



ANNUAL REPORT

2018/2019

WUJAL WUJAL

ABORIGINAL SHIRE COUNCIL



Legal information

This Wujal Wujal Aboriginal Shire Council 2017/18 annual report has been prepared in accordance with the Queensland Local Government Act 2009 and Local Government Regulation 2012 S182.

Under legislation, Council is required to prepare an annual report each financial year for the shire with reference to the progress of the Council's community, corporate and operational plans. The report's aim is to offer Council's constituents a transparent insight into the activities and achievements of the Council during the 2018/19 financial year.

If you would like any further information about the Wujal Wujal Aboriginal Shire Council, please contact our main office:

Phone: 07 4083 9100

Email: info@wujal.qld.gov.au

If you would like to provide feedback on this report, please write to:

Wujal Wujal Aboriginal Shire Council

1 Hartwig Street
Wujal Wujal, QLD, 4895

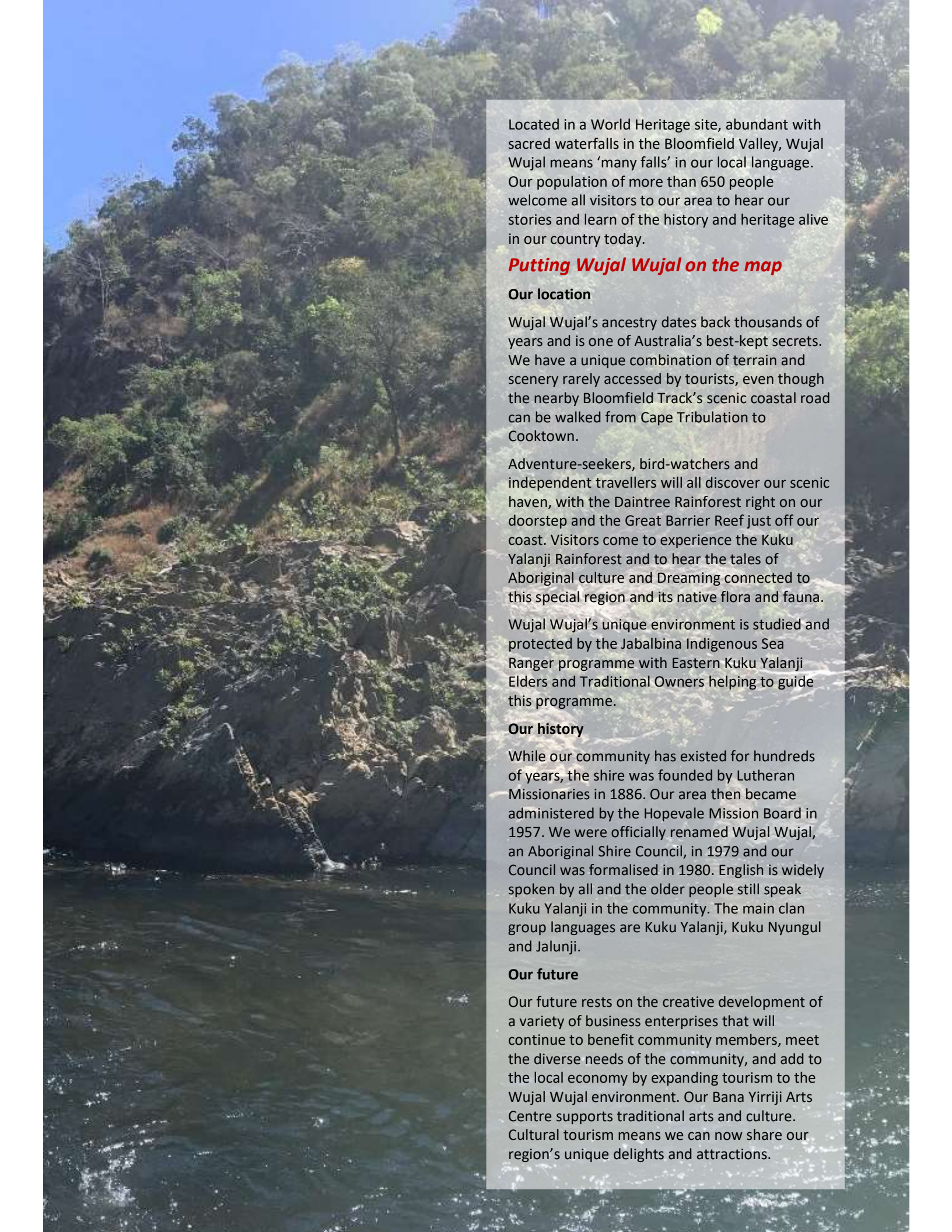
Table of Contents

Welcome to Wujal Wujal Country	4
2018/19 – The year in review	6
Chief Executive Officer’s Introduction	8
Vision, mission & values.....	9
Council structure.....	10
Our Council	11
Councillor Meeting.....	12
Attendance.....	12
Elected Members Portfolio Responsibilities	12
Councillor Remuneration	12
Operational Plan performance 2018-19	13
Economic Development and Enterprise	14
Community Engagement through technology and culture	17
Infrastructure	19
Governance and Corporate Services.....	22
Community Financial Report	26
Statement of Comprehensive Income	26
Major sources of Council’s income	27
Council’s expenditure	27
Net position.....	28
Statement of Financial Position	29
Council assets.....	30
Council liabilities	31
Financial Sustainability Ratios.....	31
Registers Open for Inspection.....	32
Council Publications for Disclosure	33
Legislative compliance	34
2018/19 Audited Financial Statements	39



Welcome to Wujal Wujal Country

Wujal Wujal is the home of the Kuku Yalanji, Kuku Nyungul and Jalunji clans – the ‘rainforest people’, the Traditional Owners and custodians of our region in far north Queensland



Located in a World Heritage site, abundant with sacred waterfalls in the Bloomfield Valley, Wujal Wujal means 'many falls' in our local language. Our population of more than 650 people welcome all visitors to our area to hear our stories and learn of the history and heritage alive in our country today.

Putting Wujal Wujal on the map

Our location

Wujal Wujal's ancestry dates back thousands of years and is one of Australia's best-kept secrets. We have a unique combination of terrain and scenery rarely accessed by tourists, even though the nearby Bloomfield Track's scenic coastal road can be walked from Cape Tribulation to Cooktown.

Adventure-seekers, bird-watchers and independent travellers will all discover our scenic haven, with the Daintree Rainforest right on our doorstep and the Great Barrier Reef just off our coast. Visitors come to experience the Kuku Yalanji Rainforest and to hear the tales of Aboriginal culture and Dreaming connected to this special region and its native flora and fauna.

Wujal Wujal's unique environment is studied and protected by the Jabalbina Indigenous Sea Ranger programme with Eastern Kuku Yalanji Elders and Traditional Owners helping to guide this programme.

Our history

While our community has existed for hundreds of years, the shire was founded by Lutheran Missionaries in 1886. Our area then became administered by the Hopevale Mission Board in 1957. We were officially renamed Wujal Wujal, an Aboriginal Shire Council, in 1979 and our Council was formalised in 1980. English is widely spoken by all and the older people still speak Kuku Yalanji in the community. The main clan group languages are Kuku Yalanji, Kuku Nyungul and Jalunji.

Our future

Our future rests on the creative development of a variety of business enterprises that will continue to benefit community members, meet the diverse needs of the community, and add to the local economy by expanding tourism to the Wujal Wujal environment. Our Bana Yirriji Arts Centre supports traditional arts and culture. Cultural tourism means we can now share our region's unique delights and attractions.

2018/19 – The year in review

Mayor's Introduction Desmond Tayley

Resilience – Recovery – Rising

Welcome to the Wujal Wujal Aboriginal Shire Council annual report for 2018/19. In late 2018 early 2019 Wujal Wujal was under siege from a once in 100-year weather event. The monsoonal rains came in December/January and 1.5 metres of rain fell in an eight-week period, then Cyclone Trevor arrived bringing with it another metre of rain, meaning Wujal Wujal recorded one of the biggest monsoon seasons seen in decades.

This weather event devastated much of the community infrastructure, the heart of our community was destroyed. The Bana Yirriji Art Centre was inundated with one metre of water and was severely damaged and had to be relocated. The community was traumatised and isolated during this event, our most vulnerable people young and old were severely impacted both psychologically and financially. There is not one person in the community that has not been affected by this event.

I am proud to acknowledge the resilience and strength the community has displayed during this time of great hardship. The Community has come together through trauma and triumphed over adversity. A strong community that helped each other and enabled the rebuilding and recovery effort to excel and whose positive attitude enabled all those affected to rise again.

Unfortunately, the recovery and rebuilding effort has set the Council back immensely. 26 flood-related projects meant delays of planned goals and projects. Money and funding apportioned to 'future projects' has now gone towards replacing infrastructure and resources. The impact of this has been felt in all areas of the community especially service delivery, housing, amenities and socialisation.

The Wujal Wujal is now a community that looks to a bigger and brighter future having learnt valuable lessons from the past, these lessons will help in any future disaster or emergency. We now have enhanced communications, better cooperation with other shires/stakeholders, risk

management strategies and increased community connectivity, all key resources to enable us to achieve our goals and strategies.

I would like to extend a thank you to our Government Ministerial Champions the Hon. Leeanne Enoch MP and Jamie Merrick Director-General of the Department of Environment and Science (DES) from the community of Wujal Wujal. Their support and encouragement have contributed immensely to help restore the Wujal Wujal Community and ensured that we have had the tools and resources available to 'get our community up and running'.

Accountability, stronger external relationships and identification of multiple income streams has enabled the forging of more effective partnerships and uncovered opportunity. The Council is inspired by identification and highlighting of the natural beauty of the area and hopes to monopolise on tourism opportunities in the future. With increased infrastructure, better systems and funding support the Council can now move forward with its goal of creating a sustainable and transparent Council that is future-proofed for generations to come.

In closing, this is a community that has an opportunity to not only survive but to prosper and grow. We must all lead by example, make your children proud, leave a legacy that will be remembered throughout the generations! I challenge each and every one of you to not just make a difference but to 'be the difference'.

Yalada!

Desmond Tayley

Mayor

Wujal Wujal Aboriginal Shire Council

We now have enhanced communications, better cooperation with other shires/stakeholders, risk management strategies and increased community connectivity, all key resources to enable us to achieve our goals and strategies.



Chief Executive Officer's Introduction

Eileen Deemal-Hall

First, I would like to pay respects to the Traditional Owners of the Kuku Yalanji, Kuku Nyungkul and Jalunji Warra lands, river ways and sea country on whose area's Council conducts business. Second, I would also like to acknowledge the community and their resilience to face today and look towards tomorrow with positive aspirations.

Last financial year saw the Council's embark on a bold five generations sustainability plan, however, this plan was abandoned due to a number of unforeseen challenges faced during the year. The vision of the elected members continues to focus on building on what we have today to be sustainable for future generations and this change in thinking, behaviour and planning is still very much needed when laying the foundations for the protection of council run and maintained assets.

The community now looks to protecting cultural assets: such as traditional foods, medicines, story, places and, most importantly, the culture. Impacts such as climate change, volatility in funding, and shrinking resources all mean that, as a community, we must be able to adapt, change and overcome – sometimes with little notice especially in time of crisis. Critical adaptation skills will take time to develop – but, as a council, we are committed to developing our own skills locally to make the necessary changes needed to be here and thriving for the next generations that follow. That is the legacy we are committed to.

This year continued to focus on building the necessary partnerships and capacity to future-proof Council. Much-needed funding from Works for Queensland helped to tailor opportunities for capacity. Our lines of focus during the year continued to be:

- 1. Building Partnerships and Relationships**
- 2. Capacity Development**
- 3. Strategic Projects**

Wujal Wujal Aboriginal Shire Council continued to embark on moving from an isolationist approach to one of collaboration with regional partners, building and re-strengthening existing stakeholder relationships strategically.

During this challenging year, our Ministerial Champions Office and wider department have also worked tirelessly on critical support for Council and the Wujal Wujal community during a time of great need after the floods that devastated much of the community and impacted so much of the town's infrastructure.

The strength and resilience of the 'little town that could' was proven in the way the community pulled together during a time of crisis and for that we can be truly proud.

Eileen Deemal-Hall

Chief Executive Officer

Wujal Wujal Aboriginal Shire Council



Vision, mission & values

The Wujal Wujal Aboriginal Shire Council aims to improve the quality of life in the community through coordinated, sustainable and equitable delivery of services that focus on local priorities. Our vision, mission and values support our Corporate Plan which helps us to achieve our aims.

Our vision: A happy, educated, united and prosperous community that continues to enjoy the benefits of modernity and tradition simultaneously.

Our mission: To serve the community through a coordinated, sustainable and equitable delivery of services which focus on local priorities and contribute to the improvement of the quality of life.

Our core principles and values:

- Customer focus
- Accountable management
- Respect for aboriginal culture and tradition
- Continuous improvement
- Quality
- Outcome driven
- Positive image
- Value for money
- Environmentally friendly
- Networking

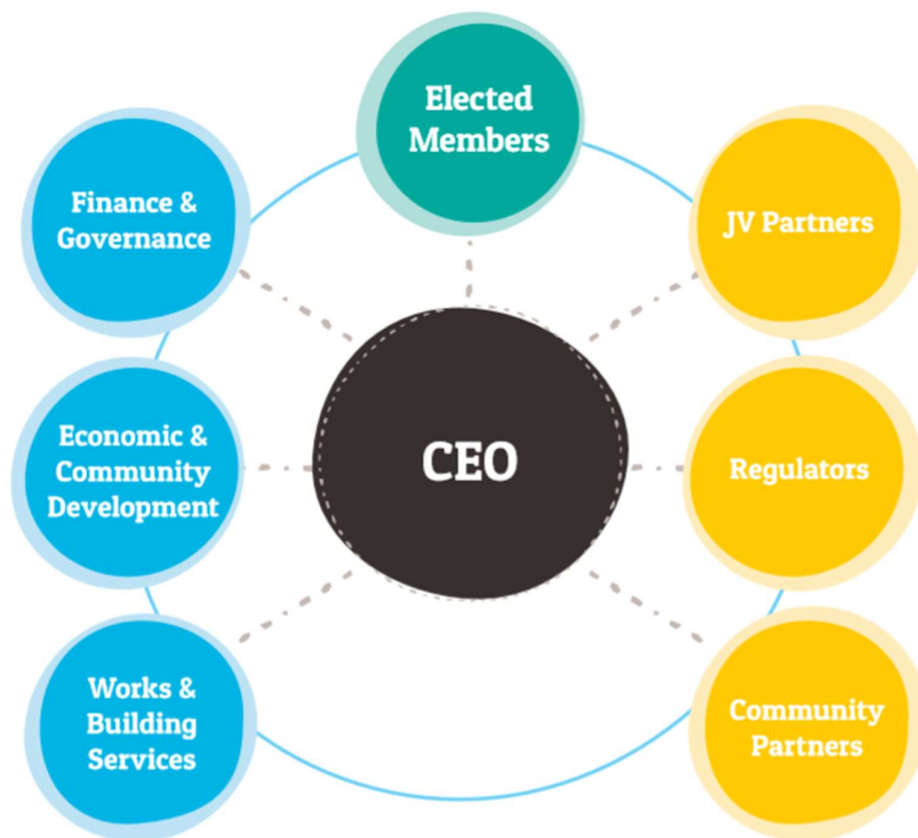
Council structure

Mayor's Introduction Desmond Tayley

The Council's service delivery reach is across three shire council boundaries due to a number of Council's social housing blocks based in the shires of Douglas and Cook. The Council is responsible for providing essential services, infrastructure and housing to the local community. Australian Bureau of Statistics (ABS) undercounting for population numbers is a challenge in our area. Council undertook a bold approach to do its own headcount: in 2016/2017, that had the Council population sitting at 683.

However, the ABS undercount of 282 has meant that Council is subsequently only funded for a population of 282, which will be challenged.

The Council has an elected Mayor and councillors who have specific powers, responsibilities and duties set out in the Local Government Act 2009. Elections are held every four years. The next election is scheduled for March 2020.



Three Operational directorates with three Directors across each directorate

Joint venture includes:

My Pathways,

Regional Disaster Management MOU - Cook and Hope Vale Aboriginal Shire Councils

Community - Justice Group, Interagency, LDMG et al

Our Council



Mayor Desmond Tayley Portfolio: Governance and finance

Mayor Desmond Tayley is a Traditional Owner of Yalanji (Dawnvale and Wujal Wujal). His personal mission is to enhance the wellbeing of individuals through improvements to the community as a whole. He is a member of the Far North Queensland Regional Organisation of Councils, Far North Queensland Regional Transport Group, and the Internal Audit Committee. He is on the Board of the Cook Region Community Development Program My Pathways Board and is also on the Board of Directors for all-indigenous UMI Arts which develops arts programmes for Indigenous communities. Mayor Tayley chairs all internal Council reference committees and also the Local Disaster Management Group, Technical Working Group meetings, Wujal Wujal Interagency Meeting.



Deputy Mayor Councillor Robert Bloomfield Portfolio: Economic Development, Environment and Tourism, Land & Culture, Community Lifestyle

Traditional Owner Nations: Kuku Yalanji, Kuku Nyungkul. I am in my second term as an elected member. Working for Council and Community is like a family tradition and runs in my blood, as my late Father was once Chair and an elected member of Council. I started my working life in the administration area, where I worked for a couple of years before becoming a qualified Environmental Officer. I then put my hand up for Council. My vision is for everybody to work together in the community for a stronger future.



Councillor Bradley Creek Portfolio: Community Lifestyle, Law and Order

Traditional Owner Nations: Kuku Nyungkul and Jalunji Warra. This is my first term in Council and I am really enjoying the challenge. It is a role I am familiar with, because my mother and sister were active on previous councils, and several community members encouraged me to stand for election. My work background includes four years in Coen working as a Ranger with a family organisation before returning to Wujal Wujal. I am currently working as a Ranger at Jabalbina Aboriginal Corporation. The best parts about my role with the Council are the community connections, giving something back to our local area, supporting the community in anyway and working together as a strong unit.



Councillor Vincent Tayley Portfolio: Infrastructure, Law and Order

I am a Traditional Owner and a proud cultural man. I am also an Eastern Kuku Yalanji Ranger working on our Eastern Kuku Yalanji Bubu (country) between Port Douglas and south of Cooktown. My childhood was very disciplined and included being taught our language and culture by my Elders. This has given me the vision and determination to see that our children in the generations to come are educated and that they respect and uphold our cultural lore and values. With respect for themselves, for each other and for our modern laws, our children will proudly represent our future.



Councillor Reagan Kulka Portfolio: Infrastructure, Economic Development, Environment and Tourism, Land and Culture

Traditional Owner Nations: Kuku Yalanji, Kuku Nyungkul. This is my second term as an elected member of Council and the experience is building on my local connections. Other posts I have held include Environmental Health Worker. I have also been Secretary on the Executive Committee of the Men's Group, working on issues to improve life for the men in our community. I am able to use my background experience in my current Council portfolio: for example, I work with the Bloomfield Track Stakeholder Group, with other regional councils on pest management, with Cape York on marine and natural resource management, and I also liaise with Jabalbina Rangers.

Councillor Meeting

Attendance

1 July 2018 – 30 June 2019

Including Special Meetings held

Councillor	No. of meetings	Special meetings	Meetings attended
Mayor Tayley	12	8	12 and 7
D/Mayor Bloomfield	12	8	10 and 7
Councillor Creek	12	8	11 and 8
Councillor Kulka	12	8	12 and 8
Councillor Tayley	12	8	12 and 7

Elected Members Portfolio Responsibilities

Elected members	Portfolio	Responsibilities
Mayor Tayley	Governance & Finance	Membership of Committees, Boards and Regional Organisations: 1. Far North Queensland Regional Organisation of Councils (FNQROC) - attendance 2. Far North Queensland Regional Roads and Transport Group (FNQRRTG) – attendance 3. Technical Working Group (TWG) – Chair 4. My Pathways Joint Venture Board Member – Community Development Program Cook Region 5. Wujal Wujal Interagency – Chair 6. Indigenous Leaders Forum – Local Government Association of Queensland (LGAQ) 7. Wujal Wujal Local Disaster Management Group – Chair
Cr. Tayley Cr. Kulka	Infrastructure	1. Water Treatment 2. Roads/Transport 3. Telecommunications 4. Technical Working Group (TWG) – attendance 5. Far North Queensland Regional Roads and Transport Group
Cr. Bloomfield Cr. Kulka	Economic Development, Environment & Tourism, Land & Culture	1. Bloomfield Track Stakeholder Group 2. Jabalbina Liaison 3. Far North Queensland Regional Organisation of Councils – Pest Management 4. Cape York Local Marine Advisory Committee 5. Cape York Natural Resource Management and Terrain
Cr. Bloomfield Cr. Creek	Community Lifestyle	1. Health, Aged Care Programmes 2. Streetscape 3. Education 4. Community Employment Programmes 5. Sport and Recreation 6. Kindergarten – Reference Group 7. Bloomfield State School – P&C
Cr. Tayley Cr. Creek	Law & Order	1. Queensland Police Service Liaison 2. Justice Group 3. Consumer Advocacy
Cr. Tayley	Audit – Financial	1. Audit Committee – Undergoing update through Internal Audit processes

Councillor Remuneration

KMP	Salary Value	Reimbursed Expenses	Vehicle – Estimate only	Superannuation	Total
Mayor Tayley	103,909.74	16,032.71	30,000.00	12,469.13	162,411.58
D/Mayor Bloomfield	59,947.26	-		5,695.12	65,642.38
Councillor Creek	50,815.02	2,800.00		4,827.48	58,442.50
Councillor Kulka	50,815.02	675.29		6,098.04	57,588.35
Councillor Tayley	50,814.87	105.45		6,097.68	57,018.00

Operational Plan performance 2018-19

Our Council performance is measured against the long-term goals of our five-year Corporate Plan, underpinned by the annual aims in our Operational Plan. The corporate plan is until 2021.

The current corporate is due for a refresh and will include comprehensive stakeholder engagement. Training with Local Government Association of Queensland (LGAQ) commenced last year with work done by Elected members in setting the directions for the next five years.

This year's current Operational Plan was designed to build on our strengthened partnerships with regional, state and federal stakeholders, creating platforms on economic development, community health, wellbeing, housing, infrastructure, and community financial sustainability are key themes recognised in the operational plan. The focus is on incremental achievements with strong completion.

This section of the Annual Report highlights some of the specific field projects that have been achieved towards meeting these goals in 2018–2019. New partnerships identified supported amazing relationships developed – and opportunities for Council and wider Wujal Wujal community.



Economic Development and Enterprise

Portfolio Overview:

This portfolio has a number of different and distinctive elements. Economic Development which has the Art Centre, Post Office and Banking. Community Development has the following, Kindy, Indigenous Knowledge Centre, Radio Station, Aged and Disability Care and Centre link. Also included is attendance at the Cook Region Community Development Programme joint venture meetings which also include, Gungarde Aboriginal Corporation, Hope Vale Foundation and Wujal Wujal Aboriginal Shire Council (WWASC).

Our Corporate Plan encourages enterprise – promoting the development of micro, small and medium enterprises to enable community members to benefit from a more productive lifestyle through participation in the local economy. Local arts programmes provide new skills and proceeds from the commission of works directly supporting income streams for the local Wujal Wujal artists.

Wujal Wujal's community agencies assist in service workshops to strengthen the social and economic prosperity of the Wujal Wujal community. Here are some of the ways Council supported enterprise in 2018-2019.

Bana Yirriji Arts Centre

The Bana Yirriji Arts Centre continues to act as a hub for developing income-earning opportunities through art. The Centre also revitalises our culture through community engagement.

The Centre provides a workplace with meaningful activities that cultivate connectedness and pride in our traditional cultural expression, The Centre employs two people on a full-time basis:

- Art Centre Manager: Vikki Burrow
- Trainee Art Centre Manager: Junibel Doughboy
- Trainee Administrator/Art Gallery Assistant: Letisha Denman, Dallas Walker vacant
- Cassie Roatz, studio worker, 8 hours a week through funding.

The Art Centre is an economic and employment transitional incubator, providing approximately 20 of our local artists with a stepping-stone to a career as a professional artist and a gallery to showcase their creation. The Art Centre has an ambitious development plan, with targets to dramatically increase sales over the next financial year to produce an annual turnover of art products and merchandise. Sales were expected to be generated from tourist flow, visitors, and planned exhibitions however, the monsoonal trough and resulting flood soon destroyed this plan. The Art Centre has been closed since January 2019 and is undergoing major repair work after one metre of water inundated the building.

The Arts Centre's website – www.wujalwujalartcentre.com.au acts as a promotional interface for our artists' works and acts as a virtual shop front with online purchases available.

Looking ahead to next financial year, one of the Centre's future projects will be Community Culture Days. These days will allow families, young people and Elders to share our culture and improve their artistic techniques by taking part in workshops with established National professional artists.





Products produced have quality controls in place, works is of a high standard and quality materials are used enhancing the probability these will be sold through the gallery and provide further economic development opportunities for the community.

One of the most exciting aspects structurally has been the implementation of the SAM (artist management system) art cataloguing software to professionalise and authenticate the business and its resources more effectively. It also provides authenticity and tracking of art for both the buyer and the artist. This can also be viewed as a way to track culture as the artwork is an extension of cultural practice for the artist and as a byway the recipient of the artwork being the buyer.

Indigenous Arts and Fashion Show:

Darwin and CIAF Building on the success of the 2016 Indigenous Arts and Fashion show – Wujal Wujal was asked to headline the Indigenous Fashion Show in Darwin for silk creations. This was a tremendous outcome for the new silk lines collection which were earlier released at the Cairns Indigenous Art Fair. The Council acknowledges the unwavering support provided by the Queensland Government's Indigenous Regional Arts Development Fund and Backing Indigenous Arts funding.

The new silk collection reflects the artists connection to country and is inspired by the mountains, river, rainforest and sea. The elements line which embeds the song lines of sea country and on country traditional stories have been well received. Local stories and designs were used as bases for developing the images painted onto the silk.

Our silk collection has been shown in Melbourne, Adelaide, Darwin, Canberra, Cairns and Jakarta, Indonesia.

Revitalising cultural voices: Is ongoing

The Bana Yirriji Arts and Cultural Centre is at the heart of the Yalanji, Jаланji and Ngukul cultures and provides the resources, opportunities and space for community members to practice, showcase and maintain their unique culture.

The Art Centre works to install a sense of pride and empowerment among our community and promote culture through art Australia-wide and internationally.

The Art Centre encourages Wujal Wujal residents to re-engage with their culture and community by getting involved with our different group programmes such as traditional dance, artefact making, traditional weaving, painting and printmaking.

The art centre holds a number of professional development workshops per year for the artists in different mediums, Fine art painting skills, printmaking, studio management, jewellery making and hand painted/printed textiles.

- Artists create a range of stunning contemporary art and craft, drawing on a profound connection to country and culture.
- Bana Yirriji Art Centre gallery is open to visitors. Paintings, prints, textiles, weavings, artefacts and a range of merchandise are available for sale.
- The artists from Wujal Wujal represent three traditional clan groups, the Yalanji, Nyungkul and Jаланji people. The languages, Kuku Yalanji and Kuku Nyungkul, remain strong and are spoken by most Wujal Wujal residents.

Vision

- We are empowering our people to develop and share their culture, knowledge and skills. Our vision is to keep and hold our culture safe and sacred. Keeping our community strong in mind and spirit.
- To promote a flourishing and economically sustainable Art and Cultural Centre.

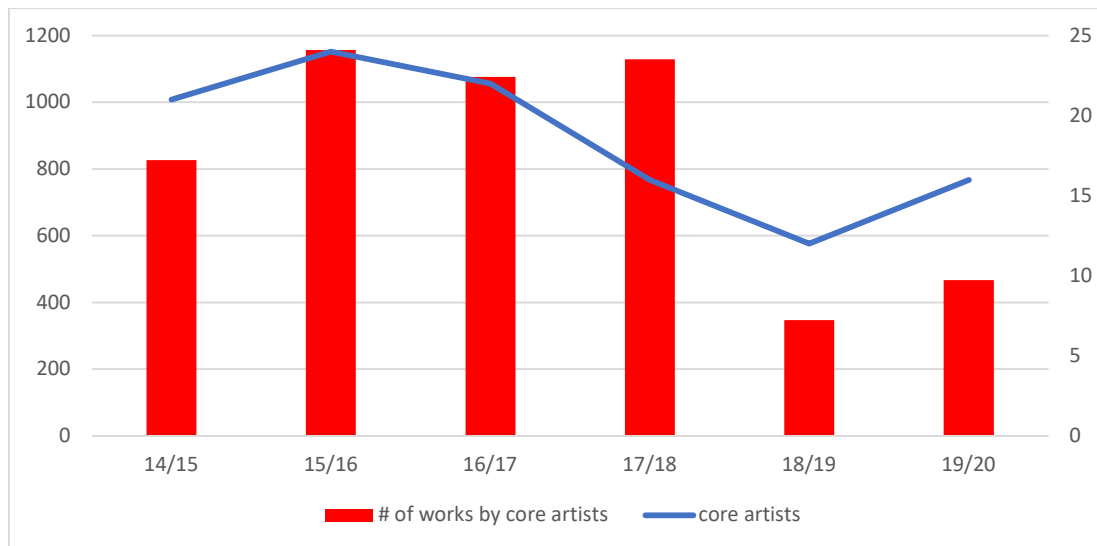
Objectives

- To develop income earning opportunities for our community through art.
- To promote Yalanji, Nyungkul and Jalunji culture through art to the Australian and international community.

Goals

- Promote the arts, dance and culture of Wujal Wujal on a national and international scale.
- Facilitate training and professional development in the Indigenous arts industry.
- Provide the facilities and activities that encourage the teaching, learning and sharing of community historical and cultural knowledge.
- Provide a workplace with meaningful activities that cultivate interest and pride in our traditional cultural heritage, our community history, family history and environment.
- Provide facilities and activities that encourage opportunities to learn new and different skills that embrace cultural maintenance.
- Recognising and marketing Queensland's Indigenous art locally, nationally and internationally.

In common with other art centres, BYACC relies on a group of core artists. A core artist is defined as one who produces 10 or more artworks per year. Over the last six years, BYACC has had an average of 19 core artists each year. These artists produce an average of 94% of all artworks. As shown in Figure X, the number of artworks and number of core artists have undergone similar changes to those shown in Figure X.





Community Engagement through technology and culture

Our Corporate Plan supports health, safety and services to cater for the diverse needs of our community – from providing community care to offering sports and recreational services for our young people and supporting our Elders to pass on their knowledge of our indigenous culture.

The Council's website now has access to a series of community forums that are helping to enhance local communication, including notices and news, council business, safety updates and severe weather alerts. Here are some of the other projects that promoted community engagement in 2018-2019.

Indigenous Knowledge Centre – providing new digital experiences: Ongoing

The Indigenous Knowledge Centre (IKC) provides an environment where learning and digital immersion interface to encourage community engagement. The IKC increases opportunities to improve general knowledge, literacy skills, cultural enlightenment and entertainment. It does this by providing high-quality services, including books, internet access, after-school activities, tablet devices, and a range of structured programs for all ages.

This year the IKC continued to focus on engaging with the community in new and innovative ways. As a predominantly visual, audio and story-based medium, digital technology delivered via tablet devices, is very suited to our traditional Indigenous talents for painting and story-telling. We want all our community to benefit from new technology and use it to maximise their educational and cultural outlets. We benefitted from the Government Champion's scheme when the DSITI installed new PCs to help us support digital learning and access for the whole community.

IKC – enhancing customer service: Ongoing

This year the IKC increased its capacity to engage with the community with new posts and programmes due mainly to the new full-time Coordinator. The Centre also enhanced its service offering to include the government's First 5 Forever scheme – see Kindergarten update below.

Kindergarten access and learning programmes: Ongoing

The Council provides kindergarten facilities that enable children to enjoy an early start education and experience a better transition to primary school. Our local kindergarten supports the Early Years Learning

Framework. The kindergarten staff help to engage families by hosting parent evenings and community events.

This year the IKC continued to enhance its service offering to include First 5 Forever. The government scheme focuses on improving outcomes for Queensland children aged up to 5 years by helping parents and caregivers become an important educator for their child. First 5 Forever does this by enhancing their confidence around communication and increasing access to valuable resources.

Indigenous Community Radio: Ongoing

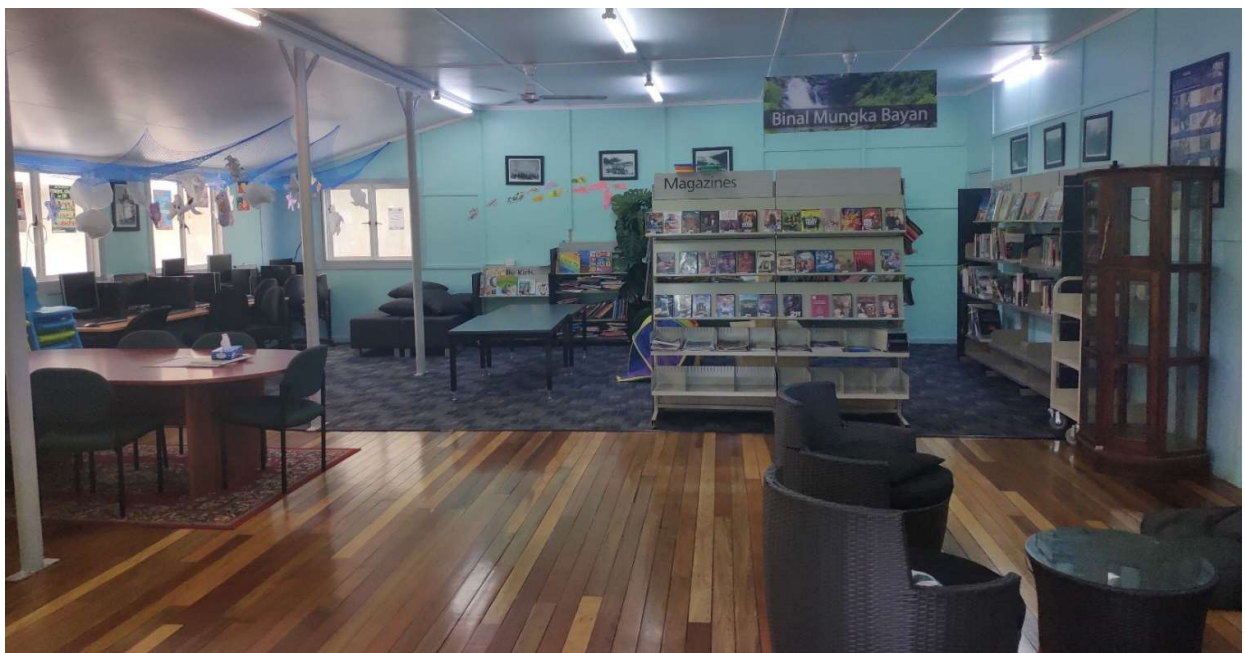
Our community radio station continues to broadcast with the help of funding from the Remote Indigenous Broadcast Services scheme. Previously the team at our radio station focused on producing DVDs and recording short stories from our community. This year those recordings documenting our heritage and history are available to listen to at the Indigenous Knowledge Centre in the 'Culture Corner'. These oral histories feature our community Elders telling their stories, keeping our indigenous traditions alive. The stories are also archived by the State Library of Queensland.

Improving our sporting facilities: Ongoing

Sports and recreational activities are a priority area for the Council to promote health and fitness and community engagement. Our main sports facility is a multi-purpose community hall with facilities for indoor basketball, cricket, gym and touch football. The community also has a sports oval for rugby, cricket, soccer, athletics and modern/traditional sports (such as golf and spear throwing). To adequately facilitate sporting and gym activities in Wujal Wujal, the Council engaged the Department of National Parks, Sport and Racing to assess our current sporting facilities. The department checked the structural renovations required to meet building codes and standards.

The Council continued to maintain the sports oval and its facilities to a high level to ensure that the community can participate in active sport and recreation. We also continued our work with the Police Citizens Youth Club's Sport and Recreation Reference Group to advocate for our community's population of young people to participate in sport and recreation activities.

Unfortunately, all sport from early 2019 was severely impacted by the monsoonal weather event that took place between December 2018 and March 2019 with the total destruction of the sports oval during the flooding rains.





Infrastructure

Director Works and Building Services – Victor Mills

This report outlines the works undertaken during the financial year 2018/19 including the Capital/Maintenance program.

Works and Building Services

The past 12 months has been a busy and very tired month for all, due to a number of monsoonal weather events. With the extensive works programme we have undertaken, these unforeseen weather events had a great effect on delaying these programmes and meant we had to cater to changed circumstances.

During this time the Director Works and Building Services managed to implement a structure that was suitable and met deadlines and budgetary requirements. 2018 period was still completing off some legacy projects so WWASC could be more successful in funding applications to build and support the community in being resilient, this includes infrastructure and programmes.

The ongoing support from our Premier's office and all the Minister's offices that were involved in assisting WWASC through the process of capturing true data meant that legacy projects could be capitalised on time and further funding awarded to fulfil the commitment thereby meeting the Councils goals in delivering better service to the community.

January Flood events

Wujal Wujal was struck by heavy rain and winds from the late evening of 25 through to 27 January 2019. Extraordinary flooding resulted in Wujal Wujal being isolated by inundation of both north and south access roads.

Critical elements of the Water and Waste Water infrastructure and Emergency Management Network elements were inundated and was now operating with a band-aid fix and supply of food to the community was also severely affected.

All areas/infrastructure affected by the event were:

1. Water Intake electrical/control switchboard.
2. Main Sewage Pump Station electrical/control switchboard and generator.
3. Weather Station (adjacent to the Main Sewage Pump Station).
4. Two (2) Secondary Sewage Pump Stations – one (1) at the Art Centre and the other at the Sportsground.





5. Emergency Management Wireless Network control and battery storage switchboard(s) located at the Sportsground.
6. Depot from the back of the smoko room to the back gates all infrastructures and plant/machineries were affected, mechanic and staff have worked endlessly to salvage a few equipment and have up and running, back sheds, pound is now cleaned up and operational.
7. Southside we are still locating missing asset that drifted away with the flood, currently this facility is out of use until major clean up and essential services are operating, building flood height was 100mm from ceiling.
8. Southside ovals will require remedial works to make safe for users.
9. Majority of fencing at Southside and the Market Gardens have been damaged, now in process of assigning contractor on to reinstate.
10. Signages at the western end of bridge have been ordered to replace all that was damaged.
11. Solar lighting x (4) are on order to replace damaged items.
12. Bitumen in close proximity to the bridge and Art centre have been lifted and are also on the program to patch up.
13. Art Centre had approx. 200mm of water in the main display area which have caused damage to the flooring, walls, display cabinets, electrical and air-conditioning.
14. Kindy water logged sails are all now defected and in the process of replacement, flooding also caused widening of the run off beside the Kindy Lot which is also a concern with undermining of the allotment.
15. China Camp concrete works are now visible with undermining and the need for correction of the drainage system.

Temporary remediation works were undertaken by Council Staff, Auswaste, Electropica, Orion Consulting and Factor UTB commencing 27 January 2019 and within five (5) days the critical Water and Waste Water systems were operating again automatically.

Capital Projects program for 2018/2019

W4Q 2 Complete by end of financial year 30 June 2019	\$ 1,100,000.00
Bridge Service Connection complete March/April	\$ 540,000.00
Rectification of Emergent Works water, Sewer, SCADA, Weather Station 10 – 15 days from commencement	\$ 770,484.00
Recycle Centre Depot location, 2 months to complete from commencement date	\$ 900,000.00
Sewer Plant at Tender stage	\$ 2,500,000.00
W4Q 3 awaiting on project allocation	\$ 1,000,000.00
Southside Fencing at procurement stage, 1 month to complete from commencement date	\$280,000.00
Southside Driveways awaiting on tender to be awarded from BAS	\$800,000.00
Service Station new location TBA	\$1,000,000.00
Stores Upgrade and refurbishment 2 weeks	\$100,000.00
Housing to cater for single and young family, will announce final decision	\$2,200,000.00
Bicycle Pump Track TBA	\$650,000.00
Water Connection upgrade	\$140,000.00
Existing Service Station Upgrade	\$107,000.00
ESTIMATED TOTAL	\$12,087,484.00

Minor Works program for 2019

Boat Ramp Drain	\$75,000.00
China Camp Drain	\$90,000.00
Vehicle Replacement/trade in	\$90,000.00
Beautification Program	\$90,000.00
Waterfall Road Crossing	\$15,000.00
Bitumen Reseal	\$95,000.00
Housing Repair Maintenance	\$245,000.00
Kindy Upgrade, shade sails, sand pit cover	\$30,000.00
ESTIMATED TOTAL	\$730,000.00

Housing

Repairs/Maintenance are now carried out by the local indigenous building coordinator and doing a good job of bringing the numbers down, staff attendance issues and lack of trade support is letting this area down, big thanks to the Coordinator Building Services for his commitment of ensuring that the works are getting attended to, we will have a better understanding of numbers in the next annual report.

Housing is a major problem in the community with overcrowding, which is a big challenge when trying to minimise risks of health issues etc., WWASC has been and still is lobbying with both Federal and State government to maintain the housing program for indigenous communities.

The Housing program delivery is now implemented and constructed by WWASC with local stakeholders' input in design and layout of property to be best fit for purpose and community.

Animal Management

The Visiting Vet programme has achieved 100% of animals now desexed in Wujal Wujal. Other treatments are carried out twice a week with the vet nurse who is employed by WWASC.

- When animals need to be treated by the vet, they are transported to Cooktown.
- WWASC now has an animal management complaints process in place.
- WWASC implements an animal census and maintains a record of animal populations in the community (including an annual census of dogs, cats and horses in the community).

Training/Upskilling

Training of staff and upskilling is ongoing with \$150,000.00 of funding utilised for numerous Council staff, with leadership, project management, Cert 1V in water/waste and contract administration, also renewals and upskilling to be consistent with WH&S requirement.



Governance and Corporate Services

Eileen Deemal-Hall, CEO

This portfolio includes the following:

- Offices of the Mayor and CEO
- Finance Team – Corporate Services
- Cultural Officers
- Postal Services
- Banking Services
- Booking Hire for Grounds and Functions
- Coordination for the Local Disaster Management Group
- Ergon Energy Agent
- IT coordination
- Telstra coordination

The Corporate Services team is responsible for ensuring efficient, effective and value-for-money Council services. As CEO, a key area of my role is to encourage innovative solutions to financial and administrative functions for our Council. I'm sure you will agree that Wujal Wujal is a unique place, in a unique location. Due to this, our community requires innovative solutions to achieve results.

Strengthening from Within

Council focused on reviewing internal processes. To be sustainable and effective, it was important that Council was strong internally. Strengthening from within was critical to building trust with agencies and wider external stakeholders. Behaviour change, and cultural alignment had to be incremental to support Council's new direction.

Finance Team Redesign

A number of councils in remote areas will have an office based off-site in the next metropolitan area – in this case, in Cairns. Council was very clear that having functions away from community limits the opportunity for community staff to engage in professional development. Critical functions such as accounting had issues, due in part to systems and staffing. Therefore, we looked at a redesign, and changing from having key roles with agency staff. A key facet of 'Strengthening from Within'

was the Internal Audit Refresh. Pacifica Chartered Accountants worked with Council on developing a key internal audit plan.

Key areas included but not limited to:

Role & Performance Evaluation (CSM) FY 2018:

Grants & Subsidies Application and Acquittal Process; Cash Handling & Revenue Assurance Practices; Tender Evaluation, Contract Management & Procurement Review. The internal audit was a good way to engage staff in quality control, improvement functions and identifying areas for improvement.

Banking and Postal Office Agent Services

The internal audit also assisted Bank and Post Office staff in increasing efficiency and implementation of cash handling, fraud awareness and reporting controls.

Due to their remote locality, a number of councils run the local post office and community banking under an agent arrangement. This is not usually a commercially lucrative arrangement. However, for Wujal Wujal, it is a critical service – the nearest bank and post office is one hour North or 2.5 hours South. There is no daily bus service or taxi service and a large number of households do not own a vehicle. To close these services would be detrimental to the social fabric of the Wujal Wujal community. Therefore, the challenge will be to look at what functions within the banking and postal office could be commercialised and/or incentivised to offset costs.

Centrelink Agent Services

The Department of Human Services funds the Council a minimal amount to run the Centrelink agent services. The contract is for 10 to 15 hours per week. It does not take into account the office hire, electricity and other related consumables. Until new contract negotiations are finalised, Council has implemented a new staffing model to increase office hours. The new hours will provide better community access to Centrelink operations.

Cultural Safety and Traditional Owners

Council continues to respect our cultural heritage and the Traditional Owners of this land. The employment of two Cultural Advisors and a close working relationship with the Jabalbina Aboriginal Corporation ensures that Indigenous culture is observed in all Council activities.

Queensland Treasury Corporation (QTC) – Financial Literacy Pilot

The QTC was identified as a potential capacity partner in late 2016, and we further investigated this possibility through discussions and negotiations in early 2017. They offer a number of training and professional development services in addition to financial management and financial planning tools. The aim is to build Council's capacity across all function in terms of financial literacy.

The QTC's 10-year financial forecast model for sustainability is a key focus for local governments. They face specific challenges in helping Indigenous Councils future-proof their operations for sustainability, particularly given that, unlike mainstream councils, these Councils do not have a rateable base or alternative revenue streams.

Council approached the QTC to be a pilot site to trial a programme around financial literacy. This was delivered in Wujal Wujal by QTC trainers over two days on 11 and 12 July 2019. Day one was for Councillors and day two was for staff.

In return for our contribution to QTC, Council received financial literacy workshops for Councillors, Executive Staff and Coordinators. This educational workshop helped Council staff understand the budgets for their areas or responsibility and helped shape Council for a better financial future.

Councillors felt comfortable to ask specific questions and identify what to look for when reading and interpreting financial statements in relation to their role as Elected members.

Indigenous Local Government Sustainability

Programme Indigenous Local Government Sustainability is funded through the Department of Local Government, Racing and Multicultural Affairs.

WWASC nominated the following projects for funding:

- Human Resources and Industrial Relations
- Records Management
- Business Diversification – Service Station
- Innovation and Sustainability
- Training and Professional Development
- Corporate Governance Specialist.

Government Champions

Wujal Wujal Aboriginal Shire Council would like to thank our Ministerial and Government Champions The Hon. Leeanne Enoch, MP Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts and Director-General Jamie Merrick along with Executive Director Alena Tracey – Department of Environment and Science (DES) for their help, support and hard work that saw WWASC through an intense rebuild after the monsoonal event early in 2019 and this help enabled Wujal Wujal to become operational in a condensed timeframe.





Community Financial Report

The Community Financial Report is a summary of the information contained in Council's financial statements for the period 1 July 2018 to 30 June 2019 and provides an overview of Council's financial management and performance in accordance with S179 of the Local Government Regulation 2012. The report is consistent with the 2018/2019 audited financial statements and aims to simplify Council's official Financial Statements by providing a visual representation of our financial performance and financial position. Each report in Council's Financial Statements provides information on a specific aspect of our performance. The Statement of Comprehensive Income provides a summary of Council's financial performance, the Statement of Financial Position provides a snapshot of Council's Assets and Liabilities at 30 June 2019, the Statement of Changes in Equity shows the overall change for the year in Council's 'net wealth' and the Statement of Cash Flows indicates where Council's cash came from and where it was spent. The Notes to the Financial Statements provide greater detail to the line numbers of the four primary financial statements. Collectively the statements provide a detailed profile on the financial performance and health of Council.

2018/2019 Snapshot

Key highlights of the 2018/2019 financial year include:

- Achievement of a positive net result of \$1.39 million;
- Completion of \$2.84 million capital works projects.

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 Sources and Expenditure – Where does the money come from and where does it go?

In 2018/2019 Council received \$6.76 million in operating revenue and \$6.64 million in capital revenue. Council spent \$3.93 million on employee benefits, purchased \$3.88 million of materials and services and recognised \$1.49 million in depreciation and amortisation of Council assets.

Statement of Comprehensive Income

Operational revenue decreased by \$663,039 and Capital revenue increased by \$2,513,498 from 2017/2018. Capital revenue consists of grants and subsidies from Federal and State agencies that allow Council to build or upgrade its facilities.

Statement of Comprehensive Income

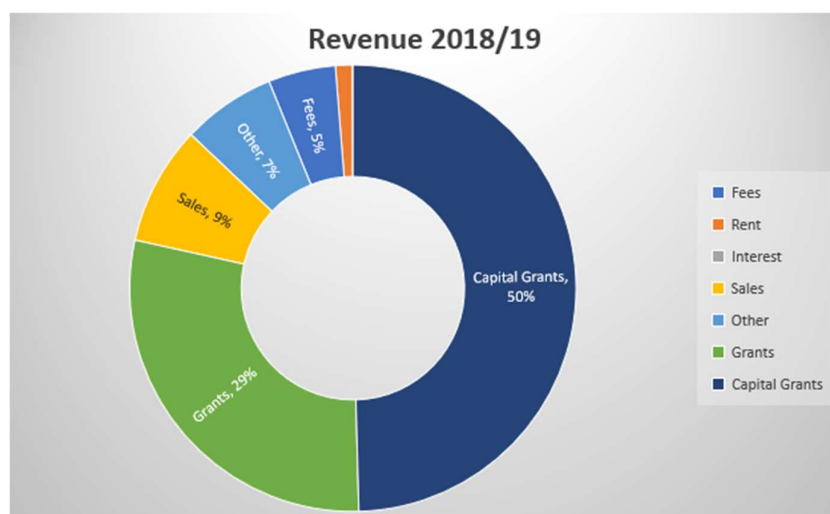
For the year ended 30 June 2019

	2019	2018
Revenue	\$	\$
Recurrent revenue		
Fees and charges	654,177	599,556
Rental income	164,108	200,343
Interest received	4,227	6,804
Sales revenue	1,154,035	2,607,670
Other income	280,205	903,087
Grants, subsidies and contributions	909,508	3,102,679
Total recurrent revenue	6,757,100	7,420,139
Capital revenue		
Grants, subsidies and contributions	6,123,241	4,128,780
Capital income	519,037	-
Total capital revenue	6,642,278	4,128,780
Total revenue	13,399,378	11,548,920
Expenses	\$	\$
Recurrent expenses		
Employee benefits	(3,932,580)	(4,553,966)
Materials and services	(3,876,220)	(3,509,263)
Finance costs	(4,825)	(70,542)
Depreciation and amortisation	(1,493,947)	(1,492,193)
Total recurrent expenses	(9,307,573)	(9,625,964)
Capital expenses	(2,706,662)	(156,009)
Total expenses	(12,014,235)	(9,781,972)
Net result	1,385,143	1,766,947
Other comprehensive income	\$	\$
Items that will not be reclassified to net result		
Increase/(decrease) in asset revaluation surplus	-	-
Total other comprehensive income	-	-
Total comprehensive income for the year	1,385,143	1,766,947

Major sources of Council's income

Revenue 2018/19

Fees	654,177
Rent	164,108
Interest	4,227
Sales	1,154,035
Other	909,508
Grants	3,871,045
Capital Grants	6,642,278



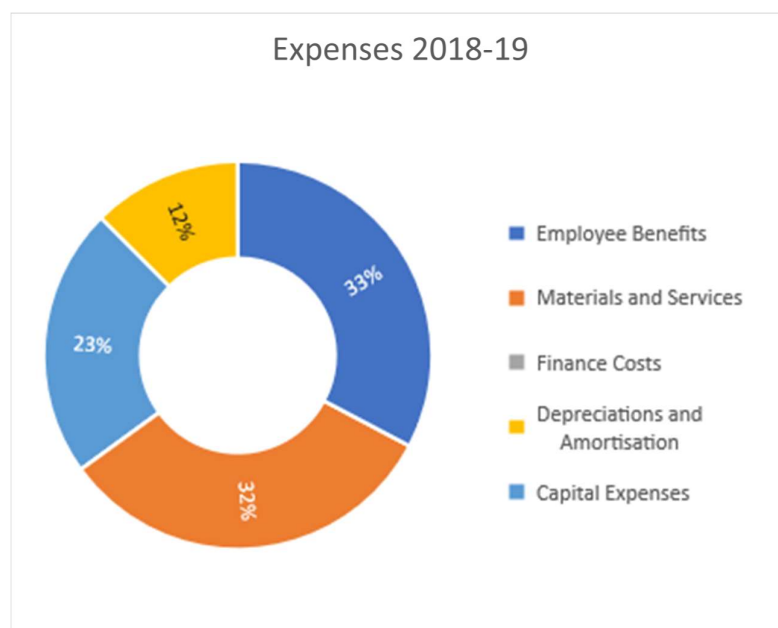
Council's expenditure

Expenses 2018/19

Employee Benefits	3,932,580
Materials and Services	3,876,220
Finance Costs	4,826
Depreciations and Amortisation	1,493,947
Capital Expenses	2,706,662

Expenditure increase by \$2,232,263 from 2018/2019.

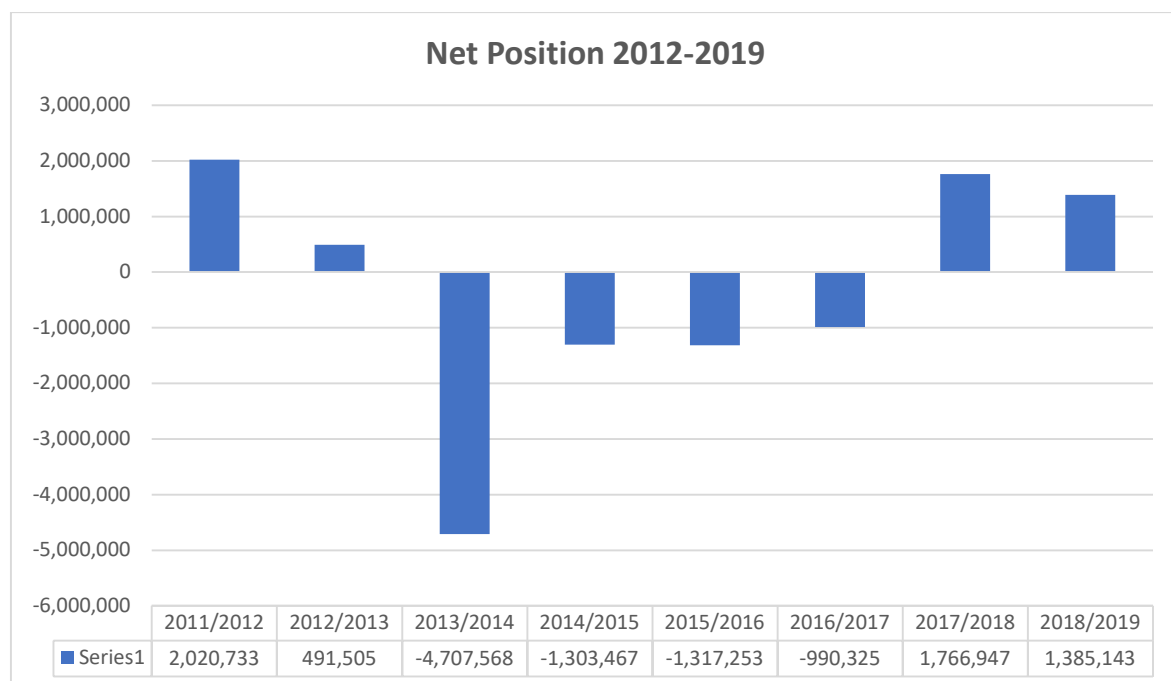
This consisted mainly of loss on disposal of non-current assets from Australia Day flooding - \$2,706,662 and an increase in materials/services of \$366,957.



Net position

Council Net Result 2012 – 2019

2011/2012	2,020,733
2012/2013	491,505
2013/2014	-4,707,568
2014/2015	-1,303,467
2015/2016	-1,317,253
2016/2017	-990,325
2017/2018	1,766,947
2018/2019	1,385,143



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 2019, the Net Result for Council was a surplus of \$1.39 million. This surplus was achieved through capital income; Council's operational result was a deficit of \$2.55 million. It should be noted that the operational deficit includes \$1.49 million of depreciation expense.

Statement of Financial Position

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.

Our Current Assets and Liabilities

As at 30 June 2019

2019

2018

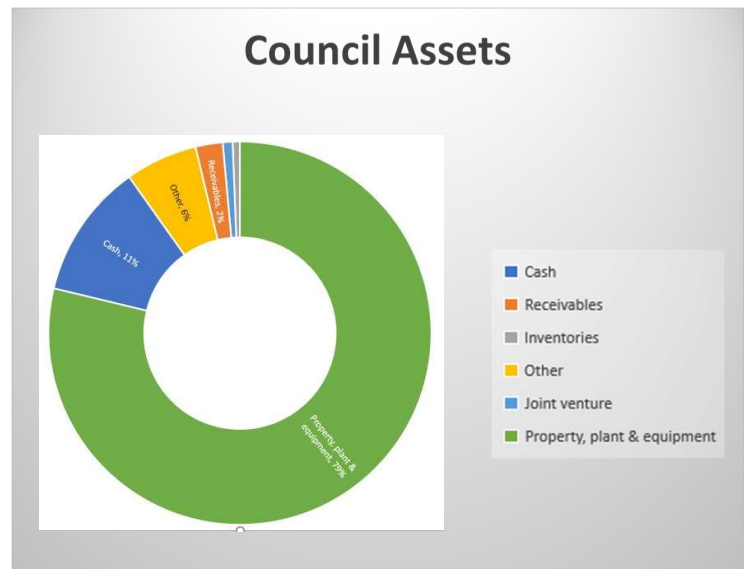
Current assets	\$	\$
Cash and cash equivalents	4,415,766	1,320,434
Trade and other receivables	886,747	1,520,530
Inventories	238,000	53,734
Other financial assets	73,063	70,414
Total current assets	5,613,576	2,965,112
Non-current assets		
Other financial assets	2,284,921	1,939,216
Investment in joint venture	320,572	40,367
Property, plant and equipment	30,472,365	31,785,837
Total non-current assets	33,077,858	33,765,420
Total assets	38,691,433	36,730,532
Current liabilities	\$	\$
Trade and other payables	1,271,392	869,243
Finance leases	138,255	70,086
Provisions	119,995	103,040
Total current liabilities	1,529,642	1,042,369
Non-current liabilities		
Finance leases	237,919	117,081
Provisions	130,998	163,335
Total non-current liabilities	368,917	280,416
Total liabilities	1,898,559	1,322,784
Net community assets	36,792,874	35,407,748

Council assets

Assets 2018/19

Cash	4,415,766
Receivables	886,747
Inventories	238,000
Other	2,357,983
Joint venture	320,572
Property, plant & equipment	30,472,365

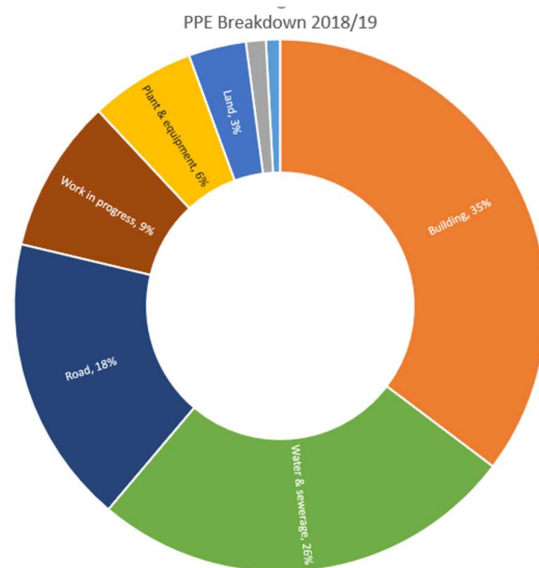
Total Assets increased by \$1,960,918 mainly due to an increase in cash at bank and offsetting decrease from other asset classes.



Breakdown of property, plant and equipment

PPE Breakdown 2018/19

Land	1,065,687
Building	10,752,667
Motor vehicles	366,787
Plant & equipment	1,946,352
Furniture, fittings & other	265,165
Water & sewerage	7,882,617
Road	5,349,453
Work in progress	2,843,638
Total	30,472,365



Statement of Changes in Equity

The Statement of Changes in Equity shows the overall change in Council's net worth over the year. In the 2018/2019 financial year, Council's net worth increased by \$1.39 million as a result of the net operating surplus. The asset revaluation surplus comprises amounts representing the change in the value of Council's assets over time and did not change during the year.

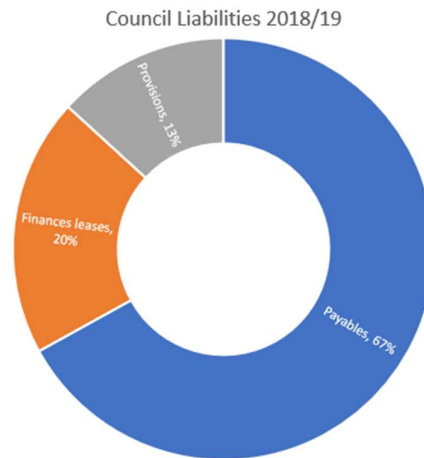
Statement of Cash Flows

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 for a specific purpose.

Council liabilities

Liabilities 2018/19

Payables	1,271,392
Finances leases	376,174
Provisions	250,993



Total Liabilities increased by \$575,775 due to a higher end of year figure of creditors and accruals and also due to higher finance leases.

Financial Sustainability Ratios

Financial Sustainability Statement

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 2019 against key financial ratios are listed below:

Financial Sustainability Ratios

Ratio	Target	Result
Operating surplus ratio	Between 0% and 10%	-38%
Asset sustainability ratio	Greater than 90%	153%
Net financial liabilities ratio	Not greater than 60%	-55%

The Asset Sustainability Ratio measures Council's ability to maintain infrastructure capital over the long-term, while the Operating Surplus and Net Financial Liabilities Ratios measure Council's ability to maintain financial capital over the long-term. Council was unable to achieve a positive operating surplus ratio and Council's Asset Sustainability Ratio is well above the targeted range. The Net Financial Liabilities Ratio is within target. Page 79 of the Financial Statements provides the forecast outcomes of the three key financial ratios, for each of the 10 years to 2028.

Registers Open for Inspection

The Wujal Wujal Aboriginal Shire Council keeps the following registers that are open to inspection according to the Local Government Regulation 2012.

Register	Purpose	Access
Delegations Register	To record the powers delegated to the CEO	Available to any person and other officers
General Complaints Register	To record the process dealing with complaints lodged	Available to any person at the local government's public office
Local Law Register	The register must contain, for each local law, the laws name, purpose and general effect	Register available for inspection at the local government's public office and displayed on website
Procurement Register	To record purchase orders exceeding \$200,000	Available on Website
Register of cost recovery fees	The register must state the type of cost recovery fee and the provision of the legislation authorising the action for which the cost-recovery fee has been levied.	Register available to the public
Register of Interest Personal Interest of Councillors	To record Financial and other personal interests of Councillors	Available on the website and to any person upon written application to the CEO. Relevant Councillors must be informed of the application
Register of Interest Personal Interests of Councillors related persons	To record certain financial and other personal interests of specified persons related Councillors	Available on the website. Restricted to Councillors of Wujal Wujal Council and persons permitted by law or their agents
Roads map and register	The road register my identify: <ul style="list-style-type: none"> • the category of every road • the level of every road that has a xed level • the length of every road • If the road is formed, graveled pavement or sealed pavement, the length and width of the formed graveled pavement or sealed pavement part 	Map and Register available on website and to the public

Council Publications for Disclosure

The Wujal Wujal Aboriginal Shire Council keeps the following Council Publications for Disclosure that are open to inspection according to the Local Government Regulation 2012.

Publication for Disclosure	Purpose	Access
Annual Report	To document the financial position available to any person the performance of the Corporate and Operational Plans for the year, as well as other accountabilities both mandatory and discretionary	Available to any person
Budget	To record the proposed expenditures and revenues required to implement Council's strategies and goals for the year	Available to any person
Capital Works and Special Projects Priorities	To document building activity within the Shire	Available to any person
Corporate Plan	To document the goals, strategies and performance indicators set by Council for a five-year period	Available to any person
Minutes of Council Meetings	To record all resolutions made by the Council at Ordinary or Special Meeting	Available to any person on the website and also available at the local government public offices for purchase after meetings
Operational Plan	To document the goals, strategies and performance indicators set by Council for the year	Available to any person
Policies	To record all Policies adopted by Council	Available to any person
Statement of Accounts	To record the actual position of the financial accounts, compared to budget predictions, on a monthly basis	Available to any person

Legislative compliance

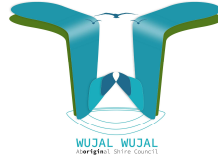
Section	Referenced in the report (if at all)
IDENTIFYING BENEFICIAL ENTERPRISES (S41)	
A local government's annual report for each financial year must contain a list of all the beneficial enterprises that the local government conducted during the financial year.	Council has no such reporting obligations as it does not conduct beneficial enterprises.
IDENTIFYING SIGNIFICANT BUSINESS ACTIVITIES (S45)	
<p>A local government's annual report for each financial year must:</p> <p>a) contain a list of all the business activities that the local government conducted during the financial year; and</p> <p>b) identify the business activities that are significant business activities, and</p> <p>c) state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied, and</p> <p>d) state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there are any new significant business activities</p>	<p>Council has no such reporting obligations as it does not have any significant business activities</p> <p>As above</p> <p>As above</p> <p>As above</p>
ANNUAL REPORT MUST DETAIL REMUNERATION (S201)	
<p>(1) The annual report of a local government must state:</p> <p>a) the total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government; and</p> <p>b) the number of employees in senior management who are being paid each band of remuneration.</p> <p>(2) The senior management, of a local government, consists of the chief executive officer and all senior executive employees of the local government.</p> <p>(3) Each band of remuneration is an increment of \$100,000.</p> <p>(4) To remove any doubt, it is declared that nothing in this section requires the exact salary of any employee in senior management to be separately stated in the annual report.</p>	<p>\$1,148,582.00</p> <p>5</p> <p>\$0-\$100,000- 2 \$100,000-\$200,000- 3</p>

Section	Referenced in the report (if at all)
PREPARATION OF ANNUAL REPORT (S182)	
Adopt Annual Report within one month after the QAO provides certification.	Noted. Report for 18/19 was QAO certified on the 31st January 2020
Annual Report placed on council website within 2 weeks after council has adopted it.	Noted.
GENERAL PURPOSE FINANCIAL STATEMENTS (S183)	
The Annual Report for a financial year must contain:	
a) the general-purpose financial statement for the financial year, audited by the auditor-general; and	Compliant.
b) the current-year financial sustainability statement for the financial year, audited by the auditor-general; and	Compliant.
c) the long-term financial sustainability statement for the financial year; and	Compliant.
d) the auditor-general's audit reports about the general-purpose financial statements and the current year sustainability statement.	Compliant.
COMMUNITY FINANCIAL REPORT (S184)	
The annual report must contain the community financial report for the financial year.	Compliant.
PARTICULAR RESOLUTIONS (S185)	
The Annual Report for a financial year must contain:	
a) a copy of the resolutions made during the financial year under s250(1); and	No such activity to report
b) a list of any resolutions made during the financial year under s206(2).	No such activity to report
COUNCILLORS (S186)	
a) for each councillor, the total remuneration, including superannuation contributions, paid to the councillor during the financial year; and	Compliant
b) the expenses incurred by, and the facilities provided to, each councillor during the financial year under the local government's expenses reimbursement policy; and	Compliant
c) the number of local government meetings that each councillor attended during the financial year; and	Compliant
d) the total number of the following during the financial year—	
i) orders and recommendations made under S180(2) or (4); and	Compliant
ii) orders made under S181; and	No such activity to report
e) each of the following during the financial year—	
i) the name of each councillor for whom an order or recommendation was made under S180 of the Act or an order was made under S181 of the Act;	No such orders to report

Section	Referenced in the report (if at all)
<ul style="list-style-type: none"> ii) a description of the misconduct or inappropriate conduct engaged in by each of the councillors; iii) a summary of the order or recommendation made for each councillor; and <p>f) the number of each of the following during the financial year—</p> <ul style="list-style-type: none"> i) complaints about the conduct or performance of councillors for which no further action was taken under S176C(2) of the Act; ii) complaints referred to the department's chief executive under S176C(3) (a)(i) of the Act; iii) complaints referred to the mayor under S176C(3)(a) (ii) or (b)(i) of the Act; iv) complaints referred to the department's chief executive under S176C(4)(a) of the Act; v) complaints assessed by the chief executive officer as being about corrupt conduct under the Crime and Corruption Act; vi) complaints heard by a regional conduct review panel; No such activity to report vii) complaints heard by the tribunal; No such activity to report viii) complaints to which S176C(6) of the Act applied. No such activity to report 	<p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p>
ADMINISTRATIVE ACTION COMPLAINTS (S187)	
<p>1) The annual report for a financial year must contain:</p> <ul style="list-style-type: none"> a) a statement about the local government's commitment to dealing fairly with administrative action complaints; and b) a statement about how the local government has implemented its complaints management process, including an assessment of the local government's performance in resolving complaints under the process. <p>(2) The annual report must also contain particulars of:</p> <ul style="list-style-type: none"> a) the number of the following during the financial year— <ul style="list-style-type: none"> i) administrative action complaints made to the local government; ii) administrative action complaints resolved by the local government under the complaints management process; iii) administrative action complaints not resolved by the local government under the complaints management process; and b) the number of administrative action complaints under paragraph (a)(iii) that were made in a previous financial year. 	<p>Compliant</p> <p>Compliant</p> <p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p> <p>No such activity to report</p>

Section	Referenced in the report (if at all)
OVERSEAS TRAVEL (\$188)	
<p>1) The annual report for a financial year must contain the following information about any overseas travel made by a councillor or local government employee in an official capacity during the financial year:</p> <ul style="list-style-type: none"> a) for a councillor - the name of the councillor; b) for a local government employee - the name of, and position held by, the local government employee; c) the destination of the overseas travel; d) the purpose of the overseas travel; e) the cost of the overseas travel; <p>2) The annual report may also contain any other information about the overseas travel the local government considers relevant</p>	<p>In March 2019 Mayor Desmond Tayley travelled to Denver Colorado in the USA.</p> <p>The purpose of the trip was to attend the Start-up Community Leaders Conference as part of a Queensland delegation of 12 Innovation community leaders.</p> <p>The cost of the Mayor's travel was paid by the Queensland Government.</p> <p>Chief Executive Officer Eileen Deemal-Hall also attended the Start-up Community Leaders Conference in Denver Colorado, USA.</p> <p>Ms Deemal-Hall self-funded her travel costs</p> <p>In September 2018 Chief Executive Officer Eileen Deemal-Hall attended a Local Government Managers Australia (LGMA) CEO exchange in New Zealand</p> <p>The cost of the CEO exchange are paid by the LGMA</p> <p>Council had no expenditure on overseas travel.</p>
EXPENDITURE ON GRANTS TO COMMUNITY ORGANISATIONS (\$189)	
<p>The annual report for a financial year must contain a summary of:</p> <ul style="list-style-type: none"> a) the local government's expenditure for the financial year on grants to community organisations; and b) expenditure from each councillor's discretionary fund, including— <ul style="list-style-type: none"> i) the name of each community organisation to which an amount was allocated from the fund; and ii) the amount and purpose of the allocation; 	<p>Compliant</p> <p>Not applicable to this Council</p> <p>Not applicable to this Council</p>
OTHER CONTENTS (\$190)	
<p>1) The annual report for a financial year must contain the following information:</p> <ul style="list-style-type: none"> a) the chief executive officer's assessment of the local government's progress towards implementing its 5 year corporate plan and annual operational plan; b) particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year; c) an annual operations report for each commercial business unit; 	<p>Compliant</p> <p>Compliant</p> <p>No such business units exist at this Council</p>

Section	Referenced in the report (if at all)
<p>d) details of any action taken for, and expenditure on, a service, facility or activity—</p> <p>i) supplied by another local government under an agreement for conducting a joint government activity; and</p> <p>ii) for which the local government levied special rates or charges for the financial year;</p> <p>e) the number of invitations to change tenders under S228(7) during the financial year—</p> <p>i) a list of the registers kept by the local government; Compliant</p> <p>ii) a summary of all concessions for rates and charges granted by the local government;</p> <p>iii) the report on the internal audit for the financial year;</p> <p>iv) a summary of investigation notices given in the financial year under S49 for competitive neutrality complaints;</p> <p>iiiv) the local government's responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under S52(3).</p> <p>2) In this section - annual operations report, for a commercial business unit, means a document that contains the following information for the previous financial year</p> <p>a) information that allows an informed assessment of the unit's operations, including a comparison with the unit's annual performance plan; Not applicable to this Council</p> <p>b) particulars of any changes made to the unit's annual performance plan for the previous financial year; Not applicable to this Council</p> <p>c) particulars of the impact the changes had on the unit's—</p> <p>i) financial position; and Not applicable to this Council</p> <p>ii) operating surplus or deficit; and Not applicable to this Council</p> <p>iii) prospects. Not applicable to this Council</p> <p>d) particulars of any directions the local government gave the unit.</p>	<p>None for FY 2018/19</p> <p>None for FY 2018/19</p> <p>None for FY 2018/19</p> <p>No such concessions were made in this Financial Year.</p> <p>Compliant - please see 'Report on the internal audit for the financial year' below</p> <p>No such investigations were undertaken in the FY 2018/19</p> <p>No such recommendations were issued in the FY 2018/19</p> <p>Not applicable to this Council</p> <p>Not applicable to this Council</p> <p>Not applicable to this Council</p> <p>Not applicable to this Council</p> <p>Not applicable to this Council</p>



**2018/19 Audited
Financial Statements
WUJAL WUJAL ABORIGINAL SHIRE COUNCIL**



Wujal Wujal Aboriginal Shire Council

Financial Statements

For the year ended 30 June 2019

Table of contents

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the financial statements

- 1 Significant accounting policies
- 2 Analysis of results by function
- 3 Revenue
- 4 Grants, subsidies, contributions and donations
- 5 Capital income
- 6 Employee benefits
- 7 Materials and services
- 8 Depreciation and amortisation
- 9 Capital expenses
- 10 Cash and cash equivalents
- 11 Receivables
- 12 Inventories
- 13 Other financial assets
- 14 Property, plant and equipment
- 15 Fair value measurements
- 16 Payables
- 17 Provisions
- 18 Commitments for expenditure
- 19 Asset revaluation surplus
- 20 Transactions with related parties
- 21 Contingent liabilities
- 22 Superannuation
- 23 Joint venture
- 24 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities
- 25 Events after the reporting period
- 26 Finance leases

Management Certificate

Independent Auditor's Report (General Purpose Financial Statements)

Current Year Financial Sustainability Statement

Certificate of Accuracy - for the Current Year Financial Sustainability Statement

Independent Auditor's Report (Current Year Financial Sustainability Statement)

Unaudited Long Term Financial Sustainability Statement

Certificate of Accuracy - for the Long Term Financial Sustainability Statement

Wujal Wujal Aboriginal Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Income			
Revenue			
Recurrent revenue			
Fees and charges	3(a)	654,177	599,556
Rental income		164,108	200,343
Interest received		4,227	6,804
Sales revenue	3(b)	1,154,035	2,607,670
Joint Venture	3(c),23	280,205	325,602
Other income	3(d)	629,303	577,485
Grants, subsidies, contributions and donations	4(a)	3,871,045	3,102,679
Total recurrent revenue		<u>6,757,100</u>	<u>7,420,139</u>
Capital revenue			
Grants, subsidies, contributions and donations	4(b)	6,123,241	4,128,780
Other capital income	5	519,037	-
Total capital revenue		<u>6,642,278</u>	<u>4,128,780</u>
Total income		<u>13,399,378</u>	<u>11,548,919</u>
Expenses			
Recurrent expenses			
Employee benefits	6	(3,932,580)	(4,553,966)
Materials and services	7	(3,876,220)	(3,509,263)
Finance costs		(4,826)	(70,542)
Depreciation and amortisation	8,14	(1,493,947)	(1,492,193)
Total recurrent expenses		<u>(9,307,573)</u>	<u>(9,625,963)</u>
Capital expenses	9	(2,706,662)	(156,009)
Total expenses		<u>(12,014,235)</u>	<u>(9,781,972)</u>
Net result		<u>1,385,143</u>	<u>1,766,947</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase / (decrease) in asset revaluation surplus	19	-	-
Total other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>1,385,143</u>	<u>1,766,947</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 2019

	Note	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	10	4,415,766	1,320,434
Receivables	11	886,747	1,520,530
Inventories	12	238,000	53,717
Other financial assets	13	73,063	70,414
Total current assets		5,613,576	2,965,095
Non-current assets			
Other financial assets	13	2,284,921	1,939,216
Investment in joint venture	23	320,572	40,367
Property, plant and equipment	14	30,472,365	31,785,837
Total non-current assets		33,077,858	33,765,420
Total assets		38,691,433	36,730,515
Current liabilities			
Payables	16	1,271,392	869,243
Finance leases	26	138,255	70,086
Provisions	17	119,995	103,040
Total current liabilities		1,529,642	1,042,368
Non-current liabilities			
Finance leases	26	237,919	117,081
Provisions	17	130,998	163,335
Total non-current liabilities		368,917	280,416
Total liabilities		1,898,559	1,322,784
Net community assets		36,792,874	35,407,731
Community equity			
Asset revaluation surplus	19	14,892,783	14,892,783
Retained surplus/(deficiency)		21,900,091	20,514,948
Total community equity		36,792,874	35,407,731

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 2019

Note	Asset revaluation surplus 19 \$	Retained Surplus \$	Total \$
Balance as at 1 July 2018	14,892,783	20,514,948	35,407,731
Adjustment on initial application of AASB 9			
Net operating surplus	-	1,385,143	1,385,143
Other comprehensive income for the year			
Increase / (decrease) in asset revaluation surplus	-	-	-
Total comprehensive income for the year	-	1,385,143	1,385,143
Balance as at 30 June 2019	14,892,783	21,900,091	36,792,874
Balance as at 1 July 2017	14,892,783	18,748,001	33,640,784
Net operating surplus	-	1,766,947	1,766,947
Other comprehensive income for the year			
Increase / (decrease) in asset revaluation surplus	-	-	-
Total comprehensive income for the year	-	1,766,947	1,766,947
Balance as at 30 June 2018	14,892,783	20,514,948	35,407,731

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 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers		2,753,916	3,395,805
Payments to suppliers and employees		(7,395,665)	(8,043,131)
		(4,641,749)	(4,647,326)
Interest received		4,227	6,804
Rental income		164,108	200,343
Non capital grants and contributions		3,871,045	3,093,087
Borrowing Costs		(12,985)	(10,662)
Net cash inflow (outflow) from operating activities	24	(615,354)	(1,357,754)
Cash flows from investing activities			
Payments for property, plant and equipment		(2,145,826)	(3,561,346)
Proceeds from sale of property plant and equipment	5,9	134,000	-
Finance lease receipts	13	73,735	71,618
Grants, subsidies, contributions and donations		5,734,747	4,534,802
Dividend - JV investment		-	450,000
Net cash inflow (outflow) from investing activities		3,796,655	1,495,074
Cash flows from financing activities			
Repayments made on finance leases	26	(85,969)	(67,241)
Net cash inflow (outflow) from financing activities		(85,969)	(67,241)
Net increase (decrease) in cash and cash equivalents held		3,095,331	70,079
Cash and cash equivalents at the beginning of the financial year		1,320,434	1,250,355
Cash and cash equivalents at end of the financial year	10	4,415,765	1,320,434

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

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

1 Significant accounting policies

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 2018 to 30 June 2019 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. They comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS). Therefore in some instances these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation gains and losses within a class of assets and the timing of recognition of non-reciprocal grant revenue.

These financial statements have been prepared under the historical cost convention except where stated.

1.B Date of authorisation

The financial statements were authorised for issue on the date they were submitted to the Auditor-General for final signature. This is the date the management certificate is signed.

1.C New and revised Accounting Standards

This year Council has applied **AASB 9 Financial Instruments** for the first time. AASB 9 replaces AASB 139 and relates to the recognition, classification and measurement of financial assets and financial liabilities. Implementing AASB 9 has resulted in a change to the way Council calculates impairment provisions, which are now based on expected credit losses instead of incurred credit losses.

Council has not restated comparative figures. This means the new impairment rules are reflected in the receivables balance at 30 June 2019, but not 30 June 2018.

On 1 July 2018 (the date of initial application), Council re-assessed the classification, measurement category and carrying amount of each financial instrument listed below in accordance with AASB 9. There were some changes to classification, but this did not result in changes to measurement categories. Carrying amounts were also unchanged.

Financial asset/liability	Measurement
Cash and cash equivalents	Amortised cost
Receivables	Amortised cost
Other financial assets	Amortised cost

1.D Adoption of new and revised Accounting Standards

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective. The standards that may have a material impact upon council's future financial statements are:

Standard and impact

AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-to-profit (NFP) entities, in conjunction with AASB 15, and AASB 2016-8. These Standards supersede the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 *Contributions*.

Identifiable impacts at the date of this report are:

Some grants received by Council will be recognised as a liability, and subsequently recognised progressively as revenue as Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants from the Federal Government and State Government for which there are no sufficiently specific performance obligations these are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of Council's goods and services such that some revenue may need to be deferred to a later reporting period to the extent that Council has received payment but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime).

A range of new disclosures will also be required by the new standards in respect of the Council's revenue.

The Council intends to apply the practical expedients available for the full retrospective method. Where revenue has been recognised in full under AASB 1004, prior to 1 July 2019, but where AASB 1058 would have required income to be recognised beyond that date, no adjustment is required. Further, Council is not required to restate income for completed contracts that start and complete within a financial year. This means where income under AASB 1004 was recognised in the comparative financial year (i.e. 2018/19), these also do not require restatement.

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

AASB 16 Leases

Council has assessed the impacts of the new standard that initial application of AASB 16 will have on its financial statements, however, the actual impacts may differ as the new accounting policies are subject to change until Council presents its first financial statements that include the date of initial application. AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Leases in which Council is a lessor

No significant impact is expected for other leases in which Council is a lessor. The only material leases relate to plant and equipment assets that are already accounted for as a finance lease. The remaining leases are not material to the financial statements and as such they are not expected to have a material impact on adoption of AASB 16.

Peppercorn Leases

Council is the lessee of a number of Deed of Grant in Trust leases, for which no or little lease payments are made. These have been identified as peppercorn leases which are currently not recognised in Council's financial statements. Council does not intend to apply the fair value measurement requirements to these leases until such time as this requirement is mandated.

Transition method

Council intends to apply AASB 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.

1.E Critical accounting judgements and key sources of estimation uncertainty

Where necessary judgements, estimates and assumptions have been used in preparing these financial statements. Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:
Valuation and depreciation of property, plant and equipment - **Notes 14 and 15**
Impairment of property, plant and equipment - **Note 14**
Provisions - **Note 17**
Valuation of finance leases - **Notes 13 and 26**
Contingent liabilities - **Note 21**

1.F 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 2019

2 Analysis of Results by Function

2(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, 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 professional administration, finance and information services across all of council. This function includes human resource management, budget support, financial accounting, marketing and communication 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 2019

2 Analysis of results by function

2(b) Income and expenses defined between recurring and capital are attributed to the following functions:
Year ended 30 June 2019

Functions	Gross program income				Total Income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital								
	Grants	Other	Grants	Other							
	2019	2019	2019	2019							
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Corporate governance	-	-	-	-	-	(1,269,673)	-	(1,269,673)	(1,269,673)	(1,269,673)	-
Corporate services	1,747,723	380,939	-	-	2,128,662	(2,927,497)	-	(2,927,497)	(798,835)	(798,835)	7,961,940
Technical services	408,390	804,903	6,123,241	-	7,336,533	(2,986,073)	(2,706,662)	(5,692,735)	(1,772,781)	1,643,798	26,912,497
Community services	1,883,282	48,613	-	-	1,931,895	(1,281,317)	-	(1,281,317)	650,578	650,578	-
Building services	-	1,118,803	-	519,037	1,637,841	(843,012)	-	(843,012)	275,791	794,829	3,816,997
Total	4,039,395	2,353,259	6,123,241	519,037	13,034,932	(9,307,573)	(2,706,662)	(12,014,235)	(2,914,919)	1,020,697	38,691,433

Year ended 30 June 2018

Functions	Gross program income						Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital										
	Grants	Other	Grants	Other	Capital								
	2018	2018	2018	2018	2018	2018							
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Corporate governance	-	5,500	-	-	5,500	(831,364)	-	(831,364)	(825,864)	(825,864)	-	-	
Corporate services	1,686,495	948,402	-	-	2,634,897	(1,419,441)	(156,009)	(1,575,450)	1,215,456	1,059,447	7,558,421		
Technical services	310,787	776,992	4,128,780	-	5,216,559	(2,538,103)	-	(2,538,103)	(1,450,324)	2,678,456	25,548,546		
Community services	1,105,397	59,493	-	-	1,164,890	(2,325,067)	-	(2,325,067)	(1,160,177)	(1,160,177)	-	-	
Building services	-	2,527,072	-	-	2,527,072	(2,511,988)	-	(2,511,988)	15,084	15,084	3,623,548		
total	3,102,679	4,317,459	4,128,780	-	11,548,918	(9,625,963)	(156,009)	(9,781,972)	(2,205,825)	1,766,946	36,730,515		

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
3 Revenue			
(a) Fees and charges			
Administration and utility charges		597,365	549,415
Bank and Post Office agency commissions		10,637	11,185
Centrelink commissions		23,176	22,612
Other fees and charges		22,999	16,344
Total fees and charges		<u>654,177</u>	<u>599,556</u>
(b) Sales revenue			
Contracts and recoverable works			
Private works revenue		18,352	1,177
Q Build and BAS contract and recoverable works		936,344	1,903,068
Housing construction contract		-	499,250
Total contracts and recoverable works		<u>954,696</u>	<u>2,403,495</u>
Sale of goods			
Fuel		113,648	147,492
Art Centre		48,613	56,684
Works Private External Hire		37,078	-
Total sale of goods		<u>199,339</u>	<u>204,176</u>
Total sales revenue		<u>1,154,035</u>	<u>2,607,671</u>
<p>Council generates revenues from a number of services including an arts centre, service station sales and contracts for recoverable works relating to roads and social housing construction. Revenue from these contracts generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity.</p> <p>The amount recognised as revenue for contract works during the financial year is the amount receivable in respect of invoices issued during the period and in respect of works carried out during the period. The contract work carried out is not subject to retentions.</p>			
(c) Joint Venture			
Share of joint venture profit	23	280,205	325,602
(d) Other income			
Joint Venture Placement Fees		56,950	66,741
Other		39,557	34,644
Insurance Recovery		532,796	528
ATO Refund		-	475,572
Total other income		<u>629,303</u>	<u>577,485</u>
4 Grants, subsidies, contributions and donations			
(a) Recurrent			
General purpose grants		1,747,723	1,686,495
State government subsidies and grants		1,063,760	781,388
Commonwealth government subsidies and grants		1,059,562	634,796
Total recurrent		<u>3,871,045</u>	<u>3,102,679</u>

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
(b) Capital			
State government subsidies and grants		5,717,219	4,128,780
Commonwealth government subsidies and grants		406,022	-
Contributions - finance lease assets recognised in respect of newly built houses		-	-
Total capital		<u>6,123,241</u>	<u>4,128,780</u>

All grants, subsidies and contributions are non-reciprocal in nature and are recognised as revenue in the year in which Council obtains control over them with the exception of My Pathways grant which was disclosed in 2017/2018 as unearned revenue.

Conditions over contributions

The requirement to separately disclose grants for services versus grants for capital purposes (i.e. infrastructure) is not mandated in local government legislation or Australian Accounting Standards. However, this breakdown significantly assists Council in preparing the Financial Sustainability Statements.

Contributions recognised as income during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:

Grants for expenditure on services		3,957,302	1,239,543
		<u>3,957,302</u>	<u>1,239,543</u>
5 Capital income			
Gain / loss on disposal of non-current assets			
Proceeds from the sale of property, plant and equipment		134,000	-
Less: Book value of property, plant and equipment disposed of		(55,051)	-
		<u>78,949</u>	<u>-</u>
Other capital income			
SES truck donation		18,000	-
Gain on revaluation of finance leases	13	422,088	-
		<u>440,088</u>	<u>-</u>
Total capital income		<u>519,037</u>	<u>-</u>
6 Employee benefits			
Total staff wages and salaries		3,021,517	3,430,117
Councillors' remuneration		315,699	318,705
Annual, sick and long service leave entitlements		389,355	480,676
Superannuation		405,758	433,064
		<u>4,132,329</u>	<u>4,662,562</u>
Less: Capitalised employee expenses		(199,748)	(108,596)
Total employee benefits		<u>3,932,580</u>	<u>4,553,966</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.

	2019	2018
Total Council employees at the reporting date:		
Elected members	5	5
Administration and indoor staff	29	35
Depot and outdoors staff	46	42
Total full time equivalent employees	<u>80</u>	<u>82</u>

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
7 Materials and services			
Buildings and Houses - repairs		346,836	587,190
Agency operations		32,823	26,987
Audit of annual financial statements by the QAO		182,028	129,604
Communications and IT		174,019	180,112
Insurances		142,581	101,582
Recoverable Works costs		124,972	181,706
Housing Construction Contract		17,546	1,021,774
NDRRA and cyclone costs		256,932	45,263
Security & Emergency services		16,299	16,589
Cultural activities		207,275	291,125
Community Care services		233,169	116,404
Community Welfare services		342,959	355,607
Consultants		238,434	55,562
Councillors Non-Wages Expenses		40,122	23,402
Supplies and Services and Other Recoveries		1,494,157	369,186
Other materials and services		26,267	7,170
Total materials and services		3,876,220	3,509,263
Total audit fees quoted by the QAO relating to the 2018-19 financial statements are \$130,000 (2018: \$135,000)			
8 Depreciation and amortisation			
Depreciation of non-current assets			
Buildings		591,998	590,570
Major plant		182,074	141,464
Other plant and equipment		69,762	72,861
Road, drainage and bridge network		140,324	147,074
Water		254,047	263,387
Sewerage		251,849	272,963
Other infrastructure assets		3,893	3,893
Total depreciation and amortisation		1,493,947	1,492,192
9 Capital expenses			
Loss on disposal of non current assets			
less book value of disposed assets	14	(2,706,662)	(44,454)
Total loss on sale of assets		(2,706,662)	(44,454)
Loss on revaluation of finance leases			
Loss on revaluation of finance leases	13	-	(111,555)
Total capital expenses		(2,706,662)	(156,009)

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
10 Cash and cash equivalents			
Cash at bank and on hand		4,415,766	1,320,434
Balance per Statement of Cash Flows		<u>4,415,766</u>	<u>1,320,434</u>

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

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

Unspent government grants and subsidies	3,957,302	1,239,543
Total unspent restricted cash	<u>3,957,302</u>	<u>1,239,543</u>

Cash and cash equivalents includes cash on hand, all cash and cheques receipted but not banked at year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

11 Receivables			
Current			
Trade Debtors		632,240	1,446,998
Less impairment		(60,027)	(63,156)
Trade Debtors Net		<u>572,212</u>	<u>1,383,842</u>
Other debtors		314,534	136,688
Total current receivables		<u>886,747</u>	<u>1,520,530</u>

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in finance costs. The amount of the impairment is the asset's carrying amount less any amount expected to be recovered.

For impaired receivables the factors the Council considered when impairing the asset are: what was the debt originally for, how long it has been outstanding, the success of attempts to recover the debt and how successful any further attempts were likely to be.

All known bad debts were written-off at 30 June.

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

Not past due	239,566	1,082,209
Past due 31-60 days	-	-
Past due 61-90 days	-	-
More than 90 days	392,673	364,789
Trade Debtors	<u>632,239</u>	<u>1,446,998</u>
Impaired	(60,027)	(63,156)
Total	<u>572,212</u>	<u>1,383,842</u>

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
12 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 no or nominal, charge, and			
- goods to be used for the provision of services at no or nominal, charge.			
These goods are valued at cost, adjusted, when applicable, for any loss of service potential.			
Inventories held for distribution			
Plant and equipment stores		238,000	53,717
Total inventories		<u>238,000</u>	<u>53,717</u>
13 Other financial assets			
Current			
Finance leases		73,063	70,414
		<u>73,063</u>	<u>70,414</u>
Non-current			
Finance leases		2,284,921	1,939,216
		<u>2,284,921</u>	<u>1,939,216</u>
A reconciliation between the gross investment in the lease and the fair value of lease payments is as follows:			
Gross minimum lease payments receivable:			
Not later than one year		73,063	70,414
Later than one year but not later than five years		292,252	281,655
Later than five years		2,154,151	2,149,126
		<u>2,519,466</u>	<u>2,501,195</u>
Add: Estimated contingent rent		1,413,541	1,459,083
Less: Present value adjustment		(1,575,024)	(1,950,648)
Fair value of lease payments		<u>2,357,983</u>	<u>2,009,630</u>
The fair value of lease payments are receivable as follows:			
Not later than one year		73,063	70,414
Later than one year but not later than five years		289,352	272,555
Later than five years		1,995,568	1,666,661
		<u>2,357,983</u>	<u>2,009,630</u>
Movements in finance leases were as follows:			
Opening balance		2,009,630	2,192,803
Less: Lease receipts		(73,735)	(71,618)
Gain (Loss) on revaluation		422,088	(111,555)
Closing balance		<u>2,357,983</u>	<u>2,009,630</u>

The calculation of fair value has included an estimate of average annual CPI increases of 2.5% for 2018/19 (2018: 2.5%) and a discount rate of 2.91% for 2018/19 (2018: 3.86%).

Leases of plant and equipment under which the Council as lessee/lessor assumes/transfers substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
13 Other financial assets			
<p>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 \$1.4 million which is the difference between nominal rents and consumer price indexation of rents.</p> <p>Council has leased 85 (2018 - 85) dwellings as lessor to the Queensland Government for 40 years. The average lease payment per dwelling in the current year was \$867 (2018 - \$842), in addition, there was also approximately \$5,904 (2018 \$5,758) in service charges applied per property. The lease payments are required to be adjusted each year by the change in the Consumer Price Index (All Groups) for Brisbane in accordance with the terms of the 40 year lease, whereas, the service charge component is adjusted each year as part of Council's annual passing of its Budget and Revenue Policy. The discount rate implicit in the leases for 2018/19 is 2.91% (2018 - 3.86%), which is the higher of CPI and Council's present cost of capital, as advised by Queensland Treasury Corporation (QTC). 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".</p>			

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

14 Property, plant and equipment
30 June 2019

Basis of measurement
Asset values
Opening gross value as at 1 July 2018
Additions
Disposals
Transfer from Wip
Revaluation adjustment to asset revaluation surplus
Closing gross value as at 30 June 2019

Note	Land	Buildings	Motor Vehicles	Plant and Equipment	Furniture & Fittings	Water Infrastructure	Sewerage Infrastructure	Other Infrastructure	Roads Network	Work in progress	Total
	Valuation	Valuation	Cost	Cost	Cost	Valuation	Valuation	Valuation	Valuation	Cost	\$
	1,065,667	20,286,398	763,147	3,025,464	99,468	7,125,366	5,583,312	297,661	6,697,398	2,843,538	48,069,756

Accumulated depreciation and impairment
Opening balance as at 1 July 2018
Depreciation provided in period
Depreciation on additions/disposals
Revaluation adjustment to asset revaluation surplus
Impairment adjustment to asset revaluation surplus
Impairment adjustment to income
Accumulated depreciation as at 30 June 2019

	-	9,186,141	541,560	961,754	93,256	2,300,978	2,521,875	33,013	1,467,313	-	17,095,890
B	-	591,998	67,780	182,074	2,002	254,047	251,849	3,893	140,324	-	1,493,947
19	-	(242,410)	(212,960)	(54,696)	-	(131,932)	(70,756)	-	(259,692)	-	(972,446)
14	-	-	-	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-	-	-	-
	-	9,535,729	396,360	1,079,132	95,258	2,423,093	2,702,869	36,905	1,347,945	-	17,617,397

Total written down value as at 30 June 2019
Residual value
Range of estimated useful life in years

	1,065,667	10,752,667	366,787	1,946,362	4,710	4,702,273	3,189,344	260,655	5,349,453	2,843,538	30,472,965
Land: Not depreciated		15-60	2-9	3 - 20	3 - 20	3 - 60	5 - 80	15-75	10-1,000	-	

Additions comprise:

Renewals
Other additions
Total additions

		880,282				255,109	726,318		38,690.00		1,898,396
		526,494	156,774	312,976				4,235			1,042,469
	-	1,409,795	195,774	312,976	-	255,109	726,318	4,235	38,690	-	2,940,868

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

14

Property, plant and equipment

Note

30 June 2018	Land	Buildings	Motor Vehicles	Plant and Equipment	Furniture & Fixtures	Water	Sewerage	Other Infrastructure	Roads Network	Work in progress	Total
	Valuation \$	Valuation \$	Cost \$	Cost \$	Cost \$	Valuation \$	Valuation \$	Valuation \$	Valuation \$	Cost \$	\$
Basis of measurement											
Asset values											
Opening gross value as at 1 July 2017	1,065,687	20,962,606	799,599	1,620,700	99,468	7,436,281	6,319,001	340,652	6,326,863	561,599	45,632,456
Additions	-	-	48,830	40,306	-	-	-	-	-	3,519,216	3,607,352
Disposals	-	-	-	-	-	-	-	(258,081)	-	-	(258,081)
Transfer from WIP	-	-	-	1,130,335	-	67,292	71,153	215,290	1,820,355	(3,324,426)	-
Revaluation adjustment to asset revaluation surplus	-	-	-	-	-	-	-	-	-	-	-
Closing gross value as at 30 June 2018	1,065,687	20,962,606	848,429	2,791,341	99,468	7,523,573	6,390,154	287,861	8,147,219	755,390	49,881,728
Accumulated depreciation and impairment											
Opening balance as at 1 July 2017	-	8,595,571	433,852	310,290	68,865	2,037,611	2,248,912	245,571	1,320,239	-	15,780,911
Depreciation provided in period	-	590,570	68,470	141,464	4,391	263,367	272,963	3,863	147,074	-	1,492,192
Depreciation on additions/disposals	-	-	38,238	-	-	-	-	(216,451)	-	-	(177,213)
Revaluation adjustment to asset revaluation surplus	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 30 June 2018	-	9,186,141	541,560	351,754	93,256	2,300,978	2,521,875	33,013	1,467,313	-	17,095,890
Total written down value as at 30 June 2018	1,065,687	11,776,465	306,869	1,339,587	6,212	5,222,595	3,868,279	254,848	6,679,905	755,390	31,785,838
Range of estimated useful life in years	Land Not depreciated	15-30	2-8	3-20	3-20	3-60	5-60	15-75	10-1000	-	-
Additions comprise:											
Renewals	-	-	-	-	-	87,292	71,153	215,290	-	-	373,735
Other additions	-	-	48,830	1,170,641	-	-	-	-	1,820,355	-	3,039,826
Total additions	-	-	48,830	1,170,641	-	87,292	71,153	215,290	1,820,355	-	3,413,561

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

14 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.

Acquisition of assets

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

Capital and operating expenditure

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

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

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

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.

For the financial year ending 30 June 2019, the valuer assessed index movements as:

Land - 0.00% (2018 - -4.20%)

Buildings - Replacement Cost 0.04% (2018 3.71%)

Other Structures 0.04% (2018 3.95%)

Water Infrastructure 2.63% (2018 3.33%)

Sewer Infrastructure 2.63% (2018 3.37%)

Roads Network 3.27% (2018 3.10%)

As the index movements 1 July 2017 to 30 June 2019 are not material, no indexation was applied.

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.

Capital work in progress

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

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

14 Property, plant and equipment accounting policies

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.

Major spares, purchased specifically for particular assets, that are above the asset recognition threshold, are capitalised and depreciated on the same basis as the asset to which they relate.

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 above.

Land under roads

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

DOGIT and other land

The Council is located on land assigned to it under a Deed of Grant in Trust (DOGIT) under Section 341 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 Deqarra. This land is measured at fair value.

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.

Following severe weather impacts between December 2016 and March 2019, a significant number of infrastructure assets were derecognised.

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.

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

15 Fair value measurements

15(a) 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 overheads 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.

15(b) Recognised fair value measurements

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

Property, plant and equipment

- Land
- Buildings
- Road network
- Water Infrastructure
- Sewerage Infrastructure
- Other Infrastructure assets
- Other Financial assets - Finance Leases

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

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

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

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

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

The table presents the Council's assets measured at fair value as at 30 June.

As at 30 June	Note	Level 3		Total	
		(Significant unobservable inputs)			
			\$		\$
		2019	2018	2019	2018
Recurring fair value measurements					
Finance Leases	13	2,357,983	2,009,630	2,357,983	2,009,630
Land	14	1,065,687	1,065,687	1,065,687	1,065,687
Buildings	14	10,752,667	11,776,465	10,752,667	11,776,465
Road network	14	5,349,453	6,679,904	5,349,453	6,679,904
Water	14	4,702,273	5,222,595	4,702,273	5,222,595
Sewerage	14	3,180,344	3,868,278	3,180,344	3,868,278
Other Infrastructure assets	14	260,955	264,848	260,955	264,848
		27,669,361	30,887,407	27,669,361	30,887,407

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

15 Fair value measurements

15(c) Valuation techniques used to derive fair values for level 3 valuations

Land

All Council owned land is located in the Douglas and Cook local government areas. Land fair values were determined by an independent valuer, Australis Asset Advisory Group effective 30 June 2017. The valuer conducted a revaluation of the land utilising market transactions over vacant land properties within the Douglas and Cook Shire Councils areas. Where sales volumes were low, the valuer sought market transaction data from nearby or comparable localities. Due to the remote location and paucity of market evidence a level 3 was assigned to these assets, this was effective 30 June 2016. Australis Asset Advisory Group conducted a desktop revaluation based on the 2016 revaluation, effective 30 June 2017.

Buildings

The fair value of buildings were determined by, Australis Asset Advisory Group effective 30 June 2017. A comprehensive valuation was undertaken in 2016 and indexed in 2017.

All Council buildings are of a specialist nature and there is no active market for the assets. Fair value has been determined on the basis of replacement with a new asset having similar service potential including allowances for preliminaries and professional fees. The gross current values have been derived from reference to market data such as recent projects and published costing guides such as Rawlinson's Australian Construction Cost Handbook. The valuer has also had regard to the latest construction costs information for recent projects undertaken by the council as well as an internal database collated as a result of undertaking projects of a similar nature. The net current value of a building asset is the gross current value less accumulated depreciation to reflect the consumed or expired service potential of the asset.

The most significant inputs into the valuation approach is a rate per square metre to arrive at the gross replacement cost, the useful life of the asset and a condition score reflecting the remaining useful life of the asset.

In determining the level of accumulated depreciation the building assets have been disaggregated into significant components which exhibit varying useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component noting that no residual values have been applied. Condition was assessed taking into account physical characteristics as well as factors such as functionality, capability, utilisation and obsolescence. Council has componentised its assets so that the assets can be more easily assessed as to which parts have short useful lives and which have longer useful lives, and which components Council may expect to receive consideration at the end of that components useful life.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of useful life, pattern of consumption and asset condition that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3.

Infrastructure assets (level 3)

All Council infrastructure assets were fair valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

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

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

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

15 Fair value measurements

Roads

Current replacement cost

The current replacement cost and fair value of the roads assets were determined by a comprehensive revaluation by Australis Asset Advisory Group effective 30 June 2017.

The current replacement cost was calculated based on the dimensions and a unit rate for the roads assets. The unit rate is derived from estimated labour and materials input as well as services costs and overhead allocations. Material and services prices were based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council's actual rates paid. All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on the average of completed similar projects over the last few years.

Australis Asset Advisory Group completed a full comprehensive valuation of road infrastructure assets effective 30 June 2017. CRC has been determined by reference to indexation provided by Australis Asset Advisory Group since the last revaluation completed in 2017.

The indexation methodology was based on production/wage/construction indices and on consultation with local contractors and suppliers. The indexation is considered immaterial for all asset classes and fair values have not been adjusted.

Accumulated depreciation

In determining the level of accumulated depreciation, roads were componentised where different useful lives were given for each layer of road taking into consideration the other layers in the same segment of road, i.e. Sealed pavement was given a longer useful life than unsealed pavement.

Water and Sewerage

Current replacement cost

Australis Asset Advisory Group conducted a full revaluation of water and sewerage assets effective 30 June 2015. A desktop review was conducted for 30 June 2017. Cost models were derived from scheduled rates for construction of assets, recent contract and tender data, Rawlinson's rates for building and construction and supplier's quotations. In all cases the assets were disaggregated to component level to ensure a reliable measure of cost and service capacity and deterioration of estimated remaining life.

CRC has been determined by reference to indexation provided by Australis Asset Advisory Group since the last revaluation completed in 2017. The indexation methodology was based on production/wage/construction indices and on consultation with local contractors and suppliers. The indexation is considered immaterial for all asset classes and fair values have not been adjusted.

Factors taken into account in determining replacement costs included:

- Development factors - the area in which development takes place (e.g. rural areas would have little or no restoration requirements, whereas a high density area would have large amounts of high quality footpaths, road pavements and associated infrastructure that would require reinstatement, and would also require traffic control).
- Soil factors - The types of soil or other surface material (e.g. areas where soil is sandy are difficult to excavate and would require shoring while areas where the soil is generally free of rock would not present any great difficulty for excavation).
- Depth factors - The depth of the trench (e.g. trenching above 1.5m requires shoring/ trench cage which increases costs and slows production).

Accumulated depreciation

In determining accumulated depreciation, assets were generally subject to an inspection or an assessment to determine remaining useful life. Where site inspections were conducted (i.e. for active assets), the assets were allocated a condition assessment rating. The lower the condition rating, the lower the fair value.

Where site inspections were not conducted (i.e. for passive assets and active assets for which no site inspections were undertaken), the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.

15(d) Changes in Fair Value Measurements using significant unobservable inputs (level 3)

The changes in level 3 assets with recurring fair value measurements are detailed in **Note 13** and **Note 14**.

15(e) Valuation processes

Council's valuation policies and procedures are set by an executive management team which comprises the Chief Executive Officer, the Director Finance and Corporate Services and the Finance Manager.

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
16 Payables			
Current			
Creditors and accruals		1,034,310	210,787
Unearned Capital Grant		17,528	405,022
Annual leave		219,555	252,434
		1,271,392	869,243

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.

Liabilities are recognised for employee benefits such as wages and salaries, 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 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.

17 Provisions			
Current			
Long service leave		119,995	103,040
		119,995	103,040
Non-current			
Long service leave		130,998	163,335
		130,998	163,335

Details of movements in provisions:

Long service leave			
Balance at beginning of financial year		266,374	224,918
Long service leave entitlement arising		40,512	70,596
Long Service entitlement extinguished		-	(11,489)
Long Service entitlement paid		(55,893)	(17,651)
Balance at end of financial year		250,993	266,374

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.

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
18	Commitments for expenditure		
	Capital commitments		
	Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:		
	<i>Property, Plant and Equipment</i>		
	Road, drainage and bridge network	-	-
	Buildings	-	-
	Water & Sewerage	-	-
	Other	-	-
		<u>-</u>	<u>-</u>

19 **Asset revaluation surplus**

Asset revaluation surplus analysis

The closing balance of the asset revaluation surplus comprises the following asset categories:

Land	-	-
Buildings	6,597,106	6,597,106
Infrastructure	8,295,677	8,295,677
	<u>14,892,783</u>	<u>14,892,783</u>

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

Increases and decreases on revaluation are offset within a class of assets.

Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.

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

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
--	------	------------	------------

20 Transactions with related parties

(a) Compensation paid to key management personnel (KMP)

KMP are the Mayor, Councillors, Chief Executive Officer, Director Works and Services, Director Finance and Corporate Services and Director Economic Development.

		\$	\$
Short-term employee benefits		1,148,582	989,269
Post-employment benefits		76,979	84,278
Long-term employee benefits		5,000	-
Termination benefits		29,501	-
Total		1,280,062	1,073,547

(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 in 2018/19 are disclosed below:

Details of transactions		\$	\$
Employee expenses of close family members of KMP (3 employees, 2018: 4)		130,291	261,205

(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 2 (two) members on the Board out of 8 (eight).

Details of transactions		\$	\$
Enterprise Management Group			
- Distribution received		-	450,000
- Share of profit for 2018/2019		280,205	325,602
My Pathway (t/a Enterprise Management Group)			
- Sales (at arms-length)		111,337	110,270
- Profit distribution received		-	100,000
- Project advance payment received		-	406,021

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 \$4,792 (2018 \$1,430). All amounts were more than 90 days overdue. Amounts owing to KMP and other related parties at balance date totalled \$4,786.

(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.

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

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 2019 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 2019 in relation to the Local Government Workcare Bank Guarantee is \$47,059.29. The latest audited financial statements for Local Government Workcare are as at 30 June 2019 and show accumulated member funds (equity) of \$49.218M.

Consultants

Council is currently in dispute with contractors in respect of work performed during the financial year ended 30 June 2019. Legal proceedings may be commenced.

22 Superannuation

The Council contributes to the LGIA Super Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 *Employee Benefits*.

The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

The scheme has three elements referred to as:

The City Defined Benefits Fund (CDBF) which covers former members of the City Super Defined Benefits Fund

The Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments; and

The Accumulation Benefits Fund (ABF)

The ABF is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the *Local Government Act 2009*.

Council does not have any employees who are members of the CDBF or the Regional DBF and, therefore, is not exposed to the obligations, assets or costs associated with these funds.

As at the reporting date, the assets of the scheme are sufficient to meet the vested benefits.

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2018. The actuary indicated that "at the valuation date of 1 July 2015, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date."

In the 2018 actuarial report the actuary has recommended no change to the employer contribution levels at this time.

The next actuarial investigation will be conducted as at 1 July 2021.

Under the Local Government Act 2009 the trustee of the scheme has the power to levy additional contributions on councils which have employees in the Regional DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits.

	Note	2019 \$	2018 \$
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	6	405,758	433,064

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
23 Joint venture			
The Council has a 25% (2018 - 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 <i>Joint Arrangements</i> 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 profit or loss. Council's share of movements in other comprehensive income of the venture are recognised in other comprehensive income. Distributions received are recognised as a reduction in the carrying amount of the investment.			
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 financial statements. Council has only been provided with a profit and loss statement, and does not know what the Balance Sheet items of the Joint Venture are.			
Revenue		5,744,158	7,393,977
Expenses		(4,623,336)	(6,091,568)
Profit or loss from continuing operations		1,120,822	1,302,409
Post-tax profit or loss from discontinued operations		-	-
Profit (loss) for the year		1,120,822	1,302,409
Other comprehensive income for the year		-	-
Total comprehensive income for the year		1,120,822	1,302,409
The above profit (loss) for the year includes:			
Legacy Activities & Corporate Service Fee		746,455	1,375,142
Payroll expenses		2,480,552	3,193,439
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		40,367	164,765
Share of profit (loss)	3(c)	280,205	325,602
Distribution received		-	450,000
Carrying amount at the end of financial year		320,572	40,367

Wujal Wujal Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
24 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities			
Net result		1,385,143	1,766,947
Non-cash items:			
Depreciation and amortisation	8	1,493,947	1,492,193
Impairment of receivables		(8,158)	59,880
Gain/loss on revaluation of finance leases	13	(422,088)	111,555
Asset acquired for nil consideration	14	(18,000)	(9,592)
		1,045,701	1,654,036
Investing and development activities:			
Gain on disposal of non-current assets	5,9	(78,949)	44,454
Loss on disposal of non-current assets		2,706,662	-
Capital grants and contributions	4(b)	(6,123,241)	(4,128,780)
Profit retained in joint venture	23	(280,205)	(325,602)
		(3,775,733)	(4,409,929)
Changes in operating assets and liabilities:			
(Increase)/ decrease in receivables		641,942	(388,906)
(Increase)/decrease in inventory		(184,282)	(60)
(Increase)/decrease in PPE		(503,387)	-
Increase/(decrease) in payables		790,644	(21,298)
Increase/(decrease) in provisions		(15,382)	41,456
		729,535	(368,808)
Net cash inflow from operating activities		(615,354)	(1,357,754)

Wujal Wujal Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
25 Events after the reporting period			
Repairs to damaged buildings totalling \$296,475 were approved for payment by insurance in late October 2019. There were no other material post balance date events.			
26 Finance Leases			
Council leases plant and equipment. As all the risks and rewards of ownership were substantially assumed these leases were classified as a finance lease. As ownership of the asset will be obtained by Council, the lease is amortised over the life of the asset.			
A leased asset and a lease liability equal to the present value of the minimum lease payments was recognised at the inception of the lease. Lease liabilities are reduced by repayments of principal while interest components of lease payments are expensed as finance costs.			
Council entered into a lease contract for a Grader in February 2017 for a term of 48 months. The interest rate is 4.15%. Council will obtain ownership at the end of the lease. The carrying value of the leased asset is \$364,116 .			
Council entered into a lease contract for a Loader in February 2019 for a term of 48 months. The interest rate is 4.15%. Council will obtain ownership at the end of the lease. The carrying value of the leased asset is \$294,976 .			
Movements in the finance lease during the reporting period were:			
Lease entered into in February 2017		197,702	274,232
Lease entered into in February 2019		274,976	0
Payments made during period		96,504	76,530
Minimum lease payments		376,174	197,702
These payments are payable as follows:			
Not later than 1 year		151,255	76,530
Later than 1 year but not later than 5 years		250,140	121,172
Minimum lease payments		401,395	197,702
Less future finance charges		25,221	10,535
Lease liability		376,174	187,167
Classified as:			
Current		138,255	70,086
Non current		237,919	117,081
		376,174	187,167
The present value of the above payments are payable as follows:			
Not later than 1 year		138,255	70,086
Later than 1 year but not later than 5 years		237,919	117,081
		376,174	187,167

Wujal Wujal Aboriginal Shire Council
Financial statements
For the year ended 30 June 2019

Management Certificate
For the year ended 30 June 2019

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012*

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
Desmond Tayley

Date: 31, 01, 2020



Chief Executive Officer
Stephen Wilton

Date: 31, 01, 2020

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Wujal Wujal Aboriginal Shire Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Wujal Wujal Aboriginal Shire Council (the council).

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2019, 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 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the management certificate given by the Mayor and the Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland 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 of Queensland 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 the information included in Wujal Wujal Aboriginal Shire Council's annual report for the year ended 30 June 2019, but does not include the financial report and my auditor's report thereon. At the date of this auditor's report, the other information was the current year financial sustainability statement and the long-term financial sustainability statement.

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

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

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

Responsibilities of the council for the financial report

The council is 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 council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

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



Sri Narasimhan
as delegate of the Auditor-General

31 January 2020

Queensland Audit Office
Brisbane

Wujal Wujal Aboriginal Shire Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2019

Measures of Financial Sustainability

Council's performance at 30 June 2019 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)	-38%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	153%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-55%	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 2019.

Certificate of Accuracy
For the year ended 30 June 2019

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

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


Mayor
Desmond Tayley

Date: 31, 01, 2020


Chief Executive Officer
Stephen Wilton

Date: 31, 01, 2020

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Wujal Aboriginal Shire Council

Report on the current year financial sustainability statement

Opinion

I have audited the accompanying current year statement of financial sustainability of Wujal Aboriginal Shire Council (the council) for the year ended 30 June 2019 comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Wujal Aboriginal Shire Council for the year ended 30 June 2019 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General of Queensland 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 of Queensland 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 the information included in Wujal Wujal Aboriginal Shire Council's annual report for the year ended 30 June 2019, but does not include the current year financial sustainability statement and my auditor's report thereon. At the date of this auditor's report, the other information was the general purpose financial statements and the long-term financial sustainability statement.

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

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

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

Responsibilities of the council for the current year financial sustainability statement

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

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

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

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

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

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

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



Sri Narasimhan
as delegate of the Auditor-General

31 January 2020

Queensland Audit Office
Brisbane

Wujal Wujal Aboriginal Shire Council
Unaudited Long-Term Financial Sustainability Statement
Prepared as at 30 June 2019

Measures of Financial Sustainability

Measure	Target	Projected for the years ended									
		Actuals at 30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Operating surplus ratio	Between 0% and 10%	-38%	-19%	-19%	-15%	-18%	-18%	-18%	-17%	-17%	-17%
Asset sustainability ratio	greater than 50%	153%	63%	31%	31%	19%	37%	18%	18%	18%	18%
Net financial liabilities ratio	not greater than 50%	-55%	-11%	12%	-12%	-14%	-14%	-17%	-20%	-23%	-23%

Net result divided by total
operating revenue
Capital expenditure on the
replacement of assets (renewals)
divided by depreciation expense
Total liabilities less current assets
divided by total operating revenue

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.

<p>Certificate of Accuracy</p> <p>For the long-term financial sustainability statement prepared as at 30 June 2019</p> <p>This long-term financial sustainability statement has been prepared pursuant to Section 17B of the Local Government Act 1996 in accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been prepared in accordance with the requirements of the Act.</p>	
<p><i>Desmond Tayley</i></p> <p>Mayor</p> <p>Date: 31.01.2020</p>	<p><i>Stephen Wilton</i></p> <p>Chief Executive Officer</p> <p>Date: 31.01.2020</p>



Get in touch

Phone: (07) 40839100
Fax: (07) 40608250

How to find us

Wujal Wujal Aboriginal Shire Council
Lot 1 Hartwig Street
Wujal Wujal
Queensland 4895