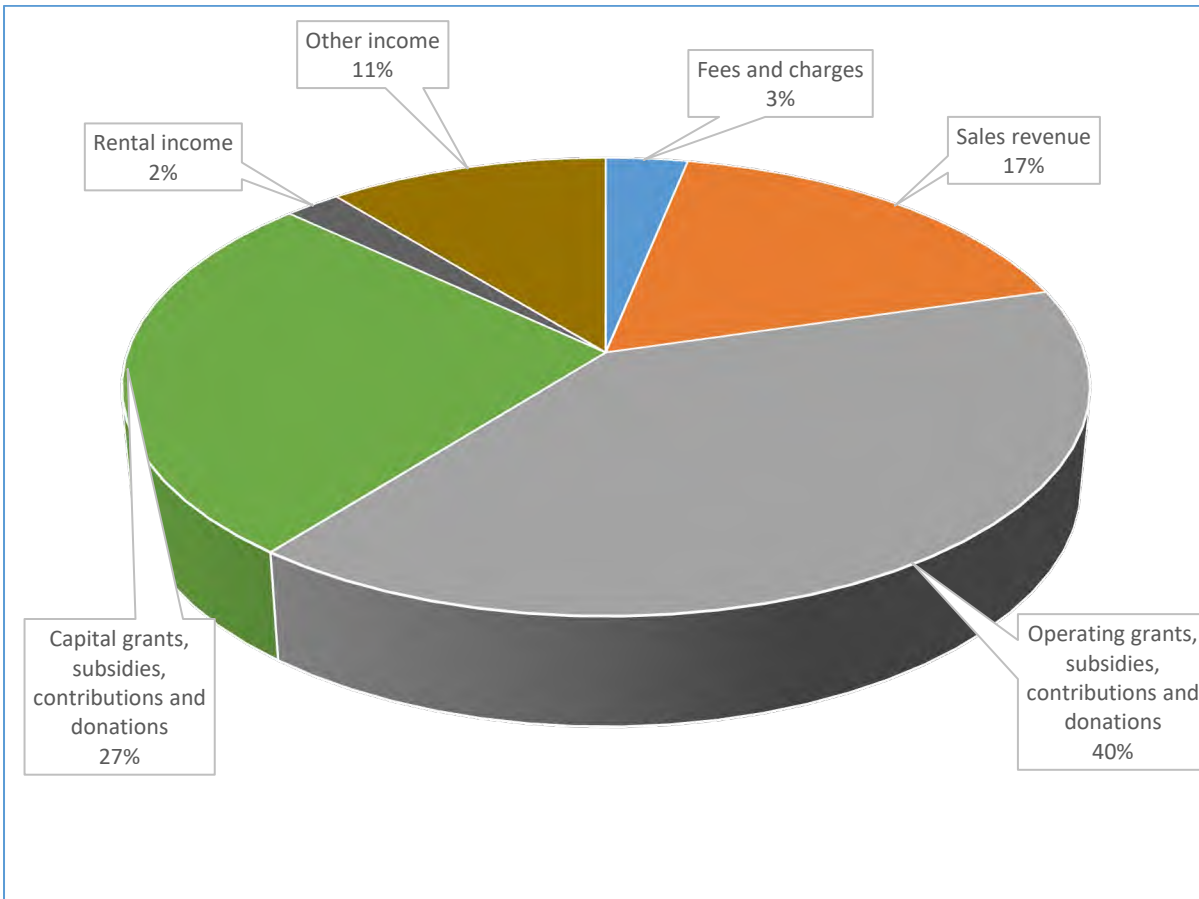
COMMUNITY FINANCIAL REPORT

The information provided in the Community Financial Report is designed to allow readers to quickly grasp the fundamentals of Council's financial performance and its financial standing. This report has a very important role in making sure that the Council is accountable to the community making them aware of how well Council uses its resources and safeguards its assets. The financial statements are often difficult to understand for readers that don't have an accounting background. We hope this report will go a long way in removing the mystery and complexity of these documents.

In the financial statements the **Statement of Comprehensive Income**, in simple terms, sets out all the money Council has received and deducts all the money it needs to pay out. The figure that's left over (the net result) is available to buy new assets or set aside as savings (reserves) for future planned projects. **The Statement of Cash Flows** and **Statement of Changes in Equity** aim to show the impact of these decisions.

Income raised in the year ended 30 June 2022 is set out below. The notes refer to further detail that is available in the full set of accounts.

Income		2022
Revenue		\$
Recurrent revenue		
Fees and charges	3(a)	545,591
Sales revenue	3(b)	2,987,619
Grants, subsidies, contributions and donations	5(a)	6,938,520
		<hr style="width: 100%; border: 0.5px solid black;"/>
		10,471,730
Capital revenue		
Grants, subsidies, contributions and donations	5(b)	4,563,265
		<hr style="width: 100%; border: 0.5px solid black;"/>
		4,563,265
Other income		
Rental income	21(d)	376,971
Other income	4	1,870,310
		<hr style="width: 100%; border: 0.5px solid black;"/>
		2,247,281
		<hr style="width: 100%; border: 0.5px solid black;"/>
Total income		17,282,276
		<hr style="width: 100%; border: 0.5px solid black;"/>
Less total expenditure (detailed next)		15,258,806
		<hr style="width: 100%; border: 0.5px solid black;"/>
Equals the net result		2,023,470
		<hr style="width: 100%; border: 0.5px solid black;"/>



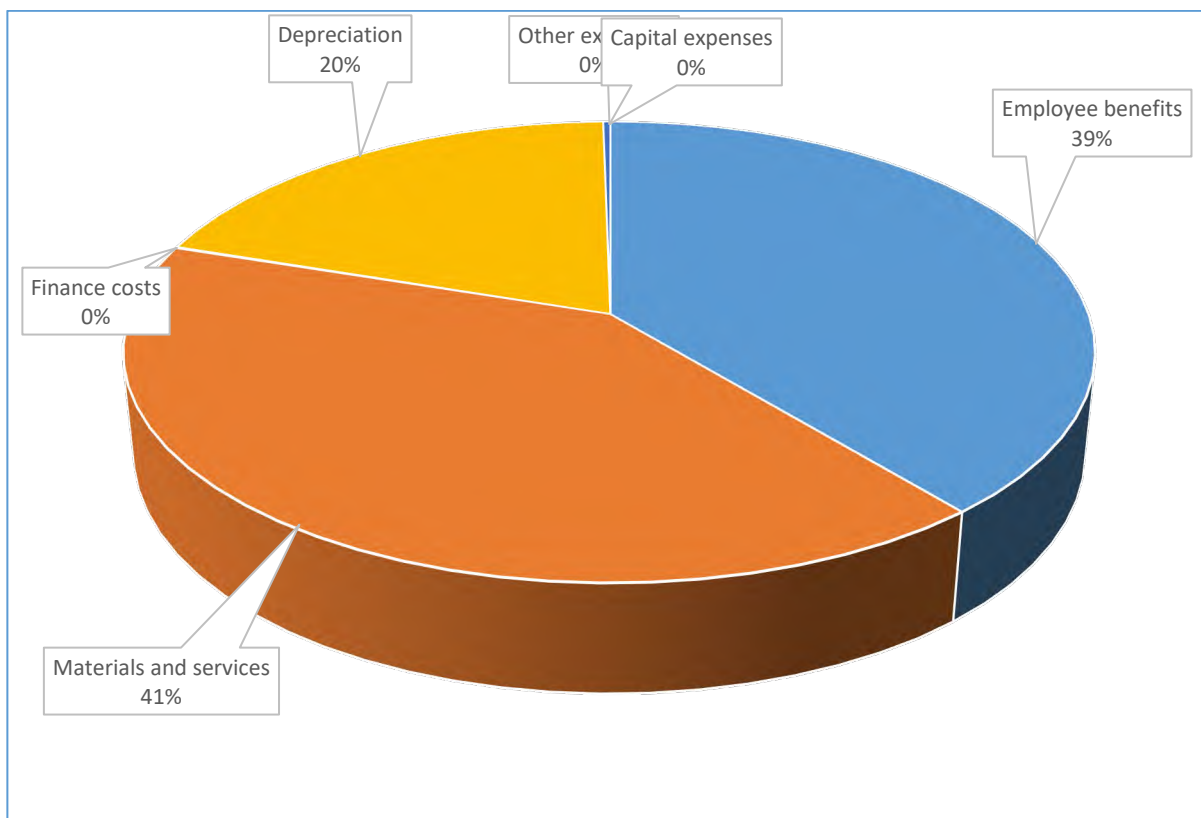
Expenditure

In the financial statements, expenditure is split into two types namely:

Recurrent expenditure which is the day to day costs of running the Council and is all expenditure other than money spent on new assets and repayment of loans.

Capital expenditure represents losses on the disposal of assets.

		2022
Expenses		\$
Recurrent expenses		
Employee benefits	6	5,959,848
Materials and services	7	6,271,716
Finance costs		-
		(15,062)
Depreciation	14	2,999,363
Other expenses	8	42,941
		<u>15,258,806</u>
Capital expenses	9	-
		<u>15,258,806</u>



The **Statement of Financial Position** sets out all of the assets (including cash) and liabilities for Council as at 30 June 2022. The difference in the totals is the net assets or equity.

Napranum Aboriginal Shire Council
Statement of Financial Position
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	10	8,886,601	6,880,286
Trade and other receivables	11	592,283	192,029
Inventories	12	399,554	360,785
Contract assets	20(a)	638,117	1,334,505
Other assets	13	179,108	303,287
Lease receivable	21(e)	821,257	771,464
Total current assets		11,516,920	9,842,354
Non-current assets			
Lease receivable	21(e)	24,023,870	23,388,781
Property, plant and equipment	14	67,513,755	60,907,495
Right of use assets	21(a)	28,222	62,402
Total non-current assets		91,565,847	84,358,678
Total assets		103,082,767	94,201,033
Current liabilities			
Trade and other payables	16	1,207,611	2,167,771
Contract liabilities	20(b)	5,352,551	2,472,674
Lease liabilities	21(b)	28,312	33,566
Provisions	17	552,399	438,786
Total current liabilities		7,140,873	5,112,798
Non-current liabilities			
Lease liabilities	21(b)	-	28,159
Provisions	17	52,755	100,752
Total non-current liabilities		52,755	128,912
Total liabilities		7,193,628	5,241,708
Net community assets		95,889,139	88,959,325
Community equity			
Asset revaluation surplus	18	56,128,899	51,222,555
Retained surplus		39,760,240	37,736,770
Total community equity		95,889,139	88,959,325

AUDIT REPORT ON AUDITED FINANCIAL STATEMENTS

Council's financial statements are required to be audited by the Queensland Audit Office or their delegate. The audit of Napranum Aboriginal Shire Council is contracted to BDO North Qld. The Auditor provides an audit report which gives an opinion on whether the financial statements present fairly the Council's financial performance & position. The Auditor issued a clean report (unmodified audit opinion) for the 2021/22 financial year. A complete version of Council's audited financial statements for the 12 months ending 30 June 2022 are attached and are also available at our website. www.napranum.qld.gov.au

AUDIT FINANCIAL STATEMENTS

Napranum Aboriginal Shire Council
Financial Statements
For the year ended 30 June 2022



Napranum Aboriginal Shire Council

Financial Statements

For the year ended 30 June 2022

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Management Certificate

Independent Auditor's Report

Current-year Financial Sustainability Statement (audited)

Certificate of Accuracy - Current-year Financial Sustainability Statement

Independent Auditor's Report (Current year financial sustainability statement)

Long term Financial Sustainability Statement (not audited)

Certificate of Accuracy - Long term Financial Sustainability Statement

Napranum Aboriginal Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Income			
Revenue			
Recurrent revenue			
Fees and charges	3(a)	545,591	163,337
Sales revenue	3(b)	2,987,619	2,509,685
Grants, subsidies, contributions and donations	5(a)	6,938,520	9,713,477
Total recurrent revenue		10,471,730	12,386,499
Capital revenue			
Grants, subsidies, contributions and donations	5(b)	4,550,861	5,630,004
Capital income	9	12,404	-
Total capital revenue		4,563,265	5,630,004
Other income			
Rental income	21(d)	376,971	364,578
Interest and other income	4	1,870,310	389,545
Total other income		2,247,281	754,123
Total income		17,282,276	18,770,626
Expenses			
Recurrent expenses			
Employee benefits	6	(5,959,848)	(5,491,720)
Materials and services	7	(6,271,716)	(9,194,367)
Finance costs		15,062	(16,137)
Depreciation			
Property, plant and equipment	14	(2,965,183)	(3,106,523)
Right of use assets	21(b)	(34,180)	(33,398)
Other expenses	8	(42,941)	(54,291)
		(15,258,806)	(17,896,436)
Capital expenses			
Loss on disposal of non-current assets	9	-	(3,206)
Loss on revaluation of finance lease	21(e)	-	(387,013)
Total expenses		(15,258,806)	(18,286,655)
Net result		2,023,470	483,971
Other comprehensive income			
Items that will not be reclassified to net result			
Increase / (decrease) in asset revaluation surplus	18	4,906,344	5,900,332
Total other comprehensive income for the year		4,906,344	5,900,332
Total comprehensive income for the year		6,929,814	6,384,303

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

Napranum Aboriginal Shire Council
Statement of Financial Position
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	10	8,886,601	6,880,286
Trade and other receivables	11	592,283	192,029
Inventories	12	399,554	360,785
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Other assets	13	179,108	303,287
Lease receivable	21(e)	821,257	771,464
Total current assets		<u>11,516,920</u>	<u>9,842,354</u>
Non-current assets			
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Total non-current assets		<u>91,565,847</u>	<u>84,358,678</u>
Total assets		<u>103,082,767</u>	<u>94,201,033</u>
Current liabilities			
Trade and other payables	16	1,207,611	2,167,771
Contract liabilities	20(b)	5,352,551	2,472,674
Lease liabilities	21(b)	28,312	33,566
Provisions	17	552,399	438,786
Total current liabilities		<u>7,140,873</u>	<u>5,112,798</u>
Non-current liabilities			
Lease liabilities	21(b)	-	28,159
Provisions	17	52,755	100,752
Total non-current liabilities		<u>52,755</u>	<u>128,912</u>
Total liabilities		<u>7,193,628</u>	<u>5,241,708</u>
Net community assets		<u>95,889,139</u>	<u>88,959,325</u>
Community equity			
Asset revaluation surplus	18	56,128,899	51,222,555
Retained surplus		39,760,240	37,736,770
Total community equity		<u>95,889,139</u>	<u>88,959,325</u>

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

Napranum Aboriginal Shire Council
Statement of Changes in Equity
For the year ended 30 June 2022

	Asset revaluation surplus	Retained Surplus	Total
Note	\$	\$	\$
Balance as at 1 July 2021	51,222,555	37,736,770	88,959,325
Net result	-	2,023,470	2,023,470
Other comprehensive income for the year			
Increase in asset revaluation surplus	4,906,344	-	4,906,344
Total comprehensive income for the year	4,906,344	2,023,470	6,929,814
Balance as at 30 June 2022	56,128,899	39,760,240	95,889,139
Balance as at 1 July 2020	45,322,223	37,252,799	82,575,022
Net result	-	483,971	483,971
Other comprehensive income for the year			
Increase in asset revaluation surplus	5,900,332	-	5,900,332
Total comprehensive income for the year	5,900,332	483,971	6,384,303
Balance as at 30 June 2021	51,222,555	37,736,770	88,959,325

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

Napranum Aboriginal Shire Council
Statement of Cash Flows
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers		4,143,601	2,478,759
Payments to suppliers and employees		<u>(13,692,756)</u>	<u>(13,034,843)</u>
		(9,549,155)	(10,556,084)
Finance costs		15,062	(16,137)
Interest received	4	27,385	38,907
Rental income		376,971	364,578
Non capital grants and contributions		7,032,431	9,898,588
Net cash inflow / (outflow) from operating activities	24	<u>(2,097,306)</u>	<u>(270,148)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	14	(4,716,815)	(4,425,670)
Finance lease payments received	21(e)	773,079	761,615
Proceeds from sale of property plant and equipment	9	47,555	-
Capital grants, subsidies, contributions and donations	5(b)	8,033,215	1,391,131
Net cash inflow / (outflow) from investing activities		<u>4,137,034</u>	<u>(2,272,924)</u>
Cash flows from financing activities			
Repayments made on finance leases (principal only)	21(b)	(33,413)	(33,321)
Net cash outflow from financing activities		<u>(33,413)</u>	<u>(33,321)</u>
Net increase / (decrease) in cash and cash equivalent held		<u>2,006,315</u>	<u>(2,576,393)</u>
Cash and cash equivalents at the beginning of the financial year		6,880,286	9,456,679
Cash and cash equivalents at end of the financial year	10	<u>8,886,601</u>	<u>6,880,286</u>

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

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

1 Information about these financial statements

1.a Basis of preparation

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

These general purpose financial statements are for the period 1 July 2021 to 30 June 2022 and have been prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*. Council is a not-for-profit entity for financial reporting purposes and these financial statements comply with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment.

1.b Rounding and comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1 unless otherwise stated.

1.c COVID-19 and the impact to Council

Management has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern. The impact of COVID-19 on future performance and therefore on the measurement of some assets and liabilities or on liquidity might be significant and might therefore require disclosure in the financial statements, however as at 30 June 2022 management has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

1.d New and revised Accounting Standards adopted during the year

Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2021, none of the standards had a material impact on reported position, performance and cash flows.

1.e Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2022. These standards have not been adopted by Council and will be included in the financial statements on their effective date. Council does not consider these to have a material impact.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at 30 June 2022 at the time of preparing these financial statements that could be applicable to Council.

	Effective for reporting periods beginning on or after:
AASB 2020-1 <i>Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards</i> (amended by AASB 2020-6)	1 January 2023
AASB 2020-3 <i>Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments</i>	1 January 2022
AASB 2021-2 <i>Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates</i> (amended by AASB 2021-6)	1 January 2023

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

1.f Estimates and judgements

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes.

The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the following relevant notes:

Revenue recognition - Notes 3 and 5

Valuation and depreciation of property, plant and equipment - Notes 14 and 15

Valuation of finance leases - Note 21(e)

Provisions - Note 17

Contingent liabilities - Note 22

1.g Financial assets and financial liabilities

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents - Note 10

Receivables - measured at amortised cost - Note 11

Other financial assets (finance leases) - measured at fair value - Note 21(e)

Financial liabilities

Payables - measured at amortised cost - Note 16

Financial assets and financial liabilities are presented separately from each other and offsetting has not been applied.

1.h Taxation

Council is exempt from income tax, however council is subject to Fringe Benefits Tax, Goods and Services Tax ('GST') and payroll tax on certain activities. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

2 (a) Analysis of results by function
Components of Council functions

The activities relating to Council's components are as follows :

Corporate services

The support functions of management of the Council's finance, information technology and administration.

This component covers management of the day to day affairs of the local community, planning and managing the human and financial resources in an efficient manner to maximise community involvement and facilities.

Community services

Community services and facilities including cultural, health, welfare and recreational services.

It includes social services, community hall, art and cultural activities, recreation and sport facilities, aged care, preschool, and school buses.

Building works

The community works program includes maintenance, upgrade and construction in an efficient, effective manner offering local employment and training.

Civil works

Includes maintenance of roads, water and sewerage infrastructure.

Economic and community development

Council provides a range of community services to support quality community life and maximise opportunities for community participation and development. Community services such as community business training.

Environmental services

Providing water, refuse collection and disposal services.

Animal management services.

Environmental management and cultural heritage management.

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

2(b) Analysis of results by function
Income and expenses defined between recurring and capital are attributed to the following functions:

Functions	Year ended 30 June 2022						Total income	Gross program income		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent			Capital				Recurrent	Capital				
	Grants	Other		Grants	Other								
	\$	\$	\$	\$	\$	\$							
Corporate services	3,459,162	439,565	-	-	3,898,727	(3,271,057)	627,670	(3,271,057)	627,670	34,502,910	627,670	34,502,910	
Community services	1,191,227	774,060	33,490	-	1,998,776	(3,548,897)	(1,550,122)	(3,548,897)	(1,550,122)	18,330,921	(1,550,122)	18,330,921	
Building works	11,291	4,520,844	1,362,009	12,404	5,906,547	(3,522,894)	1,009,240	(3,522,894)	1,009,240	2,383,653	2,383,653	-	
Civil works	398,002	-	3,151,554	-	3,549,555	(2,734,201)	(2,336,200)	(2,734,201)	(2,336,200)	4,344,582	815,354	4,344,582	
Economic & community development	933,478	-	(2,906)	-	930,572	(404,431)	529,047	(404,431)	529,047	11,375,263	526,140	11,375,263	
Environmental services	945,361	46,023	6,716	-	998,099	(1,777,325)	(785,942)	(1,777,325)	(785,942)	34,529,091	(779,226)	34,529,091	
Total	6,938,520	5,780,491	4,550,861	12,404	17,282,276	(15,258,806)	(2,539,795)	(15,258,806)	(2,539,795)	103,082,767	2,023,470	103,082,767	

Functions	Year ended 30 June 2021						Total income	Gross program income		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent			Capital				Recurrent	Capital				
	Grants	Other		Grants	Other								
	\$	\$	\$	\$	\$	\$							
Corporate services	3,368,297	489,040	-	-	3,857,337	(4,105,888)	(248,551)	(4,105,888)	(248,551)	33,819,908	(248,550)	33,819,908	
Community services	1,517,992	422,769	286,195	-	2,226,956	(2,299,074)	(72,118)	(2,299,074)	(72,118)	20,291,945	(72,118)	20,291,945	
Building works	-	2,494,909	26,645	-	2,521,554	(2,782,697)	(261,143)	(2,782,697)	(261,143)	-	(261,143)	-	
Civil works	3,028,639	-	1,858,757	-	4,887,396	(5,387,396)	(500,000)	(5,387,396)	(500,000)	15,887,496	(503,206)	15,887,496	
Economic & community development	743,152	-	2,833,332	-	3,576,484	(1,652,678)	1,923,806	(2,039,692)	1,923,806	13,527,963	1,536,793	13,527,963	
Environmental services	1,055,397	20,427	625,075	-	1,700,899	(1,665,576)	35,323	(1,665,576)	35,323	10,673,721	35,323	10,673,721	
Total	9,713,477	3,427,145	5,630,004	-	18,770,626	(17,896,435)	877,317	(18,283,528)	877,317	94,201,033	487,098	94,201,033	

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable as follows:

	2022	2021
	\$	\$
(a) Fees and charges		
Building and equipment hire	10,546	7,160
Employment subsidies (non-government)	180,604	29,000
Kindergarten fees	153,560	107,244
Daycare fees	171,824	-
Restitution and reimbursements	29,057	19,933
	<u>545,591</u>	<u>163,337</u>

Revenue arising from fees and charges is recognised at the point in time the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or, in some cases, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

(b) Sales revenue

Sale of services

QBuild contract income	2,987,619	2,509,685
Total sales revenue	<u>2,987,619</u>	<u>2,509,685</u>

Revenue from services is recognised when the service is rendered. Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Revenue is measured at the fair value of the consideration received or receivable in relation to that activity. Where consideration is received for the service in advance, it is included in other liabilities and is recognised as revenue in the period when the service is performed.

4 Interest and other income

	Note	2022	2021
		\$	\$
Interest received		27,385	38,907
Other income		384,964	350,638
Gain on revaluation of finance leases	21(e)	1,457,961	-
		<u>1,870,310</u>	<u>389,545</u>

5 Grants, subsidies, contributions and donations

	2022	2021
	\$	\$
(a) Operating		
State government subsidies and grants	4,583,818	7,808,634
Commonwealth government subsidies and grants	1,374,559	1,705,571
Subsidies and grants from other providers	980,143	199,273
	<u>6,938,520</u>	<u>9,713,477</u>
(b) Capital		
State government subsidies and grants	4,180,949	4,881,996
Commonwealth government subsidies and grants	369,912	185,870
Subsidies and grants from other providers	-	34,379
	<u>4,550,861</u>	<u>5,102,245</u>
Add: non-cash contributions (donated assets)	-	527,759
	<u>4,550,861</u>	<u>5,630,004</u>

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

5 Grants, subsidies, contributions and donations (continued)

Grant Income under AASB 15

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

The performance obligations vary in each agreement but include such things as the provision of meals, transport and hours of domestic and respite care. Payment terms vary depending on the terms of the grant. Cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods, being either costs or time incurred, are deemed to be the most appropriate methods to reflect the transfer of benefits.

Grant Income under AASB 1058

Assets arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standards. Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Capital Grants

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

Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

Physical assets contributed to Council in the form of road works, stormwater, water and wastewater infrastructure and buildings are recognised as revenue when the development becomes 'on maintenance' (i.e. The Council obtains control of the assets and becomes liable for any on-going maintenance) and there is sufficient data in the form of drawings and plans to determine the appropriate specifications and value of such assets. All non-cash contributions are recognised at the fair value of the contribution received at the date of acquisition. During the year Council did not recognise any non-cash contributions as revenue.

(c) Timing of revenue recognition for grants, subsidies, contributions and donations

		2022	2021
	Note	\$	\$
Revenue recognised at a point in time			
Fees and charges	3(a)	545,591	163,337
Grants and subsidies		<u>6,239,584</u>	<u>8,982,735</u>
		<u><u>6,785,175</u></u>	<u><u>9,146,072</u></u>
Revenue recognised over time			
Sales	3(b)	2,987,619	2,509,685
Grants and subsidies		<u>5,249,797</u>	<u>6,360,746</u>
		<u><u>8,237,416</u></u>	<u><u>8,870,431</u></u>

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

6 Employee benefits

Employee benefit expenses are recorded when the service has been provided by the employee.

		2022	2021
	Note	\$	\$
Total staff wages and salaries		4,965,484	4,482,549
Councillors' remuneration		325,734	334,816
Superannuation	23	547,603	472,186
		<u>5,838,821</u>	<u>5,289,552</u>
Other employee related expenses		211,776	278,647
		<u>6,050,597</u>	<u>5,568,199</u>
Less: Capitalised employee expenses		(90,748)	(76,480)
		<u><u>5,959,848</u></u>	<u><u>5,491,720</u></u>

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

	2022	2021
Total full-time equivalent (FTE) employees at the		
Elected members	5	5
Administration staff	19	17
Depot and outdoors staff	43	47
Total FTE	<u>67</u>	<u>69</u>

7 Materials and services

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

Administration supplies and consumables	160,537	121,121
Audit of annual financial statements by the Auditor-General of Queensland*	94,000	92,000
Attractive and portable items	64,878	63,739
Consultants and contractor fees	5,919,783	10,805,262
Operating expenses	1,548,395	1,277,245
Motor vehicle and garage expenses	214,983	134,435
Property and infrastructure expenses	1,153,215	1,145,873
Power	197,828	188,041
Travel	171,580	139,495
	<u>9,525,199</u>	<u>13,967,211</u>
Less: Capitalised materials-supplies	(3,253,483)	(4,772,844)
	<u><u>6,271,716</u></u>	<u><u>9,194,367</u></u>

* Total audit fee quoted by the Queensland Audit Office relating to the 2021-22 financial statements was \$94,000 (2020-21: \$92,000).

8 Other expenses

		2022	2021
	Note	\$	\$
Impairment of receivables	11	42,941	54,291
		<u>42,941</u>	<u>54,291</u>

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

9 Capital expenses / (income)	2022	2021
	\$	\$
Gain / (loss) on disposal of non-current assets		
Proceeds from sale of property, plant and equipment	47,193	-
Less: Carrying value of disposed property, plant and equipment	<u>(34,798)</u>	<u>(3,206)</u>
Total capital income / (expenses)	<u>12,404</u>	<u>(3,206)</u>

10 Cash and cash equivalents	2022	2021
	\$	\$
Cash at bank and on hand	111,925	484,155
Deposits held with financial institutions with variable interest rate	8,774,676	6,396,130
Balance per Statement of Cash Flows	<u>8,886,601</u>	<u>6,880,286</u>

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

Council is exposed to credit risk through its investments and deposits held with the Queensland Country Bank. Council aims to reduce its exposure to credit risk by investing in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

	2022	2021
	\$	\$
Cash and cash equivalents	8,886,601	6,880,286
Less: externally imposed restrictions on cash	<u>(5,352,551)</u>	<u>(2,472,674)</u>
Unrestricted cash	<u>3,534,050</u>	<u>4,407,612</u>

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. Externally imposed expenditure restrictions at the reporting date are detailed below.

(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies	5,352,551	2,472,674
Total externally imposed restrictions on cash assets	<u>5,352,551</u>	<u>2,472,674</u>

(ii) Internal allocations of cash at the reporting date:

Future capital works	2,080,151	2,082,785
Future asset replacement	84,000	-
Future recurrent expenditure	571,257	-
Total internally allocated cash	<u>2,735,408</u>	<u>2,082,785</u>

Council manages its exposure to liquidity by maintaining sufficient cash and cash equivalents to cater for unexpected volatility in cash flows.

11 Trade and other receivables	Note	2022	2021
		\$	\$
Current			
Trade debtors		601,720	728,116
Less: Loss Allowance		<u>(9,437)</u>	<u>(536,088)</u>
		<u>592,283</u>	<u>192,029</u>

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

11 Trade and other receivables (continued)

Trade receivables are recognised at the amounts due at the time of sale or service delivery, i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date. Receivables are measured at amortised cost which approximates fair value at reporting date.

The collectability of receivables is assessed periodically and where considered appropriate an allowance is made for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

Losses are recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

Movement in accumulated impairment losses is as follows:

		2022	2021
		\$	\$
Opening balance at 1 July		536,088	796,481
Additional impairments recognised	8	42,941	54,291
Less debts written off during the year		(569,592)	(314,683)
Closing balance at 30 June		<u>9,437</u>	<u>536,088</u>

Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk. Council does not require collateral in respect of trade and other receivables.

When Council has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of the debt exceeds the loss allowance, the excess is recognised as an impairment loss.

By the nature of Council's operations, there is a geographical concentration of risk in the Council's area.

Ageing of receivables and the amount of any impairment is disclosed in the following table:

Not past due		569,209	137,570
Past due 31-60 days		23,729	5,752
Past due 61-90 days		1,394	-
More than 90 days		7,388	584,795
Impaired		(9,437)	(536,088)
Total		<u>592,283</u>	<u>192,029</u>

No interest is charged on trade debtors.

12 Inventories

Inventories held for distribution are goods to be supplied at nil or nominal charge and goods to be used for the provision of services at nil or nominal charge. These goods are valued at cost, adjusted when applicable, for any loss of service potential.

	2022	2021
	\$	\$
Inventories held for distribution		
Fuel stock	24,767	19,240
Building materials stock	362,471	312,840
Workshop stock	12,316	28,706
	<u>399,554</u>	<u>360,785</u>

13 Other assets

Current

	2022	2021
	\$	\$
Prepayments	131,866	113,708
GST receivable	47,242	189,579
	<u>179,108</u>	<u>303,287</u>

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

14 Property, plant and equipment

30 June 2022

	Social Houses		Council Buildings		Plant & Equipment		Road, drainage &		Water		Sewerage		IT & Comms		Work in Progress		Total
	Fair Value	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	Cost	Cost	Cost	Cost	Cost	
Basis of measurement																	
Asset values																	
Opening gross value as at 1 July 2021	3,612,782	49,954,836	3,510,946	23,576,133	7,123,181	10,635,095	183,341	1,232,603									99,828,916
Additions																	
- Renewals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Other additions	-	-	305,814	-	-	-	-	4,394,084	-	-	-	-	-	-	-	-	4,699,898
Disposals	-	-	(1,120,331)	(4,275)	-	-	-	-	-	-	-	-	-	-	-	-	(1,124,606)
Revaluation adjustment to asset revaluation surplus	387,406	5,495,033		1,452,032	404,594	603,789	-	-	-	-	-	-	-	-	-	-	8,352,854
Transfers between classes	100,000	685,303	143,650	95,717	86,865	210,332	-	(1,321,867)	-	-	-	-	-	-	-	-	-
Write off of work in progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross value as at 30 June 2022	4,110,188	56,135,172	2,840,079	25,119,607	7,614,640	11,449,216	183,341	4,304,820	111,757,062								111,757,062

Note

9

Accumulated depreciation and impairment

Opening balance as at 1 July 2021	2,355,957	19,238,016	2,393,934	7,688,636	3,145,653	3,938,903	160,322	-	-	-	-	-	-	-	-	-	38,921,418
Depreciation expense	110,970	1,464,642	322,948	645,287	178,575	219,743	23,019	-	-	-	-	-	-	-	-	-	2,965,184
Depreciation on disposals	-	-	(1,089,808)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,089,808)
Accumulated depreciation on introduced assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation adjustment to asset revaluation surplus	271,362	2,275,323	-	482,075	185,803	231,950	-	-	-	-	-	-	-	-	-	-	3,446,513
Reversal of accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 30 June 2022	2,738,289	22,977,981	1,627,074	8,815,988	3,510,031	4,390,597	183,341	-	44,243,307								44,243,307

9

Carrying amount as at 30 June 2022

Range of estimated useful life in years	1,371,899	33,157,191	1,213,005	16,303,609	4,104,609	7,058,619	-	4,304,820	67,513,755
	42-60	10 - 60	7.5 - 38	12 - 64	5 - 45	8 - 64	2 - 5		

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

14 Property, plant and equipment

30 June 2021

Basis of measurement

Asset values

Opening gross value as at 1 July 2020

Revaluation adjustment to asset revaluation surplus

Additions

Disposals

WIP transferred to assets

WIP not capitalised

Closing gross value as at 30 June 2021

Note

	Social Houses	Council Buildings	Plant & Equipment	Road, drainage & bridge	Water	Sewerage	IT & Comms	Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	3,564,994	46,221,330	3,150,457	22,321,046	6,902,006	10,370,817	183,341	1,455,097	94,169,088
	47,788	940,701	-	(1,230,425)	100,035	127,201	-	-	(14,700)
	-	1,050,000	80,138	-	-	-	-	5,012,780	6,142,918
	-	-	-	(21,586)	-	-	-	-	(21,586)
	-	1,742,804	280,350	2,507,098	121,140	137,077	-	(4,788,469)	-
	-	-	-	-	-	-	-	(446,805)	(446,805)
	3,612,782	49,954,836	3,510,946	23,576,133	7,123,181	10,635,095	183,341	1,232,603	99,828,916

Accumulated depreciation and impairment

Opening balance as at 1 July 2020

Depreciation expense

Accumulated depreciation on introduced assets

Reversal of 2018 and 2020 impairment (REPA)

2021 impairment to asset revaluation surplus

Revaluation adjustment to asset revaluation surplus

Accumulated depreciation as at 30 June 2021

Carrying amount as at 30 June 2021

Range of estimated useful life in years

2,419,908	19,100,097	2,088,080	10,833,571	2,326,063	4,328,569	129,782	-	-	41,226,067
108,706	1,605,685	305,854	618,440	177,471	241,447	30,540	-	-	3,088,143
-	522,241	-	-	-	-	-	-	-	522,241
-	-	-	(2,904,950)	-	-	-	-	-	(2,904,950)
-	-	-	1,464,275	-	-	-	-	-	1,464,275
(172,657)	(1,990,007)	-	(2,322,700)	642,119	(631,113)	-	-	-	(4,474,358)
2,355,957	19,238,016	2,393,934	7,688,636	3,145,653	3,938,903	160,322	-	-	38,921,418
1,256,825	30,716,820	1,117,012	15,887,496	3,977,529	6,696,193	23,019	1,232,603	-	60,907,495
42 - 60	10 - 60	7.5 - 38	12 - 64	5 - 45	8 - 64	2 - 5	-	-	-

Additions Comprise:

Renewals

Other additions

Total additions

\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
-	516,975	51,052	41,000	-	-	-	-	-	609,027
-	2,275,829	309,436	2,466,098	121,140	137,077	-	-	-	5,309,580
-	2,792,804	360,488	2,507,098	121,140	137,077	-	-	-	5,918,607

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

14 Property, plant and equipment (continued)

Recognition

Purchases of property plant and equipment are recognised as assets unless they are below the asset recognition threshold or maintenance expenditure.

Individual assets valued below the asset recognition threshold are recognised as an asset if connected to a larger network; for example components of water and sewerage assets.

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment with a total value of less than \$5,000, and infrastructure assets and buildings with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

The classes of property, plant and equipment recognised by Council are:

- Social houses
- Council buildings
- Plant and equipment
- Road, drainage and bridge network
- Water
- Sewerage
- IT & communications
- Work in progress

Acquisition of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees, engineering design fees and all other establishment costs including those associated with statutory and safety compliance.

Property, plant and equipment received in the form of contributions are recognised as assets and revenues at fair value by Council where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Capital and operating expenditure

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are treated as capital expenditure. Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life of the non-current asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

Expenditure incurred in accordance with Natural Disaster Relief and Recovery Arrangements on road assets is analysed to determine whether the expenditure is capital in nature. The analysis of the expenditure requires Council engineers to review the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

14 Property, plant and equipment (continued)

Valuation

Social houses, Council buildings, road, drainage, bridge network, water and sewerage are measured on the revaluation basis, at fair value, in accordance with AASB116 Property, Plant and Equipment. Plant and equipment, IT & comms and work in progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, management engage independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

All Council's assets carried at fair value fall within Level 3, i.e. the fair values are based on unobservable inputs.

Details of valuers and methods of valuations are disclosed in Note 15.

Capital work in progress

The cost of property, plant and equipment being constructed by the Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

NDRRA capital works

NDRRA funding is received in response to natural disasters which have resulted in significant damage to Council infrastructure assets. The expenditure to restore the asset is treated as a capital addition in the financial year that the work is carried out.

The decrease to the value of the asset as a result of the natural disaster event is treated in one of two ways:

1. If it is possible to quantify the write down to the value of the asset in the financial year the natural disaster event occurred, a downward revaluation adjustment is processed to the revaluation reserve against accumulated depreciation. In the year that the restoration work is then carried out, an adjustment is processed to reverse the prior year adjustment to accumulated depreciation and record a decrease in the replacement cost of the asset, resulting in no movement in the fair value of the asset. The actual costs of the restoration work are then recorded as a capital addition.
2. If it is not possible to quantify the write down to the value of the asset until the financial year in which the restoration work is performed, a capital write-off against the replacement cost of the asset is recognised in that same year and shown as a capital expense in the Statement of Comprehensive Income.

Napranum Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2022

14 Property, plant and equipment (continued)

Depreciation

Depreciation on property, plant and equipment assets is calculated on a straight line basis so as to write-off the net cost or revalued amount of each depreciable asset progressively over its estimated useful life to the Council. Management believe that this method appropriately reflects the pattern of consumption of the vast majority of Council assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

Where assets have separately identifiable significant components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council.

Depreciation methods and estimated useful lives of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in the table in Note 14.

Land under roads

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where the Council holds title or a financial lease over the asset. Napranum Aboriginal Shire Council currently does not have any such land holdings.

Land under the road network within the Council area that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is not controlled by Council but is controlled by the state pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

Deed of Grant in Trust Land

Napranum Aboriginal Shire Council is located on land assigned to it under a Deed of Grant in Trust (DOGIT) under Section 341 of the *Land Act 1994*. It comprises an area of approximately 201,447 hectares.

The land is administered by the Department of Natural Resources and Mines and the Council has restricted use of this land for the benefit of shire inhabitants. The DOGIT land has not been taken up in the Council's assets as it cannot be reliably measured.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

15 Fair value measurements

(a) Recognised fair value measurements

Council measures and recognises the following assets at fair value on a recurring basis:

Property, plant and equipment

- Social housing
- Council buildings
- Road, drainage and bridge network
- Water
- Sewerage

Other financial assets

- Finance leases

Council does not measure any liabilities at fair value on a recurring basis.

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (level 2).

In accordance with AASB 13 - Fair value measurements are categorised on the following basis:

- Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Fair value based on inputs that are directly or indirectly observable for the asset or liability (level 2)
- Fair value based on unobservable inputs for the asset and liability (level 3)

The following table categorises fair value measurements as level 3 in accordance with AASB 13. Council does not have any assets measured at fair value which meet the criteria for categorisation as level 1.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council buildings and infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

15 Fair value measurements (continued)

The table presents the Council's assets measured and recognised at fair value at 30 June 2022.

		Level 3 (Significant unobservable inputs)		Total	
		\$		\$	
		2022	2021	2022	2021
Recurring fair value measurements					
Property, plant and equipment					
- Social houses	14	1,371,899	1,256,825	1,371,899	1,256,825
- Council buildings	14	33,157,191	30,716,820	33,157,191	30,716,820
- Road, drainage and bridge network	14	16,303,609	15,887,496	16,303,609	15,887,496
- Water	14	4,104,609	3,977,529	4,104,609	3,977,529
- Sewerage	14	7,058,619	6,696,193	7,058,619	6,696,193
Other financial assets					
- Finance leases	21(e)	24,845,128	24,160,245	24,845,128	24,160,245
		<u>86,841,055</u>	<u>82,695,108</u>	<u>86,841,055</u>	<u>82,695,108</u>

There were no transfers between categories during the year.

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. Reconciliation of opening balances to closing balances for level 3 assets is included in the movement table in Note 14.

(b) Specific valuation techniques used to value Council assets

Where there is an active and liquid market as evidenced by sales transactions of similar property types, the market approach by direct comparison, income or summation methods can be utilised, and is an accepted valuation methodology under AASB13. If a market approach is adopted, the building valuation is deemed to be a level 2 input.

Direct comparison and summation methods involve the analysis of sales evidence and comparisons with the subject taking into account matters such as method of construction, size, condition, age, land area and location. The land value is subtracted from the market value of the property to measure the asset fair value.

Due to the predominantly specialised nature of local government assets, the valuations have been undertaken on a cost approach, an accepted valuation methodology under AASB13. The cost approach is deemed a level 3 Input. Under this approach, the following process has been adopted:

- Where there is no market, the net current value of an asset is the gross current value less accumulated depreciation to reflect the consumed or expired service potential of the asset. Published/available market data for recent projects, and/or published cost guides are utilised to determine the estimated replacement cost (gross value) of the asset, including allowances for preliminaries and professional fees. This is considered a level 2 input.

- Current replacement cost (CRC) was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or were redundant an adjustment was made so that the resulting valuation reflected the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output within the Council's operational plans.

- The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a 'greenfield' assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks. The CRC was determined using methods relevant to the asset class as described under individual asset categories below.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

15 Fair value measurements (continued)

- A condition assessment is applied, which is based on factors such as the age of the asset, overall condition as noted by the valuer during inspection, economic and/or functional obsolescence. The condition assessment directly translates to the level of depreciation applied.

- In determining the level of accumulated depreciation for major assets, they have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on a component basis (where assets have been componentised).

While the replacement cost of the assets could be supported by market supplied evidence (level 2), other unobservable, or level 3 inputs, such as useful life and asset condition were also required, meaning that under AASB13 the valuation of Council assets is considered to fall under level 3.

The valuation techniques used in the determination of fair values maximise the use of observable data where it is available and rely as little as possible on entity specifics. The disclosure of valuation estimates is designed to provide users with an insight into the judgements that have been made in the determination of fair values.

(i) Social houses and Council buildings (level 3)

The last comprehensive valuation for social houses and Council buildings was performed as at 30 June 2021 by independent valuer, AssetVal Pty Ltd, with a desktop valuation undertaken for the year ended 30 June 2022 resulting in a 11.00% upwards revaluation of both Social Houses and Council Buildings.

Current replacement cost

Construction costs are predominately based on published construction cost guides.

Accumulated depreciation

As at 30 June 2022, an assessment of remaining useful life was made by the valuer after inspection, taking into consideration the visual condition, construction date, evidence of recent repairs or capital works and the surrounding environmental factors. Where necessary, further guidance on remaining life was sought from Council engineering staff. For the 2022 year, a desktop valuation comprising a review of relevant cost indices and condition assessments was undertaken and applied to accumulated depreciation as appropriate.

(ii) Infrastructure assets (level 3)

The last comprehensive valuation for infrastructure assets was performed as at 30 June 2021 by independent valuer, AssetVal Pty Ltd, with a desk top valuation undertaken for the year ended 30 June 2022 resulting in an 5.68% upwards revaluation of Water Assets and Sewerage Assets and 6.16% for Roads.

Road, drainage and bridge network

Current replacement cost

The road network is not segmented, or if a road is segmented it is at a high level (e.g. between intersections). Unit rates are applied to the individual components, formation, pavement, seal and kerb of each road in order to determine the replacement cost.

The unit rates applied are based on greenfield project costs and include all materials, labour and overheads. These unit rates are estimated using information collated from similar recent project costs, unit rate databases, indices, Rawlinson's Construction Handbook and quotations.

Accumulated depreciation

As at 30 June 2021, all town roads were visually inspected by the valuer. No testing or measurement of defects or condition was undertaken. An assessment of remaining useful life was made by the valuer taking into consideration the visual condition, construction date, evidence of recent repairs or capital works and the surrounding environmental factors. Outlying roads were inspected by a third party consultant who reported the condition information relied upon for the valuation. For the 2022 year, a desktop valuation comprising a review of relevant cost indices and condition assessments was undertaken and applied to accumulated depreciation as appropriate.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

15 Fair value measurements (continued)

Water and sewerage infrastructure

Current replacement cost

The water and sewerage assets were segregated into active and passive assets; passive assets were not further componentised and consisted primarily of mains. Unit rates were applied based on similar recent project costs from other entities, unit rate databases, indices, Rawlinson's Construction rates and quotations.

The remaining active assets consist of treatment, pumping and storage assets. These assets were componentised and valued independently, with allowances for complexity, size, function and site factors. As a check these components are generally combined into a lump sum item and compared against recent similar projects and in-house databases.

Accumulated depreciation

As at 30 June 2021, an assessment of remaining useful life was made by the valuer after inspection taking into consideration the visual condition, construction date, evidence of recent repairs or capital works and the surrounding environmental factors. Where necessary, further guidance on remaining life was sought from Council engineering staff. For the 2022 year, a desktop valuation comprising a review of relevant cost indices and condition assessments was undertaken and applied to accumulated depreciation as appropriate.

(iii) Finance leases (level 3)

Finance leases are recognised at the present value of the expected future lease payments receivable (fair value). The calculation of the present value of the expected future lease income has included an estimate of the average annual Consumer Price Index "CPI" increases of 3.10% and a discount rate of 3.13%.

(c) Changes in fair value measurements using significant unobservable inputs (level 3)

The changes in level 3 assets with recurring fair value measurements are detailed in Note 21(e) (Leases) and Note 14 (Property, plant and equipment). There have been no transfers between level 1,2 or 3 measurements during the year.

(d) Valuation processes

Council's valuation policies and procedures are set by the finance committee of the executive management team which comprises the Chief Executive Officer and Finance Manager. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. Council's current policy for the valuation of finance leases and property, plant and equipment (recurring fair value measurements) is set out in this note. Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

	2022	2021
	\$	\$
16 Trade and other payables		
Current		
Recurrent creditors and accruals	338,116	1,328,096
Capital creditors and accruals	847,852	817,452
Other payables	21,643	22,224
	<u>1,207,611</u>	<u>2,167,771</u>

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

The following table sets out the liquidity risk in relation to financial liabilities held by the Council.

	0 to 1 year	Total contractual cash flows	Carrying amount
2022	\$	\$	\$
Trade and other payables	1,207,611	1,207,611	1,207,611
	<u>1,207,611</u>	<u>1,207,611</u>	<u>1,207,611</u>
2021	\$	\$	\$
Trade and other payables	2,167,771	2,167,771	2,167,771
	<u>2,167,771</u>	<u>2,167,771</u>	<u>2,167,771</u>

The outflows in the above table are not expected to occur significantly earlier or for significantly different amounts than indicated in the table.

	2022	2021
	\$	\$
17 Provisions		
Current		
Annual leave	313,379	259,042
Long service leave	239,020	179,745
	<u>552,399</u>	<u>438,786</u>
Non-current		
Long service leave	52,755	100,752
	<u>52,755</u>	<u>100,752</u>

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

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

Annual leave

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

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

17 Provisions (continued)

Long service leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in Council's employment or other associated employment which would result in Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value.

Annual leave and long service leave which have vested (or will vest in less than 12 months) are classified as current regardless of the measurement basis used in AASB 119.

18 Asset revaluation surplus

The asset revaluation surplus comprises revaluation movements on property, plant and equipment. Increases and decreases on revaluation are offset within a class of assets.

19 Commitments for expenditure

	2022	2021
	\$	\$
Contractual commitments		
Contractual commitments at the end of the financial year that have not been recognised in the financial statements.		
Consultancy work	21,813	-
New finance package	217,499	-
Build new social houses	328,292	-
Water infrastructure upgrades	1,512,547	-
Flora & fauna survey work	-	55,460
Training services	-	54,000
Staff housing upgrade	-	43,720
Install reticulated lighting	-	122,154
Build new social houses	-	1,480,054
Rural roads restoration and betterment	-	327,396
	<u>2,080,151</u>	<u>2,082,785</u>

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

20 Contract balances

Contract assets represent the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that Council has invoiced the customer or the grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

	2022	2021
	\$	\$
(a) Contract assets		
Contract assets	638,117	1,334,505
	<u>638,117</u>	<u>1,334,505</u>

Contract assets arise when work has been performed by Council relating to a contract with customer (or capital grant paid in arrears) but no receivable has arisen since the invoice has not been raised, for example construction work where an invoicing milestone has not yet been met.

(b) Contract liabilities

	2022	2021
	\$	\$
Funds received upfront to construct Council controlled assets	4,982,504	1,843,022
Deposits received in advance of services provided (e.g. retirement home fees, performance obligations in grants)	370,047	629,652
	<u>5,352,551</u>	<u>2,472,674</u>
Current contract liabilities	5,352,551	2,472,674
Non-current contract liabilities	-	-
	<u>5,352,551</u>	<u>2,472,674</u>
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Funds to construct Council controlled assets	1,197,165	2,712,474
Deposits received in advance of services provided	287,776	314,497
	<u>1,484,941</u>	<u>3,026,971</u>

(c) Significant changes in contract balances

Significant movements in contract assets and contract liabilities that have occurred were due to the change in the timing of the work and significant monies received in advance.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

21 Leases

Council as a lessee

Council has leases in place over 2 vehicles. They are both 36 month fully maintained operating leases payable monthly in advance. We have not applied the exception to lease accounting for leases of low-value assets and short-term leases.

Where Council assesses that an agreement contains a lease, a right of use asset and lease liability is recognised on inception of the lease. Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured whether there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

(a) Right of use assets

	2022		2021	
	Vehicles	Total	Vehicles	Total
	\$	\$	\$	\$
Opening balance	62,402	62,402	95,800	95,800
Depreciation charge	(34,180)	(34,180)	(33,398)	(33,398)
Closing balance	28,222	28,222	62,402	62,402

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

21 Leases (continued)

(b) Lease liabilities

The table below shows the maturity analysis of the lease liabilities based on contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	< 1 year	1–5 years	> 5 years	Total	Total per statement of financial position
	\$	\$	\$	\$	\$
2022	28,312	-	-	28,312	28,312
2021	33,905	28,254	-	62,158	61,725

Amounts included in the statement of comprehensive income related to leases

The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee

	2022	2021
	\$	\$
Interest on lease liabilities	339	583
Depreciation of right to use assets	34,180	33,398
	<u>34,519</u>	<u>33,981</u>
Total cash outflows for leases	<u>33,413</u>	<u>33,321</u>

(c) Leases at significantly below market value - Concessionary / peppercorn leases

Council as lessor has in place one lease that could be considered a less than market value arrangement. The supermarket is leased to CEQ Ltd for a 30 year period at \$6,000 per annum. This (below market rate) is offered in exchange for undefined Community support and taking on all maintenance and upgrades over the term of the lease.

Council as a lessor

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 Revenue from Contracts with Customers.

The lease income is recognised on a straight-line basis over the lease term.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

21 Leases (continued)

(d) Operating leases

Where Council retains the risks and rewards relating to a lease, they are classified as operating leases and relate to the investment property in the statement of financial position.

Rent from investment and other property is recognised as income on a periodic straight line basis over the lease term.

	2022	2021
	\$	\$
Investment property income (excluding variable lease payments not dependent on an index or rate)	344,379	329,643
Investment property income relating to variable lease payments not dependent on an index or rate	32,593	34,935

Council has commercial leases and other occupancy arrangements in place in relation to a total of ten locations. All of these properties either have a non-cancellable operating lease in place or such an instrument is in the process of being extended or amended. Minimum receipts have been expressed in 2022 dollars without having regard to the impact of future CPI adjustments. Expected minimum receipts are as follows:

	2022	2021
	\$	\$
Within one year	207,187	270,823
One to five years	283,854	549,606
Later than five years	505,791	317,205
	<u>996,832</u>	<u>1,137,634</u>

(e) Finance leases

Council has leased 238 dwellings as lessor to the Queensland Government for 40 years. The total lease payment per dwelling in the current year ranged from \$3,161 to \$3,658. These lease payments are required to be adjusted each year by the change in the Consumer Price Index (All Groups) for Brisbane. As the gross lease payments are insufficient to cover the fair value of the leased properties, there is no interest rate implicit in the leases and therefore no finance income will arise from the leases. Consequently, the leases are recognised at the present value of the expected future lease payments receivable. Gains / (loss) on revaluation of finance lease assets are recognised as other income / expense.

The calculation of fair value has included an estimate of average annual CPI increases of 3.1% (2021: 2.5%) and a discount rate of 3.13% (2021: 2.52%).

	2022	2021
	\$	\$
Current		
Finance lease - current	821,257	771,464
	<u>821,257</u>	<u>771,464</u>
Non-current		
Finance lease - non current	24,023,870	23,388,781
	<u>24,023,870</u>	<u>23,388,781</u>

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

21 Leases (continued)

A reconciliation between the gross investment in the lease and the fair value of lease payments receivable is as follows:

	2022	2021
Gross minimum lease payments receivable:		
Not later than one year	821,257	771,464
Later than one year but not later than five years	3,285,028	3,085,856
Later than five years	<u>20,891,209</u>	<u>20,897,195</u>
	24,997,494	24,754,515
Add: Estimated contingent rent	15,643,221	11,387,069
Less: Present value adjustment	<u>(15,795,588)</u>	<u>(11,981,339)</u>
Fair value of lease payments	<u><u>24,845,127</u></u>	<u><u>24,160,245</u></u>

The fair value of lease payments is

Not later than one year	821,257	771,464
Later than one year but not later than five	3,282,441	3,084,351
Later than five years	<u>20,741,429</u>	<u>20,304,430</u>
	<u><u>24,845,127</u></u>	<u><u>24,160,245</u></u>

Movements in finance leases were as follows:

Opening balance	24,160,245	25,308,871
Less: Lease receipts	(773,078)	(761,613)
Add: Gain (Loss) on revaluation	<u>1,457,961</u>	<u>(387,013)</u>
Closing balance	<u><u>24,845,128</u></u>	<u><u>24,160,245</u></u>

Where a third party enters into a finance lease with Council, Council de-recognises the asset held under finance lease at an amount equal to the lower of fair value of the leased property and the present value of the expected lease payments receivable. A lease receivable is recognised at the same amount. Lease debts are reduced by repayments of principal.

There is no unearned finance income, unguaranteed residual values accruing to the benefit of Council, accumulated allowance for uncollectible minimum lease payments receivable or contingent rents recognised as income applicable to the leases.

Operating leases

Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

22 Contingent liabilities

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

Local Government Mutual

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

As at 30 June 2022 the financial statements LGM Queensland reported an accumulated surplus and it is not anticipated any liability will arise.

23 Superannuation - Regional Defined Benefit Fund

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

The scheme is a defined benefit plan, however Council is not able to account for it as a defined benefit plan in accordance with AASB119 because LGIASuper is unable to account for its proportionate share of the defined benefit obligation, plan assets and costs.

Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate, but has not been recognised as an asset or liability of the Council.

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

The last completed actuarial assessment of the scheme was undertaken as at 1 July 2021. The actuary indicated that "At the valuation date of 1 July 2021, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

	Note	2022	2021
		\$	\$
Superannuation contributions made to the Regional Defined Benefits Fund		-	-
Other superannuation contributions for employees		547,603	472,186
Total superannuation contributions paid by Council for employees:	6	547,603	472,186

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

The next triennial actuarial review is not due until 1 July 2024.

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

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

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

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

24 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities

		2022	2021
		\$	\$
Net result		2,023,470	483,971
Non-cash items:			
Depreciation		2,999,363	3,139,921
WIP not capitalised	14	-	446,805
Revaluation of finance lease debtors	21(e)	(1,457,961)	387,013
		<u>1,541,402</u>	<u>3,973,739</u>
Investing and development activities:			
Net (profit)/loss on disposal of non-current assets	9	(12,404)	3,206
Capital grants and contributions	5(b)	(4,550,861)	(5,630,004)
		<u>(4,563,265)</u>	<u>(5,626,798)</u>
Changes in operating assets and liabilities:			
(Increase)/decrease in receivables	11	(400,254)	80,490
(Increase)/decrease in contract assets		-	(148,921)
(Increase)/decrease in inventory	12	(38,769)	10,801
(Increase)/decrease in other assets		124,179	31,480
Increase/(decrease) in payables	16	(943,596)	463,908
Increase/(decrease) in contract liabilities		93,911	363,111
Increase/(decrease) in provisions	17	65,616	98,071
		<u>(1,098,913)</u>	<u>898,940</u>
Net cash inflow (outflow) from operating activities		<u>(2,097,306)</u>	<u>(270,148)</u>

25 Reconciliation of liabilities arising from financing activities

2022	As at 1 July 2021	Cash flows	Non-cash changes	As at 30 June 2022
	\$	\$	\$	\$
Lease liability	61,725	(33,413)		28,312
2021	As at 1 July 2020	Cash flows	Non-cash changes	As at 30 June 2021
	\$	\$	\$	\$
Lease liability	95,046	(33,321)	-	61,725

26 Events after the reporting period

There were no material adjusting or disclosing events after the balance date.

Napranum Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2022

27 Transactions with related parties

(a) Transactions with key management personnel (KMP)

KMP include the Mayor, Councillors, Council's Chief Executive Officer and some executive management. The compensation paid to KMP comprises:

	2022	2021
	\$	\$
Short-term employee benefits	1,207,621	977,234
Post-employment benefits	95,123	64,792
Long-term benefits	15,020	14,071
Total	1,317,764	1,056,097

Detailed remuneration disclosures are provided in the annual report.

(b) Transactions with other related parties

Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse.

Details of transactions between Council and other related parties are disclosed below:

Details of Transaction	Additional information	2022	2021
		\$	\$
Employee expenses for close family members of key management personnel		130,375	41,562
Purchase of materials and services from entities controlled by key management personnel		110,024	60,015

Number of employees of close family members comprises:

	2022	2021
FTE		
Total number of council employees	67	69
Close family members of key management personnel	2	1
% of total number of council employees	3%	1%

(i) All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform.

(c) Outstanding balances

There was no outstanding balances at 30 June 2022 (2021:NIL). During the year Council wrote off \$1,177 of balances owed by close family members of key management personnel.

(d) Loans and guarantees to/from related parties

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

(e) Commitments to/from other related parties

Council does not have any commitments to/from other related parties other than disclosed above.

(f) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Napranum Aboriginal Shire. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- payments received for minor maintenance works (eg key replacement)
- payments received for facility hire
- requests for maintenance as received via Qbuild
- fees collected on behalf of services as provided by Council (eg Meals on Wheels, Child Care fees)

Council has not included these types of transaction in its disclosure where they are made on the same terms and conditions available to the general public.

Napranum Aboriginal Shire Council
Financial statements
For the year ended 30 June 2022

Management Certificate
For the year ended 30 June 2022

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

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

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 33, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



Mayor
Janita Motton

Date: 24, 10, 2022



Chief Executive Officer
Janelle Menzies

Date: 24, 10, 2022

INDEPENDENT AUDITOR'S REPORT

To the councilors of Napranum Aboriginal Shire Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Napranum Aboriginal Shire Council.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2022, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

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

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

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

Other information

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

At the date of this auditor's report, the available other information in Napranum Aboriginal Shire Council's annual report for the year ended 30 June 2022 was the current year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

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

Prescribed requirements scope

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



25 October 2022

Sri Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Napranum Aboriginal Shire Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2022

Measures of Financial Sustainability	How the measure is calculated	Actual	Target
Council's performance at 30 June 2022 against key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-24%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	0%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-41%	not greater than 60%

Note 1 - Basis of preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2022.

Napranum Aboriginal Shire Council
Financial statements
For the year ended 30 June 2022

Certificate of Accuracy
For the year ended 30 June 2022

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



Mayor
Janita Motton

Date: 24 / 10 / 2022



Chief Executive Officer
Janelle Menzies

Date: 24 / 10 / 2022

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Napranum Aboriginal Shire Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Napranum Aboriginal Shire Council for the year ended 30 June 2022, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Napranum Aboriginal Shire Council for the year ended 30 June 2022 has been accurately calculated.

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other Information

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

At the date of this auditor's report, the available other information in Napranum Aboriginal Shire Council's annual report for the year ended 30 June 2022 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

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

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

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

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

Responsibilities of the councillors for the current year financial sustainability statement

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

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

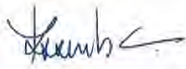
My objectives are to obtain reasonable assurance about whether the current year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance,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

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

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

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

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



25 October 2022

Sri Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

**Napranum Aboriginal Shire Council
Long Term Financial Sustainability Statement (UNAUDITED)
For the year ended 30 June 2022**

Measures of Financial Sustainability

Measure	Target	Actuals at	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June		
		30 June	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Operating surplus ratio		-24%	-28%	-26%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-28%	-28%
Net result divided by total operating revenue	Between 0% and 10%												
Asset sustainability ratio	greater than 90%	0%	33%	25%	24%	23%	22%	21%	20%	19%	19%	19%	18%
Capital expenditure on the replacement of assets (renewals) divided by depreciation expense													
Net financial liabilities ratio	not greater than 60%	-41%	-27%	-29%	-30%	-31%	-32%	-32%	-33%	-33%	-34%	-35%	-35%
Total liabilities less current assets divided by total operating revenue													

Napranum Aboriginal Shire Council's Financial Management Strategy

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

Napranum Aboriginal Shire Council
Financial statements
For the year ended 30 June 2022

Certificate of Accuracy
For the long-term financial sustainability statement prepared as at 30 June 2022

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.



Mayor
Janita Motton

Date: 24, 10, 2022



Chief Executive Officer
Janelle Menzies

Date: 24, 10, 2022