



2020

2021


ANNUAL REPORT



ABOUT THIS REPORT

Welcome to the 2020 - 21 Annual Report for Doomadgee Aboriginal Shire Council.

This report provides an overview of Council's current position and activities throughout the fiscal year, and the progression towards achieving Council's goals set out in the Corporate Plan.



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ACKNOWLEDGEMENT AND MAYOR'S WELCOME

ACKNOWLEDGEMENT

Doomadgee Aboriginal Shire Council acknowledges Aboriginal and Torres Strait Islanders as the first Australians who have a unique relationship with the land and water. Council recognise that Council is situated on the traditional lands of the Gangalidda/Garrawa and Waanyi Nations who have lived here for tens of thousands of years. Council offers our respect to their Elders past and present and through them, all Aboriginal and Torres Strait Islander people.

MAYOR'S REPORT AND WELCOME

I am privileged and proud to be able to deliver this Annual Report for the 20/21 Financial Year as the Mayor of Doomadgee. Firstly, I would like to pay my respects to the Traditional Owners of Doomadgee; past, present, and future. I would also like to acknowledge my community and those from other areas that call Doomadgee home. Finally, I would like to pay my respects to those who we have passed in our community.

This Financial Year has seen many challenges through sorry business, COVID and our internal struggles with staff retention. I would like to thank our staff for bringing us through these testing times and again show casing our community's resilience. Thank you to our strong community for your support also.

Council continues to strive to provide sustainable outcomes for the community. This has been through partnership delivery with the Government and non-government agencies. Our partnership with My Pathways continues to grow, and we have seen some great discussions taking place around supporting community through economic development, programs, projects and training and development opportunities. A new change this year is our portfolio responsibilities, it has been decided that Council will share all community responsibilities and give the community the opportunity to connect with a member of Council of choice around community issues.

Financial Accountability and compliance are an important part of our operations. Sometimes this goes under the radar and unnoticed. Council has worked tirelessly again this year around our continued commitment to financial accountability and compliance. A special thanks to all the team.

Through our new vision Council will be challenging all service providers around legacy projects. As most service providers are funding based, Council have initiated dialogue with stakeholders and service providers around a continued presence after funding. We hope to see some of the fruitions from these legacy conversations in the coming year.

As Mayor and on behalf of my fellow Councillors, I would like to thank all involved in providing a united service and working collaboratively for a better community.

Jason Ned

CHIEF EXECUTIVE OFFICER'S REPORT

Firstly, I would like to thank the Doomadgee Aboriginal Shire Council for giving me the opportunity to return home and take up the role of Chief Executive Officer. It is a privilege to be able to be in this position. I would also like to acknowledge my community in accepting me back. Gratitude and thanks also extend to those who have been in this position and provided the foundation to serve Doomadgee and not forgetting the existing staff who have kept the wheels turning. The Community, Financial and Engineering team, thank you.

My tenure began in January 2021, so my report will focus on the back end of the financial year. COVID has certainly taught us to look at the world in a different lens and even though it has cast a negative light on service delivery it has reminded us of our strengths and resilience in adapting to challenges. How we conduct business with Government and other stakeholders has provided us with other tools of engagement and how to get the job done. Doomadgee is not in the clear yet, as COVID has given us many testing scenarios and we are not about to drop our guard as ensuring community safety is paramount.

I acknowledge the work done by my executive team and being all new to the positions, which has provided us with some robust discussions on our direction and focus for the community. One area of passion where I believe we need to focus more is youth development. Our youth are our leaders of tomorrow, and we need to provide them with opportunities that will provide them with positions of leadership and positions of influence in years to come. Succession planning is a huge part of this, and the executive team see the importance of this and share this vision. Council has so many of our young ones completing their high school certificate and I feel we have failed in engaging them in their next journey in life. Council have endorsed a School Retention Program which will see our Year 12 cohort engaged in paid employment and hopefully set them up with a passion to pursue...watch this space.

Economic Development is another service charter that has been added to Council's service. We live in a unique part of the world and the opportunities this gives us is ten-fold. We have access to country, rich history and rich in cultural knowledge. COVID has seen an increase in travellers to our region, and to capitalise on this would be ideal for our families and community in showcasing our community, our culture, and our region.

Through our engagement Council have been proactive in building positive relationships with all our partners and service delivery agencies. Council has seen partnerships grow to be able to provide funding, activities and programs being delivered in a community and culturally acceptable manner. Council strives to be the leader in this and provides direction that has positive results for Doomadgee.

Once again thanks to all my team, Council and community and let us all work together in providing a better future for our next generation.

Troy Fraser

INTRODUCTION

OUR VISION

Doomadgee Aboriginal Shire Council (DASC) aims to deliver a high level of sustainable future growth to the Community through strong leadership and respect for all community members, Council sees a future where indigenous culture and heritage is nurtured in a safe cohesive community.

OUR MISSION

Council exists to lead and serve the Community in an efficient and effective manner, ensuring all the Community has appropriate amenities and the best possible quality of life.

OUR COMMUNITY VALUES

Define and guide our community values upheld in all Council decisions made on behalf of the Community.

Respect underpins our society. Respect for ourselves, our families, others, and our country. Respect is critical to our community and is about what we say and how we behave. It is important for our leaders to lead by example by respecting each other in our culture, achievements, and successes.

Leadership takes our community forward. Our community needs good leadership that will nurture the next generation of leaders in our community, as without good leadership our future will not be as positive.

Empowerment of individuals to make choices and to transform those choices into positive actions and outcomes that will benefit the entire community of Doomadgee.

Family is crucial to the future of our community and to maintaining our community values.



OUR SHIRE

Doomadgee is located on the Nicholson River in the semi-arid region of the Carpentaria plain. Doomadgee is 100km from Burketown in the Gulf Savannah region of North Queensland and 104kms from the Northern Territory border. It is 500km northwest of Mt Isa, the nearest large city, with mostly sealed roads (about a 6-hour drive) and a 4WD is strongly recommended.

The community is primarily made up of Gangalidda, Waanyi and Garawa people. In 1983 the community was gazetted as a Deed of Grant in Trust (DOGIT) community under the Community Services Act (Queensland), and in 1987 a Deed of Grant in Trust was issued with land covering 186,300 hectares.

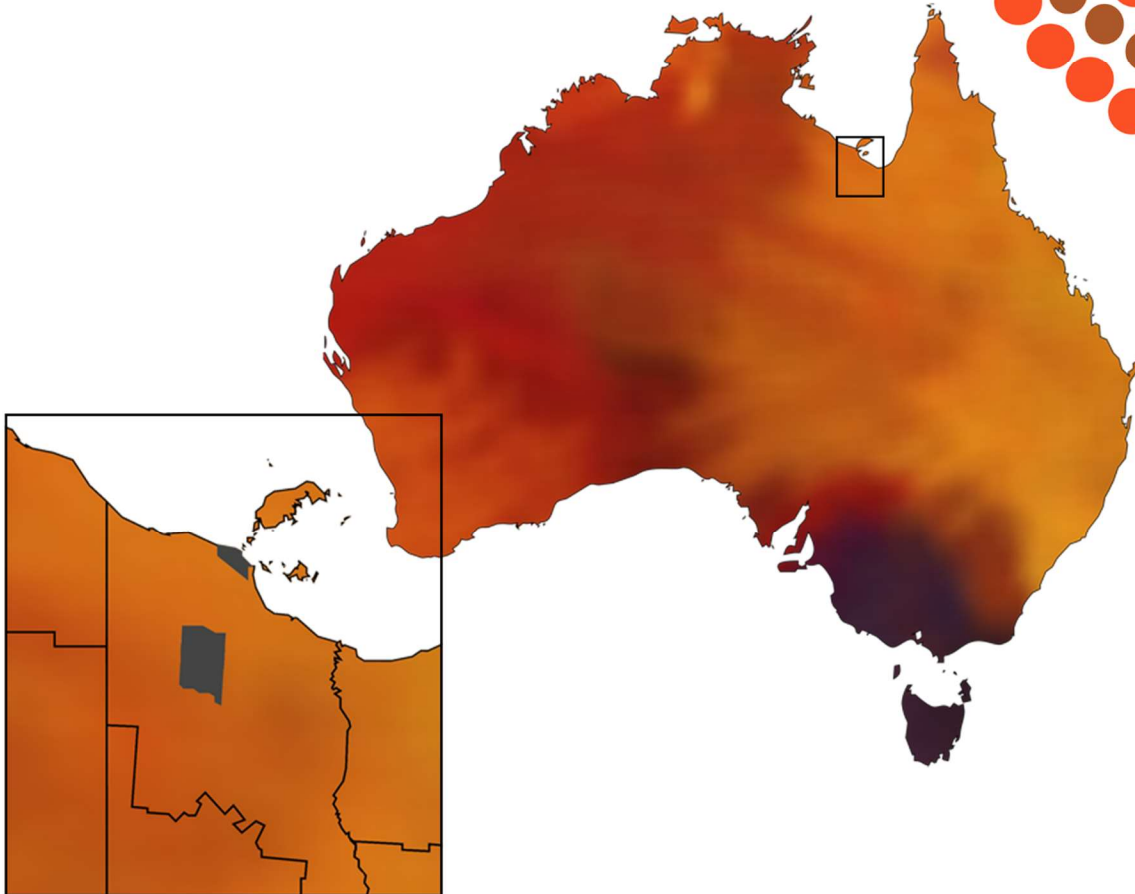
The Doomadgee Aboriginal Shire Council was established as a Community Council in 1985 but is now fully constituted under the *Local Government Act 2009*. The Council consists of a Mayor, a Deputy Mayor and three Councillors, with a Chief Executive Officer and other Council staff delivering municipal services to the community. The Council is also the Trustee for the DOGIT land and meets separately to discuss issues concerning the DOGIT land.

The population of Doomadgee is estimated according to the 2020 Australian Bureau of Statistics Census.

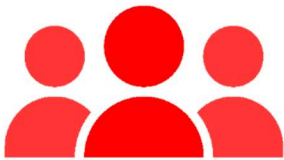


LOCALITY MAP & STATISTICS

Below is an area locality map of Doomadgee Aboriginal Shire Council



Current Resident Profile - sourced from the Australian Bureau of Statistics



1,534
Estimated resident population

50.6% **48.4%**
Males approx. Females approx.

36
Median income earners age

508
Employee income earners



Median age **20.5**

Total families **292**

Couple families with children **149**

Couple families without children **40**



20.5
Total private dwellings

One parent families **77**

Other families **6**

Average family size (no. of persons) **4**

COUNCILLOR PROFILES

Mayor Jason Ned

Councillor Jason Ned is a proud Ganggalidda and Garawa man who was first elected to Council in 2012, serving as Deputy Mayor following his re-election in 2016.

On 21 May 2018, Councillor Ned became Council's Acting Mayor, a role he performed until the 2020 Local Government Elections, where he was successfully elected as Mayor. He was born and bred in Doomadgee and currently runs a cattle property 45km from the Doomadgee Community and undertakes contract mustering for other stations in the Gulf area. He also spent time working as a mechanic and fencing contractor.

Councillor Ned has had a long involvement with the Doomadgee Rodeo, successfully competing in this event (winning the star bareback bull-riding event in one year) and serving as its President. Through this involvement in the Doomadgee Rodeo, Councillor Ned established and then ran cattle on his outstation at Spoon Creek.

In his role as a Director of the Aboriginal Development Benefits Trust, Councillor Ned has coordinated the Wild Cattle Muster, providing much needed support and resources on the ground as well as his connections and knowledge of the industry. Jason chose to run for Council as a way of supporting people in the community and to make sure they receive good quality services.



Deputy Mayor Myron Johnny

Councillor Myron Johnny served on Council from 2000 to 2001 and was successfully elected at the 2020 Local Government Elections. He is a proud Ganggalidda man who attended Doomadgee State School until Year 10. As a Traditional Owner for the lands surrounding and including Old Doomadgee, Councillor Johnny takes care in maintaining these lands and takes the young to Old Doomadgee to teach them traditional culture and spiritual values.

He has worked at Doomadgee State School as a Student Attendance Officer, was employed by Council as a Community Police Officer for 10 years and has also performed kerbing and channelling works around the Doomadgee township.

Councillor Johnny likes to go fishing with his wife and grandchildren and camping and hunting at Old Doomadgee. Councillor Johnny is regarded as a keen and skilled hunter of pigs and cattle.

Myron stood for Council at the 2020 Local Government Elections because he wanted to help his Community. He sees many needs within the Community that require attention and he would like to improve the lives of the young.



COUNCILLOR PROFILES

Cr Antoinette Diamond

Councillor Antoinette Diamond was first elected to Council at the 2020 Local Government Elections. She is a Ganggalidda woman who has lived most of her adult life in Doomadgee. Councillor Diamond has worked with various organisations in Doomadgee over the years and is currently employed as an Employment Consultant with My Pathway Employment Agency.

Antoinette chose to run as a Councillor as she wanted to see opportunities open up and be available to her community through employment, education, training, community infrastructure and business enterprises. She would also like to see the Doomadgee culture being kept alive in the Community through song, storytelling, hunting, gathering and dance. This will then enable the culture to be passed on to the next generation.



Cr Athol Walden

Councillor Athol Walden was first elected to Council at the 2020 Local Government Elections. He was born in Burketown and is a proud Ganggalidda man who grew up in Doomadgee.

Finishing schooling at Year 10 at Mount Isa High School he worked for Council for about 10 years as a plant operator and later as a road foreman prior to working at various other places around the area.

Athol is one of 13 children and takes a great interest in Community and health matters, particularly renal health. He loves to go fishing and camping with his family and riding horses is another pastime he enjoys.



Cr Elijah Douglas

Councillor Elijah Douglas was first elected to Council as a 23-year-old at the 2020 Local Government Elections. He is of Ganggalidda, Garawa and Waanyi heritage. He attended Doomadgee State School and in Year 12, was a Spinifex State College Boarder in Mount Isa. At Doomadgee State School he initiated a Student Leadership Council and helped teaching language and culture to both teachers and fellow students.

As a 17-year-old, Councillor Douglas travelled to Canberra to attend Australia's Indigenous Youth Parliament. This experience has heightened his desire to enter Federal Parliament where he says he can make positive changes by promoting health, education, and employment in Aboriginal communities, not just in Doomadgee but in Communities all over Australia.

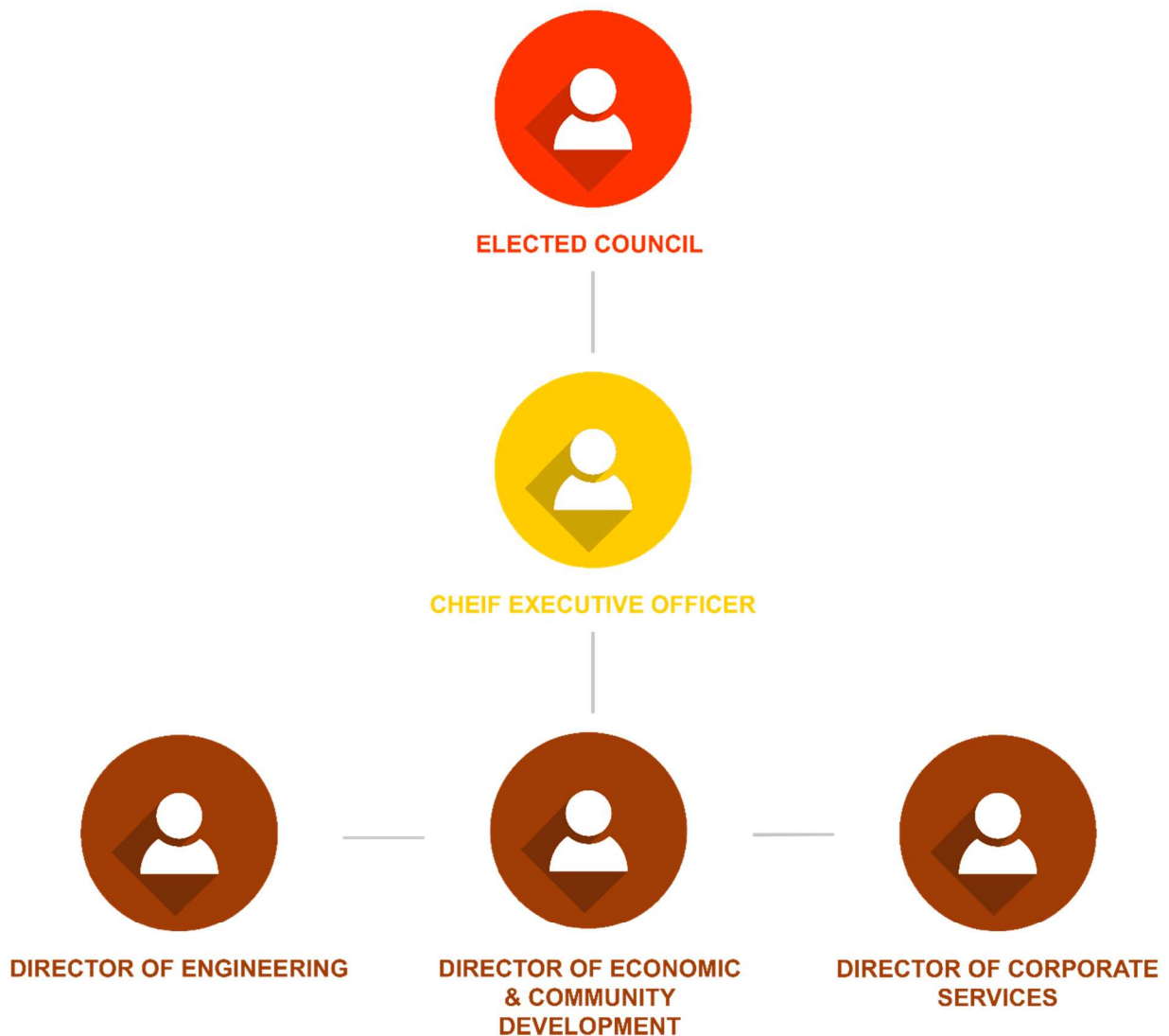


OUR COUNCIL

ORGANISATIONAL STRUCTURE

The operational arm of a local government authority consists of the Chief Executive Officer (CEO) and other staff. They are charged with implementing Council's resolutions (decisions) and reporting on the outcomes of those resolutions. The CEO provides executive leadership to the organisation. It is important to note that individual Councillors do not have the authority to make decisions. Decisions are made collectively when sitting as a Council.

Council receives its authority from the community through its elected members. Council's administration is led by the CEO, and 3 Directors who ensure the delivery of services through the three streams of operations.



COUNCIL'S GOALS AND PERFORMANCE

CORPORATE PLAN

The Corporate Plan identifies Council's long-term vision and priority areas over a five-year period. Council has focused on thirteen goals through the implementation of our Operational Plan which details how Council achieves its strategy on an annual basis. Council's Operational Plan for 2020/2021 was reviewed throughout the year with most actions completed.

Information was fed back to Council through regular management reports and specific Operational Plan Review reports which fed into the Corporate Plan.

Overall, Council is progressing satisfactorily towards achieving all of Council's goals and objectives of Council's Corporate and Operational Plans. Several governance reviews were also carried out during the year which incorporated the reviewing of Council's corporate and administrative policies.



COUNCIL'S

GOALS

CORPORATE GOVERNANCE & LEGISLATIVE REQUIREMENTS

COUNCILLOR RENUMERATION

In accordance with Section 186 of the Regulation, the Annual Report must contain particulars of the total remuneration, including superannuation contributions, paid to each Councillor during the financial year as well as expenses incurred by, and the facilities provided to, each Councillor during the financial year under the Council Expense Reimbursement Policy.

In accordance with the recommendation of the Local Government Remuneration and Discipline Tribunal, unless otherwise resolved, Council authorised the payment of remuneration to a Councillor of the Doomadgee Aboriginal Shire Council, for carrying out the duties of the office as undermentioned at the rate of remuneration as detailed in the Remuneration Schedule for the Category of Local Government to which Doomadgee Aboriginal Council belongs.

01 July 2020 to 30 June 2021

Position	Name	Remuneration	9.5% Super	Other Expenses	Other Reimbursements
Mayor	Jason Ned	\$110,303.07	\$10,461.68	\$2,600.00	\$2,560.49
Deputy Mayor	Myron Johnny	\$63,616.68	\$6,111.88	\$5,200.00	\$1,703.89
Councillor	Antoinette Diamond	\$56,295.80	\$5,320.96	\$5,200.00	\$4,703.27
Councillor	Elijah Douglas	\$56,295.80	\$5,320.96	\$5,200.00	\$4,689.27
Councillor	Athol Walden	\$56,191.05	\$5,320.96	\$5,200.00	\$3,339.64

LOCAL GOVERNMENT MEETINGS ATTENDED BY COUNCILLORS

Term March 2020 to March 2024

Councillor	Ordinary	Special
Mayor Jason Ned	12	3
Deputy Mayor Myron Johnny	10	2
Cr Antoinette Diamond	13	3
Cr Elijah Douglas	13	1
Cr Athol Walden	13	2

STATUTORY REPORTING REQUIREMENTS

Pursuant to the *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation), Council is required to report on resolutions and other statutory reporting requirements.

COUNCILLOR EXPENSES REIMBURSEMENT & FACILITIES POLICY SECTION 185 LGR 2012

As required by Section 185 of the Regulation, the Annual Report must contain a copy of the resolutions made during the financial year under Section 250(1) and Section 206(2).

One resolution was passed during the period in relation to Section 250 of the Regulation which deals with Councillor expenses reimbursement as follows: -

Resolution number 12-05/20

12.05 Expense Reimbursement Councillor's Policy

That Council adopt the Councillor Expenses Reimbursement Policy as attached to this May 2020 Report.

Moved Acting Mayor Jason Ned

Seconded Councillor Athol Walden

COUNCILLOR DISCRETIONARY FUND SECTION 198 LGR 2012

Councillors did not have discretionary funds during the 2020-2021 financial year.

SENIOR CONTRACT EMPLOYEES SECTION 201 LGA 2009

In accordance with Section 201 of the Act, the total number of remuneration packages available to senior management during the period was:

Package Band	Number of Employees
\$100,000 to \$199,999	4
\$200,000 to \$299,999	1

SENIOR CONTRACT EMPLOYEES SECTION 201 LGA 2009

Pursuant to section 190(1) of the Regulation, there were no invitations to change tenders under section 228(7) during the financial year.

BENEFICIAL ENTERPRISES SECTION 41 LGA 2009

Section 41 of the Act requires that the Annual Report contain a list of all beneficial enterprises conducted during the year. A Joint venture between Doomadgee Aboriginal Shire Council and EMG Pty Ltd (My Pathway) operated during the year.

BUSINESS ACTIVITIES SECTION 45 LGA 2009 – CODE OF COMPETITIVE CONDUCT

As required under Section 45 of the Act, listed in the following schedule are business activities conducted during the year.

SIGNIFICANT BUSINESS ACTIVITIES SECTION 45 LGA 2009

None of these activities were deemed "significant" according to the Regulation. It was resolved by Council not to apply the code of competitive conduct to any business activities.

Business activities by type	Competitive neutrality principle applied	Conducted in previous financial year
Significant		
Nil	N/A	N/A
Prescribed		
Nil	N/A	N/A
Other		
Guest house	No	Yes
Airport	No	Yes
Post office	No	Yes
Water supply and sewerage	No	Yes
Waste management	No	Yes
Roads	No	Yes
Building certification	No	Yes

COMPETITIVE NEUTRALITY PRINCIPLE TO SIGNIFICANT BUSINESS ACTIVITIES 45 LGA 2009, S49 NOTICES & S52(3) COMPLAINTS

Council did not conduct any significant business activities during the financial year 2021-2022.

Under Section 49 of the Regulation – Council received no investigation notices for competitive neutrality complaints.

Under Section 52(3) of the Regulation there were no required responses to the Queensland Competition Authority regarding competitive neutrality complaints.

INVITATIONS TO PROVIDE EXPRESSION OF INTEREST

Council did seek submissions from suitably qualified individuals and companies to be included on its Register of Approved and Prequalified suppliers during the year.

INTERNAL AUDIT FUNCTION SECTION 190 LGR 2012

Council's internal audit function is undertaken by Altius Advisors and one report was undertaken during the year.

The internal audit program focused on assisting Council in addressing the following areas:

- Fraud risk management framework review.
- Overall review of assets
- Review of joint venture operations.
- Review QAO Financial Statement preparation and self-assessment.

The Council aims to establish and maintain a system of an independent objective appraisal to examine and evaluate its activities as a service to the Council and the community.

ASSESSMENT OF CORPORATE PLAN AND OPERATIONAL PLAN SECTION 190LGR 2012

LONG TERM FINANCIAL PLANNING

Council continues to report periodically on the implementation of its Corporate Plan and Operational Plan. Built on a quadruple bottom line approach, Council's Corporate Plan and the Operational Plan ensures that Council's strategies are actioned at an operational level. Council's Operational Plan for 2020/2021 continued to be implemented and information was fed back to Council through management reports and specific Operational Plan updates.

ISSUES

Council has had several issues or challenges from sorry business, COVID and internal struggles with staff retention.

Council is progressing towards the achievement of goals and objectives outlined in the corporate plan and annual operation plans. Regular reporting is provided to Council on its operational plan including monthly financial updates.

ADMINISTRATIVE ACTION COMPLAINTS SECTION 187 LGR 2012

Section 187 of the Regulation requires that an Administrative Action Complaints Process is to be developed and implemented to assist Council to manage complaints efficiently, effectively, objectively, and fairly. Doomadgee Aboriginal Shire Council has a commitment to dealing fairly with any administrative complaint it receives and have developed strategies to deal with complaints. Council's management process is set out in Council's Complaints Policy Process and is made available to the public and staff via Council's website. The Policy is reviewed annually to ensure its effectiveness and was last reviewed in February 2021. Council received no administrative action complaints for the year.

There were no administrative action complaints made in the previous financial year.

Complaints Made	Resolved	Not Resolved
2020-2021 (Nil)	0	0
Previous Years	Resolved	Not Resolved
2019-2020 (Nil)	0	0

ASSESSMENT AND PERFORMANCE OF COMPLAINTS

Doomadgee Aboriginal Shire Council has reviewed its complaints process during the year, ensuring staff and Councillors have undertaken training in the new term. Accordingly, as part of that review Council assessed our performance as adequate. Reviews will continue to be performed for continuous improvement on processes, should complaints arise. There have been no administrative action complaints over the year.

Council also assessed the performance of Human Rights processes, and this is satisfactory, and the Council has had no Human Rights complaints for the financial year 2020-2021.

GRANTS TO COMMUNITY ORGANISATIONS SECTION 189 LGR 2012

In accordance with Section 189 of the Regulation, an Annual Report must contain a summary of the expenditure for the financial year on grants to community groups.

NON- CURRENT PHYSICAL ASSETS SECTION 206(2)

No resolutions were passed during the period in relation to Section 206(2) of the regulation which deals with setting an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense.

OVERSEAS TRAVEL 188 LGR 2012

In accordance with Section 188 of the Regulation, no Councillor or employee undertook any work-related overseas travel during 2020-2021.

OTHER RELEVANT ISSUES TO MAKING AN INFORMED ASSESSMENT SECTION 190 LGR 2012

There are no known issues relevant to making an informed assessment of Councils operation and performance in the financial year.

COMMERCIAL BUSINESS UNITS SECTION 190 LGR 2012

Council did not operate any commercial business units during the 2020-2021 financial year.

RATES AND CHARGES SECTION 190 LGR 2012

In accordance with section 190(d)(i) of the Regulation, no special rates and charges or concessions were levied during the financial year and there were no services supplied by another local government or joint ventures.

RESERVES AND CONTROLLED ROADS

Doomadgee Aboriginal Shire Council is a Deed of Grant in Trust. The DOGIT is 186,300 hectares of which 9.5 hectares is held as Reserve by Government Departments. Council as Trustee of the DOGIT own and control all roads in the DOGIT.

SUPPLY BY OTHER LOCAL GOVERNMENTS SECTION 190 LGR 2012

Pursuant to section 190(1)(d) of the Regulation, there was no action taken for or expenditure on a service, facility or activity that was supplied by another local government under an agreement for conducting a joint government activity for which the local government levied special rates or charges for the financial year.

COUNCIL REGISTERS SECTION 190 LGR 2012

- Minutes of Council Meetings
- Council Resolution Register
- Register of Interest of Councillors
- Register of Interest of Executive Staff
- Register of Related Parties Disclosure
- Delegation of Register
- Policy Register
- Road Register
- Asset Register
- Fees and Charges Register
- Contracts Register
- Register of Administrative Complaints

PUBLIC SECTOR ETHICS

Pursuant to the provisions of the *Public Sector Ethics Act 1994*, Council is required to review its Code of Conduct and report on actions taken regarding implementation of the legislation. During the reporting period, Council undertook a review of its Code of Conduct and provided training and education to its workforce through inductions of new staff members, together with re-inductions of all existing staff. Council supports its ongoing procedures and practices to ensure employees abide by and embrace the principles of the legislation.

Council's Code of Conduct is provided to all new employees upon commencement and is provided to all of Council when it is reviewed.

SUMMARY OF ALL CONCESSIONS FOR RATES AND CHARGES GRANTED BY LOCAL GOVERNMENT

The Council provided no concessions for rates and charges during the 2020-2021 financial year.

CONDUCT AND PERFORMANCE OF COUNCILLORS

Compliance with Section 186 of the Local Government Regulation 2012 under Section 186 (1) (d) – (f) and Section 150 of the Local Government Act was as follows

COMPLIANCE REQUIREMENTS

Orders made under section 150I (2) of the LGA	Nil
Orders made under section 150AH (1) of the LGA	Nil
Decisions orders and recommendations made under section 150AR (1)	Nil
Councillor for whom a decision order or recommendation was made under section 150 1 (2) 150AH (1) or 150AR (1)	Nil
A description of the unsuitable meeting conduct, inappropriate conduct Complaints referred to the assessor under section 150P (2) (a) of the LGA, a councillor and the chief executive officer	Nil
Matters mentioned in section 150(P)(3) of the LGA notifies to the crime and Corruption Commission	Nil
Notices given under section 150OR (2) of the LGA	Nil
Notices given under section 150S(2)(a) of the LGA	Nil

Decisions made under section 150W(1)(a)(b)(d) of the LGA	Nil
Decisions made under section 150W(1)(a)(b)(d) of the LGA	Nil
Referral Notices accompanied by a recommendation mentioned in section 150AC (3) (a) of the LGA	
Occasions information was given under section 150AF (4) (a) of the LGA	Nil
Application heard by the conduct tribunal about the alleged misconduct of a Councillor	Nil
Applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the Act about whether a Councillor engaged in misconduct or inappropriate conduct	Nil
There were no complaints under S150k for inappropriate conduct	



COUNCIL'S PERFORMANCE

MINISTERIAL AND GOVERNMENT CHAMPIONS

The Council is supportive of the Government Champions initiative. The Minister for Communities and Minister for Disability Services and Seniors, the Hon Craig Crawford is Doomadgee Ministerial Champion and Bob Gee the Director General, Department of Youth Justice is the Government Champion. Both have undertaken visits to Doomadgee since their appointment. This has been impacted by COVID 19 constraints; however, many virtual meetings were held during 2020-2021.

ADVOCACY

As a small remote Shire, Council continues to advocate strongly on a wide range of issues from increased access to sport and recreation programs to essential infrastructure. Council is a member of the Northwest Regional Organisation of Councils which represents 8 Councils across the region. In addition, Council is a proactive advocate to the Carpentaria Lands Council and other bodies that can collectively benefit our community as well as our broader region. During 2020/2021 Council has been very successful at gaining funding for a wide range of essential service projects and housing and related infrastructure.

FINANCE AND INFORMATION

Council has submitted financial statements to the Queensland Audit Office during 2020/2021 and obtained an unmodified opinion. Council continues to aspire to all measures of Financial Sustainability as determined by the Department of Local Government, Racing and Multicultural Affairs so that it can now forecast a sound financial position for the next 10 years.

AUDIT COMMITTEE FUNCTION

Council has set up an Internal Audit function that reports directly to Council and will endeavour to have an operational Audit Committee for 2021/2022 financial year.

COMMUNITY SERVICES

DOOMADGEE RADIO STATION AND BROADCASTING PROGRAM

The NIAA (National Indigenous Australians Agency) funds the RIBS program run through the Doomadgee Radio Station who broadcast in conjunction with Black Star Radio.

The Commonwealth funded RIBS program currently employs a senior broadcaster who creates locally produced content and programs in conjunction with Doomadgee Stakeholders and Community.

YOUTH HUB

Council operates and facilitates a range of youth related programs at the Doomadgee Youth Hub which is funded and supported through the NIAA. Programs under this funding are also designed to support disengaged youth within community.

POST OFFICE

Council operates the license Post Office at Doomadgee on behalf of Australia Post.

REX

Council is a booking agent for Regional Express Airlines that carries out and manages all flight bookings for Doomadgee including the local airfare scheme.

ENGINEERING SERVICES

CIVIL CONSTRUCTION PROJECTS COMPLETED AND UNDERWAY

Council is grateful for the support and investment from the Queensland and Federal Government. They continue to partner with Council to provide key projects in the community. Some of the projects include –

- 750m Shared Pathway along Gunnalunja Drive
- New Housing Subdivision Project
- Resealing of Wooloogorang East Road
- Fencing of the Wilfred Walden Recreation Facility (PCYC)
- Streetlight Upgrade Project

The next financial year is shaping up to being another challenging but also exciting year. Council will once again experience challenges and new opportunities. Some projects on the horizon include –

- Adding the Old Doomadgee on our road networks
- Water Quality Projects
- Continuation of Shared Pathway to the Weir
- Housing
- Recreation and Sporting programs

DEPARTMENT OF LOCAL GOVERNMENT, RACING AND MULTICULTURAL AFFAIRS – INDIGENOUS COMMUNITIES COMMUNITY INFRASTRUCTURE PROGRAM (ICCIP)

Council was successfully approved for \$6,700,000 under the Indigenous Community Critical Infrastructure Program (ICCIP). This funding will renew or replace essential infrastructure to meet current/ future community needs.

DEPARTMENT OF INNOVATION AND REMOTE AIRPORT UPGRADE PROGRAM (RAUP)

The Department funded \$75,000 for the construction of weir outlooks. This was underway in 2019/2020. Council received \$519,893 under the regional airport upgrade program which has commenced late June 2020.

BUILDING AND CONSTRUCTION - HOUSING

Council is an active partner with the Department of Housing and Public Works and carries out a wide range of upgrade and maintenance works each year. Several projects were commenced during the year and will be completed by the end of 2021.

Council has been approved to deliver the two stage \$2,350,000 community housing programs. This commenced in 2020/2021.

PLANT

During the financial year 2020/2021 Council acquired a new Grader, and as part of the Council's asset renewal plan a Hilux and a Generator were replaced.

COMMUNITY FINANCIAL REPORT

ABOUT THE COMMUNITY FINANCIAL REPORT (CFR)

The Financial Statements, which are at the end of this Annual Report, tell the story of what happened in financial terms during the year and what the Council's financial position was at the end of the year. The Financial Statements are expressed in a format, and according to Accounting Standards laid down by the Australian Accounting Standards Board. It is expected that people reading them are familiar with reading formal financial reports and, consequently they may not be easily understood by readers who are not accountants.

The Community Financial Report is prepared to explain the key elements of the Financial Statements in a form which most people can readily understand. This report explains what has happened during the year, and what position Council was in at the year end. If there are ways you feel this report could be made more useful or more understandable, please advise the Council.

BORROWINGS

During the year, Council had no new borrowings.

WHAT YOU WILL FIND IN THE FINANCIAL STATEMENTS

The Audited Financial Statements of Council sets out the financial performance, financial position, cash flows and the net wealth of Council for the financial year ended 30 June 2021. ***They are attached at the end of this document.***

ABOUT THE MANAGEMENT CERTIFICATE

The Financial Statements must be certified by both the Mayor and the Chief Executive Officer as "presenting fairly" the Council's financial results for the year, which are required to be adopted by Council - ensuring both responsibility for and ownership of the Financial Statements by management and elected representatives.

ABOUT THE FINANCIAL STATEMENTS

1. The financial statements incorporate 4 "primary" financial statements and accompanying notes.
A statement of comprehensive income - A summary of council's financial performance for the year, listing both regular income and expenses and other comprehensive income which records items such as changes in the fair values of Council's assets and investments.
2. A financial position - A 30 June snapshot of Council's financial position including its Assets & Liabilities.
3. A statement of changes in equity - the overall change for the year (in dollars) of Council's "net wealth".
4. A statement of cash flow – refers to the net balance of cash moving into or out of Council at a given point in time.
5. Notes to the financial statements provides greater detail to the line numbers of the 4 "primary" financial statements.

ABOUT THE AUDITOR'S REPORTS

Council's Financial Statements are required to be audited by the Queensland Audit Office. The audit of many Queensland Councils is contracted to Audit firms that specialise in Local Government. The Auditor provides an audit report which gives an opinion on whether the Financial Statements present fairly the Council's financial performance and position.



FINANCIAL PERFORMANCE

COMPREHENSIVE INCOME

Summarised Income Statement

Income	
Operating Revenue	12,968,911
Capital Revenue	5,172,202
Total Income	<u>18,141,113</u>
Less Expenses	
Recurrent Expenses	<u>12,232,476</u>
Net Result	<u>\$4,744,962</u>
Loss on asset disposal	1,163,676
Total Comprehensive income	<u><u>4,744,962</u></u>

The Statement of Comprehensive Income illustrates how Council has performed for the last year listing income, which is the revenue that Council has received less the expenses of maintaining and operating Council and the community.

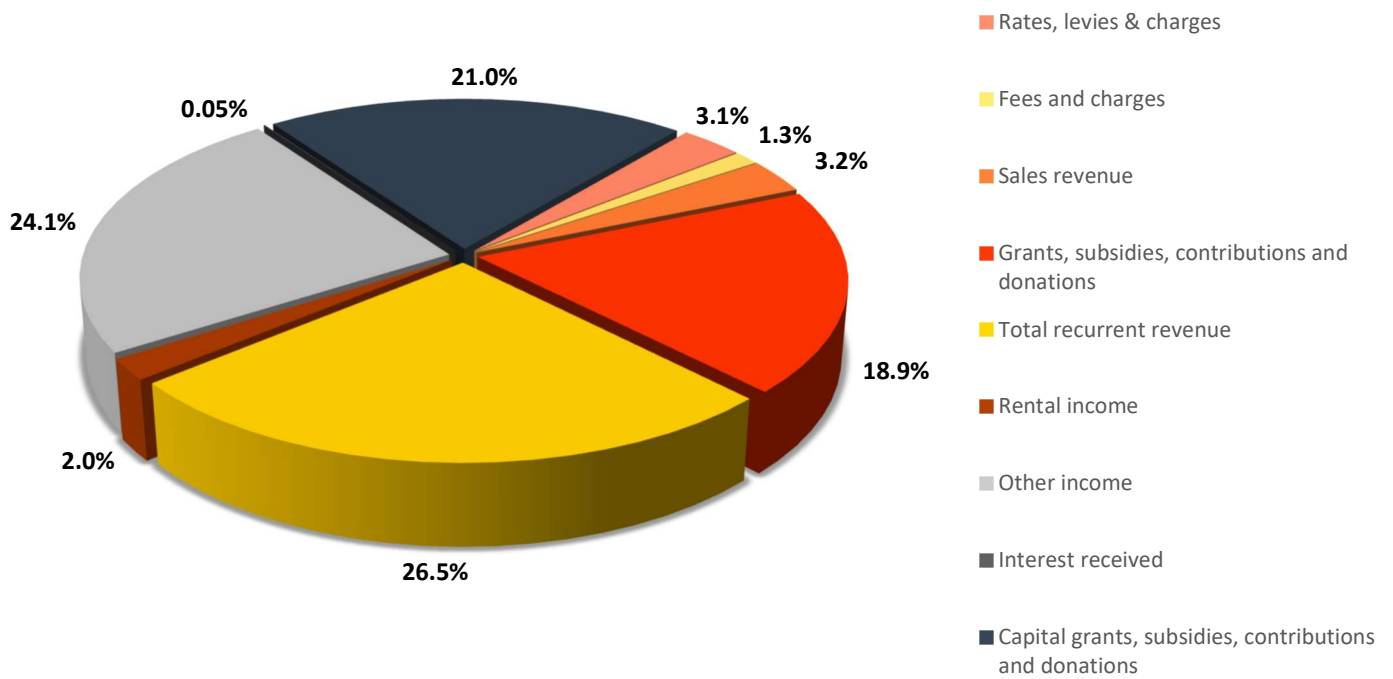
FINANCIAL POSITION

Summarised Financial Position

Current Assets	3,672,088
Non-Current Assets	136,136,684
Total Assets	<u>139,808,772</u>
Current Liabilities	3,580,692
Non-Current Liabilities	936,830
Total Liabilities	<u>4,517,522</u>
Net Community Assets	<u><u>135,291,250</u></u>

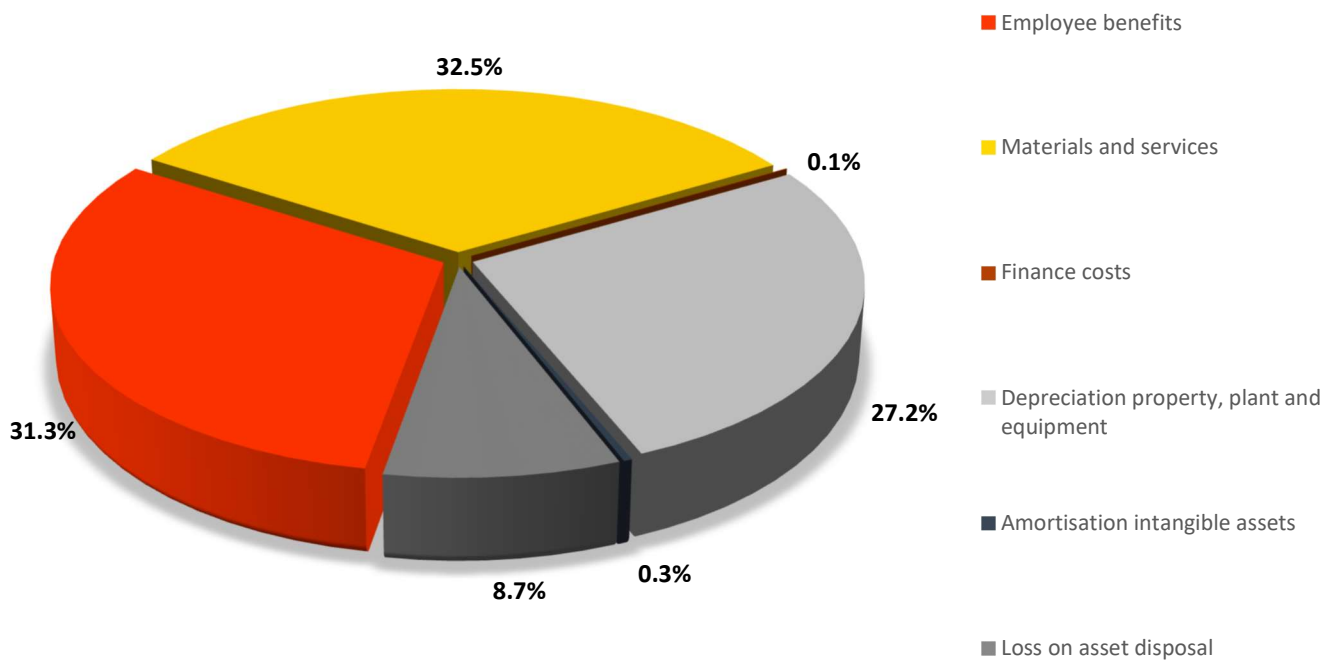
The Statement of Financial Position (also known as the Balance Sheet) encapsulates Council's financial situation at the conclusion of the fiscal year. The statement assess what Council owns (assets) and what Council owes (liabilities) at the end of the financial year, resulting in the net community wealth (equity) of Council.

COUNCIL'S REVENUE



Council's total income for 2020/2021 was \$18,141,113 which is made up of operating income of \$12,968,911 and capital revenue of \$5,172,202. As illustrated in the chart above Council's main source of income is grants, Council is actively pursuing more sources of income.

COUNCIL'S EXPENDITURE



The above chart shows Council's operational expenditure and is comprised of employee benefits, depreciation of property, plant, equipment, materials and services and loss on asset disposal. Some of the

expenses itemised in the materials and services are insurance, consultants, communication and IT, repairs and maintenance to buildings and contractors.

FINANCIAL SUSTAINABILITY RATIOS

OPERATING SUSTAINABILITY RATIO

Council use ratios to monitor trends that indicate whether Council is on the right track in terms of its financial performance and future. This ratio is an indicator that shows to what extent the revenue received covers operational expenses only or if there are available funding for other purposes. Calculation: Net result divided by total operating revenue expressed as a percentage. The required target for Council is set between 0% -10% which indicates that revenue raised can assist in offsetting past or future operating deficits or to fund proposed capital expenditure.

The 2020/2021 sustainability ratio is 6%.

ASSET SUSTAINABILITY RATIO

Asset Sustainability Ratio is a measure of the extent to which the infrastructure assets are being replaced as they reach the end of their useful lives. Calculation: the ratio is calculated by the total capital expenditure of replacements (renewals) divided by the depreciation expenditure expressed as a percentage with a target of greater than 90%. This percentage helps to ensure that Council is sufficiently maintaining, replacing, or renewing existing infrastructure assets as they reach the end of their useful life.

The 2020/2021 sustainability ratio is 30%

NET FINANCIAL LIABILITIES RATIO

Net financial liabilities ratio is an indicator of whether the net financial liabilities can be covered by the total operating revenues, a positive value of less than 60% illustrates that Council has the capacity to fund the financial liabilities. Calculation: The ratio is calculated by the total liabilities less the current assets divided by the total operating revenue expressed as a percentage. A percentage range between >0% <60% means that Council remains within the recommended levels for sustainability.

The 2020/2021 net financial liabilities ratio is 7%

Doomadgee Aboriginal Shire Council

Annual Financial Statements

For the year ended 30 June 2021



Doomadgee Aboriginal Shire Council
Financial Statements
For the year ended 30 June 2021

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**Doomadgee Aboriginal Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2021**

	2021	2020
Note	\$	\$
Income		
Revenue		
Recurrent revenue		
Rates, levies & charges	3(a) 771,298	753,038
Fees and charges	3(b) 317,239	235,296
Sales revenue	3(c) 1,491,823	1,269,510
Grants, subsidies, contributions and donations	4 4,657,768	4,419,134
Total recurrent revenue	<u>7,238,128</u>	<u>6,676,978</u>
Capital revenue		
Grants, subsidies, contributions and donations	4 5,172,202	3,973,878
Gain on asset disposal	8(a) -	254,894
Total capital revenue	<u>5,172,202</u>	<u>4,228,772</u>
Rental income	5(a) 494,184	772,988
Interest received	5(c) 11,599	55,833
Other income	5(b) 5,225,000	2,424,996
Total income	<u>18,141,113</u>	<u>14,159,567</u>
Expenses		
Recurrent expenses		
Employee benefits	6 (4,194,628)	(4,543,524)
Materials and services	7 (4,349,405)	(4,478,783)
Finance costs	(6,816)	(212,096)
Depreciation and amortisation		
Property, plant and equipment	11 (3,639,637)	(3,146,638)
Intangible assets	(41,989)	(41,990)
	<u>(12,232,476)</u>	<u>(12,423,031)</u>
Capital expenses		
Loss on asset disposal	8 (1,163,676)	-
Total capital expense	<u>(1,163,676)</u>	<u>-</u>
Total expenses	<u>(13,396,152)</u>	<u>(12,423,031)</u>
Net result	<u>4,744,962</u>	<u>1,736,536</u>
Other comprehensive income		
Items that will not be reclassified to net result		
Increase in asset revaluation surplus	17 -	1,263,422
Total other comprehensive income for the year	<u>-</u>	<u>1,263,422</u>
Total comprehensive income for the year	<u>4,744,962</u>	<u>2,999,958</u>

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

Doomadgee Aboriginal Shire Council
Statement of Financial Position
As at 30 June 2021

	Note	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	9	1,628,598	4,029,341
Trade and other receivables	10	721,931	1,099,249
Inventories		49,904	44,587
Contract assets	13	506,900	50,564
Lease receivable	14	764,755	735,201
Total current assets		<u>3,672,088</u>	<u>5,958,942</u>
Non-current assets			
Lease receivable	14	25,541,148	22,577,177
Intangible assets		-	41,989
Property, plant and equipment	11	109,859,656	108,694,611
Investment in joint venture	26	735,880	293,557
Total non-current assets		<u>136,136,684</u>	<u>131,607,334</u>
Total assets		<u>139,808,772</u>	<u>137,566,275</u>
Current liabilities			
Trade and other payables	15	1,873,384	1,446,478
Contract liabilities	13	1,400,453	2,720,533
Provisions	16	306,855	2,447,702
Total current liabilities		<u>3,580,692</u>	<u>6,614,713</u>
Non-current liabilities			
Provisions	16	936,830	405,273
Total non-current liabilities		<u>936,830</u>	<u>405,273</u>
Total liabilities		<u>4,517,522</u>	<u>7,019,986</u>
Net community assets		<u>135,291,250</u>	<u>130,546,289</u>
Community equity			
Asset revaluation surplus	17	54,284,947	54,284,947
Retained surplus		81,006,304	76,261,342
Total community equity		<u>135,291,250</u>	<u>130,546,289</u>

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

**Doomadgee Aboriginal Shire Council
Statement of Changes in Equity
For the year ended 30 June 2021**

		Asset revaluation surplus	Retained surplus	Total
	Note	17		
		\$	\$	\$
Balance as at 1 July 2020		54,284,947	76,261,342	130,546,289
Net result		-	4,744,962	4,744,962
Total comprehensive income for the year		-	4,744,962	4,744,962
Balance as at 30 June 2021		54,284,947	81,006,304	135,291,250
Balance as at 1 July 2019		53,021,524	77,278,112	130,299,636
Adjustment on initial application of AASB 15 / AASB 1058		-	(2,753,306)	(2,753,306)
Restated balance at 1 July 2019		53,021,524	74,524,806	127,546,330
Net result		-	1,736,536	1,736,536
Increase in asset revaluation surplus	11	1,263,422	-	1,263,422
Total comprehensive income for the year		1,263,422	1,736,536	2,999,958
Balance as at 30 June 2020		54,284,947	76,261,342	130,546,289

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

Doomadgee Aboriginal Shire Council
Statement of Cash Flows
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers		3,212,849	4,121,553
Payments to suppliers and employees		<u>(8,220,574)</u>	<u>(10,692,487)</u>
		(5,007,725)	(6,570,934)
Interest received		11,599	55,833
Rental income		494,184	772,988
Operating grants, subsidies, and contributions	4	<u>4,657,768</u>	<u>4,419,134</u>
Net cash inflow (outflow) from operating activities	21	<u>(155,826)</u>	<u>(1,322,980)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(6,715,977)	(4,304,552)
Proceeds from sale of property plant and equipment		-	436,332
Finance lease receipts	14	742,657	721,914
Joint venture receipts	26	175,000	28,594
Payments for landfill restoration	16	(155,630)	(428,470)
Grants, subsidies, contributions and donations	4(ii)	<u>3,397,381</u>	<u>3,973,878</u>
Net cash inflow (outflow) from investing activities		<u>(2,556,569)</u>	<u>427,696</u>
Net (decrease) in cash and cash equivalents held		<u>(2,400,743)</u>	<u>(895,284)</u>
Cash and cash equivalents at the beginning of the financial year		4,029,341	4,924,625
Cash and cash equivalents at end of the financial year	9	<u>1,628,598</u>	<u>4,029,341</u>

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

Doomadgee Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2021

1 Information about these financial statements

1.A Basis of preparation

The Doomadgee 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 2020 to 30 June 2021. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and complies with Australian Accounting Standards as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for certain current and non-current assets which are measured at fair value.

Recurrent/capital classification

Revenue and expenditure are presented as "recurrent" or "capital" in the Statement of Comprehensive Income on the following basis:

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

Capital expenses includes the impairment of property, plant and equipment.

The following transactions are classified as either "Capital income" or "Capital expenses" depending on whether they result in accounting gains or losses:

- disposal of non-current assets

All other revenue and expenses have been classified as "recurrent".

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

Doomadgee Aboriginal Shire Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2020, none of the standards had a material impact on reported position, performance and cash flows.

1.C Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretations, that were issued but not yet effective at 30 June 2021 at the time of preparing these financial statements that could be applicable to Council.

	Effective for NFP annual report periods beginning on or after:
AASB 2020-1 <i>Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards</i>	1 January 2023
AASB 2014-10 <i>Sale or Contribution of Assets between and Investor and its Associate or Joint Venture</i> (amended by AASB 2015-10 and AASB 2017-5)	1 January 2022

Doomadgee Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2021

1.D Estimates and judgements

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

Valuation and depreciation of property, plant and equipment - Notes 11 and 12
Provisions - Note 16
Valuation of lease receivables - Note 14
Contract assets and liabilities - Note 13
Contingent liabilities - Note 19
Revenue recognition - Notes 3 and 4

1.E Rounding and comparatives

Council uses the Australian dollar as its functional currency and its presentation currency and rounds to the nearest dollar.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard. Comparative information is prepared on the same basis as prior year.

1.F Financial assets and financial liabilities

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

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

Financial assets

Cash and cash equivalents - measured at amortised cost (Note 9)
Receivables - measured at amortised cost (Note 10)
Lease receivables - measured at fair value (Note 14)

Financial liabilities

Payables - measured at amortised cost (Note 15)

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

1.G Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation. Council is subject to 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 an asset or liability respectively.

1.H Community housing

Doomadgee Aboriginal Shire Council does not hold any investment property, however does provide social housing as a service to community members. As the Council area is situated on Deed of Grant in Trust (DOGIT) there is a prohibition on sale of any land within the area designated under DOGIT. Refer to Note 11 for details of DOGIT land.

1.I COVID-19

Council's operations for the year ended 30 June 2021 have been impacted by the COVID-19 pandemic. Refer to Note 22 and 23 for more details.

There have not been any other significant adverse operational or financial impacts as a result of the COVID-19 pandemic to date and it is confirmed that any known impacts have been reflected in the financial statements.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

2 Analysis of results by function

(a) Components of Council functions

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

Corporate governance

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

Finance and information

Finance and information provides professional finance and information services across all of Council. This function includes internal audit, budget support, financial accounting, the taxation unit, 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.

Community services

The goal of community services is to ensure Doomadgee 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:

Environment health
Animal management program
Youth Hub
Rodeo
PCYC
Remote Indigenous Broadcasting Service

Enterprises

The goal of Council's enterprises is to provide the community with the following services:

Guesthouse
Post Office
Airport

Housing

The goal of this activity is the provision of public housing within the Deed of Grant in Trust (DOGIT) area.

Transport infrastructure

The objective of the transport infrastructure program is to ensure the community is serviced by a high quality and effective road network. The function provides and maintains transport infrastructure, including the maintenance and provision of the drainage network.

Water infrastructure

The goal of this program is to support a healthy, safe community through sustainable water services. This function includes all activities relating to water including flood and waterways management.

Sewerage and waste management infrastructure

The goal of this function is to protect and support our community and natural environment by sustainably managing refuse and sewerage infrastructure. The function provides refuse collection and disposal services, mosquito and other pest management programs.

Works Depot

The Works Depot comprises the workshop, stores shed and the premise providing a central parking facility for Council's plant. The function provides the services to and maintenance/repairs of Council's plant and equipment, including the buildings and sheds for carrying out the maintenance/repairs and for the storage of spare parts and fuels.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

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

Year ended 30 June 2021

Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital				
	Grants	Other	Grants	Other							
	2021	2021	2021	2021		2021	2021				
\$	\$	\$	\$	\$	\$						
Corporate governance	-	-	-	-	-	(963,393)	-	(963,393)	(963,393)	(963,393)	369,753
Finance & information	3,779,859	664,555	1,774,820	-	6,219,234	(3,947,303)	-	(3,947,303)	497,111	2,271,931	4,021,527
Community services	791,778	714,387	-	-	1,506,166	(2,099,446)	-	(2,099,446)	(593,281)	(593,281)	29,816,306
Enterprises	-	1,163,519	200,000	-	1,363,519	(670,271)	-	(670,271)	493,248	693,248	5,400,870
Housing	-	3,488,615	2,335,519	-	5,824,134	(980,623)	(1,163,676)	(2,144,299)	2,507,992	3,679,835	37,369,612
Transport infrastructure	86,130	-	424,764	-	510,894	(1,258,842)	-	(1,258,842)	(1,172,712)	(747,948)	33,497,845
Water infrastructure	-	372,863	-	-	372,863	(1,157,177)	-	(1,157,177)	(784,314)	(784,314)	21,991,675
Sewerage & waste management infrastructure	-	1,846,256	437,100	-	2,283,356	(372,736)	-	(372,736)	1,473,520	1,910,620	5,015,309
Works Depot *	-	60,949	-	-	60,949	(782,686)	-	(782,686)	(721,737)	(721,737)	2,325,876
Total	4,657,768	8,311,143	5,172,202	-	18,141,113	(12,232,476)	(1,163,676)	(13,396,152)	736,435	4,744,962	139,808,772

* A new function has been created in the 2020-21 financial year for activities at the works depot. This function has not been in operation in prior years therefore there are no comparative balances for income and expenses. The assets were previously included under Enterprises.

Year ended 30 June 2020

Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital				
	Grants	Other	Grants	Other							
	2020	2020	2020	2020		2020	2020				
\$	\$	\$	\$	\$	\$						
Corporate governance	-	270	-	-	270	(821,006)	-	(821,006)	(820,736)	(820,737)	-
Finance & information	3,483,365	1,201,441	85,155	254,894	5,024,855	(4,698,829)	-	(4,698,829)	(14,023)	326,026	30,454,311
Community services	860,165	48,103	126,364	-	1,034,632	(1,308,912)	-	(1,308,912)	(400,644)	(274,280)	207,537
Enterprises	75,604	-	1,372,740	-	1,448,344	(1,993,192)	-	(1,993,192)	1,917,588	(544,848)	35,821,301
Housing	-	1,089,974	1,524,122	-	2,614,096	(1,213,397)	-	(1,213,397)	(123,423)	1,400,699	38,814,417
Transport infrastructure	-	390,568	-	-	390,568	(468,743)	-	(468,743)	(78,175)	(78,175)	5,118,919
Water infrastructure	-	364,095	761,518	-	1,125,613	(1,038,394)	-	(1,038,394)	(674,299)	87,219	22,389,885
Sewerage & waste management infrastructure	-	2,417,211	103,979	-	2,521,190	(880,558)	-	(880,558)	1,536,653	1,640,632	4,759,906
Total	4,419,134	5,511,661	3,973,878	254,894	14,159,567	(12,423,031)	-	(12,423,031)	(2,492,235)	1,736,536	137,566,275

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

	2021	2020
	\$	\$
3 Revenue		
(a) Rates, levies & charges		
Water	372,863	364,095
Sewerage	192,608	188,550
Garbage charges	205,827	200,393
	<u>771,298</u>	<u>753,038</u>

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

(b) Fees and charges		
Airport landing fees	317,239	235,196
Other fees and charges	-	100
	<u>317,239</u>	<u>235,296</u>

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

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

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

(c) Sales revenue		
Rendering of services		
Contract and recoverable works	945,552	791,953
Guest house accommodation	524,023	407,924
Guest house other revenue	-	11,008
Post office sales	2,588	2,444
Other sales	18,264	52,991
	<u>1,490,428</u>	<u>1,266,320</u>
Sale of goods		
Vending machine sales	1,395	3,190
	<u>1,395</u>	<u>3,190</u>
Total sales revenue	<u>1,491,823</u>	<u>1,269,510</u>

Sale of goods revenue is recognised at the point in time that the customer obtains control of the goods, generally at delivery. Revenue from services is recognised when the service is rendered.

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

The amount recognised as revenue for contract and recoverable works revenue during the financial year is the amount receivable in respect of invoices issued during the period work was completed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

4 Grants, subsidies, contributions and donations

	2021	2020
	\$	\$
(i) Recurrent		
State government subsidies and grants	4,187,733	4,044,716
Commonwealth government subsidies and grants	356,634	356,634
Other	48,628	17,784
Donations and contributions	64,773	-
	<u>4,657,768</u>	<u>4,419,134</u>
(ii) Capital		
State government subsidies and grants	4,948,648	3,947,883
Commonwealth government subsidies and grants	223,554	25,995
	<u>5,172,202</u>	<u>3,973,878</u>

Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets.

Grant income under AASB 15

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

The performance obligations vary in each agreement but include events, disability support services, etc. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

Where control is transferred over time, revenue is recognised using either costs or time incurred.

Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income then is recognised for any remaining asset value at the time that the asset is received.

Capital grants

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

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

Donations and contributions

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

Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

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

		2021		2020	
	Note	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
		\$	\$	\$	\$
Grants and subsidies	4	4,591,399	5,173,799	4,101,350	4,273,878
Donations and contributions	4	64,773	-	17,784	-
		<u>4,656,172</u>	<u>5,173,799</u>	<u>4,119,134</u>	<u>4,273,878</u>

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

	<u>Note</u>	<u>2021</u> \$	<u>2020</u> \$
5 Rent and other income			
(a) Rental Income			
Houses and offices rental income		494,184	772,988
		<u>494,184</u>	<u>772,988</u>
Rental revenue from investment and other property is recognised as income on a periodic straight line basis			
(b) Other income			
Gain on revaluation of leased assets	14	2,988,564	76,717
Gain on reversal of unused landfill provision due to change in estimate	16	1,461,929	1,687,683
Share of profit in joint venture	26	617,323	322,152
Post office commission		73,811	64,174
Other income		83,373	274,270
		<u>5,225,000</u>	<u>2,424,996</u>
(c) Interest received			
Other sources		11,599	55,833
		<u>11,599</u>	<u>55,833</u>

Interest received from term deposits is accrued over the term of the investment.

6 Employee benefits			
Total staff wages and salaries		3,067,967	3,694,437
Councillors' remuneration		366,059	345,700
Annual, sick and long service leave entitlements		405,109	312,789
Superannuation	20	394,045	429,589
		<u>4,233,180</u>	<u>4,782,515</u>
Isolation leave airfares		45,414	18,926
Other employee related expenses		97,386	105,695
		<u>4,375,980</u>	<u>4,907,136</u>
Less: Capitalised employee expenses		<u>(181,352)</u>	<u>(363,612)</u>
		<u>4,194,628</u>	<u>4,543,524</u>

Employee benefit expenses are recorded when the service has been provided by the employee. Councillor remuneration represents salary, other allowances, costs and training paid in respect of carrying out their duties.

	<u>2021</u> No.	<u>2020</u> No.
Total Council employees at the reporting date:		
Elected members	5	5
Administration staff	29	22
Depot and outdoors staff	32	43
Total Council employees at the reporting date	<u>66</u>	<u>70</u>

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
7 Materials and services			
Audit fees		130,845	313,331
Bad Debts		(57,837)	70,566
Communications & IT		569,341	454,200
Consultants		838,579	561,712
Service Contracts & Contractors		347,707	205,723
Electricity		235,507	306,751
Freight & postage		121,007	82,313
Insurance		1,048,766	840,044
Legal fees		65,575	137,656
Materials/Workshop Consumables/Other Tools		400,209	672,817
Repairs & maintenance - buildings		72,558	102,878
Repairs & maintenance - plant & equipment		209,260	347,090
Security		203,131	106,734
Subscription & Advertising		106,383	91,469
Travel		87,707	91,290
Other expenses		(29,334)	94,209
		<u>4,349,405</u>	<u>4,478,783</u>

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

* Total audit fees quoted by the Queensland Audit Office relating to the 2020-21 financial statements are \$102,000 (2020: \$105,000).

8 Capital revenue / expenses			
(a) Gain on disposal of non-current assets			
Proceeds from the sale of property, plant & equipment		-	436,332
Less: book value of property, plant & equipment disposed of		-	(181,438)
Total capital revenue		<u>-</u>	<u>254,894</u>
(b) Loss on write off of non-current assets			
Carrying value of work in progress	11	<u>14,309</u>	<u>-</u>
		14,309	-
(c) Loss on transfer of assets via finance lease			
Carrying value of property, plant and equipment transferred		1,896,985	-
Less: Initial recognition of finance leases	14	<u>(747,618)</u>	<u>-</u>
Total capital expenses		<u>1,149,367</u>	<u>-</u>
Total capital expenses		<u>1,163,676</u>	<u>-</u>
9 Cash and cash equivalents			
Cash on hand		532	1,151
Cash at bank		1,396,458	2,105,677
QTC - sport precinct		4,118	4,093
QTC - investment account		<u>227,490</u>	<u>1,918,420</u>
		<u>1,628,598</u>	<u>4,029,341</u>

Cash and cash equivalents in the statement of cash flows includes cash on hand, all cash and cheques receipted but not banked at the year end, 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 cash and which are subject to an insignificant risk of changes in value.

The Council may be exposed to credit risk through its investments in the Queensland Treasury Corporation (QTC). The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is strong.

Cash and cash equivalents are held at Commonwealth Bank of Australia (CBA) and Queensland Treasury Corporation (QTC) in normal interest-bearing cheque accounts (CBA) and a mix of at-call and fixed-term deposit accounts (QTC).

Commonwealth Bank of Australia (CBA) currently has a short-term credit rating of A-1+ and long term rating of AA-.

Queensland Treasury Corporation (QTC) currently has a short-term credit rating of A-1+ and long term rating of AA+.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
9 Cash and cash equivalents (Continued)			
Cash and cash equivalents		1,628,598	4,029,341
Less: Externally imposed restrictions on cash	(i)	<u>(1,166,274)</u>	<u>(2,583,731)</u>
Unrestricted cash		<u>462,324</u>	<u>1,445,610</u>

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

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

Unspent government grants and subsidies	1,166,274	2,583,731
Total externally imposed restrictions on cash assets	<u>1,166,274</u>	<u>2,583,731</u>

10 Trade and other receivables

Rates debtors	-	37,064
Contractor debtors	1,046,116	1,275,047
Housing rental	-	194,453
	<u>1,046,116</u>	<u>1,506,564</u>
Less impairment	<u>(368,543)</u>	<u>(662,580)</u>
	677,573	843,984
ATO receivables	(134)	213,342
Prepayments	44,492	41,923
	<u>721,931</u>	<u>1,099,249</u>

Receivables and advances are amounts owed to Council at year end. They are recognised at the amounts due at the time of sale or service delivery or advance. Settlement of these amounts is required within 30 days from invoice date.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue. Council reviews all individual debtor balances on a case by case basis to assess the expected losses over the lifetime of the balance.

The loss is recognised in finance costs. Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income.

No interest is charged on trade and other receivables.

Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

By the nature of Council's operations, there is a geographical concentration of risk in the Council's area. This is due to economic issues e.g. low employment and various cultural issues all of which have a great economic impact.

Council does not require collateral in respect of trade and other receivables. Council does not have trade receivables for which no loss allowance is recognised because of collateral.

A summary of the Council's exposure to credit risk for trade receivables is as follows:

	2021 Not credit- impaired \$	2021 Credit- impaired \$	2020 Not credit- impaired \$	2020 Credit- impaired \$
Not past due	373,968	-	749,197	201,271
Past due 31-60 days	67,685	-	14,895	-
Past due 61-90 days	9,149	-	399	-
More than 90 days	226,771	368,543	79,493	461,309
Total gross carrying amount	<u>677,573</u>	<u>368,543</u>	<u>843,984</u>	<u>662,580</u>
Loss allowance	-	(368,543)	-	(662,580)
	<u>677,573</u>	<u>-</u>	<u>843,984</u>	<u>-</u>

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

	2021	2020
	\$	\$
10 Trade and other receivables (Continued)		
Movement in accumulated impairment losses (housing and other debtors) is as follows:		
Opening balance at 1 July	662,580	499,974
Additional impairments recognised	-	162,606
Less: Write off of bad debts	(194,453)	-
Less: Impairments reversed	(99,584)	-
Closing balance at 30 June	<u>368,543</u>	<u>662,580</u>

Expected credit loss assessment

The Council uses an allowance matrix to measure the expected credit losses of trade and other receivables from individual customers, which comprise a very large number of small balances. Council believes the impact to be not material due to the current impairments of the trade and other debtors balance.

Loss rates are calculated using a specific percentage method based on the probability of a receivable progressing through successive stages of delinquency to write off.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment

30 June 2021

Note	Building	Houses	Plant & equipment	Furniture & equipment	Other structures	Road & drainage network	Water	Sewerage	Work in progress	Total
	Fair Value	Fair Value	Cost	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
	Level 3	Level 3			Level 3	Level 3	Level 3	Level 3		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Basis of measurement										
Fair value category										
Asset values										
Opening gross value as at 1 July 2020	43,054,343	13,448,161	4,351,916	639,838	6,852,371	48,096,551	29,132,020	7,403,120	2,311,773	155,290,093
Additions										
- Renewals	-	-	-	-	-	-	-	-	982,699	982,699
- Other additions	-	-	503,980	-	-	-	-	-	5,229,298	5,733,278
Disposals	-	(1,896,985)	-	-	-	-	-	-	-	(1,896,985)
Work in progress write off	-	-	-	-	-	-	-	-	(14,309)	(14,309)
Assets transferred from work in progress	39,217	1,896,985	-	-	83,713	54,949	-	-	(2,074,864)	-
Closing gross value as at 30 June 2021	43,093,560	13,448,161	4,855,896	639,838	6,936,084	48,151,500	29,132,020	7,403,120	6,434,597	160,094,776
Accumulated depreciation and impairment										
Opening balance as at 1 July 2020	12,827,222	5,188,511	2,288,548	604,288	2,156,179	13,769,670	6,951,882	2,809,181	-	46,595,481
Depreciation expense	784,346	220,239	319,624	31,657	216,845	1,201,510	675,211	190,205	-	3,639,637
Accumulated depreciation as at 30 June 2021	13,611,568	5,408,750	2,608,172	635,945	2,373,024	14,971,179	7,627,093	2,999,386	-	50,235,118
Book value as at 30 June 2021	29,481,992	8,039,411	2,247,724	3,893	4,563,061	33,180,321	21,504,927	4,403,734	6,434,597	109,859,656
Residual value	-	-	-	-	-	-	-	-	-	-
Range of estimated useful life in years	15-50	54-79	3-10	2-46	15-180	20-120	20-100	15-150	-	-

Doomadgee Aboriginal Shire Council
Notes to the Financial Statements
For the year ended 30 June 2021

11 Property, plant and equipment (continued)

30 June 2020

Note	Building	Houses	Plant & equipment	Furniture & equipment	Other structures	Road & drainage network	Water	Sewerage	Work in progress	Total
Basis of measurement	Fair Value	Fair Value	Cost	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Fair value category	Level 3	Level 3			Level 3	Level 3	Level 3	Level 3		
Asset values	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2019	41,975,425	13,249,420	4,911,229	639,838	6,806,840	46,859,151	29,132,020	7,403,120	320,119	151,297,162
Additions										
- Renewals	-	-	-	-	-	-	-	-	1,715,350	1,715,350
- Other additions	-	-	-	-	-	-	-	-	2,589,202	2,589,202
Disposals	-	-	(816,395)	-	-	-	-	-	-	(816,395)
Revaluation adjustment to asset revaluation surplus	822,437	198,741	-	-	45,531	(550,385)	(11,551)	-	-	504,773
Assets transferred from work in progress	256,481	-	257,082	-	-	1,787,784	11,551	-	(2,312,898)	-
Closing gross value as at 30 June 2020	43,054,343	13,448,161	4,351,916	639,838	6,852,371	48,096,551	29,132,020	7,403,120	2,311,773	155,290,093
Accumulated depreciation and impairment										
Opening balance as at 1 July 2019	11,801,747	4,885,944	2,553,168	572,384	1,976,110	13,665,813	6,702,037	2,685,248	-	44,842,450
Depreciation expense	769,343	225,222	370,337	31,904	166,562	965,465	494,705	123,099	-	3,146,637
Depreciation on disposals	-	-	(634,957)	-	-	-	-	-	-	(634,957)
Revaluation adjustment to asset revaluation surplus	256,133	77,345	-	-	13,507	(861,608)	(244,860)	834	-	(758,649)
Accumulated depreciation as at 30 June 2020	12,827,222	5,188,511	2,288,548	604,288	2,156,179	13,769,670	6,951,882	2,809,181	-	46,595,481
Total written down value as at 30 June 2020	30,227,120	8,259,650	2,063,367	35,550	4,696,193	34,326,881	22,180,138	4,593,939	2,311,773	108,694,611
Residual value	-	-	-	-	-	-	-	-	-	-
Range of estimated useful life in years	15-50	54-79	3-10	2-46	15-180	20-120	20-100	15-150	-	-

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment (Continued)

(a) Recognition

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

Individual assets valued below the asset recognition threshold are recognised as an asset if connected to a larger network.

Deed of Grant in Trust land

The Council is located on land assigned to it under various Deeds of Grant in Trust (DOGIT) pursuant to Section 341 of the Land Act 1994. It comprises an area approximately 468km north west of Mount Isa and 100km west of Burketown.

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 its inhabitants. The DOGIT land has not been taken up in the Council's assets as it cannot be reliably measured.

A portion of DOGIT land comprising of 236 properties is leased to the State Government pursuant to the Indigenous Housing Arrangement (40 year lease).

(b) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of consideration plus costs incidental to the acquisition. Direct labour, materials and an appropriate portion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Property, plant and equipment received in the form of contributions, for significantly less than fair value or as offsets to infrastructure charges are recognised as assets and revenue at fair value.

Capital work in progress

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

(c) Depreciation

Assets are depreciated from the date of acquisition or when an asset is ready for use.

Land is not depreciated as it has an unlimited useful life.

Depreciation, where applicable, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions.

Key judgments and estimates:

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

(d) Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, 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.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment (Continued)

(e) Valuation

Key judgments and estimates:

Some of the Council's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Council uses market-observable data to the extent it is available and other inputs as necessary.

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

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

Revaluation increases are recognised in the asset revaluation surplus unless they are reversing a previous decrease which was taken through the income statement, in that case the increase is taken to the statement of comprehensive income to the extent of the previous decrease.

Revaluation decreases are recognised in the asset revaluation surplus, where there is sufficient amount available in the asset revaluation surplus relating to that asset class. Where there isn't sufficient amount available in the surplus, the decrease is recognised in the statement of comprehensive income.

Where the class of asset has previously decreased in value and this reduction was recognised as an expense, an increase in the value of the class is recognised in the statement of comprehensive Income.

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.

Details of valuers and methods of valuations are disclosed in Note 12.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

12 Fair value measurements

(a) Recognised fair value

Fair values are classified into three levels as follows:

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

There were no transfers between levels of the hierarchy during the year (2020: none).

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

(b) Valuation techniques used to derive fair values for level 2 and level 3 valuations

Specific valuation techniques used to value Council assets comprise:

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other Interim revaluation adjustment
Buildings (level 3)	Current replacement cost (CRC)	30 June 2019	APV Valuers & Asset Management	<p>The cost to replace the asset is calculated and then adjusted to take account of any obsolescence.</p> <p>The components were further split into the short-life and long-life parts. The value of each part was determined based on the inter-relationship between a range of factors which include set condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value and useful life.</p> <p>'Complex assets' were disaggregated into the different parts with a different useful life and depreciated separately.</p> <p>Review is performed annually for relevant indices and any subsequent changes based on price movements, cost guides and other relevant publications, as well as APV's internal database of unit rates.</p>	Nil	Nil
Housing (level 3)	Current replacement cost (CRC)	30 June 2019	APV Valuers & Asset Management	As above	Nil	Nil
Road and drainage network (level 3)	CRC	30 June 2019	APV Valuers & Asset Management	<p>CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. The unit rates applied are based on greenfield project costs and include all materials, labour and overheads. These unit rates are estimated using information collated from similar recent project costs, unit rate databases, indices, Rawlinson's Construction Handbook and quotations.</p> <p>An assessment of remaining useful life was made by the valuer taking into consideration the visual condition, construction date, evidence of recent repairs or capital works and the surrounding environmental factors.</p> <p>Review is performed annually for relevant indices and any subsequent changes based on price movements, cost guides and other relevant publications, as well as APV's internal database of unit rates.</p>	Nil	Nil

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

12 Fair value measurements (Continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Water and sewerage assets (level 3)	CRC	30 June 2019	APV Valuers & Asset Management	<p>The water and sewer assets were segregated into active and passive assets; passive assets were not further componentised and consisted primarily of mains and pipes. Unit rates were applied based on similar recent project costs, unit rate databases, indices, Rawlinson's Construction rates and quotations.</p> <p>The remaining active assets consisted of treatment, pumping and storage assets. These assets were componentised and valued independently, with allowances for complexity, size, function and site factors. As a check these components are generally combined into a lump sum item and compared against recent similar projects.</p> <p>The remaining lives used in the depreciation calculations are estimated using three different methods such as condition, known age and estimated age.</p> <p>Review is performed annually for relevant indices and any subsequent changes based on price movements, cost guides and other relevant publications, as well as APV's internal database of unit rates.</p>	Nil	Nil
Other structures (level 3)	CRC	30 June 2019	APV Valuers & Asset Management	<p>The replacement cost has been estimated through first principles, namely summing together the costs of materials, labour and overhead which were established through contact with suppliers, Council, by having reference to recently constructed project costs and publicly available reference material, having regard to the location and conditions.</p> <p>Review is performed annually for relevant indices and any subsequent changes based on price movements, cost guides and other relevant publications, as well as APV's internal database of unit rates.</p>	Nil	Nil

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

The changes in level 3 assets with recurring and non recurring fair value measurements are detailed in Note 14 (finance leases) and Note 11 (property, plant and equipment). There have been no transfers between level 1, 2 or 3 measurements during the year.

(e) Valuation processes

Council's valuation policies and procedures are set by the finance committee of the executive management team which comprises the Chief Executive Officer, Director of Corporate Services and Finance Manager. This is reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. Council's current policy for the valuation of property, plant and equipment (recurring fair value measurements) is set out in Note 11. Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

13 Contract balances

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

	2021 \$	2020 \$
(a) Contract assets	<u>506,900</u>	<u>50,564</u>
(b) Contract liabilities		
Funds received upfront to construct Council controlled assets	1,400,231	2,718,715
Non-capital performance obligations not yet satisfied	<u>222</u>	<u>1,818</u>
	<u>1,400,453</u>	<u>2,720,533</u>
Revenue recognised that was included in the contract liability balance at the beginning of the prior year		
Funds to construct Council controlled assets	2,202,701	2,829,669
Non-capital performance obligations	<u>1,596</u>	<u>-</u>
	<u>2,204,297</u>	<u>2,829,669</u>

(c) **Significant changes in contract balances**

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

14 Leases

Council as a lessee

Council had a lease contract in place with Betty NG & Chi Chiu NG managed by Chris Gay Real Estate for the lease on the Cairns office space which expired on 31 January 2021. Council has yet to finalise a new lease contract so the tenancy is currently on a rolling basis.

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

Exception to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets (all leased assets valued at or below \$5,000). Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value - Concessionary / 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 has elected not to apply the fair value measurement requirements to these leases until such time as this requirement is mandated. Council does not believe that any of these leases in place are individually material.

Council as a lessor

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

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

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

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

14 Leases (Continued)

Finance Lease:

Leases of property under which the Council as lessor transfers substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases.

Council has leased 236 (2020: 230) dwellings as lessor to the Queensland Government for 40 years. The total lease payment per dwelling in the current year ranged between \$2,800 and \$3,300 (\$2,994 and \$3,240 for 2019-20). These lease payments are required to be adjusted each year by the change in the Consumer Price Index (All Groups) for Brisbane. As the gross lease payments are insufficient to cover the fair value (depreciated replacement cost) of the leased properties, there is no interest rate implicit in the leases and therefore no finance income will arise from the leases. Consequently, the leases are recognised at the present value of the expected future lease payments receivable (fair value). Gains or losses on revaluation of finance lease assets are recognised as other income/expense.

	Note	2021 \$	2020 \$
Current			
Finance leases		764,755	735,201
		<u>764,755</u>	<u>735,201</u>
Non-current			
Finance leases		25,541,148	22,577,177
		<u>25,541,148</u>	<u>22,577,177</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		764,755	735,201
Later than one year but not later than five years		3,059,019	2,940,806
Later than five years		<u>20,364,368</u>	<u>20,178,899</u>
		24,188,141	23,854,906
Add: Estimated contingent rent		12,085,882	10,462,486
Less: Present value adjustment		<u>(9,968,121)</u>	<u>(11,005,014)</u>
Fair value of lease payments		<u>26,305,903</u>	<u>23,312,378</u>

The fair value of lease payments is receivable as follows:

Not later than one year		764,755	735,201
Between one and two years		768,880	734,124
Between two and three years		773,028	733,048
Between three and four years		777,199	731,974
Between four and five years		781,391	730,901
Later than five years		<u>22,440,649</u>	<u>19,647,130</u>
		<u>26,305,903</u>	<u>23,312,378</u>

Movements in finance leases were as follows:

Opening balance		23,312,378	23,957,574
Add: Initial recognition of new leases		747,618	-
Less: Lease receipts		(742,657)	(721,914)
Add: Gain/(loss) on revaluation	5	<u>2,988,564</u>	<u>76,717</u>
Closing balance		<u>26,305,903</u>	<u>23,312,378</u>

The calculation of fair value has included an estimate of average annual CPI increases of 2.5% (2020: 2.2%) and a discount rate of 1.95% (2020: 2.35%).

Finance leases are to the State of Queensland, represented by Department of Communities, Housing and Digital Economy. The likelihood of this counterparty not having capacity to meet its financial commitment is considered low.

Movements on revaluation of finance lease assets are recognised as other income/expenses.

Operating leases:

Where Council retains the risks and rewards relating to a lease, they are classified as operating leases and relate to the lease of Council's properties.

The assets are included in the statement of financial position as property, plant and equipment, where the rental is incidental or the asset is held to meet Council's service delivery objectives (refer to Note 11).

Rent from Council's properties is recognised as income on a periodic straight line basis over the lease term.

	2021 \$	2020 \$
Property income (excluding variable lease payments not dependent on an index or rate)	494,184	772,988
	<u>494,184</u>	<u>772,988</u>

There is nil unearned finance income, unguaranteed residual values accruing to the benefit of Council or accumulated allowance for uncollectible minimum lease payments receivable recognised as income applicable to the leases.

Doomadgee Aboriginal Shire Council
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For the year ended 30 June 2021

	2021	2020
	\$	\$
15 Trade and other payables		
Creditors & accruals	1,461,702	1,446,478
ATO Payable	351,735	-
Accrued wages and salaries	59,947	-
	<u>1,873,384</u>	<u>1,446,478</u>

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

16 Provisions

Current		
Annual Leave	185,184	188,876
Long service leave	121,671	158,235
Restoration of refuse dump	-	2,100,591
	<u>306,855</u>	<u>2,447,702</u>
Non-current		
Long service leave	99,008	64,591
Restoration of refuse dump	837,822	340,682
	<u>936,830</u>	<u>405,273</u>

Details of movements in provisions:

Restoration of refuse dump		
Balance at beginning of financial year	2,441,273	4,516,805
Restoration cost incurred	(155,630)	(428,468)
Net increase/(decrease) due to change in estimated cost	5(b) (1,461,929)	(1,687,683)
Net increase/(decrease) due to change in discount rate	14,108	40,619
Balance at end of financial year	<u>837,822</u>	<u>2,441,273</u>

Annual Leave

A liability for annual leave is recognised. Short-term benefits which are expected to be wholly settled within 12 months are calculated on current wage and salary levels and include related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values, if considered material. As Council does not have an unconditional right to defer this liability beyond 12 months annual leave is classified as a current liability. This liability represents an accrued expense and is reported as a provision.

Long service leave

The provision for long service leave represents 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 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 provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

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.

Restoration of refuse dump

A provision is made for the cost of restoring refuse dumps where it is probable Council will be liable, or required, to do this when the use of the facilities is complete.

Council currently operates a landfill site based immediately north of Doomadgee. Council has a legal liability to rehabilitate the licensed landfill. In previous years there has also been a provision recognised for four unauthorised landfill sites. These sites have now been fully restored and a provision is therefore no longer necessary.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

16 Provisions (continued)

The provision for refuse restoration is calculated as the present value of anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for dump sites is reviewed at least annually and updated based on the facts and circumstances available at the time. The landfill sites excluding the Little Century unauthorised disposal pit were closed by June 2020 and the restoration works commenced after the closure.

This is the present value of the estimated cost of restoring the refuse disposal site to a useable state at the end of its useful life. The projected cost is \$733,068 (2020: \$1,223,635) for the authorised site and NIL (2020: \$836,671) for the unauthorised sites and this cost is expected to be incurred in 2024. It is estimated that there will be further monitoring costs of \$10,000 per annum being incurred for a period of 30 years after closure.

17 Asset revaluation surplus

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

	2021 \$	2020 \$
Buildings	19,464,635	19,464,635
Houses	6,215,045	6,215,045
Other structures	1,924,766	1,924,766
Road & drainage network	16,436,583	16,436,583
Water	8,298,588	8,298,588
Sewerage	1,945,329	1,945,329
	<u>54,284,947</u>	<u>54,284,947</u>

18 Commitments for expenditure

Leases

Minimum lease payments in relation to non-cancellable leases are as follows:

Within one year	-	14,000
One to five years	-	-
	<u>-</u>	<u>14,000</u>

The lease payments relate to the Cairns office space. Please refer to Note 13 for further details of the lease arrangement.

Contractual commitments

Contractual commitments at end of financial year but not recognised in the financial statements are as follows:

IT licence and subscriptions

Within one year	187,619	185,806
One to five years	-	144,840
	<u>187,619</u>	<u>330,646</u>

Capital commitments

Commitments for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:

Buildings	4,907	510,909
Water and sewerage	-	123,017
	<u>4,907</u>	<u>633,926</u>

These expenditures are payable as follows:

Within one year	4,907	633,926
	<u>4,907</u>	<u>633,926</u>

Doomadgee Aboriginal Shire Council
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For the year ended 30 June 2021

19 Contingent liabilities

Local Government Mutual

Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it 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 2021 the financial statements of the pool reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme 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 was 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.

20 Superannuation

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

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

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

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

The last completed actuarial assessment of the scheme was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

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

The next triennial actuarial review was performed on 1 July 2021.

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

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

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

	2021	2020
	\$	\$
Superannuation contributions paid by Council to the scheme for the benefit of employees was:	334,932	330,485
Other superannuation contributions for employees	59,113	99,104
Total superannuation contributions paid by Council for employees	394,045	429,589

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Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

	2021	2020
	\$	\$
21 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities		
Net result	<u>4,744,962</u>	<u>1,736,536</u>
Non-cash items:		
Depreciation and amortisation	3,681,626	3,188,627
(Gain)/loss on revaluation of finance leases	14 (2,988,564)	(76,717)
Movement in the impairment of debtors	(99,584)	162,607
Opening balance adjustment	-	(2,753,306)
Gain on reversal of unused landfill provision	16 (1,461,929)	-
	<u>(868,451)</u>	<u>521,211</u>
Investing and development activities (non-cash):		
Net (profit)/loss on disposal of non-current assets	8 1,149,367	(254,894)
Loss on write-off of non-current assets	8 14,309	-
Capital grants and contributions	4 (5,172,202)	(3,973,878)
Profit retained in joint venture	26 (617,323)	(322,151)
	<u>(4,625,849)</u>	<u>(4,550,923)</u>
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	476,901	(79,083)
(Increase)/decrease in inventories	(5,315)	(2,715)
Increase/(decrease) in payables	426,906	(15,683)
(Increase)/decrease in contract assets	-	(50,564)
Increase/(decrease) in contract liabilities	(1,596)	2,720,533
Increase/(decrease) in provisions	8,269	(1,602,293)
	<u>905,165</u>	<u>970,195</u>
Net cash inflow from operating activities	<u><u>155,826</u></u>	<u><u>(1,322,980)</u></u>

22 Events after the reporting period

The global COVID-19 pandemic and the subsequent restrictions imposed by the Commonwealth and Queensland governments have caused disruption to business and economic activity.

As at the date of signing these financial statements, given the evolving circumstances of COVID-19, the ongoing impact on Council cannot be reliably estimated for future financial periods. This is considered a non-adjusting event for financial reporting and disclosure purposes and, as such, has no impact on the amounts reported in these financial statements.

To the best of Council's knowledge at the date of this financial report, there are no other post balance date events that are likely to have a material impact on the financial statements.

23 Impact of COVID-19 on the financial statements as at 30 June 2021

As a result of the pandemic, there has been a decrease in certain capital funding such as Roads to Recovery in the 2020/21 financial year. Travel restrictions imposed has also resulted in the delays in the completion of certain capital projects as there has been some challenges in engaging service contractors.

There have not been any other significant adverse operational or financial impacts as a result of the COVID-19 pandemic to date and it is confirmed that any known impacts have been reflected in the financial statements.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

24 Transactions with related parties

(a) Transactions with joint ventures

	2021 \$	2020 \$
Rental income received from Enterprise Management Group Pty. Ltd. for use of Council buildings	69,306	66,640

(b) Transactions with key management personnel (KMP)

KMP are the Mayor, Deputy Mayor, Councillors, Chief Executive Officer, Director of Corporate Services, Director of Communities, Director of Engineering, and Governance Officer. The compensation paid to KMP for 2020/21 was as follows:

	2021 \$	2020 \$
Short-term employee benefits	1,489,635	1,313,082
Post-employment benefits	120,816	120,817
Long-term benefits	-	4,533
Termination benefits	40,001	79,673
Total	1,650,452	1,518,105

Detailed remuneration disclosures are provided in the annual report.

Details of transactions between council and KMP are disclosed below:

Details of transaction	2021 \$	2020 \$
Sale of goods and services to KMP	4,337	9,271
Purchase of materials and services from KMP	31,143	45,931
Total	35,480	55,202

(c) Transactions with other related parties

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

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

Details of Transaction	Additional information	2021 \$	2020 \$
Purchase of materials and services from entities controlled by family members of KMP	24(c)(i)	-	400
Employee expenses	24(c)(ii)	193,140	340,404

(i) Council sold and purchased goods/material and services to/from entities that are controlled by KMP and close family members of KMP. All sales and purchases were at arm's length and were in the normal course of Council operations.

(ii) 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.

The Council employs 61 (2020: 65) staff of which 4 (2020: 6) are close family members of key management personnel.

Doomadgee Aboriginal Shire Council
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For the year ended 30 June 2021

24 Transactions with related parties (continued)

(d) Outstanding balances of related parties

Receivables	Amounts owed by entities controlled by close family members of KMP	
	2021 \$	2020 \$
Past due 31-60 days	-	-
Past due 61-90 days	-	-
More than 90 days overdue	-	4,034
Total	-	4,034

Receivables	Amounts owed by KMP	
	2021 \$	2020 \$
Past due 31-60 days	-	14,895
Past due 61-90 days	-	-
More than 90 days overdue	-	342
Total	-	15,236

No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

(e) Loans and guarantees to/from related parties

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

(f) Commitments to/from other related parties

Council does not have any commitment to/from related parties.

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

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

- Payment of rates
- Use of the Community Halls
- Borrowing of books from the Council libraries

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

Doomadgee Aboriginal Shire Council
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For the year ended 30 June 2021

25 Financial instruments and financial risk management

(a) Financial assets and financial liabilities

Doomadgee Aboriginal Shire Council has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

Risk management framework

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

Council's management approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. Council aims to manage volatility to minimise potential adverse effects on the financial performance of Council.

Doomadgee Aboriginal Shire Council does not enter into derivatives.

Credit risk

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

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar state or commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

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

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

Liquidity risk

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

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

Exposure to liquidity risk

Council is exposed to liquidity risk through its normal course of business. Council manages its exposure to liquidity risk by maintaining sufficient cash deposits to cater for unexpected volatility in cash flows.

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

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

25 Financial instruments and financial risk management (Continued)

	Note	0 to 1 year \$	1 to 5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount \$
2021						
Trade and other payables	15	1,461,702	-	-	1,461,702	1,461,702
		<u>1,461,702</u>	<u>-</u>	<u>-</u>	<u>1,461,702</u>	<u>1,461,702</u>
2020						
Trade and other payables	15	1,446,478	-	-	1,446,478	1,446,478
		<u>1,446,478</u>	<u>-</u>	<u>-</u>	<u>1,446,478</u>	<u>1,446,478</u>

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

Market risk

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

Interest rate risk

Doomadgee Aboriginal Shire Council is exposed to interest rate risk through investments with QTC.

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

Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

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

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

Note	Net carrying amount \$	Effect on Net Result		Effect on Equity		
		1% increase \$	1% decrease \$	1% increase \$	1% decrease \$	
2021						
QTC cash fund	9	231,608	2,316 -	2,316	2,316 -	2,316
Total		<u>231,608</u>	<u>2,316 -</u>	<u>2,316</u>	<u>2,316 -</u>	<u>2,316</u>
2020						
QTC cash fund	9	1,922,513	19,225 -	19,225	19,225 -	19,225
Total		<u>1,922,513</u>	<u>19,225 -</u>	<u>19,225</u>	<u>19,225 -</u>	<u>19,225</u>

(b) Fair value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2021

26 Joint Venture

Council has a 50% (2020: 50%) joint venture interest with Enterprise Management Group Pty Ltd (EMG), the principal activity of which is to provide delivery of services under the Remote Jobs and Communities Program (RJCP) in Doomadgee Region. The original joint venture agreement was signed in March 2014 to deliver services under RJCP and Doomadgee Aboriginal Shire Council (DASC) was entitled to 25% of net profit. The initial agreement was varied in June 2018 replacing RJCP with Community Development Program (CDP) and increasing DASC entitlement to 50% of net profit. In accordance with ownership interests, Council holds 50% (2020: 50%) voting rights in the joint venture.

Council has determined that this joint arrangement is a joint venture under AASB 11 *Joint Arrangements* and accounts for this investment using the equity method. Under the equity method the investment is initially recognised at cost and is adjusted each year to recognise Council's share of 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.

Doomadgee CDP (formally Doomadgee RJCP) is an organisation 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 venture, have rights to assets or obligations for the liabilities of the joint venture except as provided under the joint venture agreement.

	2021	2020
	\$	\$
Statement of Comprehensive Income		
Revenue	2,829,900	2,709,561
Other expenses	(1,562,957)	(2,119,113)
Depreciation and amortisation	(23,017)	(3,334)
Total comprehensive income for the year	1,266,943	590,448
Statement of Financial Position		
Cash and cash equivalents	1,210,716	450,994
Trade and other receivables	2,267	12,723
Other assets	341,039	211,731
Total current assets	1,554,022	675,448
Property, plant and equipment	42,280	40,951
Total non-current assets	42,280	40,951
Total assets	1,596,302	716,399
Trade and other payables	127,821	62,199
Borrowing	292	76,366
Total liabilities	128,113	138,565
Net assets	1,468,189	577,834
Equity		
Partners' funds	1,471,760	577,834
Reserves	(3,571)	-
Total Equity	1,468,189	577,834

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

Carrying amount at the beginning of the financial year	293,557	-
Adjustment on the share of profit (loss) in prior year	(4,640)	-
Share of profit (loss) in current year	621,963	293,557
Share of profit (loss) in prior year	-	28,594
Less dividend received	(175,000)	(28,594)
Carrying amount at the end of the financial year	735,880	293,557

The joint venture arrangement was identified for the first time in the 2019 financial year and therefore had never previously been recognised in the financial statements. The balance of the investment as at 30 June 2019 was also not considered material and an adjustment was not made to the 2018-19 financial statements.


Doomadgee Aboriginal Shire Council
Financial statements
For the year ended 30 June 2021

Management Certificate
For the year ended 30 June 2021

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

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

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 3 to 33, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.


Jason Ned
Mayor


Troy Fraser
Chief Executive Officer

Date: 27/10/21

Date: 27/10/21

INDEPENDENT AUDITOR'S REPORT

To the councillors of Doomadgee Aboriginal Shire Council

Report on the audit of the financial report

Opinion

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

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2021, 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 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

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

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

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

Other information

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

At the date of this auditor's report, the available other information in Doomadgee Aboriginal Shire Council's annual report for the year ended 30 June 2021 was the current year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

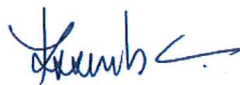
Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

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

Prescribed requirements scope

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



Sri Narasimhan
as delegate of the Auditor-General

28 October 2021

Queensland Audit Office
Brisbane

Doomadgee Aboriginal Shire Council
Current-year Financial Sustainability
For the year ended 30 June 2021

Certificate of Accuracy
For the year ended 30 June 2021

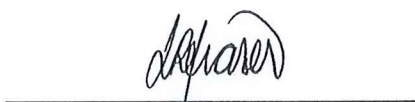
This current-year financial sustainability statement has been prepared pursuant to Section 178 of the Local Government Regulation 2012 (the Regulation).

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



Jason Ned
Mayor

Date: 27/10/21



Troy Fraser
Chief Executive Officer

Date: 27/10/21

**Doomadgee Aboriginal Shire Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2021**

Measures of Financial Sustainability	How the measure is calculated	Actual	Target
Council's performance at 30 June 2021 against key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	6%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	30%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	7%	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 2021.

INDEPENDENT AUDITOR'S REPORT

To the councillors of Doomadgee Aboriginal Shire Council

Report on the current-year financial sustainability statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Doomadgee Aboriginal Shire Council for the year ended 30 June 2021, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Doomadgee Aboriginal Shire Council for the year ended 30 June 2021 has been accurately calculated.

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other Information

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

At the date of this auditor's report, the available other information in Doomadgee Aboriginal Shire Council's annual report for the year ended 30 June 2021 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the current-year financial sustainability statement

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

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



Sri Narasimhan
as delegate of the Auditor-General

28 October 2021

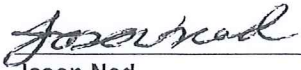
Queensland Audit Office
Brisbane

Doomadgee Aboriginal Shire Council
Long-Term Financial Sustainability Statement
Prepared as at 30 June 2021

Certificate of Accuracy
For the long-term financial sustainability statement prepared as at 30 June 2021

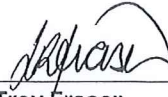
This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

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



Jason Ned
Mayor

Date: 27, 10, 21



Troy Fraser
Chief Executive Officer

Date: 27, 10, 21

Doomadgee Aboriginal Shire Council
Unaudited Long-Term Financial Sustainability Statement
Prepared as at 30 June 2021

Measures of Financial Sustainability	Measure	Target	Actuals at 30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031
Council													
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	6%	-36%	-36%	-35%	-35%	-34%	-34%	-33%	-33%	-32%	-32%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	30%	182%	94%	62%	62%	62%	62%	62%	62%	62%	62%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	not greater than 60%	7%	-39%	-38%	-37%	-37%	-36%	-35%	-35%	-34%	-34%	-34%

Doomadgee 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.