

# ANNUAL REPORT

Wujal Wujal Aboriginal Shire Council | 2022-2023



View over the Bloomfield River.



We acknowledge Wujal Wujal as the home of the Kuku Yalanji, Kuku Nyungul and Jalunji clans.

The ‘rainforest people’, the traditional owners and custodians of our area.

We recognise and respect Bama cultural heritage, values, beliefs and continuing relationships and responsibility to this land and sea country.

We honour and respect the Elders past, present and future.

Members of the  
operations team.



# Contents

A Message from our Mayor .....	4	The number of invitations to change tenders   LGR S190 (1)(e) .....	16
From the CEO's desk .....	6	Summary of all concessions for rates and charges granted   LGR s190 (1) (g) .....	16
Shire Profile .....	9	Grants to Community Organisations   LGR s189(1) .....	16
Our Elected Members .....	9	Overseas Travel   LGR s188 (1) (a) (b) (c) (€(e))....	16
Elected Member Profiles.....	10	Total remuneration packages to senior management and the number of employees in each band   LGA s201 (s) (a) (b) .....	17
Our Mission.....	11	Discretionary Funds   LGR s189(2)(a) .....	17
Our Values .....	11	List of registers maintained   LGR s190 (1) (f).....	19
Feature Story: Equal employment opportunity ....	12	Resolutions made under LGR s250(1)   adoption of an expenses reimbursement policy.....	19
Statutory Information .....	13	Resolutions made under LGR s250(2)   threshold for non-current physical asset to be treated as an expense .....	19
Council meetings, councillor attendance and remuneration.....	13	The year in review .....	20
Special meetings.....	13	The Chief Executive Officer's assessment of progress against its 5-year corporate plan and its annual operational plan   LGR s190 (1) (a).....	20
Councillor attendance   LGR s186 (c) .....	13	Community Financial Report .....	35
The total remuneration, including superannuation contributions, paid to each councillor during the financial year   LGR s186(a) .....	14	1. Statement of Comprehensive Income .....	36
Councillors   Complaints referred to the Assessor   LGR s186 (1) (f) (j).....	14	Revenue .....	36
Disciplinary action against councillor under section 150I (2) of the Local Government Act (LGR s186 (d) (i) (ii) (iii) .....	14	Income.....	36
Administrative Action Complaints   LGR s187 (1)(2)(a)(b).....	15	Expenditure .....	37
Investigation notices and local government responses  competitive neutrality complaints   LGA s190 (1) (i)(j).....	15	Net position   2012 – 2023.....	37
Action taken for, and expenditure on, a service, facility, or activity   LGR s190(1)(d) .....	15	2. Statement of Financial Position .....	38
Beneficial enterprises   LGA s41.....	15	Current Assets .....	38
Business Activity   LGA s45(a) (b) (c) .....	15	Breakdown of property, plant, and equipment ...	39
Significant Business Activities   LGA S45 (b) (d)...	16	3. Statement of Changes in Equity .....	40
Competitive neutrality principle as applied to any significant business activity   LGA s45€.....	16	4. Statement of Cash Flows .....	40
Summary of investigation notices given for competitive neutrality complaints   LGR s190(1) (i) .....	16	Council liabilities .....	41
Responses of recommendations on any competitive neutrality complaints   LGR s190(1) (j) .....	16	5. Measures of Financial Sustainability .....	41
		Financial Sustainability Ratios.....	41
		Financial Statements for the year ended 30 June 2023 .....	43
		Audit report .....	74

## A Message from our Mayor



On behalf of my fellow Councillors, I am very pleased to present Wujal Wujal Aboriginal Shire Council's Annual Report for the 2022-2023 reporting year. As Mayor it is great to witness all the positives within Council and our community during this period.

Along with the other elected representatives we continue to advocate strongly with all levels of government to raise awareness of the needs of Wujal Wujal, working to find tangible long-term solutions to the challenges we face.

During this financial year the community has welcomed our new Chief Executive Officer Kiley Hanslow to both the leadership of the council and as a part of our small community.

Kiley is a true force of nature, she is driven, determined, and dedicated with a passion for improving Council's performance and delivery.

We have already witnessed the results of her dedication in many ways, all having a very positive impact within Council and the wider community.

During this past year we were cut off from the outside world on two occasions. Flooding early in 2023 cut us off physically from being able to exit or enter the community and in April of 2023 the community was cut off with no access to phones or internet due to the failure of a Mount Misery Communication Tower run by a network provider.

Although dissimilar in their nature, the result of both occurrences had very similar impact on our community's ability to access essential services, as with no internet there is no ability to pay for goods such as food and fuel electronically. These occurrences have driven our council's search for solutions, we are pleased to advise that we now have a solution that will allow us reliable independent internet access. This solution will be installed and operational very early in the 2023-2024 financial year, in time for the coming Wet Season.

Another highlight has been the reinstatement of an after-school sports program for our children at the Sports and Recreation Centre during this period, and the sound of children's laughter as they play is now one of the things I enjoy the most as I move through our community.

There have been many other highlights to the year, and the proof of our teams' hard work and planning are found within this report.

To the community, thank you for your support in Council representing Wujal Wujal and proactively contributing to the future of Wujal Wujal.

A handwritten signature in black ink, appearing to be 'B. Creek'.

Bradley Creek, Mayor







Wujal Wujal town centre.



## From the CEO's desk



I feel very fortunate to have been welcomed in October 2022 by elected members, council staff and the beautiful Wujal Wujal community into the role of Chief Executive Officer. Since my commencement, my team and I have worked tirelessly to serve the Wujal Wujal community, in line with Council's mission of actively seeking opportunities to improve the lifestyle of its residents together with embracing the voice of the three Clans and families of Wujal Wujal. All this in mind with a focus on financial sustainability, governance, and continuous improvement.

I am pleased to present the Wujal Wujal Aboriginal Shire Council Annual Report for 2022-2023 to our Wujal Wujal community and our valued stakeholders.

This annual report is our report to the community on Council's performance over the 2022-2023 financial year against the objectives of the Annual Operational Plan, and the priorities of the Corporate Plan 2022-27. We highlight our achievements and note any areas in which we did not meet our planned goals and targets. This report is designed to meet our obligations under section 181 of the Local Government Regulation 2012.

Small communities like ours face unique challenges. The Wujal Wujal population fluctuates between 400 to 600 people, depending on families' movements. While these numbers are small and the physical area managed by Council is also small (approximately 20km<sup>2</sup>), Council is however still responsible for providing the same essential services as those provided by much larger councils.

This creates one of our ongoing challenges; how to provide the best service while only having limited population to draw our staff from. Our focus this year has been to strengthen our relationships with agencies that can assist us with the recruitment, employment, and training of local community members and this will continue to be one of our primary focus points in the coming 2023-2024 year.

This Annual Report also highlights Council's journey of financial recovery, increasing own-source revenue, improvement of governance and financial processes, improving management and reporting of financial agreements, and the dedication of our employees in providing quality services to the community.

I am pleased to note that we have made significant progress this financial year. The coming 2023-2024 period will be even more rewarding as we will see the results of work that we initiated during the 2022-2023 financial year.

**Financial Recovery Journey:** Over the past year, the Council has made significant progress in its financial recovery journey. Despite the challenges posed by our remote location, dependence on grants, and low revenue, we have managed our financial situation carefully whilst ensuring the delivery of effective, professional, and community-minded services to the Wujal Wujal community.

**Increasing Own-Source Revenue:** One of our key objectives has been to increase own-source revenue, and I am pleased to report that we have made notable strides in this area. Through strategic initiatives and partnerships, we have successfully improved our revenue streams, reducing our reliance on external funding sources. However, we recognise the need to continue these efforts in the upcoming financial year to further enhance our financial sustainability.

**Improvement of Governance and Financial Processes:** Council has prioritised the improvement of governance and financial processes to ensure transparency, accountability, and efficiency. We have implemented robust financial management systems and procedures, enhancing our ability to track and monitor expenditure. These improvements have allowed us to make informed decisions and allocate resources effectively, ultimately benefiting Council and the community.



**Improvement of Relationships with our Stakeholders:** A key objective of this 2022-2023 financial year has been improving relationships with our stakeholders, including community and local organisations, suppliers, and other local, State and Federal governments. Open, collaborative, and transparent communications have increased Council's effectiveness and improved operations.

**Employees Working Together:** Our dedicated employees have played a crucial role in providing services to the Wujal Wujal community. Their commitment, collaboration, and professionalism have been instrumental in achieving our goals. We commend their efforts and recognise the importance of fostering a supportive and inclusive work environment that encourages teamwork and innovation.

**Plans for the Upcoming Financial Year:** Looking ahead, we remain committed to increasing own-source revenue further. We will explore new opportunities for revenue generation while ensuring that our activities, time, and commitments offer value to both the Council and the community. Our focus will be on sustainable initiatives that align with the needs and aspirations of the Wujal Wujal community.

**Challenges and Mitigation:** We acknowledge the challenges posed by our remote location, dependence on grants, and low revenue. To mitigate these challenges, we will continue to manage our financial situation carefully, seeking innovative solutions and exploring partnerships that can help us overcome these obstacles. Our goal is to provide an effective, professional, and community-minded service while ensuring the long-term financial stability of the Council.

**Highlights:** Throughout the year, we have brought positivity back to the community through various events, including the 2022 Wujal Wujal Foundation Day, Wujal Wujal Christmas Celebration, March Against Domestic Violence, Anzac Day event, Community Togetherness Day and Concert and NAIDOC Week events, and planning for the Wujal Wujal 2023 Rodeo and Wujal Wujal 2023 Foundation Day event. These events have fostered community togetherness, celebrated our culture, and showcased the resilience and spirit of the Wujal Wujal community.

**Conclusion:** In conclusion, the Council's financial recovery journey, increasing own-source revenue, improvement of governance and financial processes, and the dedication of our employees have been key highlights of the past year. As we move forward, we remain committed to overcoming challenges, enhancing financial sustainability, and providing an effective, professional, and community-minded service to the Wujal Wujal community. Together, we will continue to build a brighter future for all.



Kiley Hanslow, Chief Executive Officer



New CEO Kiley Hanslow and husband Lawrence with community members at the Bloomfield Falls.



Local basking on the Bloomfield River.



# Shire Profile

Mountainous terrain and dense tropical rainforest, tropical climate surround this relatively remote community which is set on the magnificent Bloomfield River.

Wujal Wujal is the local Kuku-Yalanji clan name meaning ‘many falls’, highlighting the many sacred waterfalls in our landscape.



The imagery this name invokes also captures our multifaceted region of ranges, rivers and reef. It reflects our sparkling coastline and abundant wildlife.

Our ancestry dates back on our traditional lands for thousands of years and our indigenous language is still spoken in the community.

Our local clans are the Kuku Nyungul and Jalunji peoples and the Eastern Kuku Yalanji who have native title to the Wujal Wujal area.

## Our Elected Members

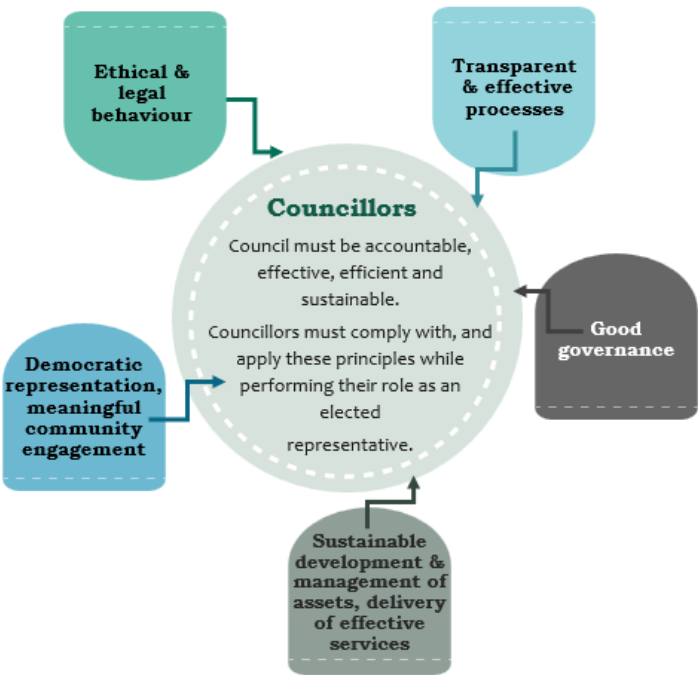
Council is made up of the Mayor and four Councillors who are elected by the community every four years to represent the views of residents within Wujal Wujal Aboriginal Shire. The next election will be held on 16 March 2024.

The council and councillors are accountable to the residents of Wujal Wujal through provisions contained within the *Local Government Act (2009)*, which is Council’s guiding legislation.

A councillor forms part of the team in which the residents of Wujal Wujal have placed their trust in to make decisions on their behalf and are therefore entitled to expect high standards of conduct from the councillors.

The legislation is founded on five (5) local government principles whereby the Council must be accountable, effective, efficient, and sustainable and that a Councillor must comply with, and apply, while performing their role as an elected representative.

The five (5) principles are of equal importance.



### Councillors are responsible to:

1. Ensure the local government discharges its responsibilities under the *Local Government Act (2009)*
2. Ensure the Corporate Plan is achieved
3. Ensure compliance with all applicable laws
4. Provide high quality leadership to the local government and the community
5. Participate in council meetings, policy development and decision-making
6. Being accountable to the community for the local government's performance

The fundamental role of Wujal Wujal Aboriginal Shire Council's elected members is to serve the interests of Wujal Wujal as a whole.

The importance of the role of councillors cannot be underestimated. It involves a strong commitment to achieve effective local government, which aims to improve the quality of life in Wujal Wujal.

Wujal Wujal's elected representatives promote the positive attributes and opportunities of Wujal Wujal, foster positive relationships and form cohesive partnerships with all tiers of government to benefit the residents and the community.

### Elected Member Profiles



#### Mayor | Bradley Creek

**Portfolio:** Governance and Finance portfolios and all other portfolios with relevant Councillors.  
Elected Councillor March 2016, Elected Mayor March 2020.

#### Deputy Mayor | Vincent Tayley

**Portfolio:** Economic, Environment and Tourism, Land and Culture, Community Lifestyle, Law and Order.

Elected Councillor March 2016.



#### Councillor | Robert Bloomfield

**Portfolio:** Infrastructure/, Community, Lifestyle, Sports and Recreation.  
Nominated March 2015, re-elected Councillor March 2016.

#### Councillor | Vanessa Tayley

**Portfolio:** Community Lifestyle, Audit Committee.  
Appointed September 2019, elected March 2020



#### Councillor | Regan Kulka

**Portfolio:** Law and Order, Economic and Environment, Tourism, Land and Culture, Infrastructure, Audit Committee.  
Elected 2012, Re-elected 2016, Re-elected April 2020.



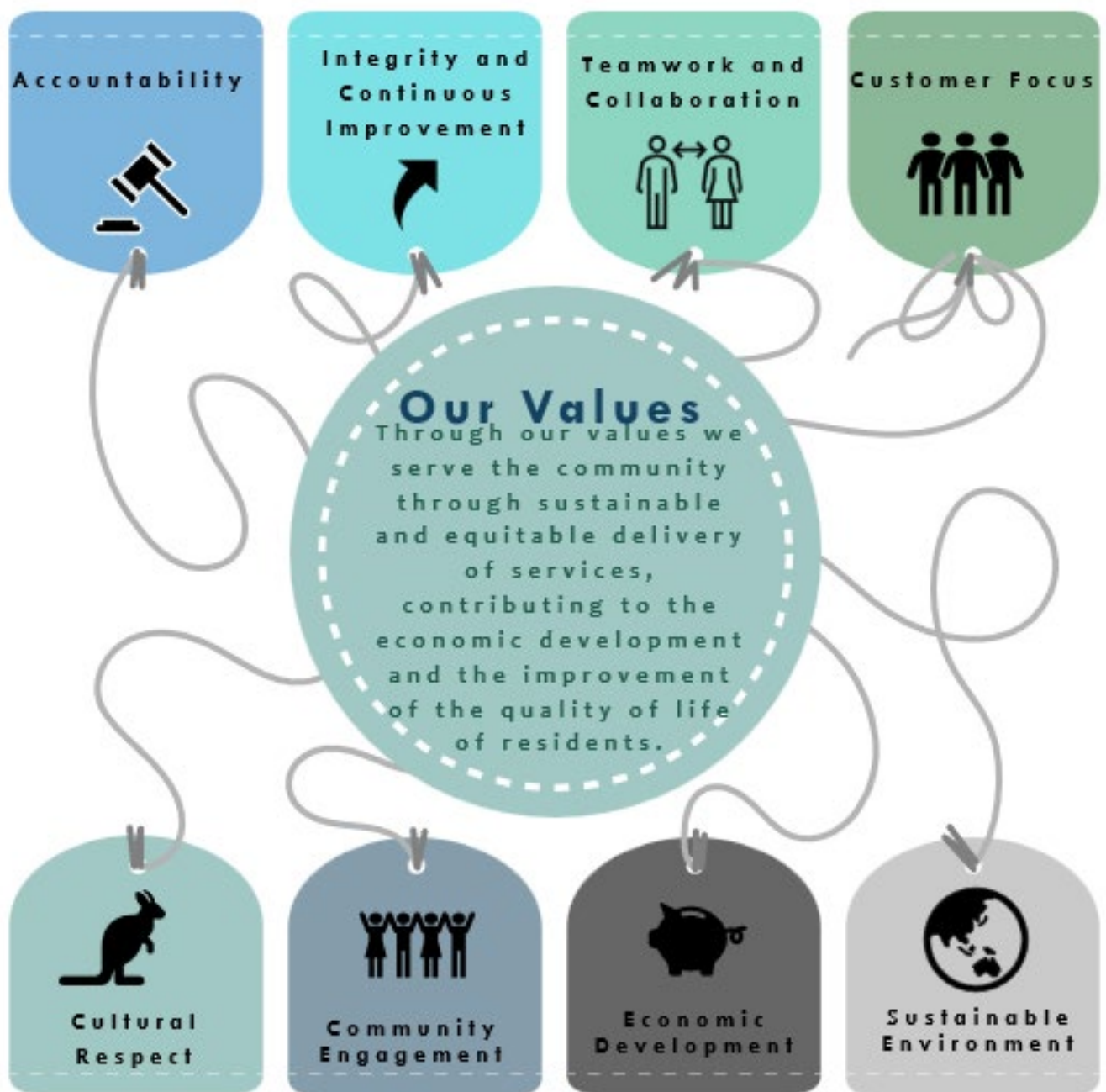
## Our Mission

To serve the community through a sustainable and equitable delivery of services with a focus on local priorities.

To contribute to the economic development and the improvement of the quality of life of residents.

## Our Values

Our values are all concerned, in their various ways, with excellent customer service and the economic development of the Shire.



## Feature Story: Equal employment opportunity

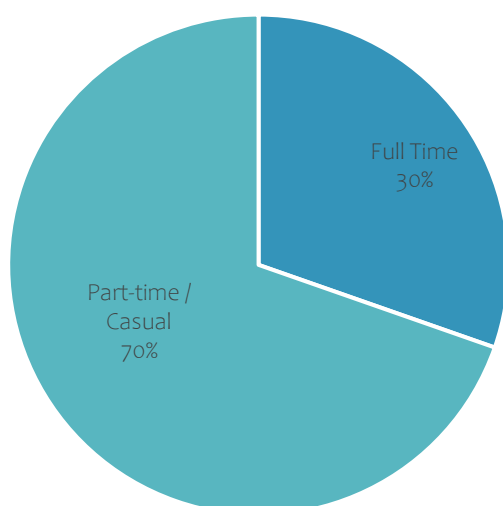
Council is committed to the implementation of, and adherence to, equal employment opportunity principles in all facets of our operations. We treat our employees and employment applicants fairly when making decisions on selection and promotions. These decisions are made on factors such as skills, qualifications, abilities, and aptitude.

Where possible Council aims to employ locals and to provide them with opportunities to develop within their roles.

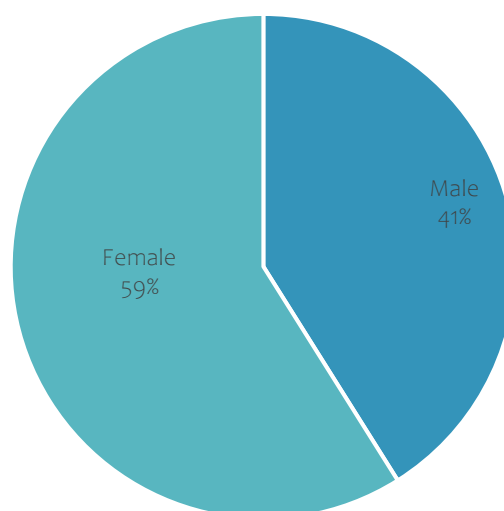
Council employed a total of 56 staff during the 2022-2023 financial year, in full time and part-time/casual employment.

	Office of the CEO	Corporate Services	Infra-structure	Kinder-garten	Art Centre	Aged Care	Community Services	Totals
Full Time: Male	0	1	3	0	0	0	0	4
Full Time: Female	2	6	0	2	1	2	0	13
Total full time	2	7	3	2	1	2	0	17
Part-time/Casual: Male	0	0	18	0	0	0	1	19
Part-time/Casual: Female	0	0	4	1	1	3	11	20
Total Part time / Casual	0	0	22	1	1	3	12	56

Full time vs Part-time / Casual



Ratio Male:Female





## Statutory Information

### Council meetings, councillor attendance and remuneration

Section 257 of the Local Government Regulation 2012 (the Regulation) requires Council to meet once a month to make decisions on governing the local government area of Wujal Wujal.

Council meetings are attended by the Mayor, Deputy Mayor, Councillors, the CEO, Senior Management, and any other staff as required to assist Council in any decision-making.

Ordinary meetings are open to the public and meeting agenda are available prior to the meeting on the council's website: <https://wujalwujalcouncil.qld.gov.au/council/council-meetings-agendas-and-minutes/>.

### Special meetings

During the 2022-2023 financial year council held four special meetings.

An overview of their purpose is outlined in the following table:

Special meeting date	Purpose
06 September 2022	Appointment of Chief Executive Officer
11 October 2022	Consideration and adoption of the Wujal Wujal Empowerment System Model
28 February 2023	Strategic planning for budget 2023/24.
22 March 2023	<div>Review and adoption of council policies:<ul style="list-style-type: none"><li>• Anti-Discrimination, Workplace Bullying and Harassment Policy</li><li>• Attendance and Absenteeism Policy</li><li>• Code of Conduct for Employees</li><li>• Drug and Alcohol Policy</li><li>• Grievance and Dispute Policy</li></ul></div> <div><ul style="list-style-type: none"><li>• Leave Policy</li><li>• Performance, Misconduct and Discipline Policy</li><li>• Recruitment and Selection Policy</li><li>• Vehicle Use Policy</li><li>• Work, Health, and Safety Policy</li></ul></div>

### Councillor attendance | LGR s186 (c)

Council is required to report on the number of local government meetings that each councillor attended during the financial year.

Council meetings were generally held on the third Thursday of each month during the 2022-2023 financial year. A schedule of meeting dates is adopted by Council at the first Council meeting of the calendar year and is published on the Wujal Wujal Council website.

Name	Ordinary Meetings	Special Meetings	Total
Mayor Bradley Creek	12	4	16
Deputy Mayor Vincent Tayley	6	3	9
Councilor Robert Bloomfield	11	4	15
Councilor Vanessa Tayley	12	4	16
Councilor Regan Kulka	12	3	15

## **The total remuneration, including superannuation contributions, paid to each councillor during the financial year | LGR s186(a)**

The table below reflects total Councillor remuneration including superannuation and total expenses, including mobile phone, travel, and vehicle allowances for the 2022-2023 financial year.

Position	Name	Meeting Fees	Vehicle	Phone	Total
Mayor	Bradley Creek		\$4,000.00	\$1,000.00	\$128,767.35
Deputy Mayor	Vincent Tayley				\$71,807.19
Councillor	Regan Kulka	\$18,397			\$62,236.15
Councillor	Vanessa Tayley	\$18,397			\$62,236.15
Councillor	Robert Bloomfield	\$18,397			\$62,236.15

## **Councillors | Complaints referred to the Assessor | LGR s186 (1) (f) (j)**

Council is committed to the ethical principles and obligations contained in the Local Government Act 2009 and Public Sector Ethics Act 1994.

Under s186(e)(f) and (g) of the Local Government Regulation 2012 (LGR), Council's annual report must contain details of any orders and complaints about councillors during the financial year. Details for 2022-23 are as follows:

Local Government Regulation	No.
• complaints referred to the assessor under section 150P(2)(a) of the LGA by the local government, a councillor of the local government or the chief executive officer of the local government	1
• matters, mentioned in section 150(3) of the LGA, notified to the Crime and Corruption Commission	0
• notices given under section 150R(2) of the LGA	0
• notices given under section 150S(2)(a) of the LGA	0
• decisions made under section 150W(1)(a), (b) and (e) of the LGA	0
• referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the LGA	0
• occasions information was given under section 150AF(4)(a) of the LGA	0
• occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the LGA for the local government, the suspected inappropriate conduct of a councillor	0
• 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.	0

## **Disciplinary action against councillor under section 150I (2) of the Local Government Act (LGR s186 (d) (i) (ii) (iii))**

There were no orders, decisions or recommendations made under this section of the LGA during the 2022-2023 financial year.

## **Administrative Action Complaints | LGR s187 (1)(2)(a)(b)**

Wujal Wujal Aboriginal Shire Council is committed to providing a level of service that does not attract complaints. Council does however acknowledge the right of anyone to provide feedback, both positive and negative, on its services and / or to lodge a complaint about a decision or action it takes.

As such we are committed to dealing fairly with any administrative action complaints through the process outlined in the 'General Complaints Policy' which is publicly available via Council's website '[Complaints Management General Policy](#)'. This policy has been implemented to ensure that complaints are managed fairly, promptly and professionally. Council is committed to ensuring:

- Anyone who is dissatisfied about an administrative action of council can easily lodge a complaint.
- Complainants will be provided with reasonable assistance to make their complaint, if necessary.
- Complainants will not suffer any reprisal from council or its staff for making a complaint.
- Complaints will be responded to quickly and in an objective and fair way.
- Complainants will be advised of the decision and reasons.
- If a complainant is not satisfied that a complaint has been satisfactorily resolved, Council will inform the complainant of any further internal or external right of review/appeal.
- Complaints will be recorded, monitored, and reported on to identify improvements in the council's systems, practices, and service delivery.

Council is committed to continually improving their Complaints Management Process to ensure that complaints are dealt with in a fair and equitable manner.

### **During 2022-2023 financial year:**

Council **did not** receive any administrative action complaints,

There were **no** unresolved complaints from previous financial years.

## **Investigation notices and local government responses| competitive neutrality complaints | LGA s190 (1) (i)(j)**

Council **did not** receive any investigation notices under section 49 LGR 2012 for competitive neutrality complaints.

## **Action taken for, and expenditure on, a service, facility, or activity | LGR s190(1)(d)**

There are **no** details to report during the 2022-2023 financial year on action taken for, and expenditure on, a service, facility, or activity.

## **Beneficial enterprises | LGA s41**

There were **no** beneficial enterprises conducted during the 2022-2023 financial year.

## **Business Activity | LGA s45(a) (b) (c)**

Council **did not** conduct any business activities during the 2022-2023 financial year.



### **Significant Business Activities | LGA S45 (b) (d)**

Council **did not** conduct any significant business activities during the 2022-2023 financial year or during the preceding financial year.

### **Competitive neutrality principle as applied to any significant business activity | LGA s45€**

Council **did not** conduct any significant business activities during the 2022-2023 financial year therefore the competitive neutrality was not required to be applied.

### **Summary of investigation notices given for competitive neutrality complaints | LGR s190(1) (i)**

There were **no** notices or investigations conducted during the 2022-2023 financial year for competitive neutrality complaints as there were no complaints.

### **Responses of recommendations on any competitive neutrality complaints | LGR s190(1) (j)**

There were **no** responses or recommendations required as there were no competitive neutrality complaints during the 2022-2023 financial year.

### **The number of invitations to change tenders | LGR S190 (1)(e)**

During the 2022-2023 financial year there were **no** invitations to amend tenders.

### **Summary of all concessions for rates and charges granted | LGR s190 (1) (g)**

During the 2022-2023 financial year there were **no** concessions for rates and charges granted.

### **Grants to Community Organisations | LGR s189(1)**

Council **did not** allocate any expenditure for the 2022-2023 financial year on grants to community organisations.

### **Overseas Travel | LGR s188 (1) (a) (b) (c) (€(e))**

During 2022-2023 financial year **no** overseas travel was undertaken by councilors or staff on behalf of Council in an official capacity.



## **Total remuneration packages to senior management and the number of employees in each band | LGA s201 (s) (a) (b)**

The following table details the total remuneration package for all senior management and the number in each band.

During the 2022-2023 financial year council farewelled CEO Stephen Wilton, Director of Works and Services Victor Mills and Finance Manager Joanne Gowans.

We welcomed CEO Kiley Hanslow, Operations Manager Perry Gould and Corporate Manager Micah Nkiwane to the leadership team.

Our leadership team is comprised of the following three roles:

- Chief Executive Officer
- Manager Corporate and Commercial
- Operations Manager

Remuneration Packages to Senior Management	Number of Senior Management in Band (\$100k per band)			
Total value for all senior management	\$0-\$100k	\$100k-\$200k	\$200k-\$300k	\$300k-\$400k
\$330, 407.24	0	3	0	0

## **Discretionary Funds | LGR s189(2)(a)**

Council reports on the following information about it's discretionary funds allocation:

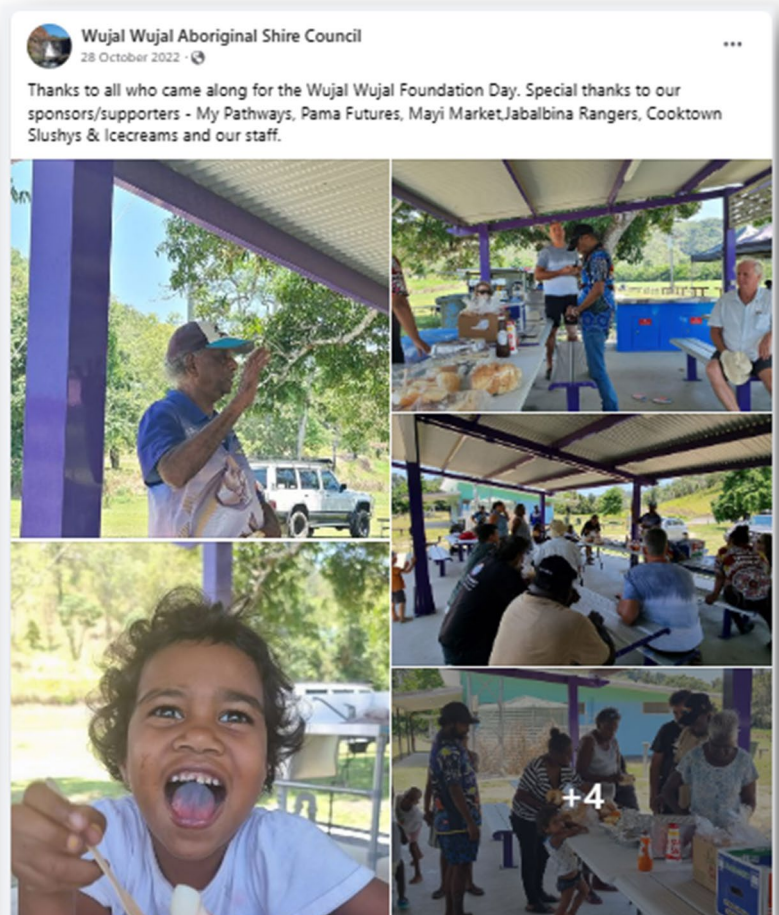
- (a) the total amount budgeted for the financial year as the local government's discretionary funds.
- (b) the prescribed amount (0.1% of the local government's revenue from general rates for the previous financial year) for the local government for the financial year.
- (c) the total amount of discretionary funds budgeted for the financial year for councillors to allocate for each of the following purposes: capital works for community purposes and other community purposes.
- (d) the amount of discretionary funds budgeted for use by each councillor for the financial year.
- (e) if a councillor allocates discretionary funds in the financial year: the amount allocated, how it was allocated, to who and for what purpose.

During 2022-2023 financial year: there were **no discretionary funds budgeted** for the financial year for councillors to allocate.



Wujal Wujal community holds regular meetings under the mango trees in the centre of town where all/any members of community are welcome.

Wujal Wujal Foundation Day is a commemorated with a Special Public Holiday every year, thank you to the members of community who contributed to the celebrations in October 2022.





## List of registers maintained | LGR s190 (1) (f)

The following registers are maintained by Wujal Wujal Aboriginal Shire Council:

Register	Purpose	Access
Delegations Register.	To record the powers delegated to the CEO.	Register available to the public at the local government's public office.
General Complaints Register.	Record any complaints lodged.	Register available to the public at the local government's public office.
Councillor Conduct Register.	To record any complaints against Councillors and the summary of decision related to complaints.	Available on Website.
Register of Interest Personal Interest of Councillors.	To record Financial and other personal interests of Councillors.	Available on the website.
Contracts Register.	Register of contracts of \$200,000 or more.	Available on the website. Being updated on an ongoing basis.
Local Law Register.	A register for each local law, containing the laws name, purpose, and general effect.	Available on the website.
Roads map and Register.	The road register identifies: <ul style="list-style-type: none"> <li>• the category of every road</li> <li>• the level of every road that has a xed level</li> <li>• the length of every road</li> <li>• If the road is formed, gravelled pavement or sealed pavement, the length and width of the formed gravelled pavement or sealed pavement part</li> </ul>	Map and Register available to the public

## Resolutions made under LGR s250(1) | adoption of an expenses reimbursement policy

There were no such resolutions made during the 2022-2023 financial year.

## Resolutions made under LGR s250(2) | threshold for non-current physical asset to be treated as an expense

There were no such resolutions made during the 2022-2023 financial year.

Local community members modelling fabrics designed by local artists.



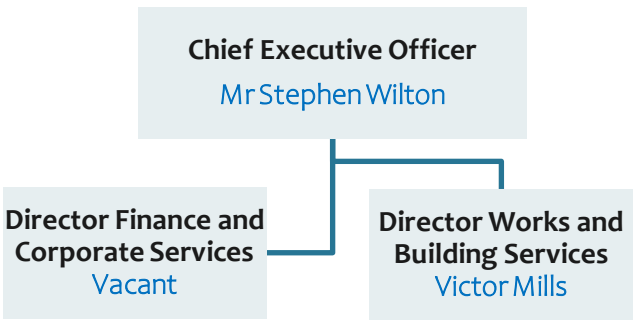
# The year in review

## The Chief Executive Officer’s assessment of progress against its 5-year corporate plan and its annual operational plan | LGR s190 (1) (a)

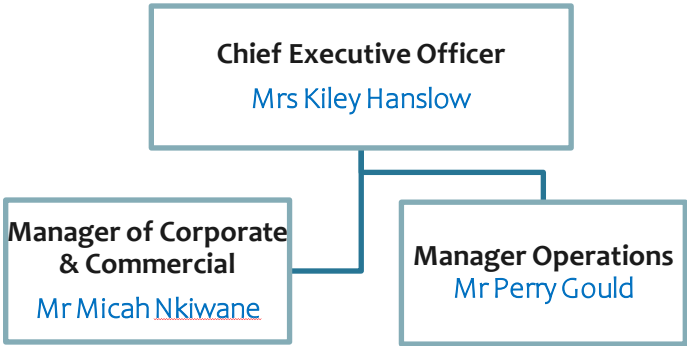
I am pleased to provide this report of the excellent progress Wujal Wujal Aboriginal Shire Council has made against both its corporate and operational plans.

### Changes in senior staff since the writing of the corporate plan

At the time of writing the 2022 Corporate Plan structure and staffing of the senior management was as follows:



The senior management team is represented as follows:



### Major Program Areas

Council's Corporate Plan for 2022-2027 provides to all stakeholders the direction about council's strategic priorities and related strategies.

The achievement of these outcomes within constraints of Council resources and support from all stakeholders will benefit the present and future generations.

The following are the areas of focus for the 2022-2027 Corporate Plan:



This corporate plan outlines the vision for the Shire and lists the plans and strategies as well as values that the Council, staff, and the community at large embrace to provide a sound basis for the development of the area, in forming strategic cooperative alliances with Councillors, staff, community members and all relevant stakeholders. I recommend this Corporate Plan to all our customers, both internal as well as external.

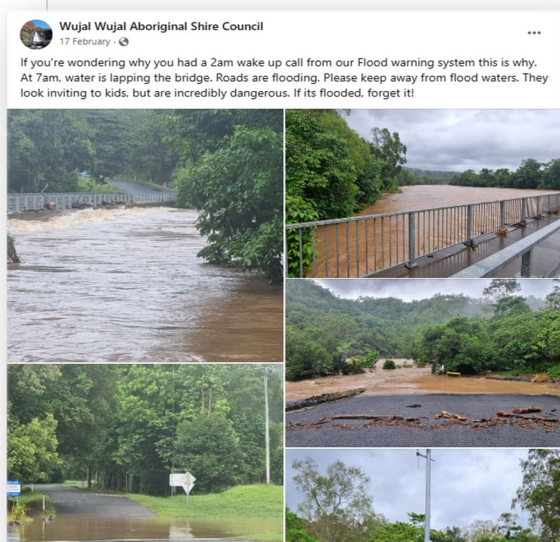
### Corporate Governance, Community Safety and Family Services

**Aim:** To provide leadership, direction, representation, and service to the community, and manage the care and safety of families

Strategy and Performance Indicators	Assessment of progress
Provide leadership through planned, transparent, effective, and accountable government.	Council officers work closely with elected members, keeping them fully informed through regular reporting to Council meetings.
Provide direction through a system of official laws, clearly stated goals, policies, and procedures.	Review of policies and procedures has occurred throughout the year. Local laws are updated as required.
Provide responsive and balanced representation of all sectors of the community thus have an inclusive community.	Council continues to focus on employing local community members, drawing them from all sectors of the community.
Provide quality service to the residents of the Shire.	Council operations during the 2022-2023 year provided an unbroken service to community.
Have an effective corporate governance system that meets the statutory requirements and best practice and obligations.	Council dedicated time and resources to improving its systems and processes that drive it's governance during the 2022-2023 year, working closely with LGMA advisors to ensure it complies with statutory requirements and obligations.



Strategy and Performance Indicators	Assessment of progress
Build strategic cooperative alliances with neighbouring Shires, relevant peak bodies and other organisations that underpin council values.	<p>Council has continued to develop its cooperative alliances.</p> <p>Senior staff attended and represented council and our community at various meetings/conferences during the 2022-2023 year with our neighbouring and regional councils that saw not only the immediate outcomes and benefits from those meetings, but which also continue to benefit community on an ongoing basis.</p>
Manage natural disasters through community engagement.	<p>Being a small community, any natural disaster that may occur affects the whole community.</p> <p>Council has grown its alliances with other agencies such as Queensland Police, Queensland Fire and Emergency, Queensland Health, as well as many State agencies.</p> <p>Located the tropical far north of Queensland Wujal Wujal is subject to high rain fall in the wet season that can result in severe flooding which can at times cut the community off completely.</p> <p>Council takes a very proactive approach to communicating to community any risk of these events occurring and works to maintain communication and engagement with all of community during such events through a variety of means, including as shown in the image to the left, through its social media platform.</p>



Seasonal flooding can cut the community off from the outside world and poses risks to all residents. The early warning flood detection system sounds loud alarm through a speaker system to residents as water rises dangerously high.

Council keeps residents informed through a variety of methods including social media.


Strategy and Performance Indicators	Assessment of progress
Provide Community Justice Programs to support community members in need.	<p>Advocacy on behalf of Community Justice Group to community and Government for funding requirements, supported with attendance at Community Justice Meetings and Care and Support meetings.</p>

Strategy and Performance Indicators	Assessment of progress
Provide a system of risk management across all facets of Council operations.	Due to staffing changes and shortages Council was not able to progress this during the 2022-2023 financial year and will look to focus on this during the 2023-2024 financial year.

## Corporate Services

**Aim:** To manage Council's resources in a way that achieves maximum community benefit whilst maintaining financial sustainability.

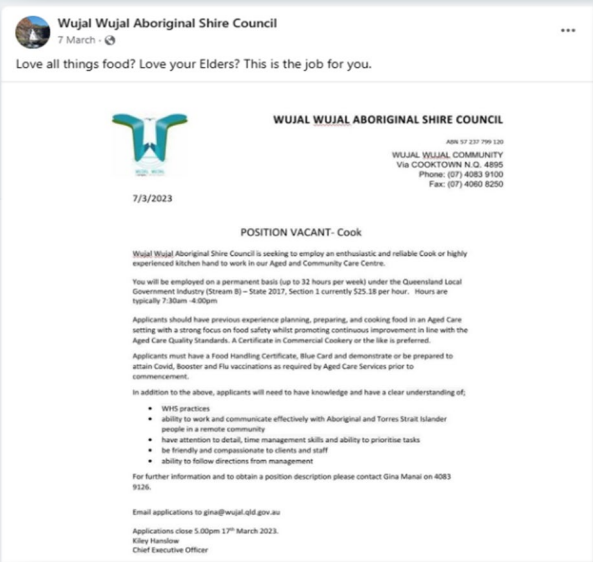
Strategy and Performance Indicators	Assessment of progress
Maintain an efficient, committed and appropriately skilled workforce.	Council continues to support its current workforce, supporting their professional development as required.
Control income and expenditure in accordance with statutes and council policies.	Council has complied with all regulations and policies in its control of income and expenditure.
Prepare timely and accurate financial information.	Despite several vacancies in key roles in the Corporate and Commercial team during this period, council has continued to provide timely and accurate financial information. Financial reporting to elected members occurs monthly as part of the agenda for Ordinary Council meetings, and more in-depth reporting and review is undertaken at specific Special meetings as required.
Ensure expenditure achieves maximum benefit for the community members.	Our new manager of Corporate and Commercial Micah Nkiwane, has turned his focus to this important area of responsibility. Balancing our need for financial sustainability with our goals of improving the commercial prospects for community.
Secure funding from all available sources.	This has been a focus area for council this year. Council has contracted Peak Services to assist with the management of securing funding from all available sources.
Ensure compliance with relevant council revenue policies, community service obligation policy and procurement policy.	Council continues to comply with all relevant policies.
Provide accurate and timely agendas, minutes, and reports.	Council has improved its delivery on this performance indicator during the 2022-2023 financial year through the appointment of an Executive Assistant/Governance Secretary to its staff in April 2023. This role is responsible for the provision of accurate agenda, minutes, and reports.

Strategy and Performance Indicators	Assessment of progress
Ensure prompt and timely action on council decisions and public enquiries.	Council has provided timely action on decisions throughout the 2022-2023 financial year. There were no public enquiries during the period of this report.
Provide courteous, friendly, and effective communication that can be seen, heard, and read both internally and externally.	<p>Council has reinstated the distribution of the community newsletter 'The Kaban'.</p> <p>This service to council and community has been able to be reinstated due to funding from Queensland State Libraries enabling the employment of a staff member in the Indigenous Knowledge Centre.</p> <p>These newsletters are distributed internally to staff and made available to community through hardcopy printouts distributed to community groups and through our public website.</p> <p>Council also utilises the social media platform Facebook for distribution of important news items, employment vacancies, community events and much more.</p> <p>This annual report is illustrated throughout with examples from this social media platform from the 2022-2023 financial period.</p>
Continue to develop and modify council policy.	Council continues to manage its policies to ensure they are relevant. The maintenance and management of this is the responsibility of the new governance staff employed during the 2022-2023 financial year and this will become a focus area for the 2023-2024 year as there is considerable work required to ensure any outdated policies are reviewed, renewed, and brought to council for formal adoption.
Continually revise IT systems to reflect the changing directions and technology developments. 	<p>Council has adopted and incorporated new technology during the 2022-2023 financial year that was the result of several years investigation into possible solutions.</p> <p>The “Adapt 1 Solution” has now replaced our previous system, and in conjunction with a Starlink connection we have realised significant increase in the speed and reliability of our internet access and saved a significant amount of money from our previous monthly charges.</p> <p>This solution also assists Council in its journey towards its ACSC Essential 8 accreditation.</p>



Examples of effective communication to the community using the social media platform Facebook.



Strategy and Performance Indicators	Assessment of progress
<p>Retain and recruit the best possible staff through good work practices, job specifications, and personal development career path, training, and remuneration.</p>	<p>Recruitment of the best possible staff has been a priority during the 2022-2023 year and council has brought in several highly experienced staff to their team, including new staff into the following roles: Chief Executive Officer, Corporate and Commercial Manager, Operations Manager, Finance Manager and Executive Assistant.</p>
<p>Utilise local human resources whenever available.</p> 	<p>Council prioritises the employment of local staff. All roles are advertised on the local social media sites, on its public webpage and through word of mouth, in addition to working closely with local agencies and paid work trial staff as appropriate.</p> <p>An example of job vacancy listing on our website and Facebook promotion of a role are shown in the screenshot illustrations here.</p>
<p>Encourage innovative solutions to financial and administrative problems.</p>	<p>The new Corporate and Commercial Manager employed during the 2022-2023 year has expertise in providing innovative solutions to problems, Council looks forward to the positive impact this will begin to have in the next financial year.</p>
<p>Provide a Centrelink agency service that meets the needs of residents of the Shire and surrounding areas</p>	<p>This year has seen several changes in the Centrelink Officers with former staff retiring, replacement staff trained and then left the district, another replacement trained but failed to pass their probation period.</p> <p>Council is now in discussions with the Department of Human Services regarding increasing funding to provide Centrelink services, as Council is not adequately funded by Centrelink and is running Centrelink services at a loss/cost to Council.</p>

## Technical Services

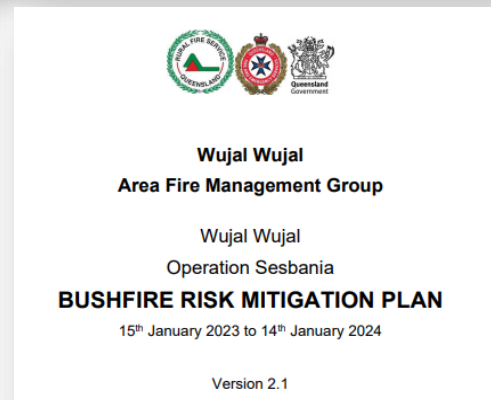
**Aim:** To develop and maintain infrastructure, land use planning and environment services to meet community needs.

Strategy and Performance Indicators	Assessment of progress
Improve and maintain road networks and existing assets.	Minor maintenance in the form of patching and pothole repairs were undertaken.  Council is responsible for only a small area of road infrastructure within its borders, approximately 15.7kms of road.
Seek funding from all available funding sources.	The team meet on a weekly basis with Peak Services, who have been contracted to assist with the management of securing funding from all available sources.
Provide quality plant that returns maximum benefits to the Shire.	Regularly maintained and in operational state.
Manage riverbanks areas with sensitivity for their ecologies and environment.	Riverbanks are not maintained by council and are left in a native state, no spraying is undertaken within 20meters of the waters-edge.
Seek contract work from neighbouring Shires and organisations that operate in the region.	Road works for Banabilla Road were undertaken on behalf of Douglas Shire Council and will continue into the next financial year.
Maintain and constantly develop water systems and plan for future community needs that meet all licensing requirements.	Maintenance continued. Council seeking funding for 2023-2024 financial year for upgrades to the filtration system to bypass raw water intake and treatment system water reservoir,





Examples of some of the services provided by council to the community.

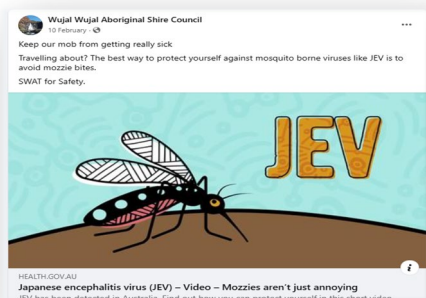


Strategy and Performance Indicators	Assessment of progress
Provide sewage systems for the community that satisfy the licensing requirements and adheres to all regulatory and legislative requirements.	Major works were undertaken for upgrades of sewage treatment plant, at this stage incomplete. Council is seeking funding and re-assessment of initial installation, forecasting completion during 2024.
Provide and enhance a cost-effective waste management system.	All monitoring and maintenance works were undertaken by council operations staff.
Undertake compliance, education with other service providers to ensure that environmental health standards are meet and maintained.	<p>Compliance with environmental health standards maintained.</p> <p>New staff employed during the 2022-2023 financial year trained in their roles and responsibilities. 2023-2024 will see an increased focus on appropriate training.</p>
Provide responsible, effective, and integrated animal management service to the Shire.	<p>Council staff continue to provide regular service to community. This year several of the community's dogs were injured in fights between fully intact male dogs and Council continues to promote the free de-sexing of all dogs within community.</p> <p>Council staff also continue to provide access for all community to information about animal care.</p>

Some of the community's canine residents.



Strategy and Performance Indicators	Assessment of progress
Develop local laws, policies, and procedures in relation to animal management.	No new laws or policies required during the 2022-2023 year; policies are reviewed by staff regularly.
Work collaboratively with neighbouring Shires and other land managers in the area of animal and pest management.	Staff worked closely with Douglas Shire Council, Cook Shire Council and Hope Vale Councils. Strong collaborative relationships are in place.



Keeping the community informed about pests and risks they pose.

Strategy and Performance Indicators	Assessment of progress
Provide ongoing training to staff.	Training as required during the new for new and existing staff. Engagement of several apprentices during the year.
Ensure accident-free workplaces by appropriate training and adhere to state work practices.	Workplace Health and Safety Committee meetings with all managers were re-initiated during the year, Information sharing and policy/procedures were reviewed during these meetings.  WHS documentation and templates were updated to provide better governance around WHS and reporting.
Manage the Planning Scheme and assess all development and rezoning applications.	The Wujal Wujal Planning Scheme is due for update by December 2023. Discussions were held with Torres and Cape Indigenous Councils Alliance (TCICA) to undertake Planning Scheme reviews in a collaborative manner to ensure Planning Schemes are updated in an efficient and cost-effective manner.
Deliver compliance based on priorities including financial viability, licensed contracting, and contractual responsibility.	Council operates a 'Preferred Suppliers Register'. All suppliers are required to ensure they comply with all / any insurance, registrations and QBCC Licencing.



## Community Services

**Aim:** To promote and develop a range of support services to cater for the diverse needs of the community.

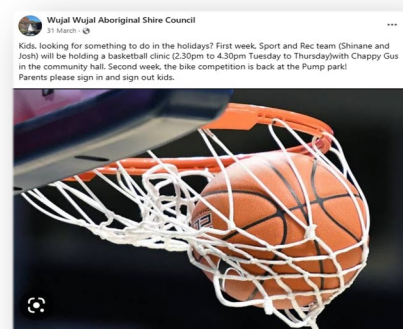
Strategy and Performance Indicators	Assessment of progress
Provide appropriate support for economic development and employment that benefits the Shire.	Elected members and council staff continually investigating options for economic development. An example of this was in January 2023 when elected members and senior staff met with the Queensland Reconstruction Authority (QRA).
Seek funding from all available funding sources.	Council has employed a more strategic approach with sourcing funding that represents good value for council and community.



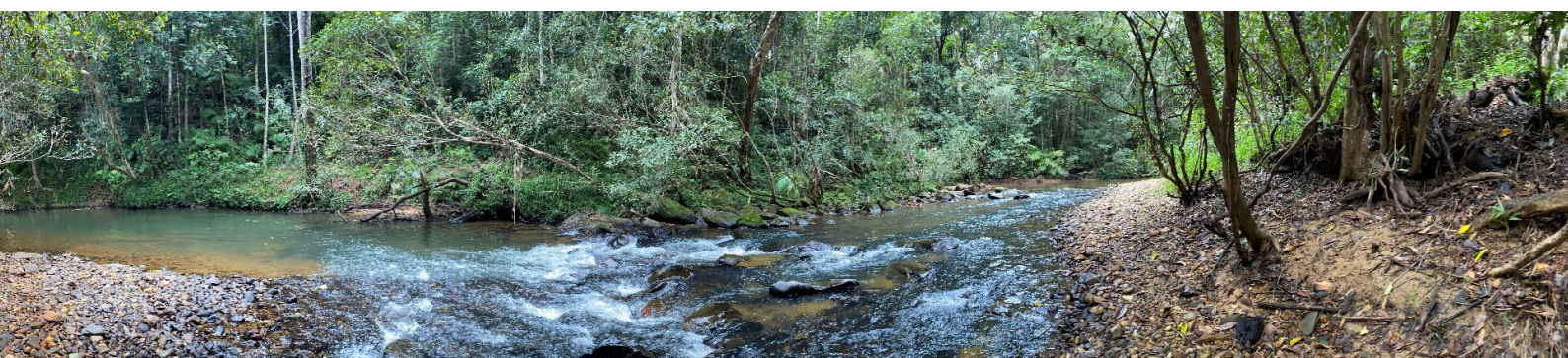
Elected members and senior staff exploring economic development options for the community.

Strategy and Performance Indicators	Assessment of progress
Facilitate the provision of sporting and recreation facilities to meet the needs of a cross section of community residents.	Council consistently applying for grants to upgrade recreational infrastructure. Existing facilities are well utilised by community. Council employs two staff to run the free after school program for the community's youth.

After school programs actively promoted and available to all



Strategy and Performance Indicators	Assessment of progress
Facilitate the provision of men's and women's support services.	Leased buildings provided for use by Men's and Women's services.  Repair of Women's Centre facility to be undertaken in the 2023-2024 financial year once funding source identified.
Maintain, expand, and broaden the opportunities for youth and thus build young people's capacity for self-improvement.	An inclusive sport and recreation program was developed and implemented to engage Wujal Wujal youth in healthy and active social activities. This sport and recreation program is attended by up to 40 children per day.
Research and promote projects that facilitate sustainable cultural and social enterprise, such as the Arts and Cultural Centre.	Projects to upskill and develop local artists and develop quality art to be displayed in local, state, and interstate exhibitions.  Planning for commencement of café to operate as a social enterprise for training and development of local people into the hospitality industry.
Increase opportunities to improve general knowledge, literacy skills, culture enlightenment and entertainment through the Indigenous Knowledge Centre.	Assistance provided to community with the use of computers. First Five Forever Program facilitated. Historical and language programs in the Indigenous Knowledge Centre.
Provide kindergarten facilities that will enable kids to have an early start schooling and thus provide better transition to primary school.	Quality Kindergarten facilities enable a supportive and inclusive kindergarten and early learning environment.  Kindergarten is well-attended and provides a valuable early education work program.
Provide an effective, informative culturally appropriate community radio system.	Council employs one staff member who runs the community radio station, supported by funding from the National Indigenous Australians Agency (NIAA).
Provide Life Promotion Programs to support community members in need.	Council no longer provides these programs.



Strategy and Performance Indicators	Assessment of progress
Provide quality aged and disabled care facilities and services.	<p>Quality disabled and aged care is available to all who need it within the community and to those living nearby through facilities and programs supplied by Commonwealth Home Support Program (CHSP) and the use of the facilities located in the centre of town.</p> <p>Council supports the provision of quality and empathic care inclusive services, effective communication and collaboration with clients, families, funding providers and other stakeholders.</p>



Residents of the aged care facility enjoying social activities.

Strategy and Performance Indicators	Assessment of progress
Develop residential aged and disabled care facilities and services.	<p>Council has continued to investigate the options to utilise available land for the development of a new aged and disabled care facility for the community. This work is ongoing.</p>

## Building Services

**Aim:** To develop and maintain and renovate infrastructure to improve community housing and council buildings.

Strategy and Performance Indicators	Assessment of progress
Seek funding from all available funding sources.	<p>The team meet on a weekly basis with Peak Services, who have been contracted to assist with the management of securing funding from all available sources.</p>



Strategy and Performance Indicators	Assessment of progress
Ensure the residents have access to good quality housing.	Maintenance of community houses continues and is available to on request.
Make representation to government to ensure that adequate resources are available for housing, construction, major renovations, repairs, and maintenance.	Council engages both internal staff and external subcontractors to undertake housing maintenance and repairs.
Deliver compliance based on priorities including financial viability, licenced contracting.	We have assembled a preferred suppliers lists and followed al QBUILD procurement and contract policies.
Improve strategies for intervention in building disputes before and after the construction process.	Our strategy has been to follow procurement policy and contractual arrangements with Qbuild.

## Operational Plan | Highlights of Achievements

Information on the organisation's progress in achieving the strategies outlined in the operational plan was provided to Council through regular reporting each quarter as required by legislation.

The following are some of the **highlights** of achievements during the 2022-2023 financial year against the operational plan.



All staff were provided training in Information Communications and Technology (ICT), with an emphasis on Cyber Security through a user-friendly online training platform that was easy to use and extremely educational.



Organisational structure reviewed and approved by Council.  
Critical positions assessed and recruitment underway.

Council implemented an electronic payroll system.



Two (2) 2WD Toyota tray backs purchased for Animal Control and Water Officers. One Nissan Navara dual cab 4x4 with canopy purchased for the Operations Manager.



Water, Animal and Environmental Health Control officers' training undertaken, and further training programmed. Operators currently undertaking Certificate III in Water Industry Operations.

Part time Indigenous Knowledge Centre (IKC) staff recruited and in place, providing access four days a week to the facilities and programs for all members of our community.



The IKC staff have also restarted publication of a community newsletter (The Kaban) which is being well received.

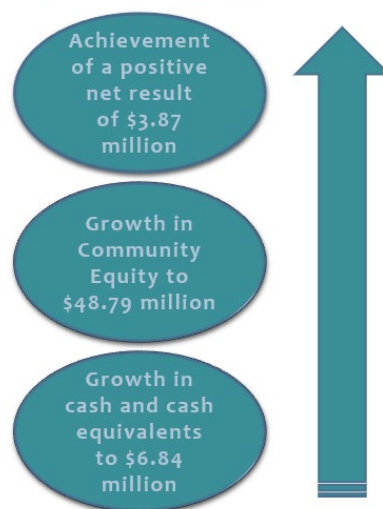
# Community Financial Report

The Community Financial Report is a plain English summary of Council's Financial Statements for the period 1 July 2022 to 30 June 2023 and provides an overview of Council's financial management and performance in accordance with Local Government Act 2009, the Local Government Regulation 2012 and Australian Accounting Standards and Interpretations. The financial statements this report is based on have also been audited by the Queensland Audit Office.

The report is consistent with the 2022/2023 audited financial statements and aims to simplify Council's official Financial Statements by providing a visual representation of our financial performance and financial position and include the following:

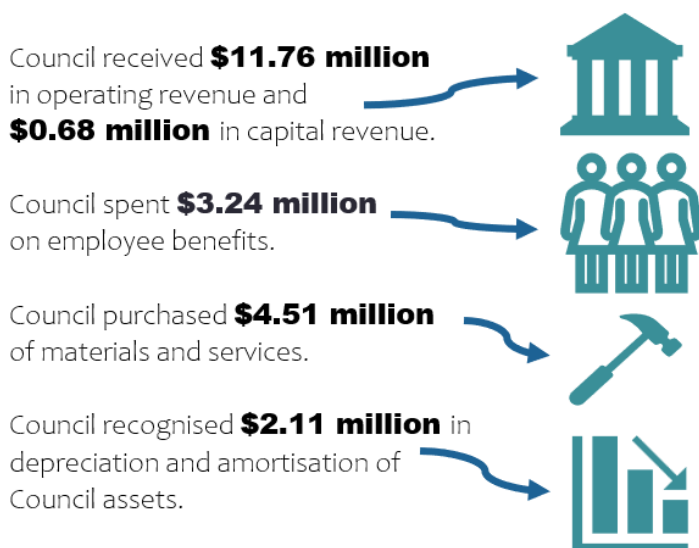
1. Statement of Comprehensive Income provides a summary of Council's financial performance and includes Council's operating and capital revenue, operating expenses, capital income and capital expenses for the period.
2. Statement of Financial Position provides a snapshot of Council's Assets and Liabilities at 30 June 2023.
3. Statement of Changes in Equity shows the overall change for the year in Council's 'net wealth.'
4. Statement of Cash Flows indicates where Council's cash came from and where it was spent.
5. Measures of Financial Sustainability provide three sustainability indicators designed to help monitor the current and long-term sustainability of Council.

## Snapshot of highlights



Collectively the statements provide a detailed profile on the financial performance and health of Council.

## Revenue Sources and Expenditure: where does the money come from and where does it go?



## 1. Statement of Comprehensive Income

The Statement of Comprehensive Income measures how Council performed in relation to income and expenses during the financial year. This statement illustrates how money received from Council operations is spent.

### Revenue

#### Summary

Operational revenue decreased by \$5,035,647 and Capital revenue decreased by \$25,246.

Capital revenue consists of grants and subsidies from Federal and State agencies that allow Council to build or upgrade its facilities.

#### At a glance: Financial Statements for the period 1 July 2022 to 30 June 2023

	2023	2022
Operating Revenue	11,757,442	6,721,795
Operating Expenses	9,990,286	8,717,997
<b>Operating Position</b>	<b>1,767,156</b>	<b>-1,996,202</b>

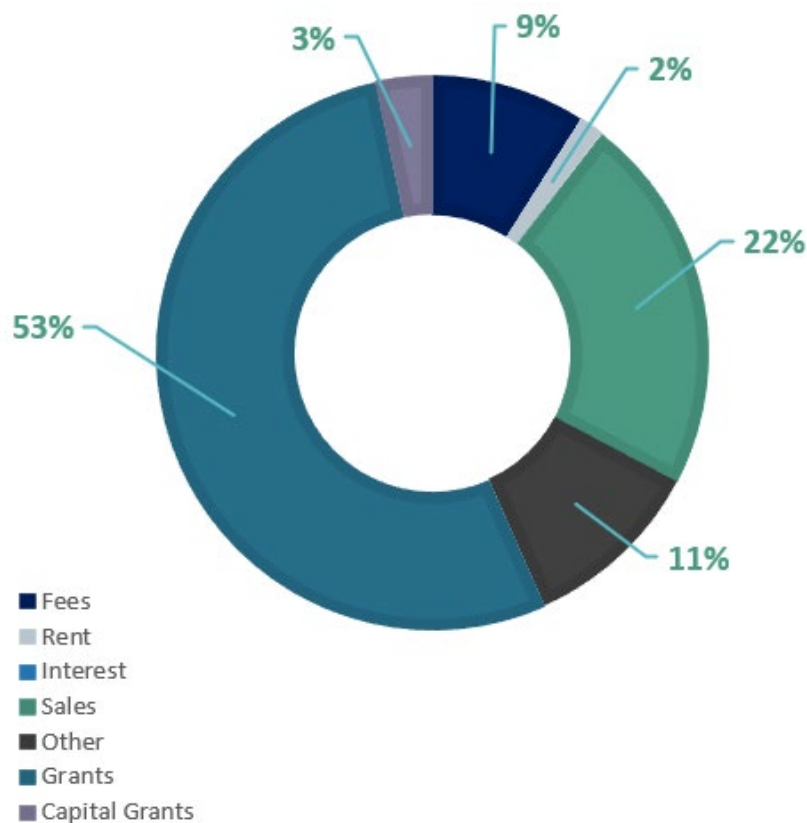
Capital Revenue	681,586	706,832
Capital Expenses	-814,020	0
<b>Net Result</b>	<b>1,634,721</b>	<b>-1,289,370</b>
<b>Asset Revaluation surplus</b>	<b>2,236,897</b>	<b>2,808,173</b>
<b>Total Comprehensive income for the year</b>	<b>3,871,617</b>	<b>1,518,803</b>

<b>Current Assets</b>	<b>7,731,614</b>	<b>3,731,807</b>
<b>Non Current Assets</b>	<b>48,593,159</b>	<b>48,530,667</b>
<b>Total Assets</b>	<b>56,324,773</b>	<b>52,262,473</b>

<b>Current Liabilities</b>	<b>4,447,060</b>	<b>3,866,038</b>
<b>Non-Current Liabilities</b>	<b>3,081,549</b>	<b>3,471,890</b>
<b>Total Liabilities</b>	<b>7,528,609</b>	<b>7,337,928</b>

<b>Net Community Assets (Equity)</b>	<b>48,796,162</b>	<b>44,924,544</b>
--------------------------------------	-------------------	-------------------

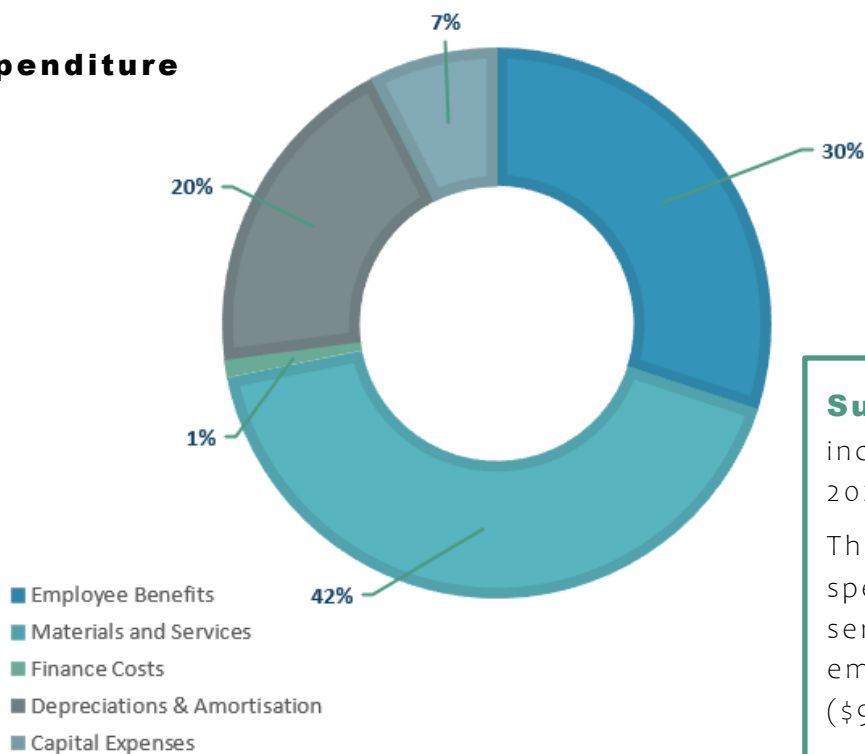
### Income



#### Income Source Value

Fees	1,122,308
Rent	177,813
Interest	8,268
Sales	2,761,380
Other	1,323,563
Grants	6,632,668
Capital Grants	413,028

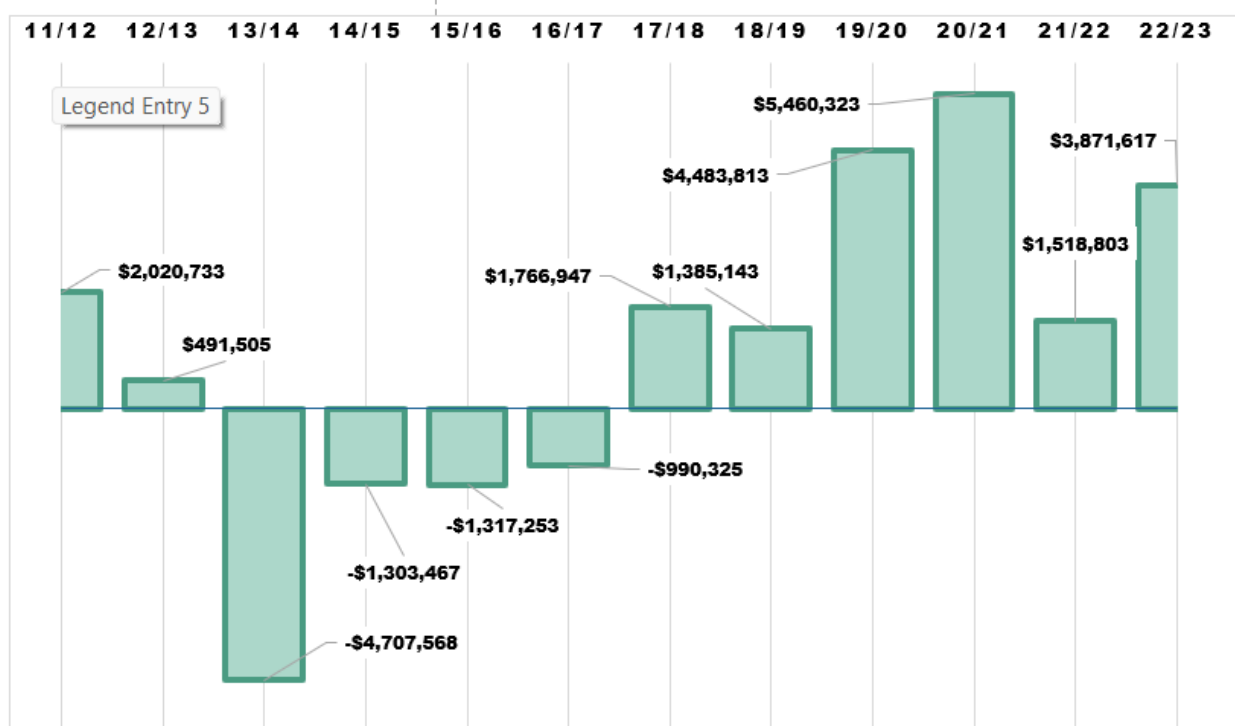
## Expenditure



**Summary:** Expenditure increased by \$1,272,289 from 2021/2022.

This consisted of increase in spend for materials and services (\$763,166), employee benefits (\$99,087) and finance costs (\$68,254).

## Net position | 2012 – 2023



The net result is the difference between the income Council has received for the financial year less the expenses it has incurred throughout the financial year.

In the financial year ended 30 June 2023, the Net Result for Council was a surplus of \$3.87 million. This surplus was achieved through an improvement in recurrent revenue from the previous year (\$5 million).



## 2. Statement of Financial Position

### Current Assets

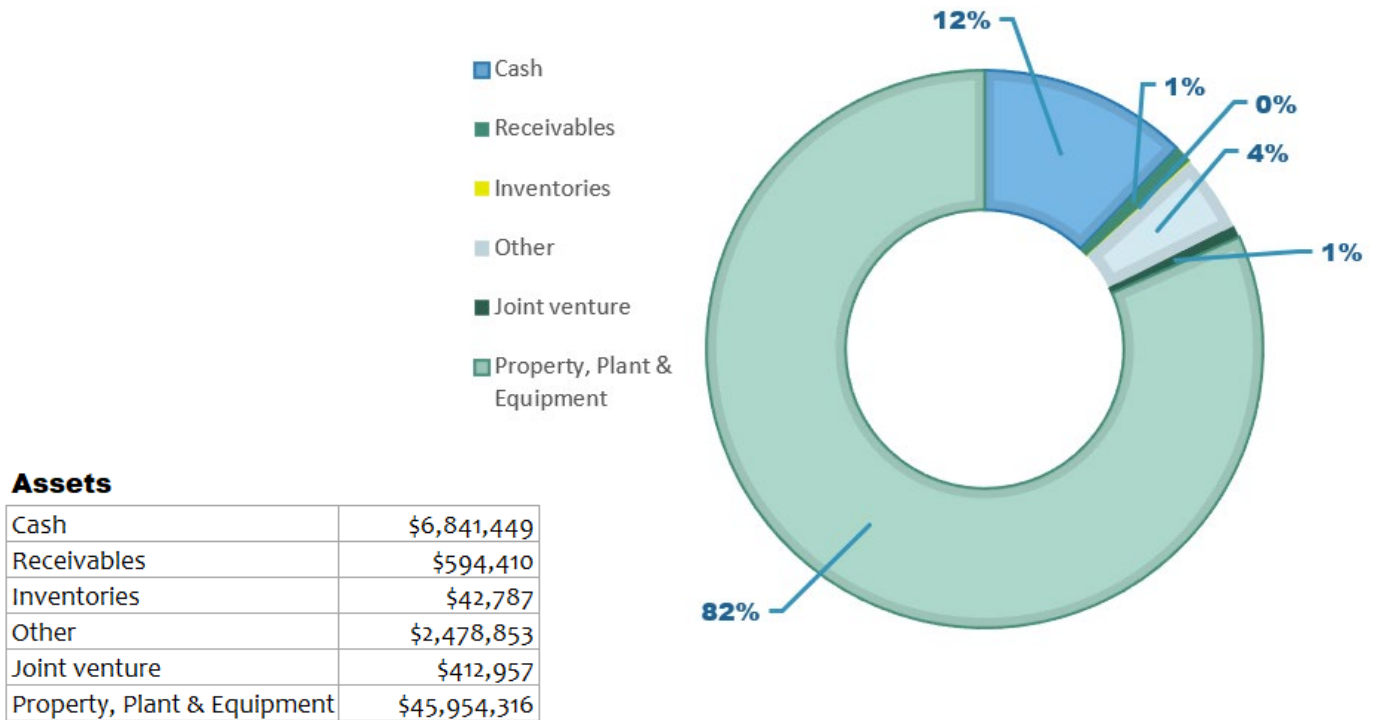
The Statement of Financial Position measures what we own (our assets) and what we owe (our debts), resulting in our net worth at the end of the financial year.

Current assets	
Cash and cash equivalents	\$6,841,449
Trade and other receivables	\$594,410
Inventories	\$42,787
Other financial assets	\$252,968
Total current assets	\$7,731,614
Non-current assets	
Other financial assets	\$2,225,885
Investment in joint venture	\$412,957
Property, plant and equipment	\$45,954,316
Total non-current assets	\$48,593,159
<b>Total assets</b>	<b>\$56,324,773</b>

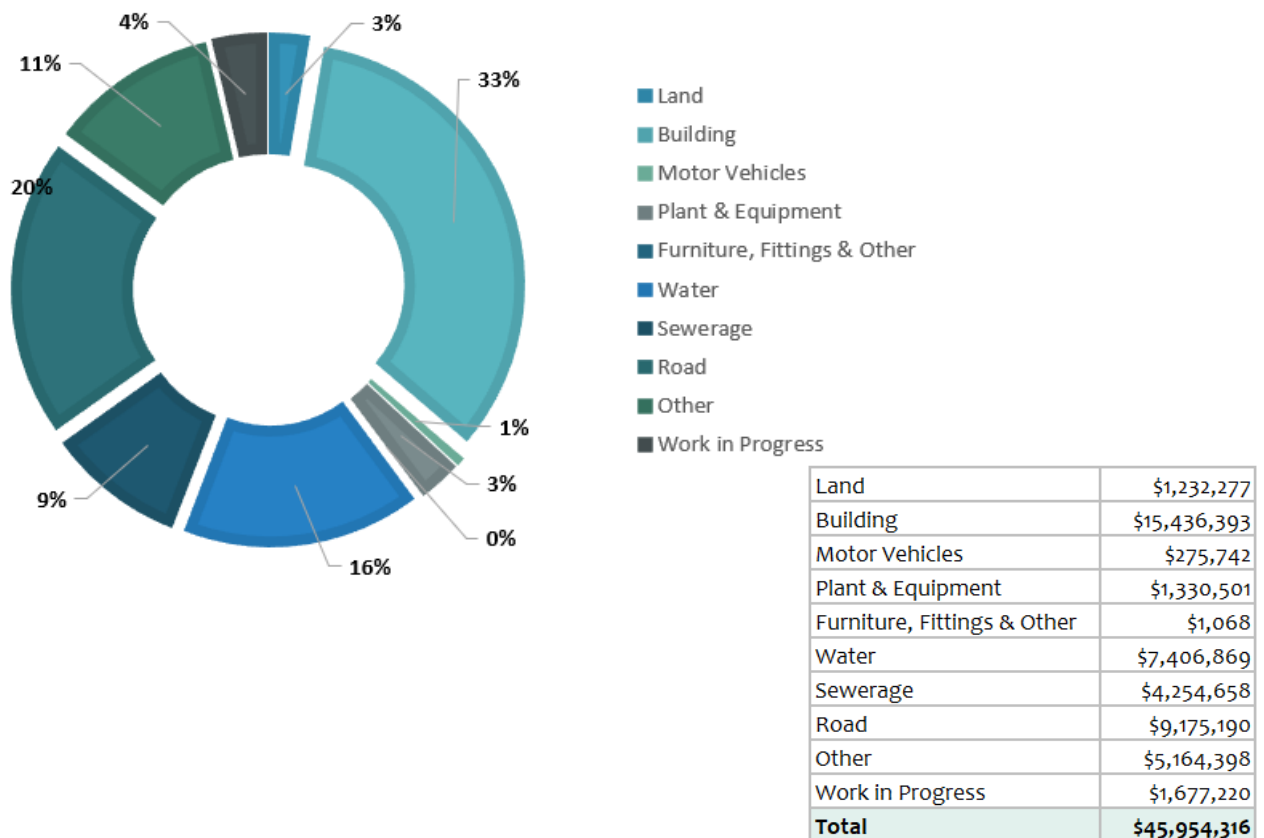
Current liabilities	
Trade and other payables	\$618,046
Contract Liabilities	\$3,245,197
Borrowings	\$346,401
Lease Liabilities	\$0
Provisions	\$237,415
Total Current Liabilities	\$4,447,060
Non-current liabilities	
Payables	\$34,307
Borrowings	\$2,939,816
Provisions	\$107,426
Total Non-Current Liabilities	\$3,081,549
<b>Net community assets</b>	<b>\$48,796,162</b>

Through careful and effective financial management, Council increased its cash balances, or cash in the bank. As cash is an asset, this increase of cash balances is reflected as an increase in assets.

**Total Assets** increased by \$4,062,299.



### Breakdown of property, plant, and equipment



### 3. Statement of Changes in Equity

In the 202/2023 financial year, Council's net worth increased by \$3.87 million.

Achieved a  
positive  
net result of  
\$3.87million.



### 4. Statement of Cash Flows

- The Statement of Cash Flows shows where Council's cash came from and how it was spent throughout the year. It differs from the earlier reports as non-cash items such as depreciation are excluded.
- The closing balance reflects how much cash Council had at year end.
- Restrictions are held over cash that has been received that has a performance obligation.
- The most important is the cashflow from Operations, which is a good indicator of financial health.
- Informs you of Council's ability to generate cash flows from its customers and pay for its obligations which include suppliers and employees.

Cash flow  
from investing  
activities increased  
from a deficit of  
\$964,031 to  
\$1,981,008.



Net cash flow  
from financing  
operations increased  
from \$617,439 to  
\$2,702,423.

Cash flow from investing activities include purchase and sale of property as well as well capital grants and are largely instructed by grants, subsidies, contributions, and donations.

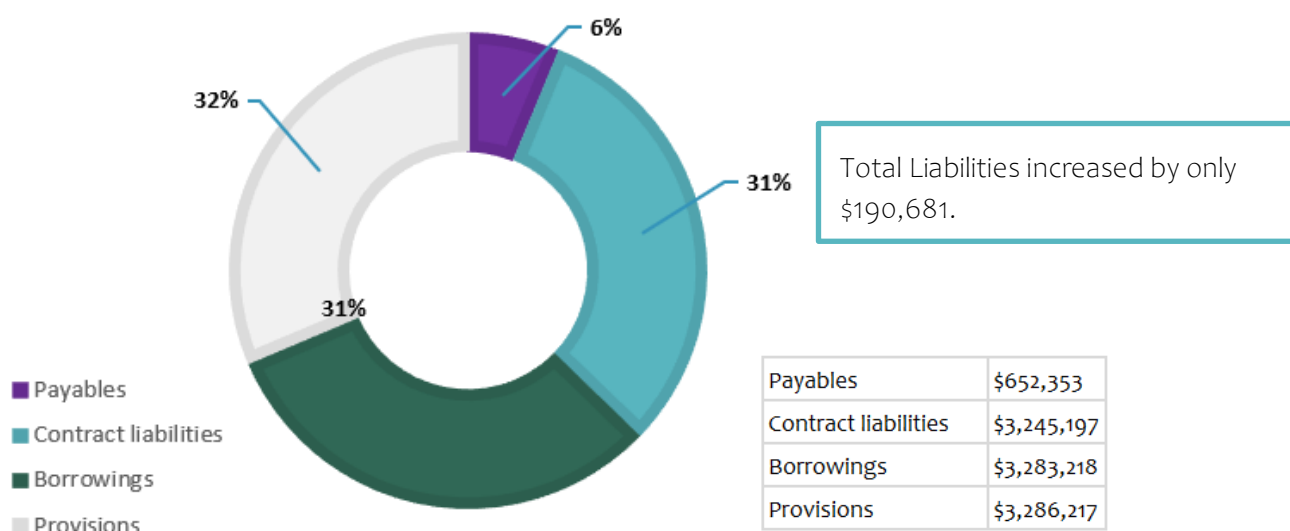
Cash flow from  
financing activities  
reduced  
from \$3,550,213 to a  
deficit of \$389,712.



Council has a large loan with Queensland Treasury Corporation. The payments of this loan each month result in a decrease in available cashflow.



## Council liabilities



## 5. Measures of Financial Sustainability

The Financial Sustainability Statement and the associated measures (ratios) provide evidence of Council's ability to continue operating and provide an acceptable level of service and infrastructure to the community into the future.

Council's performance at 30 June 2023 against key financial ratios are listed below:

### Financial Sustainability Ratios

Ratio	Target	Result
Operating Surplus Ratio	Between 0% and 10%	15%
Asset Sustainability Ratio	Greater than 90%	1%
Net Financial Liabilities Ratio	Not greater than 60%	-2%

**Operating Surplus** and **Net Financial Liabilities Ratios** measure Council's ability to maintain financial capital over the long term.

The **Asset Sustainability Ratio** measures Council's ability to maintain infrastructure capital over the long-term.

- Council was able to achieve a positive operating surplus ratio.
- Council's Asset Sustainability Ratio is well below the targeted range. This may indicate insufficient spending on asset replacement.
- The Net Financial Liabilities Ratio is within target. This indicates there are no concerns over the ability to repay debt from operating revenue.

For further details on these three key financial ratios, please refer to page 77 of this document which forecasts the outcomes for each ratio for the next 10 years to 2033.



# **Financial Statements for the year ended 30 June 2023**



## **Wujal Wujal Aboriginal Shire Council Annual Financial Statements**

**for the year ended 30 June 2023**



# Wujal Wujal Aboriginal Shire Council

## Financial Statements

For the year ended 30 June 2023

### Table of contents

Statement of Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the financial statements	
1 Information about these financial statements	5
2 Analysis of results by function	6
3 Revenue	8
4 Other income	10
5 Capital income	10
6 Employee benefits	11
7 Materials and services	11
8 Capital expenses	11
9 Cash and cash equivalents	12
10 Receivables	12
11 Inventories	13
12 Property, plant and equipment	14
13 Contract balances	19
14 Leases	19
15 Payables	21
16 Borrowings	22
17 Provisions	22
18 Commitments for expenditure	23
19 Asset revaluation surplus	23
20 Transactions with related parties	23
21 Contingent liabilities	24
22 Superannuation	25
23 Joint venture	25
24 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities	26
25 Events after the reporting period	27
26 Financial instruments and financial risk management	27
27 Going Concern	28
Management Certificate	29
Independent Auditor's Report (General Purpose Financial Statements)	30
Current Year Financial Sustainability Statement	32
Certificate of Accuracy - for the Current Year Financial Sustainability Statement	32
Independent Auditor's Report (Current Year Financial Sustainability Statement)	33
Unaudited Long Term Financial Sustainability Statement	35
Certificate of Accuracy - for the Long Term Financial Sustainability Statement	35

**Wujal Wujal Aboriginal Shire Council**  
**Statement of Comprehensive Income**  
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>Income</b>			
<b>Revenue</b>			
<b>Recurrent revenue</b>			
Fees and charges	3(a)	1,122,308	1,025,448
Sales revenue	3(b)	2,761,380	1,348,100
Grants, subsidies, contributions and donations	3(c) (i)	6,632,668	3,255,291
		<u>10,516,356</u>	<u>5,628,840</u>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	3(c) (ii)	413,028	144,316
Other capital income	5	268,558	562,515
<b>Total capital revenue</b>		<u>681,586</u>	<u>706,832</u>
Rental income		177,813	182,057
Interest received		8,268	14
Joint Venture		885,812	869,608
Other income	4	169,193	41,276
<b>Total income</b>		<u>12,439,027</u>	<u>7,428,626</u>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	6	(3,246,255)	(3,147,168)
Materials and services	7	(4,514,757)	(3,751,591)
Finance costs		(117,642)	(49,388)
Depreciation and amortisation	12	(2,111,632)	(1,769,850)
<b>Total recurrent expenses</b>		<u>(9,990,286)</u>	<u>(8,717,997)</u>
<b>Capital expenses</b>	8	(814,020)	-
<b>Total expenses</b>		<u>(10,804,307)</u>	<u>(8,717,997)</u>
<b>Net result</b>		<u>1,634,721</u>	<u>(1,289,370)</u>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Increase / (decrease) in asset revaluation surplus		2,236,897	2,808,173
<b>Total other comprehensive income</b>		<u>2,236,897</u>	<u>2,808,173</u>
<b>Total comprehensive income for the year</b>		<u>3,871,617</u>	<u>1,518,803</u>

*The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.*

**Wujal Wujal Aboriginal Shire Council**  
**Statement of Financial Position**  
As at 30 June 2023

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>Current assets</b>			
Cash and cash equivalents	9	6,841,449	2,547,730
Receivables	10	594,410	358,728
Inventories	11	42,787	51,717
Contract assets	13	166,790	694,770
Lease receivable	14	86,178	78,861
<b>Total current assets</b>		<b>7,731,614</b>	<b>3,731,807</b>
<b>Non-current assets</b>			
Lease receivable	14	2,225,885	3,097,144
Investment in joint venture	23	412,957	412,957
Property, plant and equipment	12	45,954,316	45,020,565
<b>Rental income</b>		<b>48,593,159</b>	<b>48,530,667</b>
<b>Total assets</b>		<b>56,324,773</b>	<b>52,262,473</b>
<b>Current liabilities</b>			
Payables	15	618,046	899,016
Contract liabilities	13	3,245,197	2,284,224
Borrowings	16	346,401	338,148
Lease liabilities	14	-	55,046
Provisions	17	237,415	289,604
<b>Total current liabilities</b>		<b>4,447,060</b>	<b>3,866,038</b>
<b>Non-current liabilities</b>			
Payables	15	34,307	50,567
Borrowings	16	2,939,816	3,282,737
Provisions	17	107,426	138,586
<b>Total non-current liabilities</b>		<b>3,081,549</b>	<b>3,471,890</b>
<b>Total liabilities</b>		<b>7,528,609</b>	<b>7,337,928</b>
<b>Net community assets</b>		<b>48,796,162</b>	<b>44,924,544</b>
<b>Community equity</b>			
Asset revaluation surplus	19	20,155,105	17,918,207
Retained surplus/(deficiency)		28,641,058	27,006,336
<b>Total community equity</b>		<b>48,796,162</b>	<b>44,924,544</b>

*The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.*



**Wujal Wujal Aboriginal Shire Council**  
**Statement of Changes in Equity**  
For the year ended 30 June 2023

		Asset revaluation surplus	Retained Surplus	Total
	Note	\$	\$	\$
<b>Balance as at 1 July 2022</b>		17,918,207	27,006,336	44,924,544
Net result			1,634,721	1,634,721
Other comprehensive income for the year				
Increase / (decrease) in asset revaluation surplus	19	2,236,897		2,236,897
<b>Total comprehensive income for the year</b>		2,236,897	1,634,721	3,871,617
<b>Balance as at 30 June 2023</b>		20,155,105	28,641,058	48,796,162
<b>Balance as at 1 July 2021</b>		15,110,034	28,295,706	43,405,740
Net result			(1,289,370)	(1,289,370)
Other comprehensive income for the year				
Increase / (decrease) in asset revaluation surplus	19	2,808,173	-	2,808,173
<b>Total comprehensive income for the year</b>		2,808,173	(1,289,370)	1,518,802
<b>Balance as at 30 June 2022</b>		17,918,207	27,006,336	44,924,544

*The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.*

**Wujal Wujal Aboriginal Shire Council**  
**Statement of Cash Flows**  
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		3,837,070	2,323,945
Payments to suppliers and employees		(8,073,685)	(6,794,380)
		(4,236,616)	(4,470,435)
Interest received		8,268	14
Rental income		177,813	182,058
Non capital grants and contributions		6,870,600	4,955,190
Borrowing costs		(117,642)	(49,388)
<b>Net cash inflow (outflow) from operating activities</b>	24	<u>2,702,423</u>	<u>617,439</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(629,206)	(2,608,022)
Finance lease receipts	14	80,223	76,808
Grants, subsidies, contributions and donations		2,129,991	-
Dividend - JV investment	23	400,000	1,567,183
<b>Net cash inflow (outflow) from investing activities</b>		<u>1,981,008</u>	<u>(964,031)</u>
<b>Cash flows from financing activities</b>			
Repayments made on finance leases		(55,046)	(70,672)
Proceeds from borrowings		-	3,726,611
Repayment of borrowings		(334,667)	(105,726)
<b>Net cash inflow (outflow) from financing activities</b>		<u>(389,712)</u>	<u>3,550,213</u>
<b>Net increase (decrease) in cash and cash equivalents held</b>		<u>4,293,719</u>	<u>3,203,621</u>
<b>Cash and cash equivalents at the beginning of the financial year</b>		2,547,730	(655,892)
<b>Cash and cash equivalents at end of the financial year</b>	9	<u><u>6,841,449</u></u>	<u><u>2,547,730</u></u>

*The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.*

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**1 Information about these financial statements**

**1.A Basis of preparation**

Wujal Wujal 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 2022 to 30 June 2023 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). 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 Date of authorisation**

The financial statements were authorised for issue on the date the management certificate was signed.

**1.C New and revised Accounting Standards adopted during the year**

Wujal Wujal Aboriginal Shire Council adopted all standards which became mandatorily effective for annual reporting periods beginning 1 July 2022. There were no standards which had an impact on reported position, performance and cash flows of Council.

**1.D Standards issued by the AASB not yet effective**

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Council do not expect standards issued but not yet effective to have a significant impact on the financial statements.

**1.E Estimates and judgements**

Councils make 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 relevant note:

Revenue - **Note 3**

Valuation and depreciation of property, plant and equipment - **Note 12**

Impairment of property, plant and equipment - **Note 12**

Provisions - **Note 17**

Contract balances - **Note 13**

Valuation of finance leases - **Note 14**

Contingent liabilities - **Note 21**

**1.F Rounding and comparatives**

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

Comparative information is stated on the same basis as the prior year.

**1.G Taxation**

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the ATO or payable to the ATO is shown as a consolidated asset or liability.

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**2 Analysis of Results by Function**

**(a) Components of Council functions**

The activities relating to the Council's components reported on in Note 2(b) are as follows :

**Corporate governance**

The objective of corporate governance is for Council to be open, accountable, transparent and deliver value for money community outcomes. This function includes strategic and operational planning, marketing and communication, risk management, internal audit, legal and administrative support. The Mayor, Councillors and Chief Executive Officer activities are included in corporate governance.

**Corporate services**

Corporate services provides administration, finance and information services across all of council. This function includes human resource management, budget support, financial accounting, and information technology services. The goal of this function is to provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements and to provide appropriate services to all of the activities of Council.

**Technical services**

This function is responsible for the road transport network, parks and gardens, waste management and the water and sewerage networks. The objectives are to ensure the community is serviced by a high quality and effective road network, to protect and support the community and natural environment by sustainably managing refuse through provision of rubbish collection and disposal services, mosquito and other pest management programs and to support a healthy, safe community by sustainably managing the water and sewerage network infrastructure.

**Community services & economic development**

The goal of community services is to ensure Wujal Wujal is a healthy, vibrant, contemporary and connected community. Community services provides well managed and maintained community facilities, and ensures the effective delivery of cultural, health, welfare, environmental and recreational services.

This function includes libraries, kindergarten, entertainment venues, art gallery and cafe, community care services and facilities and environmental licences and approvals.

**Building services**

This function facilitates the Shire's growth and prosperity through well planned and quality development. The objective of building services is to ensure the Wujal Wujal Aboriginal Shire is well designed, efficient and facilitates growth yet also preserves the character and natural environment of the Shire. This function includes activities and services related to town and regional planning, maintenance of Council assets and management of development approval processes.



**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**2 Analysis of results by function**

(b) Income and expenses defined between recurring and capital are attributed to the following functions:

Year ended 30 June 2023

Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital				
	Grants	Other	Grants	Other							
	2023	2023	2023	2023		2023	2023				
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Corporate governance	-	26	-	-	26	(635,225)	-	(635,225)	(635,199)	(635,199)	52,777
Corporate services	5,110,633	314,615	-	268,558	5,693,806	(1,994,598)	-	(1,994,598)	3,430,652	3,899,210	4,689,432
Technical services	222,643	2,468,987	413,028	-	3,104,638	(3,508,132)	(814,020)	(4,322,153)	(816,523)	(1,217,515)	26,910,750
Community services & economic development	1,299,392	131,365	-	-	1,430,758	(1,803,520)	-	(1,803,520)	(372,762)	(372,762)	18,128,477
Building services	-	2,209,800	-	-	2,209,800	(2,048,812)	-	(2,048,812)	160,987	160,987	6,543,336
Total	6,632,668	5,124,773	413,028	268,558	12,439,027	(9,990,286)	(814,020)	(10,804,306)	1,767,155	1,634,721	56,324,773

Year ended 30 June 2022

Year ended 30 June 2022

Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital				
	Grants	Other	Grants	Other							
	2022	2022	2022	2022							
	\$	\$	\$	\$	2022	2022	2022	2022	2022	2022	2022
Corporate governance	-	50,159	-	-	50,159	(663,034)	-	(663,034)	(612,875)	(612,875)	62,516
Corporate services	2,106,278	1,467,344	-	-	3,593,622	(1,490,608)	-	(1,490,608)	2,103,015	2,103,015	2,893,327
Technical services	252,204	1,314,045	(59,712)	-	1,506,537	(2,769,203)	-	(2,769,203)	(1,202,954)	(1,262,666)	24,838,722
Community services & economic development	896,808	(380,085)	204,028	562,515	1,283,267	(1,696,420)	-	(1,696,420)	(1,179,697)	(413,153)	16,840,328
Building services	-	995,041	-	-	995,041	(2,098,732)	-	(2,098,732)	(1,103,691)	(1,103,691)	5,627,580
<b>Total</b>	<b>3,255,291</b>	<b>3,466,503</b>	<b>144,316</b>	<b>562,515</b>	<b>7,428,627</b>	<b>(8,717,997)</b>	<b>-</b>	<b>(8,717,997)</b>	<b>(1,996,202)</b>	<b>(1,269,371)</b>	<b>52,262,472</b>

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**3 Revenue**  
**(a) Fees and charges**

Revenue arising from fees and charges is recognised when or as 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, for example recreation/camping reserve fees. There is no material obligation for Council in relation to refunds or returns.

	2023	2022
	\$	\$
Administration and utility charges	1,060,392	922,098
Bank and Post Office agency commissions	23,841	37,385
Centrelink commissions	27,038	26,677
Other fees and charges	11,037	39,288
<b>Total fees and charges</b>	<b>1,122,308</b>	<b>1,025,448</b>

**(b) Sales revenue**

Sale of goods revenue is recognised when the customer has taken delivery of the goods. 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. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in contract liabilities and is recognised as revenue in the period when the service is performed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

	2023	2022
	\$	\$
<b>Contracts and recoverable works</b>		
Sales Revenue	704,520	421,673
Q Build and BAS contract and recoverable works	1,520,433	441,408
<b>Total contracts and recoverable works</b>	<b>2,224,953</b>	<b>863,082</b>
<b>Sale of goods</b>		
Fuel	398,994	313,082
Art Centre	130,365	126,941
Works Private External Hire	7,068	44,996
<b>Total sale of goods</b>	<b>536,427</b>	<b>485,019</b>
<b>Total sales revenue</b>	<b>2,761,380</b>	<b>1,348,100</b>

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**3 Revenue (continued)**

**(c) Grants, subsidies, contributions and donations**

*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 are varied based on the agreement. 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 benefit.

*Grant income under AASB 1058*

Assets arising from grants in the scope of AASB 1058 is recognised at the assets 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 standard.

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 grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue 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 since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by the Council.

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. the Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Physical asset contributions with a value in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

	2023 \$	2022 \$
<b>(i) Operating</b>		
General purpose grants	5,113,396	2,055,734
State government subsidies and grants	859,016	654,457
Commonwealth government subsidies and grants	660,256	545,099
Donations	-	-
<b>Total operating</b>	<b>6,632,668</b>	<b>3,255,291</b>

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**3 Revenue (continued)**

**(c) Grants, subsidies, contributions and donations (continued)**

**(ii) Capital**

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 infrastructure assets received from developers.

	2023 \$	2022 \$
State government subsidies and grants	413,028	144,316
Total capital	<u>413,028</u>	<u>144,316</u>

**(iii) Timing of revenue recognition of grants, subsidies, contributions and donations**

	2023 \$	2022 \$
<b>Revenue recognised over time</b>		
Grants and subsidies	786,322	430,648
	<u>786,322</u>	<u>430,648</u>

	2023 \$	2022 \$
<b>Revenue recognised at a point in time</b>		
Grants and subsidies	6,294,556	2,968,959
	<u>6,294,556</u>	<u>2,968,959</u>

**4 Other income**

	2023 \$	2022 \$
Joint Venture Placement Fees	62,500	5,000
Other	96,475	36,276
Insurance Recovery	10,218	-
Total other income	<u>169,193</u>	<u>41,276</u>

**5 Capital income**

**Gain / loss on disposal of non-current assets**

Proceeds from the sale of property, plant and equipment	-	-
Less: Book value of property, plant and equipment disposed of	12	-
	<u>-</u>	<u>-</u>

**Other capital income**

Gain on revaluation of finance leases	14	71,749
Less: Loss on surrender of finance leases	-	-
Fair value gain on contribution of assets	-	-
	<u>-</u>	<u>71,749</u>

**Revaluations**

Revaluation increment of property, plant and equipment reversing previous revaluation decrement	12	268,558
		<u>268,558</u>

Total capital income		<u>268,558</u>
----------------------	--	----------------



**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**6 Employee benefits**

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

		2023	2022
	Note	\$	\$
Staff wages and salaries		2,257,131	2,289,719
Councillors' remuneration		347,288	335,160
Annual, sick and long service leave entitlements		342,702	350,987
Superannuation	22	341,536	341,315
		<u>3,288,656</u>	<u>3,317,181</u>
Other employee related expenses		-	-
		<u>3,288,656</u>	<u>3,317,181</u>
Less: Capitalised employee expenses		(42,402)	(170,013)
Total employee benefits		<u>3,246,255</u>	<u>3,147,168</u>

The superannuation expense for the reporting period is the amount of the contribution the Council makes to the superannuation plan which provides benefits to its employees.

Councillors' remuneration represents salary paid in respect of carrying out their duties.

	2023	2022
	#	#
Total Council employees at the reporting date:		
Elected members	5	5
Administration and indoor staff	26	23
Depot and outdoors staff	22	27
Total full time equivalent employees	<u>53</u>	<u>55</u>

**7 Materials and services**

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

	2023	2022
	\$	\$
Administration supplies and consumables	885,957	377,067
Audit of annual financial statements by the QAO	127,000	68,293
BAS recoverable expenditure	1,023,112	254,951
Communications and IT Expenses	241,213	301,072
Contractors, consultants and service	24,967	89,122
Cost of goods sold	324,410	369,969
Housing construction expenses	398,257	1,185,660
Insurances	272,506	165,023
Other materials and services	721,354	563,851
Repairs and maintenance	322,489	233,661
Vehicle and plant operating costs	173,492	142,923
Total materials and services	<u>4,514,757</u>	<u>3,751,591</u>

Total audit fees quoted by the QAO relating to the 2022/23 financial statements are \$127,000 (2022: \$115,000)

**8 Capital expenses**

**Revaluation decrement in P&L**

	2023	2022
	\$	\$
Land	30,302	-
Other Infrastructure	-	-
Total Revaluation decrement in P&L	<u>30,302</u>	<u>-</u>

**Other capital expenses**

	2023	2022
	\$	\$
Loss on revaluation of finance leases	783,718	-
	<u>783,718</u>	<u>-</u>
Total capital expenses	<u>814,020</u>	<u>-</u>

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**9 Cash and cash equivalents**

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

	Note	2023 \$	2022 \$
Cash at bank and on hand		6,841,449	2,547,730
Balance per Statement of Financial Position		6,841,449	2,547,730
Balance per Statement of Cash Flows		6,841,449	2,547,730

Council is exposed to credit risk through its investments in the QTC Working Capital Facility. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", the likelihood of the counterparty not having capacity to meet its financial commitments is low.

Cash and cash equivalents		6,841,449	2,547,729
Less: Externally imposed restrictions	(i)	3,245,197	2,284,224
Less: Internally imposed restrictions	(ii)	735,623	735,623
Total unrestricted cash		2,860,629	(472,117)

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.

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

Unspent government grants and subsidies	3,245,197	2,284,224
Total externally imposed restrictions on cash assets	3,245,197	2,284,224

(ii) Internal allocations of cash at reporting date:

Constrained Works Reserve	624,245	624,245
Constrained Contributions Reserve	111,378	111,378
	735,623	735,623

**10 Receivables**

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

Debts are regularly assessed for collectability and allowance is made, where appropriate, 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.

	2023 \$	2022 \$
<b>Current</b>		
Trade debtors	358,986	103,234
Less: loss allowance	(10,561)	(7,434)
Trade debtors net	348,426	95,800
Other debtors	245,985	262,928
Total current receivables	594,410	358,728

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

Not past due	252,543	60,238
Past due 31-60 days	279,390	38,589
Past due 61-90 days	1,573	486
More than 90 days	71,465	11,356
Trade Debtors	604,971	110,668
Impaired	(10,561)	(7,434)
Total	594,410	103,234

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**10 Receivables (continued)**

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's receivables from customers.

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security.

Wujal Wujal Aboriginal Shire Council conducts an assessment of individual debts to determine expected credit losses. Based on the composition of Council's debtors, and controls in place relating to credit approval and monitoring, there is an immaterial risk of impairment of Council's debtors.

**11 Inventories**

Stores, raw materials and other goods held for resale are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads.

Inventories held for distribution are:

- goods to be supplied at nil or nominal charge
- goods to be used for the provision of services at nil or nominal charge

These goods are valued at cost, adjusted, where applicable, for any loss of service potential.

	2023 \$	2022 \$
Fuel stores	38,419	36,451
Plant and equipment stores	4,367	15,266
Total inventories	<u>42,787</u>	<u>51,717</u>

## Wujal Wujal Aboriginal Shire Council

### Notes to the Financial Statements

For the year ended 30 June 2023

#### 12 Property, plant and equipment accounting policies

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.

##### (a) Acquisition of assets

Acquisitions of assets are initially recorded at cost.

##### (b) Measurement

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.

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 and engineering design fees and all other establishment costs.

Direct labour and materials and an appropriate proportion of labour oncosts incurred in the acquisition or construction of assets are also included in their cost.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value.

##### (c) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other 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, less its estimated residual value, progressively over its estimated useful life to the Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all 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 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, estimated useful lives and residual values 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 written down 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 on page 17.

##### *Key judgements and estimates:*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical or physical obsolescence that may change the utility of infrastructure assets.

##### (d) DOGIT and other land

The Council is located on land assigned to it under a Deed of Grant in Trust (DOGIT) under Section 34I of the Land Act 1994.

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 its value cannot be reliably measured.

Council also holds additional freehold land outside its DOGIT and Local Government area, in the township of Ayton and the area of Degarra. This land is measured at fair value.



**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**12 Property, plant and equipment accounting policies**

**(e) Impairment**

Each non-current physical asset and group of assets is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation surplus increase.

**(f) Valuation**

**(i) Valuation processes**

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 5 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, for the valuation of the land, buildings and infrastructure asset classes, 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.

**Key judgements and estimates:**

Some of the Council's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Council uses market-observable data to the extent it is available and other inputs as necessary.

In accordance with AASB 13 Fair Value Measurement, 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, such as prices for similar assets, for the asset or liability (Level 2);
- Fair value based on unobservable inputs for the asset and liability (Level 3).

There were no transfers between levels of the hierarchy during the year.

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**12 Property, plant and equipment accounting policies (Continued)**  
(ii) Valuation techniques used to derive fair values for level 3 valuations

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and inputs	Interim revaluation treatments
Land (level 2 & 3)	Market	30 June 2021	Australis Asset Advisory Group	Where an observable market for Council land assets could be identified, Fair Value was measured by way of a Market Approach (Level 2), utilising sale prices of comparable properties after adjusting for differences in key attributes of the property, such as size. Where a significant adjustment was required between the sale prices of comparable properties, Fair Value was measured by way of a Market Approach (Level 3). The most significant input into this valuation approach is price per square metre.	Council has engaged Australis Asset Advisory Group to undertake a desktop assessment for the year ended 30 June 2023. Based on this assessment, Council have applied indexation of -2.4% to this class.
Buildings (level 3)	Current replacement cost	30 June 2021	Australis Asset Advisory Group	All WWASC building and other infrastructure assets are considered of a specialist nature and did not meet the criteria for a Market approach, and Fair Value was measured on the basis of a Cost Approach (Level 3). Each asset has been disaggregated into significant components which exhibit different useful lives. For example, structure, roof, fit-out and services. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset.	Council has engaged Australis Asset Advisory Group to undertake a desktop assessment for the year ended 30 June 2023. Based on this assessment, Council have applied indexation of 5.4% to this class.
Other Infrastructure (level 3)	Current replacement cost	30 June 2021	Australis Asset Advisory Group	Each asset has been disaggregated into significant components which exhibit different useful lives. For example pipework, structures, pumps and electrical components. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Council has engaged Australis Asset Advisory Group to undertake a desktop assessment for the year ended 30 June 2023. Based on this assessment, Council have applied indexation of 5.5% to this class.
Water Infrastructure (level 3)	Current replacement cost	30 June 2021	Australis Asset Advisory Group	Each asset has been disaggregated into significant components which exhibit different useful lives. For example pipework, structures, pumps and electrical components. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Council has engaged Australis Asset Advisory Group to undertake a desktop assessment for the year ended 30 June 2023. Based on this assessment, Council have applied indexation of 6.66% to this class.
Sewerage Infrastructure (level 3)	Current replacement cost	30 June 2021	Australis Asset Advisory Group	Each asset has been disaggregated into significant components which exhibit different useful lives. For example mains, manholes, pumps and electrical components. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Council has engaged Australis Asset Advisory Group to undertake a desktop assessment for the year ended 30 June 2023. Based on this assessment, Council have applied indexation of 6.95% to this class.
Roads Network (level 3)	Current replacement cost	30 June 2021	Australis Asset Advisory Group	Road assets are differentiated by physical characteristics (i.e. Road, Culverts, Floodways, Footpaths, Kerb & Channel). Road segments are then componentised into formation, pavement and seal (where applicable). Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Council has engaged Australis Asset Advisory Group to undertake a desktop assessment for the year ended 30 June 2023. Based on this assessment, Council have applied indexation of 8.97% to this class.

Wujal Wujal Aboriginal Shire Council  
Notes to the Financial Statements  
For the year ended 30 June 2023

12 Property, plant and equipment

(g) 30 June 2023

Basis of measurement

Asset values

Opening gross value as at 1 July 2022

Additions

Disposals

Transfer from WIP

Write off to P&L

Revaluation adjustment to asset revaluation surplus

Revaluation adjustment to P&L

Other adjustments

Closing gross value as at 30 June 2023

Accumulated depreciation and impairment

Opening balance as at 1 July 2022

Depreciation provided in period

Depreciation on additions/disposals

Write off to P&L

Revaluation adjustment to asset revaluation surplus

Revaluation adjustment to P&L

Accumulated depreciation as at 30 June 2023

Total written down value as at 30 June 2023

Residual value

Range of estimated useful life in years

Additions comprise:

Renewals

Other additions

Total additions

Note	Land	Buildings	Motor Vehicles	Plant and Equipment	Furniture and Fittings	Water Infrastructure	Sewerage Infrastructure	Other Infrastructure	Roads Network	Work In progress	Total
	Valuation	Valuation	Cost	Cost	Cost	Valuation	Valuation	Valuation	Valuation	Cost	\$
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	1,262,579	26,667,330	765,700	3,121,293	99,468	9,666,732	8,151,355	5,421,019	9,836,596	1,350,076	67,264,086
	-	-	-	-	-	-	-	-	-	626,206	626,206
	-	68,033	90,339	38,354	-	176,645	54,364	-	415,091	(843,025)	0
	-	-	-	-	-	-	-	-	-	(58,976)	(58,976)
19	-	1,455,589	-	-	-	645,937	586,519	-	293,410	-	3,559,355
5, 8	(30,503)	-	-	-	-	-	-	298,156	-	-	267,654
	-	-	-	-	-	-	-	-	-	-	-
	1,232,277	28,410,952	856,039	3,159,648	99,468	10,493,414	8,772,238	5,719,175	11,243,107	1,877,220	71,661,537
	-	11,491,109	480,139	1,661,041	97,828	2,624,477	3,566,576	282,290	1,806,972	-	22,243,532
	-	616,720	100,158	168,104	472	265,867	237,449	232,869	287,973	-	2,111,632
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
19	-	664,731	-	-	-	194,201	293,555	-	169,972	-	1,322,459
8	-	-	-	-	-	-	-	29,596	-	-	29,596
	-	12,974,560	580,297	1,829,145	98,400	3,084,545	4,517,580	554,777	2,067,917	-	25,707,221
	1,232,277	15,436,393	275,742	1,330,501	1,068	7,408,869	4,254,658	5,164,358	8,175,180	1,877,220	45,954,316
	-	-	-	-	-	-	-	-	-	-	-
	Land: Not depreciated	10 - 60	5 - 10	4 - 20	3 - 12	7 - 80	5 - 80	20 - 60	10 - 1,600	-	-
	-	-	-	-	-	-	-	-	24,508	-	24,508
	-	81,293	90,339	52,887	-	261,083	20,264	-	95,546	3,487	804,699
	-	81,293	90,339	52,887	-	261,083	20,264	-	120,051	3,487	620,205

Wujal Wujal Aboriginal Shire Council  
Notes to the Financial Statements  
For the year ended 30 June 2023

Property, plant and equipment

(h) 30 June 2022

Basis of measurement

Asset values

Opening gross value as at 1 July 2021

Additions

Disposals

Transfer from WIP

Write off to P&L

Revaluation adjustment to asset revaluation surplus

Revaluation adjustment to P&L

Closing gross value as at 30 June 2022

Note	Land	Buildings	Motor Vehicles	Plant and Equipment	Furniture and Fittings	Water Infrastructure	Sewerage Infrastructure	Other Infrastructure	Roads Network	Work in progress	Total
	Valuation	Valuation	Cost	Cost	Cost	Valuation	Valuation	Valuation	Valuation	Cost	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	1,200,741	22,052,603	765,700	3,061,348	99,468	8,632,589	7,325,194	2,273,733	6,907,531	7,423,089	59,781,896
	-	-	-	59,945	-	-	-	-	-	2,548,077	2,608,022
	-	-	-	-	-	-	-	-	-	-	-
	-	2,284,043	-	-	-	368,644	240,006	2,689,511	2,348,686	(7,940,070)	(9)
	-	-	-	-	-	-	-	-	-	(81,080)	(81,080)
10	-	2,510,784	-	-	-	667,298	577,154	-	680,409	-	4,435,647
5, 8	61,836	-	-	-	-	-	-	457,775	-	-	519,614
	1,262,579	26,887,310	765,700	3,121,293	99,468	9,668,732	8,151,355	5,421,019	9,536,608	1,850,018	67,264,096

Accumulated depreciation and impairment

Opening balance as at 1 July 2021

Depreciation provided in period

Depreciation on additions/disposals

Write off to P&L

Revaluation adjustment to asset revaluation surplus

Revaluation adjustment to P&L

Accumulated depreciation as at 30 June 2022

	-	9,783,177	394,120	1,443,097	97,456	2,230,580	3,475,486	115,024	1,278,415	-	18,817,355
	-	834,672	88,020	217,944	472	232,048	228,821	148,419	221,253	-	1,769,650
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	1,073,059	-	-	-	181,848	282,268	-	110,304	-	1,627,480
10	-	-	-	-	-	-	-	28,847	-	-	28,847
	-	11,491,109	480,139	1,661,041	97,928	2,624,477	3,986,576	292,290	1,609,972	-	22,243,532

Total written down value as at 30 June 2022

Residual value

Range of estimated useful life in years

	1,262,579	15,596,221	285,561	1,460,252	1,540	7,644,255	4,164,779	5,128,725	8,326,634	1,850,018	45,025,565
	-	-	-	-	-	-	-	-	-	-	-
	Land: Not depreciated	10 - 60	5 - 10	4 - 20	3 - 12	7 - 80	5 - 80	20 - 80	10 - 1,000	-	-



**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**13 Contract balances**

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

	2023	2022
	\$	\$
(a) Contract assets	166,790	694,770
(b) Contract liabilities		
Funds received upfront to construct Council controlled assets	1,941,841	788,574
Non-capital performance obligations not yet satisfied	1,303,356	1,495,650
	3,245,197	2,284,224
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Funds to construct Council controlled assets	295,317	931,564
Non-capital performance obligations	759,919	-
	1,055,236	931,564

**Satisfaction of contract liabilities**

The contract liabilities in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets. Council expects to recognise the contract liability as income in the next 1-2 years.

**Significant changes in contract liabilities**

Significant movements in contract assets and contract liabilities that have occurred during the year relate to change in the timing of the work and significant monies received in advance, in particular in relation to W4Q and QRA projects.

**14 Leases**

**Council as a lessee**

Council has leases in place over plant and equipment, specifically a loader (2022: grader and loader). The contract expired in 2023. Periodic payments occur in accordance with the finance lease schedule.

Where Council assesses that an agreement contains a lease, a right-of-use asset and lease liability is recognised on the 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 asset 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.

**Exceptions to lease accounting**

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

**Leases at significantly below market value / concessionary leases**

Council has elected to measure the right-of-use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

**Right of use assets**

Lease assets are included within Note 12.

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**14 Leases (Continued)**  
*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.

	2023	2022
	\$	\$
Not later than one year	-	55,046
Later than one year but not later than five years	-	-
<b>Total per statement of financial position</b>	<b>-</b>	<b>55,046</b>

***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.

***Finance leases:***

Council has leased 83 (2022 - 83) dwellings as lessor to the Queensland Government for 40 years. The average lease payment per dwelling in the current year was \$950.14 (2022 - \$967), in addition, there was also approximately \$10,606 (2022 - \$9,399) in service charges applied per property. As the gross lease payments are insufficient to cover the fair value (depreciated replacement cost) of the leased properties, there is no interest rate implicit in the leases and therefore no finance income will arise from the leases. The leases are recognised at the present value of the expected future lease payments receivable, excluding service charges (i.e. NPV method is used). Gains on revaluation of finance lease assets are recognised as "other income" when the cashflows diminish and the discount rate declines year on year. Conversely, in the future, when the discount rate increases and the cashflows diminish, losses on finance lease asset revaluations will be recognised as "other expenses".

	2023	2022
	\$	\$
<b>Lease receivables</b>		
Current	86,178	78,861
	<b>86,178</b>	<b>78,861</b>
<b>Lease receivables</b>		
Non-current	2,225,885	3,097,144
	<b>2,225,885</b>	<b>3,097,144</b>

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**14 Leases (Continued)**

*Finance leases (continued):*

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

	2023	2022
	\$	\$
Gross minimum lease payments receivable:		
Not later than one year	86,178	78,861
Later than one year but not later than five years	344,713	315,445
Later than five years	2,199,186	2,091,327
	<u>2,630,077</u>	<u>2,485,634</u>
Add: Estimated contingent rent	2,610,624	4,539,977
Less: Present value adjustment	(2,928,638)	(3,849,606)
Fair value of lease payments	<u>2,312,063</u>	<u>3,176,005</u>

The fair value of lease payments are receivable as follows:

Not later than one year	86,178	78,861
Later than one year but not later than five years	337,160	327,797
Later than five years	1,888,725	2,769,347
	<u>2,312,063</u>	<u>3,176,005</u>

Movements in finance leases were as follows:

Opening balance	3,176,005	3,181,065
Less: Lease receipts	(80,223)	(76,810)
Gain (Loss) on revaluation	(783,718)	71,749
Closing balance	<u>2,312,063</u>	<u>3,176,005</u>

The calculation of fair value has included an estimate of average annual CPI increases of 4.25% for 2022/23 (2022: 6%) and a discount rate of 5.18% for 2022/23 (2022: 4.39%).

There is nil unearned finance income, unguaranteed residual values accruing to the benefit of Council, accumulated allowance for uncollectible minimum lease payments receivable recognised as income applicable to the leases. There is, however, a contingent rent recognised of \$2,610,624 (2022: \$4,539,977) which is the difference between nominal rents and consumer price indexation of rents.

**15 Payables**

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents a current accrued expense.

	2023	2022
	\$	\$
<b>Current</b>		
Accounts payable	786	119,688
Accrued expenses	496,750	619,300
Other creditors and accruals	120,511	160,027
	<u>618,046</u>	<u>899,016</u>
<b>Non-Current</b>		
Other creditors and accruals	34,307	50,567
	<u>34,307</u>	<u>50,567</u>

**Wujal Wujal Aboriginal Shire Council****Notes to the Financial Statements**

For the year ended 30 June 2023

**16 Borrowings**

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost. Principal and interest repayments are made quarterly in arrears.

All borrowings are in \$A denominated amounts and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. The expected final repayment date is 15 February 2032.

	2023 \$	2022 \$
<b>Current</b>		
Current Loans - QTC	346,401	338,148
	<b>346,401</b>	<b>338,148</b>
<b>Non-Current</b>		
Non-Current Loans - QTC	2,939,816	3,282,737
	<b>2,939,816</b>	<b>3,282,737</b>

The QTC loan market value at the reporting date was \$3,022,708.02. This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by the Council for any liabilities.

There has been no defaults or breaches of the loan agreement during the 2023 financial year.

**17 Provisions**

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. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As Council does not have an unconditional right to defer settlement of the annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

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.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months long service leave is classified as a current liability. Otherwise it is classified as non-current.

	2023 \$	2022 \$
<b>Current</b>		
Annual leave	127,583	175,635
Long service leave	109,832	113,969
	<b>237,415</b>	<b>289,604</b>
<b>Non-current</b>		
Long service leave	107,426	138,586
	<b>107,426</b>	<b>138,586</b>



**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**16 Borrowings**

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost. Principal and interest repayments are made quarterly in arrears.

All borrowings are in \$A denominated amounts and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. The expected final repayment date is 15 February 2032.

	2023 \$	2022 \$
<b>Current</b>		
Current Loans - QTC	346,401	338,148
	<b>346,401</b>	<b>338,148</b>
<b>Non-Current</b>		
Non-Current Loans - QTC	2,939,816	3,282,737
	<b>2,939,816</b>	<b>3,282,737</b>

The QTC loan market value at the reporting date was \$3,022,706.02. This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by the Council for any liabilities.

There has been no defaults or breaches of the loan agreement during the 2023 financial year.

**17 Provisions**

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. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As Council does not have an unconditional right to defer settlement of the annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

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.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months long service leave is classified as a current liability. Otherwise it is classified as non-current.

	2023 \$	2022 \$
<b>Current</b>		
Annual leave	127,583	175,635
Long service leave	109,832	113,969
	<b>237,415</b>	<b>289,604</b>
<b>Non-current</b>		
Long service leave	107,426	138,586
	<b>107,426</b>	<b>138,586</b>

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**20 Transactions with related parties (continued)**

**(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 transactions	2023	2022
	\$	\$
Employee expenses of close family members of KMP (5 employees, 2022: 3)	249,057	211,528

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

**(c) Transactions with parties over which Council has significant control**

In 2013 Enterprise Management Group, Hope Vale Foundation, Gungahde Community Aboriginal Corporation and Wujal Wujal Aboriginal Shire Council entered into a Joint Venture Agreement to work together to deliver services under the Federal Government's Remote Jobs and Communities Program (RJCP). Hope Vale Aboriginal Shire Council and Ang Ngarra Aboriginal Corporation are Associate Members of the Joint Venture. The Joint Venture is structured as an unincorporated collaborative venture for the purpose of providing the RJCP services. All venture participants have an equal interest in the Joint Venture. Wujal Wujal Aboriginal Shire Council is entitled to 25% of net profit from the operation of the Joint Venture. It is also liable for 25% of any losses throughout the Joint Venture. Council is entitled to two members on the Board out of eight.

Details of transactions	2023	2022
	\$	\$
My Pathway (v/a Enterprise Management Group)		
- Share of profit	726,309	881,794
- Distributions received (relating to current year share of profit)	400,000	881,794
- Distributions received (relating to previous years)	100,000	685,389
- Sales (at arms-length)	62,500	5,000

Further information about the Joint Venture can be found in Note 23 to the Financial Statements.

**(d) Outstanding balances with related parties**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Amounts owed by KMP and other related parties as at balance date totalled \$1,195.82 (2022 \$60). There were no amounts owing to KMP and other related parties at balance date.

**(e) Transactions with related parties that have not been disclosed**

The majority of people who are related parties of Council live within the Wujal Wujal Aboriginal Shire Community. Therefore on a regular basis ordinary citizen transactions occur between Council and its related parties. The payment by community residents of utility charges and for sales of goods of goods and services are considered to be an ordinary citizen transaction.

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

**(f) Loans, guarantees and commitments to/from related parties**

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

**21 Contingent liabilities**

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

**Local Government Mutual**

The 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 is 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 reported an accumulated surplus and it is not anticipated any liability will arise.

**Local Government Workcare**

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there are insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The indemnity amount provided by Wujal Wujal Aboriginal Shire Council as at 30 June 2023 in relation to the Local Government Workcare Bank Guarantee is \$70,837.07.

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**22 Superannuation**

Council contributes to LGIASuper (the Scheme) at the rate of 12% for each permanent employee. LGIASuper is a multi-employer plan as defined in Australian Accounting Standard AASB119 Employee Benefits. The Scheme has a number of elements including a defined benefits fund and an accumulation benefits fund. Council does not have any employees who are members of the defined benefits fund and so is not exposed to the obligations, assets or costs associated with these funds. Council has employees who are members of the accumulation benefits fund. The Scheme is managed by LGIASuper Trustee as trustee for LGIASuper trading as BrighterSuper.

	Note	2023 \$	2022 \$
The amount of superannuation contributions paid by Wujal Wujal Aboriginal Shire Council to the superannuation scheme in this period for the benefit of employees was:	6	341,535	341,315

**23 Joint venture**

The Council has a 25% (2022 - 25%) joint venture interest in Cook RJCP Joint Venture, the principal activity of which is to provide delivery of services under the Remote Jobs and Communities Program in the Cooktown region. Cook RJCP Joint Venture's principal place of business is C/- My Pathways, 84-88 Cook St, Cairns, Queensland. In accordance with ownership interests Council holds 25% voting rights in the joint venture.

Council has determined that this joint arrangement is a joint venture under AASB 11 *Joint Arrangements* and accounts for this investment using the equity method. Under the equity method the investment is initially recognised at cost and is adjusted each year to recognise Council's share of the accumulated working capital reserve. Council's share of movements in other comprehensive income of the venture are recognised in other comprehensive income. Distributions received are recognised in the period to which they relate, and an adjustment made to dividends receivable at the end of the period.

Cook RJCP Joint Venture is a consortium of 4 organisations whose aim is to provide employment opportunities for indigenous people. There is no contractual or other arrangement, or circumstances which indicate that council, or any of the joint venturers, have rights to the assets or obligations for the liabilities of the joint venture.

The following information has been extracted from Cook RJCP Joint Venture draft financial statements.

	2023 \$	2022 \$
Revenue	8,203,656	6,956,760
Expenses	(5,298,419)	(3,429,583)
Profit or loss from continuing operations	2,905,237	3,527,177
Post-tax profit or loss from discontinued operations	-	-
Profit (loss) for the year	2,905,237	3,527,177
Other comprehensive income for the year	-	-
Total comprehensive income for the year	2,905,237	3,527,177

The movement in the carrying amount of the Council's investment in the joint venture is as follows:

Carrying amount at the beginning of the financial year	412,957	403,783
Funds contributed	-	-
Share of profit (loss)	726,309	881,794
Adjustment to carrying amount of joint venture	-	9,174
Distributions receivable	(326,309)	-
Distributions received	(400,000)	(881,794)
Carrying amount at the end of financial year	412,957	412,957

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

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

		<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
Net result		<u>1,634,721</u>	<u>(1,289,370)</u>
Non-cash items:			
Depreciation and amortisation	12	2,111,632	1,769,850
Revaluation adjustments in P&L	5, 8, 12	545,463	(490,766)
Gain/loss on revaluation of finance leases	14	-	(71,749)
Other non-cash transactions in P&L		58,976	81,080
Profit retained in joint venture	23	-	(869,608)
		<u>2,716,071</u>	<u>418,807</u>
Investing and development activities:			
Capital grants, subsidies and contributions	5	(2,129,991)	-
Distributions received from joint venture	23	(400,000)	-
		<u>(2,529,991)</u>	<u>-</u>
Changes in operating assets and liabilities:			
(Increase)/ decrease in receivables		(235,682)	(90,880)
(Increase)/ decrease in contract assets		527,981	202,923
(Increase)/decrease in inventory		8,930	52,451
Increase/(decrease) in payables		(297,230)	35,224
Increase/(decrease) in contract liabilities		960,973	1,352,660
Increase/(decrease) in provisions		(83,350)	(64,376)
		<u>881,622</u>	<u>1,488,002</u>
Net cash inflow from operating activities		<u><u>2,702,423</u></u>	<u><u>617,439</u></u>

**Wujal Wujal Aboriginal Shire Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2023

**25 Events after the reporting period**

There were no material adjusting events after balance date.

**26 Financial instruments and financial risk management**

**(a) Financial assets and financial liabilities**

Council's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk.

*Risk management framework*

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk. The council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against these limits. Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

Council does not enter into derivatives.

**(b) Credit risk**

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's receivables from customers.

Exposures to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations.

No collateral is held as security relating to the financial assets held by Council.

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for Council.

**(c) Liquidity risk**

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without unacceptable losses or risking damage to Council's reputation.

Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

Council manages its exposure to liquidity risk by maintaining sufficient cash deposits, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in Note 9.

The following table sets out the liquidity risk in relation to financial liabilities (excluding lease liabilities - refer note 14) held by Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
<b>2023</b>					
Trade and other payables	618,046	34,307	-	652,353	652,353
Loans - QTC	422,484	1,689,938	1,549,109	3,661,531	3,266,218
	<b>1,040,531</b>	<b>1,724,245</b>	<b>1,549,109</b>	<b>4,313,885</b>	<b>3,938,571</b>
<b>2022</b>					
Trade and other payables	899,016	50,567	-	949,583	949,583
Loans - QTC	422,484	1,689,938	1,971,594	4,084,016	3,620,884
	<b>1,321,500</b>	<b>1,740,505</b>	<b>1,971,594</b>	<b>5,033,599</b>	<b>4,570,467</b>

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

**(d) Market risk**

Market risk is the risk that changes in market indices, such as interest rates, will affect the Council's income or the value of its holding of financial instruments.

*Interest rate risk*

Council is exposed to interest rate risk through its investments and borrowing held with financial institutions and the Queensland Treasury Corporation (QTC).

Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Council does not undertake any hedging of interest rate risk.

Council does not account for any fixed-rate financial assets or financial liabilities at Fair Value through Profit or Loss, therefore a change in interest rates at the reporting date would not affect profit or loss.



## Wujal Wujal Aboriginal Shire Council

### Notes to the Financial Statements

For the year ended 30 June 2023

#### 27 Going Concern

On 25 January 2021, Council received advice from the Acting Director-General of the Department of State Development, Infrastructure, Local Government and Planning that Council's financial situation of critically low cash reserves required the appointment of BDO Services Pty Ltd as the Financial Controller. This engagement commenced 29 January 2021 and concluded on 30 June 2022.

FY2023 is the first full financial year where financial management responsibilities were returned to Council.

At 30 June 2023, council has a net current asset position of \$3,284,544, an improvement from 2022 which was a net liability position of \$134,232. Council's operating result also significantly improved from an operating loss of \$1,996,202 in the 2022 financial year to an operating surplus of \$1,767,155 for the year ended 30 June 2023.

It is noted that the upfront receipt of the FY2024 Financial Assistance Grant in June 2023 has significantly improved Council's result for the year. \$2.5m of funding was received in advance which has increased cash and cash equivalents at year end. To support ongoing financial sustainability, Council remains focussed on generating own source revenue and exercising stricter control over procurement, with the focus being on value for money, the reduction of discretionary spending and tighter management of recurring operational expenses. Such measures include:

- Council's primary sources of income, being grant funding, and construction and recoverable works, are expected to continue into the future
- System and project monitoring practices were implemented by the Financial Controller. Council's goal is to continue to monitor systems and processes to ensure better practice compliance.
- Council is actively managing its debtors to reduce the risk of credit losses. The majority of Council's debtors at year end were less than 60 days outstanding.
- Council continues to review its fees and charges and the margins on BAS works to be in line with other indigenous councils. Council is also actively working to tender for neighbouring council's work to make use of the equipment and skills that we have available in a profitable manner.
- The finance team have re-established relationship with funding bodies and government departments and now focus on progressively invoicing funding bodies as work is performed on projects.
- Council has exercised stricter control over procurement, with the focus being on value for money, the reduction of discretionary spending and tighter management of recurring operational expenses.

For the reasons outlined above, the Council have prepared these financial statements on a going concern basis.

**Wujal Wujal Aboriginal Shire Council**  
**Financial statements**  
For the year ended 30 June 2023

**Management Certificate**  
**For the year ended 30 June 2023**

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 28, 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.



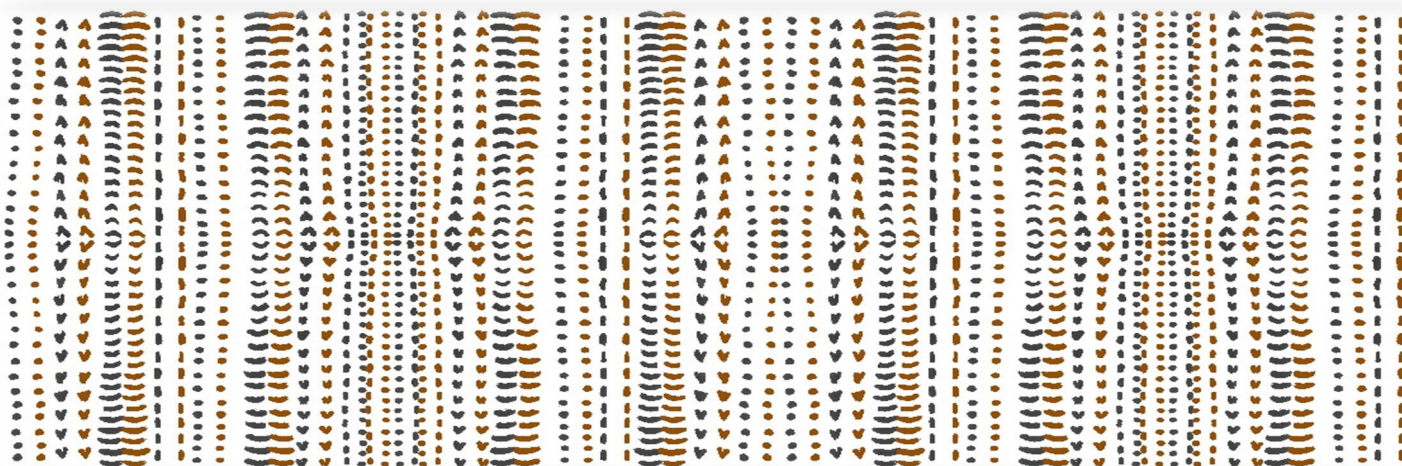
Mayor  
Bradley Creek



Chief Executive Officer  
Kiley Hanslow

Date: 08 / 12 / 2023

Date: 08 / 12 / 2023



This fabric print designed by Bana Yirriji Artist Lila Creek represents Baral which means tracks and what animals are travelling around. Some of the tracks we see are from kurriyala (snake), walkarr (lizard) and kadar (wallaby).

# Audit report



## INDEPENDENT AUDITOR'S REPORT

To Councillors of Wujal Wujal Aboriginal Shire Council

### Report on the audit of the financial report

#### Opinion

I have audited the financial report of Wujal Wujal 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 2023, 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 2023, 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 material accounting policy 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 Wujal Wujal Aboriginal Shire Council's annual report for the year ended 30 June 2023 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 formed 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 forming an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of material accounting policy information 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 2023:

- 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*, 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.



David Adams  
as delegate of the Auditor-General

12 December 2023

Queensland Audit Office  
Brisbane



**Wujal Wujal Aboriginal Shire Council**  
**Current-year Financial Sustainability Statement**  
**For the year ended 30 June 2023**

**Measures of Financial Sustainability**

Council's performance at 30 June 2023 against key financial ratios and targets:

	How the measure is calculated	Actual	Target
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	10%	Between 9% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	1%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-2%	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 2023.

**Certificate of Accuracy**  
**For the year ended 30 June 2023**

This current-year financial sustainability statement has been prepared pursuant to Section 176 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  
Bradley Creek

Date: 08 / 12 / 2023



Chief Executive Officer  
Kiley Ranslow

Date: 08 / 12 / 2023

## INDEPENDENT AUDITOR'S REPORT

To the Councillors of Wujal Wujal Aboriginal Shire Council

### Report on the Current-Year Financial Sustainability Statement

#### Opinion

I have audited the accompanying current year financial sustainability statement of Wujal Wujal Aboriginal Shire Council for the year ended 30 June 2023, 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 Wujal Wujal Aboriginal Shire Council for the year ended 30 June 2023 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 Wujal Wujal Aboriginal Shire Council's annual report for the year ended 30 June 2023 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 formed 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 material accounting policy information 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.



David Adams  
as delegate of the Auditor-General

12 December 2023

Queensland Audit Office  
Brisbane



Wujal Wujal Aboriginal Shire Council  
 Unaudited Long-Term Financial Sustainability Statement  
 Prepared as at 30 June 2023

Measures of Financial Sustainability

	Measure	Target	Actual as at 30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033
Operating surplus ratio	Net result divided by total operating revenue	Between 1% and 10%	5%	2%	8%	6%	8%	6%	6%	6%	6%	5%	5%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 80%	1%	388%	388%	147%	119%	123%	134%	102%	91%	41%	82%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 85%	-2%	-4%	-45%	-52%	-21%	-82%	-92%	-100%	-112%	-121%	-128%

Wujal Wujal 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.

Certificate of Accuracy	
For the long-term financial sustainability statement prepared as at 30 June 2023	
This long-term financial sustainability statement has been prepared pursuant to Section 179 of the Local Government Regulation 2012 (the regulation)	
In accordance with Section 210(1) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.	
 Mayor Bradley Creek Date 08.12.2023	 Chief Executive Officer Riley Hanson Date 08.12.2023



## Internal Audit | LGR s190 (s) (h)

The Council aims to establish and maintain a system of independent objective appraisal to examine and evaluate Council's internal control environment. Council has a system of internal controls that aim to minimise risk and protect Council's assets.

The internal audit function provides Council an independent review of the sufficiency and dependability of established internal controls that aim to safeguard Council's assets from loss, waste and fraud and that Council's activities are governed by the highest operational standards and ethics.

The purpose of the Council's internal audit function is to provide an unbiased evaluation of the systems and processes that underpin Council's internal controls by verifying the effectiveness of Council's risk management, efficiency, control, and governance processes.

Council has undertaken work in the internal audit space in the 2022/23 financial year to review accounts payable and payroll operations, which has further strengthened Council's internal controls.



This Bulbuji print represents the dragonflies which are sacred. Bulbuji start flying around once the rains come, they are also maja (boss) for bana (water) and the walkarr (water goanna). **Bana Yiriji Artist Junibel Doughboy.**