TORRES STRAIT ISLAND REGIONAL COUNCIL

AGENDA REPORT

SPECIAL MEETING:	October 2021
DATE:	15/10/2021
ITEM:	Agenda Item for Resolution by Council
SUBJECT:	Annual Report 2021
AUTHOR:	Mette Nordling, Manager of Governance and Compliance

Recommendation:

Council resolves to:

1. Adopt the Annual Report for the period of 1 July 2020 to 30 June 2021 for the Torres Strait Island Regional Council in accordance with the requirements of the *Local Government Act 2009* and associated regulation.

2. Delegate authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to make minor administrative amendments and finalise all matters associated with publishing this report.

Comment:

Council is required by section 182 of the *Local Government Regulation 2012* to prepare and adopt an annual report. Adoption of the annual report is required within one (1) month after the day the auditor-general gives the auditor-general's audit report about the local government's financial statements for the financial year to the local government. This year, the audit report was received from the Auditor-General on 17 September 2021.

Council's Annual Report 2021 (inclusive of the Financial Statements) is provided for consideration and adoption.

The annual report provides an assessment of operations of Council for the 2020-21 financial year. This report satisfies Council's annual reporting legislative requirements

In accordance with section 182 of the *Local Government Regulation*, the local government must publish its annual report on its website within two (2) weeks of adopting the annual report. The annual report will be made available to the community through the website.

Consultation:

All Council departments.

Links to Strategic Plans:

The delivery and adoption of the Annual Report strategically align to specific delivery objectives under all 3 pillars of Council's Corporate Plan, being *People*, *Sustainability* and *Prosperity* and Council's performance against each pillar.

Risk:

Failure to deliver an Annual Report is a breach of the *Local Government Regulation 2012* and compliance requirement of Council's key funding bodies.

Statutory Requirements:

Local Government Act 2009 (Qld)
Local Government Regulation 2012 (Qld)

Conclusion:

That Council resolves to adopt the Annual Report for the 2019/20 financial year and delegate to the Chief Executive Officer to finalise matters for publishing.

Endorsed:
Luke Ranga
Head of Corporate Affairs

Recommended:
Megan Barrett
Interim Executive Director, Corporate Services

Approved:
David Baldwin
A/Chief Executive Officer

Attachments:

- Annual Report 2021

2021

ANNUAL REPORT

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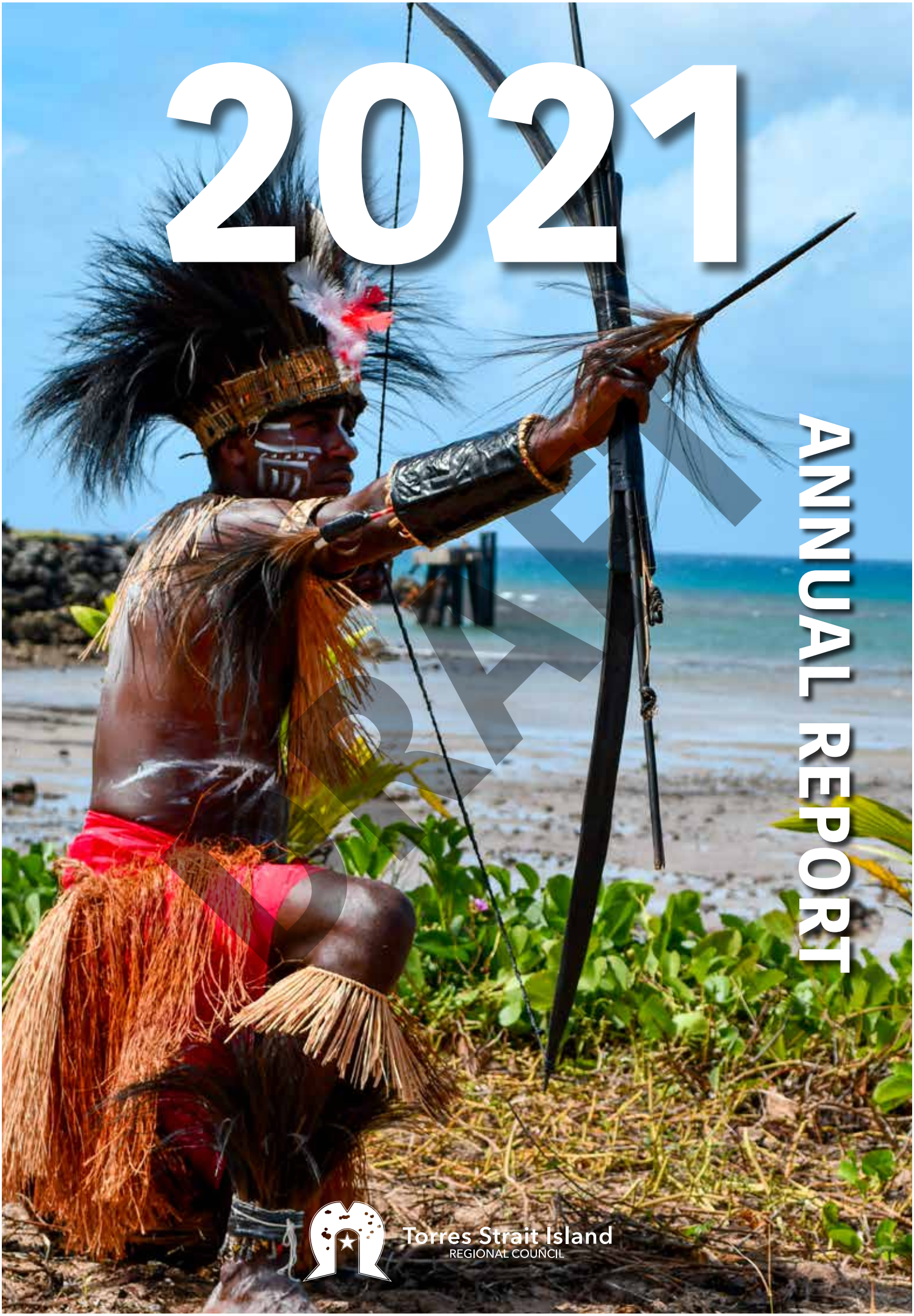

Torres Strait Island
REGIONAL COUNCIL

Acknowledgement

Torres Strait Island Regional Council acknowledges Native Title Holders, Elders past and present, and all members of the Communities we serve within the five clusters of Zenadth Kes: the Gudaw Maluligal Nation of the Top Western Islands, the Maluligal Nation of the Western Islands, the Kemer Kemer Meriam Nation of the Eastern Islands, the Kulkalgal Nation of the Central Islands, and the Kaiwalagal Kaurareg Aboriginal Nation of the Inner Islands. We recognize their continuing connection to land and sea and the strength of a cultural heritage and belief system that spans past, present, and future generations.

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Disclaimer:

Disclaimer: Torres Strait Islander and Aboriginal peoples should be aware that this publication may contain images or names of people who have since passed away. Council respects the right of families and communities to request the removal from subsequent publications of any image or name that causes distress.

Cover image: Torres Strait Island warrior from the Australian Defence Force, Sarpeye C Company
Inside: Golden sunset shining on Iama

Youmpla values

Our values

Council's values are the foundation on which our work rests. They exemplify the core principles of Council and guide our strategic descision making.

RESPECT

Youmpla respect one another and ples blo youmpla, youmpla ya for serve.

We have respect for each other and the communities we serve.

COURAGE

Youmpla aol strong leader and we think about proper good weis kaine youmpla gor meke something lor ples por pipol blo youmpla.

We are courageous leaders who think innovatively.

ACCOUNTABILITY

We meke ol something proper for good name por aol pipol we wok por especially por ples blo youmi.

We are accountable and responsive to our communities.

RESILIENCE

Youmpla buildi strong region blo youmpla ene meke something were ya e las long time.

We are builders of a sustainable and resilient region.

ONE

Youmpla matha one and youmi make e ol something matha one.

We are one team who achieves together.

Youmpla vision & mission

Our vision & mission

Vision

For youmpla ples ene Council for meke something youmpla self sor long we can gad fruit them thing we mekem e praper ene las long time.

For our communities and council to be autonomous, prosperous and sustainable.

AUTONOMOUS:

We achieve autonomy when we empower our people and community through rigorous engagement, consultation and participation. An autonomous Council fuels both local and regional self-sufficiency.

PROSPEROUS:

We are prosperous when we are flourishing, thriving, or have success: this can be in our faith, culture, traditions, happiness, fortune or health and wellbeing.

SUSTAINABLE:

We are sustainable when we deliver social, economic or environmental solutions that enhance current community needs and long term aspirations.

Mission

For youmpla for street ples blo youmpla ene weis kaine youmpla stap lor pless blo youmpla.

To improve our communities' liveability in all we do.

LIVEABILITY:

Liveability is the sum of the factors that add up to a community's quality of life - including the built and natural environments, economic prosperity, social stability and equity, educational opportunity, and cultural, entertainment and recreational possibilities.

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Preparing for the boat race at Erub

About the report

Council is proud to present our Annual Report for the 2020/21 financial year. The report outlines Council's performance across the year against the goals and objectives of the Corporate Plan 2020-2025, the Operational Plan, and the approved annual budget. The intent of this document is to provide insight into Council's vision, management, and operating environment.

The goals of this report are to:

Meet our legislative obligations under the *Local Government Act 2009* and the *Local Government Regulation 2012*.

- Communicate our vision, operational direction, and work to the communities we serve.
- Demonstrate our commitment to accountability and transparency.
- Promote the distinctiveness of our region domestically and internationally.
- Build community and stakeholder confidence in Council's projects and partnerships.
- Recognise the achievements of our employees and our organisation.

The annual report is divided into six sections:

1. **Introduction** provides a review of the year by the Mayor and Acting Chief Executive Officer and supplies an overview of Councillors and divisions.
2. **Our highlights** outlines the key achievements of the 2020/21 financial year.
3. **Corporate plan performance** reports on our progress toward achieving the goals and objectives of the Corporate Plan 2020-2025.
4. **Our organisation** details the structure of Council, our employee demographics, and recognises the achievements of our employees across the year.
5. **Governance** offers a summary of the management of Council and the mechanisms that support accountability and leadership.
6. **Our annual performance** provides an overview of Council's achievements and progress in line with our strategic pillars.
7. **Financial overview** provides a summary of Council's fiscal performance.
8. **Financial statements** is comprised of the comprehensive audited financial statements for the 2020/21 year.
9. **Appendices** includes an index of tables and figures, a glossary of acronyms, and an index that outlines this report's compliance with legislative obligations under the *Local Government Act 2009* and the *Local Government Regulation 2012.*

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Cr. Elisala & Cr. Tamu on Kirirri

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Mayor's message

2020/21 proved to be a challenging year as we worked to protect our region from the global pandemic, while continuing to improve our communities' liveability in all we do.

Kapu goeyga nithamunka mura, kulay kidh ngay koeyma eso and apapudh ngoelmun koey Awgadhaka inab kayne goeyga gasaman ngay lak gudwoeydhika mura Zenadth Kes baradhawraw mabaygal, kuyku mabaygal, a koey mabaygal.

I acknowledge Papa God, Traditional Owners, Elders and Community Leaders throughout our region. I also acknowledge all community members of the five Nations we serve throughout Zenadth Kes - from where the sun rises on Mer in the East to where it sets on Boigu in the West. I acknowledge all First Nations people throughout Australia and recognise our shared connection to culture, kustom, and belief systems that span thousands of years.

COVID-19 challenges

The pandemic brought significant challenge to Council in 2020/21. I genuinely acknowledge the efforts of our Elected Members, Acting Chief Executive Officers, and Council employees for the professional way they responded to the rapidly changing operating environment. I acknowledge the role that the people of Zenadth Kes played and continue to play in keeping our communities safe and healthy during the COVID-19 pandemic, by observing restrictions and getting vaccinated.

An event such as this pandemic highlights the unique geographical environment that we operate in and the vital role that our region plays in protecting communities all over Australia. Although we had to make some tough decisions, such as reduced access to our communities, we can take comfort that our region has remained COVID-19 free. This goal was achieved through a multi-agency response and by working together with all who live and work in our region, as one team.

Standing committees

Five standing committees were established this year: Climate Change Adaptation and Environment; Culture, Arts, Land and Heritage; Governance and Leadership; Housing, and Safe and Healthy Communities; and Economic Growth. These committees have enabled Councillors with specific skills or interests to work collaboratively on sensitive or complex matters before they are endorsed at an Ordinary Meeting of Council. During their first year of operation, the Standing Committees have made invaluable contributions to the development and delivery of Council projects.

Advocating for our region

Throughout the year, Council has continued to advocate for our communities. In August 2020, Council representatives conducted State deputations in Cairns and Federal deputations in Canberra during December 2020. Deputations provide an important opportunity to meet with senior government Ministers and Members and advocate for our region, strengthening existing relationships and forging new ones. I took part in several productive conversations at this year's deputations, and I look forward to continuing these discussions in the coming year.

Towards our 2025 vision

I look forward to working alongside the newly appointed Chief Executive Officer, the Elected Members and Council employees to deliver the goals set out in our Bisnis Plan/ Corporate Plan 2020-2025. We will continue to partner with all our stakeholders to achieve our vision of an autonomous, prosperous, and sustainable Council and communities

Koeyma eso, au esoau to you all.

God bless.

Phillemon Mosby
Mayor

Acting CEO's message

The Torres Strait Island Regional Council 2020/21 Annual Report celebrates our achievements and highlights our continued progress towards the 2025 vision for our region.

I acknowledge all members of the communities we serve throughout our region: the Gudaw Maluligal Nation of the top western islands, the Maluligal Nation of the western islands, the Kemer Kemer Meriam Nation of the eastern islands, the Kulkalgal Nation of the central islands, and the Kaiwalagal Kaurareg Aboriginal Nation of the inner islands. I acknowledge Traditional Owners and pay my respects to Elders past and present.

The Elected Members and the Executive of Council made difficult decisions to keep our region safe in response to the COVID-19 pandemic, and I acknowledge the significant role the people of the Torres Strait played in supporting Council's efforts. I am pleased to report that to date our region has remained free of COVID-19.

Delivering our Corporate Plan goals

As COVID-19 restrictions were lifted, Council was able to progressively evaluate the full impact of the pandemic and manage the short-and-longer term effects on the objectives set out in the Corporate Plan / Bisnis Plan.

All of Council worked hard to re-establish timelines for projects and service delivery which had been delayed or required re-scoping as a result of COVID-19. The collaborative efforts of Council and community are a source of ongoing pride for leaders and community alike. A comprehensive report on progress against the 2020/21 year Corporate Plan / Bisnis Plan objectives is provided. I extend genuine gratitude and acknowledgement to all TSIRC staff for their individual and collective efforts to pursue our Objectives – we are doing great work for a great community.

Construction on the Seawalls Project commenced with the $15M Boigu Seawall, which is part of the Commonwealth and State Government jointly funded $40M Seawalls Project Stage 2. This stage of the project includes the construction of coastal defence works in our Boigu, Poruma, Iama, Warraber, and Masig communities. The Boigu Seawall is progressing well towards completion by the end of 2021.

Celebrating our employees

Like most other employers, the complexities of operating in an environment impacted by COVID-19 presented many challenges – some of them unique to our workforce and our footprint. Council has retained a full workforce which is of critical importance as Council is the largest employer in our region. I extend my sincere appreciation to Council's employees for going "above and beyond the call of duty" for the benefit of our communities, despite the continuing difficulties the pandemic poses. Council continues to focus on building skill and capacity in our communities, with a view to TSIRC becoming an employer of choice in our region.

It has been an honour to serve as Acting Chief Executive Officer and I tender my thanks to the Mayor and Council for their support during my tenure and that of the previous Acting CEOs. Similarly, on behalf of Council, I extend my thanks to previous CEO Bruce Ranga for his dedication and work in the lead up to the 2020/21 reporting period, and wish him well for the future.

I am confident that Council can continue to look forward to a positive future as we build upon our work with the communities of our region to create autonomous, prosperous, and sustainable Council and communities.

David Baldwin
Acting Chief Executive Officer

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Our councillors

Elected members of the 4th Torres Strait Island Regional Council took their declaration of office in April 2020.

Councillor Dimas Toby
Boigu, Division 1
P: 4083 2000
E: Cr.Dimas.Toby@tsirc.qld.gov.au

Councillor Torenzo Elisala
Dauan, Division 2
P: 4083 2200
E: Cr.Torenzo.Elisala@tsirc.qld.gov.au

Councillor Conwell Tabuai
Saibai, Division 3
P: 4083 2800
E: Cr.Conwell.Tabuai@tsirc.qld.gov.au

Mayor Phillemon Mosby
P: 4034 5775
E: Mayor@tsirc.qld.gov.au

Councillor Keith Fell
Mabuiag, Division 4
P: 4083 2500
E: Cr.Keith.Fell@tsirc.qld.gov.au

Councillor Laurie Nona
Badu, Division 5
P: 4083 2800
E: Cr.Laurie.Nona@tsirc.qld.gov.au

Councillor Lama Trinkoon
Arkai (Kubin Community) on Mua, Division 6
P: 4083 2400
E: Cr.Lama.Trinkoon@tsirc.qld.gov.au

Councillor Kabay Tamu
Warraber, Division 10
P: 4083 2550
E: Cr.Kabay.Tamu@tsirc.qld.gov.au

Councillor Francis Pearson
Poruma, Division 11
P: 4083 2700
E: Cr.Francis.Pearson@tsirc.qld.gov.au

Councillor Hilda Mosby
Masig, Division 12
P: 4083 2753
E: Cr.Hilda.Mosby@tsirc.qld.gov.au

Councillor John Levi
Wug (St Pauls Community) on Mua, Division 7
P: 4083 2900
E: Cr.John.Levi@tsirc.qld.gov.au

Councillor Seriako Dorante
Kiriri, Division 8
P: 4048 6009
E: Cr.Seriako.Dorante@tsirc.qld.gov.au

Councillor Getano Lui
Deputy Mayor
Iama, Division 9
P: 4083 2650
E: Cr.Getano.Lui@tsirc.qld.gov.au

Councillor Rocky Stephen
Ugar, Division 13
P: 4083 2452
E: Cr.Rocky.Stephen@tsirc.qld.gov.au

Councillor Jimmy Gela*
Erub, Division 14
P: 4083 2300
E: Cr.Jimmy.Gela@tsirc.qld.gov.au

Councillor Aven S. Noah
Mer, Division 15
P: 4083 2600
E: Cr.Aven.Noah@tsirc.qld.gov.au

*Councillor Jimmy Gela (Erub) took his declaration of office in January 2021 following a by-election.

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Our divisional footprint

Divison 2 - Dauan
Population: 191
Language: Kala Lagaw Ya
Dialect: Kalaw Kawaw Ya

Divison 1 - Boigu
Population: 271
Language: Kala Lagaw Ya
Dialect: Kalaw Kawaw Ya

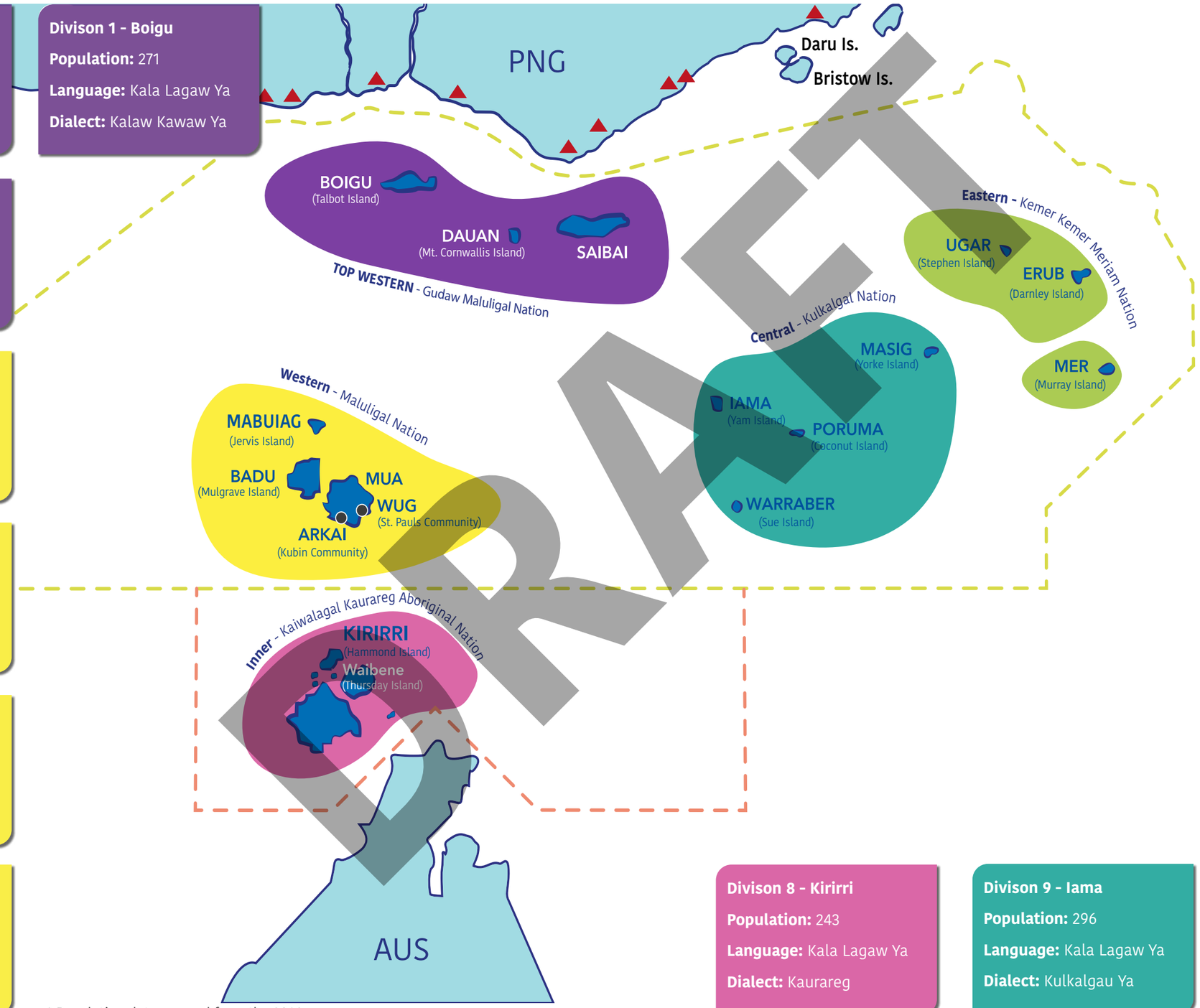
Divison 3 - Saibai
Population: 465
Language: Kala Lagaw Ya
Dialect: Kalaw Kawaw Ya

Divison 4 - Mabuiag
Population: 210
Language: Kala Lagaw Ya
Dialect: Mabuyag

Divison 5 - Badu
Population: 813
Language: Kala Lagaw Ya
Dialect: Mabuyag

Divison 6 - Arkai
Population: 187
Language: Kala Lagaw Ya
Dialect: Mabuyag

Divison 7 - Wug
Population: 237
Language: Kala Lagaw Ya
Dialect: Mabuyag



Divison 15 - Mer
Population: 424
Language: Miriam Mir/Mer
Dialect: Mer

Divison 14 - Erub
Population: 310
Language: Miriam Mir/Mer
Dialect: Erub/Ugar

Divison 13 - Ugar
Population: 72
Language: Miriam Mir/Mer
Dialect: Erub/Ugar

Divison 12 - Masig
Population: 270
Language: Kala Lagaw Ya
Dialect: Kulkalgau Ya

Divison 11 - Poruma
Population: 155
Language: Kala Lagaw Ya
Dialect: Kulkalgau Ya

Divison 8 - Kirirri
Population: 243
Language: Kala Lagaw Ya
Dialect: Kaurareg

Divison 9 - Iama
Population: 296
Language: Kala Lagaw Ya
Dialect: Kulkalgau Ya

Divison 10 - Warraber
Population: 232
Language: Kala Lagaw Ya
Dialect: Kulkalgau Ya

* Population data sourced from the 2016 census.

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Wanem council be mekem

Our highlights

Expert hands weaving palm leaves

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Financial highlights

2020/21 Income*

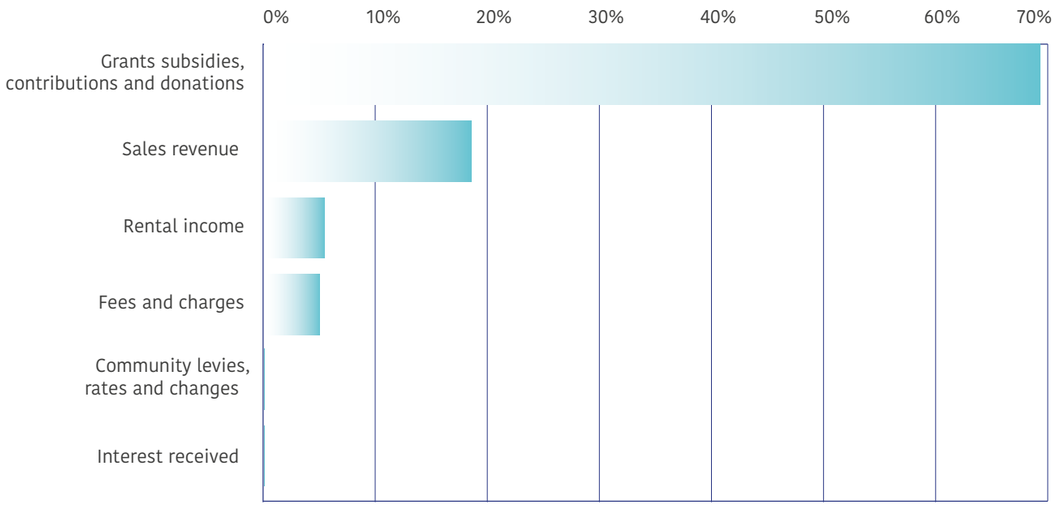

Figure 1: 2020/21 Council income by category

Category	Amount $	%
Grants subsidies, contributions and donations	62,061,304	69.6
Sales revenue	16,061,240	18.0
Rental income	4,855,144	5.4
Fees and charges	4,456,201	5.0
Community levies, rates and changes	1,408,588	1.6
Interest received	343,374	0.4
	89,185,850	100

Table 1: 2020/21 income by category

Income four-year comparison

2020/21	2019/20	2018/19	2017/18
$88.6M	$90.6M	$104.9M	$144.1M

Table 2: Council income four-year comparison

*The above income calculations for the 2021 financial year exclude the category "Other income" for which an amount of -$251,913 was recorded. For full details of 2020/21 income see the Statement of Comprehensive Income on page 116.

2020/21 Expenses

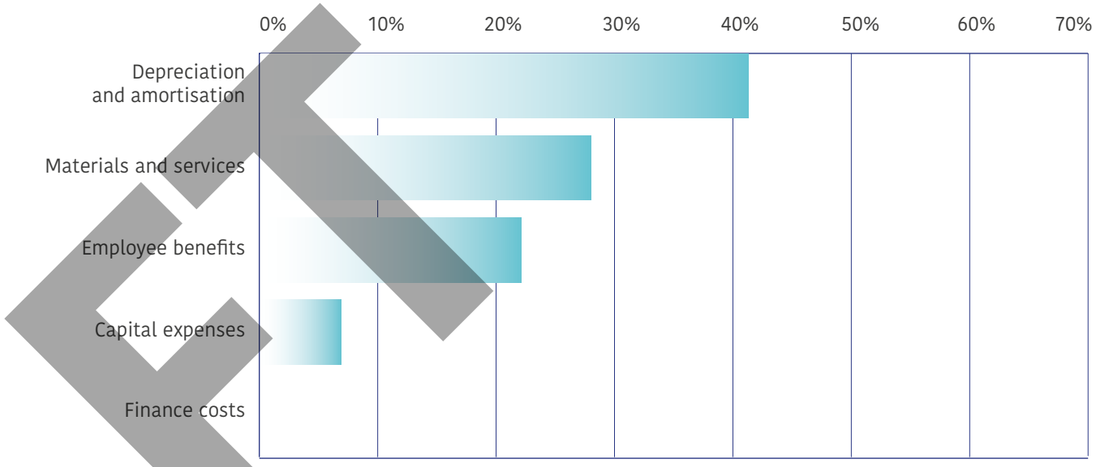

Figure 2: 2020/21 Council expenses by category

Category	Amount $	%
Depreciation and amortisation	47,022,761	41.0
Materials and services	32,030,242	27.9
Employee benefits	26,202,353	22.9
Capital expenses	8,014,407	7.0
Finance costs	1,384,231	1.2
	114,653,993	100

Table 3: 2020/21 expenses by category

Expenses four year comparison

2020/21	2019/20	2018/19	2017/18
$114.7M	$120.3M	$133.8M	$139.9M

Table 4: Council expenses four year comparison

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A new council, and a new normal

Responding appropriately to the COVID-19 environment has continued to be a significant focus for Council during the year. The response has required the redirection of resources and reconfiguration of operational objectives.

The 2020/21 financial year saw the continuation of budgetary, operational, and social challenges brought about by COVID-19. The unique geography of our region is complicated by lines of significance - cultural, geopolitical, and environmental.

Each of these significant factors was carefully managed and balanced throughout the pandemic response. Torres Strait Island Regional Council is not your ordinary council, and the Torres Strait is not your ordinary local government area.

A new challenge for a new Council

In March 2020, Council elections were successfully held and in April 2020 the new Mayor and Councillors took their declarations of office. Of the newly elected Council, six of the fifteen Councillors were appointed to their first term and experienced Councillor Phillemon Mosby was elected to his first term as Mayor.

The first months in office for any Councillor involve extensive onboarding, familiarisation with the role, and connecting with constituents and stakeholders. For the 4th Torres Strait Island Regional Council, these first few months in office posed an unprecedented challenge as COVID-19 became a global health and economic concern.

The unique geographical position of Council as Australia's most northern local government exacerbated the challenges posed by COVID-19. When making key decisions for the benefit of the region, Mayor and Councillors had to carefully consider cultural, economic, and public health needs. Council carefully balanced competing interests of federal legislation, including biosecurity instruments, with the rights and obligations afforded by Native Title, and the traditional treaty with Papua New Guinea.

The voices that kept our region safe

One of the most significant challenges for Council during COVID-19 has been the limited public health materials that were accessible for Youmpla Tok speakers. Youmpla Tok is the most widely spoken language in Council's local government area, so it was essential that public health messages were translated quickly and accurately.
Council would like to extend a special mina big eso to Creditors Officer Nazareth 'Naz' Pau, Safety and Wellbeing Officer Selina Ansey, and Tenancy Support Project Officer Kamuel 'Kempo' Gibuma. Naz, Selina, and Kempo each went above and beyond to help keep Torres Strait communities safe. This extra work was done as Naz, Selina, and Kempo continued to meet the demands of their own positions.
Their willingness to volunteer their time to translate and then record public health messages had a direct impact on keeping communities safe, healthy, and COVID free.

Left: Selina Ansey, Safety and Wellbeing Officer

Above: Nazareth 'Naz' Pau, Creditors Officer and Kamuel 'Kempo' Gibuma, Tenancy Support Project Officer

Working together

The complex context of our region, and neighbouring Northern Peninsula Area, made it essential that decisions were made as part of a multi-agency response.

Throughout the pandemic, Council collaborated with organisations in the region, including Torres Shire Council, Torres Strait Regional Authority, Northern Peninsula Area Regional Council, Local Disaster Management Groups, Native Title registered bodies, as well as Queensland Health and the associated hospital and health services.

At the height of access restrictions and rapidly changing health advice, coordination between these groups occurred multiple times per day. This collaborative effort by all involved has to date kept our region safe.

Our employees

The success of Council's response could not have happened without the extraordinary work of Council employees, who performed above and outside of their roles.

For example, many of the COVID-19 legislation and restriction updates were released at midnight and were not available in Youmpla Tok translations. Council's team worked from the update release into the early hours of the morning to translate the update, record the voiceovers, and prepare the communications for distribution to communities. The dedication of our employees ensured that communication with regional organisations and communities was prompt and accurate.

As the largest employer in our region, any reduction in our workforce has a direct and substantial impact on our communities. Council is pleased to have continued the engagement of all employees during the pandemic.

Costs of COVID

Restricted travel in and out of the Torres Strait had significant impacts on Council's day-to-day business as well as on large infrastructure and building projects.

Council's Technical Officers regularly travel between communities to conduct routine maintenance on water and wastewater infrastructure. With the tight travel restrictions, travel was only undertaken for emergency repairs with day-to-day maintenance tasks placed on hold.

Resources for major projects are often sourced from other areas of North Queensland due to the remote nature of our region. Council held extensive discussions with contractors who were already on the ground to determine a plan of action for in-progress projects. Projects that had not been started were placed on hold.

A significant consideration for Council was project deadlines set out in funding agreements. Council worked with funding bodies to extend deadlines considering the inaccessibility of our region. In some cases, such as with the $9 Million Carport Project, negotiation was not possible as funding was withdrawn and reallocated. Council estimates that the impact of these costs will continue to be felt until the end of the 2021/22 financial year.

A learning opportunity

The multi-agency coordination required by the COVID-19 response has emphasised the importance of Council's internal Business Continuity Planning (BCP) team and the Local Disaster Management Group (LDMG).

The challenges of COVID-19 have provided an opportunity to test, strengthen, and increase the efficiency of our BCP processes. In particular, it illustrated the importance of clear and flexible communication between the BCP and LDMG to ensure consistent messaging and response across the region during emergencies.

One improvement made to BCP processes was the leveraging of digital communications technologies. Previously, the use of digital communications platforms, such as virtual meetings, was limited by the performance of telecommunications networks. With the rollout of 4G across our region, the BCP and LDMG have expanded into the digital space. This has enabled higher levels of engagement at meetings and faster distribution of information across the organisation and region.

The next steps

As we move into the next financial year, we look forward to the vaccine rollout across the region and the reduced risk to our communities that it will bring. Council will continue to work collaboratively with other organisations in the Torres Strait and Northern Peninsula Area to keep communities safe.

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Boigu Seawall

The Seawalls Program aims to protect the culturally, socially, and ecologically precious landscapes of our region.

The 2020/21 financial year saw the continuation of the Queensland and Commonwealth Government jointly funded Stage 2 Seawalls Program, with the construction of the Boigu Seawall. The Seawall is designed to mitigate coastal erosion and tidal inundation.

A large undertaking

The Boigu Seawall Stage 2 is a combination of seawall construction and bund wall upgrade at the back of the community. The Seawall is approximately 1,022 metres long with a wave return wall installed to help prevent coastal erosion and community inundation at Boigu during high tides and storm events.

Community use of the landscape was a key consideration of the build, with access to the boat ramp, wharf, and other marine access and culturally significant sites maintained for the duration. Traditional dugong and turtle processing slabs were also re-established, as were shoreline huts commonly known as 'Zar Zar' that were removed for the construction of the Seawalls Project.

Keeping community safe

The construction of complex coastal defence works is always challenging. The added pressures of access to remote islands and the demanding marine and weather conditions contributed to the complexity of the project.

Working on the Boigu Seawall through the pandemic posed other challenges for construction. The safety of the Boigu community was paramount and remained a top priority during construction. Council provided additional supplies of masks and sanitiser to communities to help keep the community safe. In order to reduce movements between communities and mitigate the risk of infection. All contractors who arrived on Boigu to work on the Seawall construction complied with the Chief Health Officer's advice and guidelines.

Safeguarding cultural heritage

Cultural heritage is at the heart of communities in our region. All infrastructure and construction projects in our region are carried out with the protection of cultural heritage as a key priority.

During the planning, design, and construction of the Boigu Seawall, Council worked alongside the Malui Ki'ai Registered Native Title Body Corporate (RNTBC). The RNTBC provides guidance and cultural heritage expertise to Council and the contractors when performing works in locations of cultural significance to the community.

The knowledge of country that Traditional Owners of the Torres Strait Islands are custodians of, brings extraordinary value to the Seawalls Program and Council's broader coastal protection goals and projects. Engaging with this knowledge results in greater protection against coastal risks for communities.

> "All infrastructure and construction projects in our region are carried out with the protection of cultural heritage as a key priority."

Into 2021/22

The Seawalls Program will continue into 2021/22. Council will continue with the planning, design, and approvals for coastal defence projects at Masig, Warraber, and Iama and detailed designs are due for completion during the 2021/22 financial year. Construction of the Poruma Seawall is planned to commence in the first quarter of the 2021/22 year.

Barge delivering seawall materials at Boigu

Engineers discussing plans at Boigu

DRAFT

Our year in review

2020/21 was a busy year for Council and our communities. A wide variety of community programs, infrastructure works, and celebratory events were conducted across our region.

July 2020

Coming of the Light celebrations

Council's first face to face meeting

2020/21 Budget adopted

2020/21 Operational Plan adopted

Travel restrictions eased in the Torres Strait

Annual Disaster Management Plan completed

August 2020

Boigu Seawalls Project Stage 2 begins

First regional vet visit

Anniversary of the first Councillors conference Masig

2020 deputation priority areas published

Council delegation attends State Government deputations

Watermains and leak Detection and Monitoring Program begins

Mayoral meeting with Northern Peninsula Area Regional Council

Meriba Omasker Kaziw Kazipa Bill 2020 hearing on Saibai

Council employee Bernard Dorante wins the Above and Beyond Award in the category of Awards for Excellence at the Local Government Managers Queensland Awards

September 2020

Regional grants round one opened

R U OK Day Youmpla Tok video launched

Great Northern Clean Up begins

Badu and Erub water treatment plan upgrade works begin

Masig raw water pump station upgrade works begin

October 2020

St Pauls wastewater lagoon fencing replacement completed

Mabuiag well pumpstation and main installation begins

LGAQ Indigenous leader's forum

Mayor takes part in the Parliament Select Committee on the Aboriginal Flag

November 2020

NAIDOC Week celebrations

Remembrance Day

Community awareness meeting for (Animal Management) (Hammond)

Councillor workshops in Cairns

Council meets with Yarrabah Aboriginal Shire Councillors

December 2020

Mabuiag aerodrome fencing upgrade project completed

Council delegation attends Federal Government deputations

Tide gauge installation and maintenance completed at Ugar, Warraber, Boigu, Poruma, St Pauls, Kubin, Masig, and Iama

Badu aerodrome fencing replacement works completed

Procurement of 190kL mobile desalination plant completed

Budget review adopted

January 2021

Annual biosecurity survey completed

Regional grants round three opened

Councillor Jimmy Gela takes his declaration of office

February 2021

Coastal Hazard Adaptation Strategy phases 4 & 5 begin

Warraber sewage treatment plant fencing replacement completed

Iama and Mer magnetic flow meter installation completed

Council deputation with Cynthia Lui MP Member for Cook

Mayor and regional leaders advocate for a meeting with the Foreign Affairs Minister about border concerns

Anniversary of the National Apology

March 2021

Keriba Way health and wellbeing pilot program launched (Warraber and Erub)

International Women's Day celebrations

EHW community presentation at Mer

COVID-19 vaccination program begins

IKC Coordinators workshop with the State Library of Queensland

April 2021

Regional grants round three opened

School holiday culture and traditional ecological knowledge program with Mua Lagalgau Rangers

ANZAC Day commemorations

Masig raw water pump station upgrade completed

May 2021

Second regional vet visit

Coastal Hazards Adaptation Scheme phase 3 completed

Masig jetty repair begins

Badu jetty repair begins

Torres Strait Islander Flag Day

June 2021

Mabo Day

St Pauls Step Up to Clean Up

Mer, Badu, and St Pauls water networks leak reduction program completed

Mabuiag sewage treatment plant remediation works project completed

STEM Punk school holiday program

Masig jetty repair works completed

Badu jetty repair works completed

Leak Detection and Monitoring Program completed

Ugar bag filter installation completed

Mabuiag well pumpstation and main installation

Boigu lagoon cover replacement begins

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Sunshine through the palms at Erub

Regional features

Council's portfolio of responsibilities extends beyond the standard remit of local government. Our operations are spread across 42,000km² and include the provision of 75 home support services and the management of regional transport infrastructure.

15 Biosecurity and Environmental Health programs

$1.6B Gross managed assets

27 Water & wastewater management facilities

15 Waste management facilities

10 Indigenous Knowledge Centres

15 Regional mail delivery centres

21K+ Provision of powercards

825 Social houses

2 Childcare centres

24 Aerodromes & helipads

15 Seaports

12 Centrelink facilities

12 Fuel outlets

24 Accommodation facilities

Regional demographics*

Council's local government area is rich in culture with two traditional languages and six dialects, as well as Youmpla Tok (Torres Strait Creole) and English spoken across the region.

Male **51%**

Female **49%**

Median age **24yrs**

Indigenous **92%**

Weekly household income **$929**

Weekly rent **$115**

Language other than english **83%**

Walk or cycle to work **54%**

Employed **84%**

Unemployed **16%**

* Data sourced from the 2016 census. Weekly household income and weekly rent amounts are given as the median.

DRAFT

Zageth performance plan

Corporate plan performance

Coming together to sing at Erub

DRAFT

Towards autonomy, prosperity and sustainability

A summary of Council's strategic planning and operational performance as we work towards achieving our vision for our communities and Council to be autonomous, prosperous, and sustainable.

This Annual Report includes the second year of growing towards the objectives set out in the *Corporate Plan / Bisnis Plan 2020-2025*. The plan sets out the vision for our communities and Council to be autonomous, prosperous, and sustainable.

The following snapshot outlines how the Annual Report contributes to Council's wider integrated planning and reporting framework. This information also highlights Council's achievements since the adoption of the Plan and provides a performance overview of the *2020/21 Operational Plan* objectives in alignment with our strategic pillars:

- Pipol / People
- Mekem las long / Sustainability
- Pruitpul / Prosperity.

Our planning framework

Progress towards our vision is coordinated and assessed through our integrated planning and reporting framework. The framework consists of our Corporate Plan / Bisnis Plan, our annual Operational Plan, and our reporting requirements, which sit within and contribute to the wider planning process.

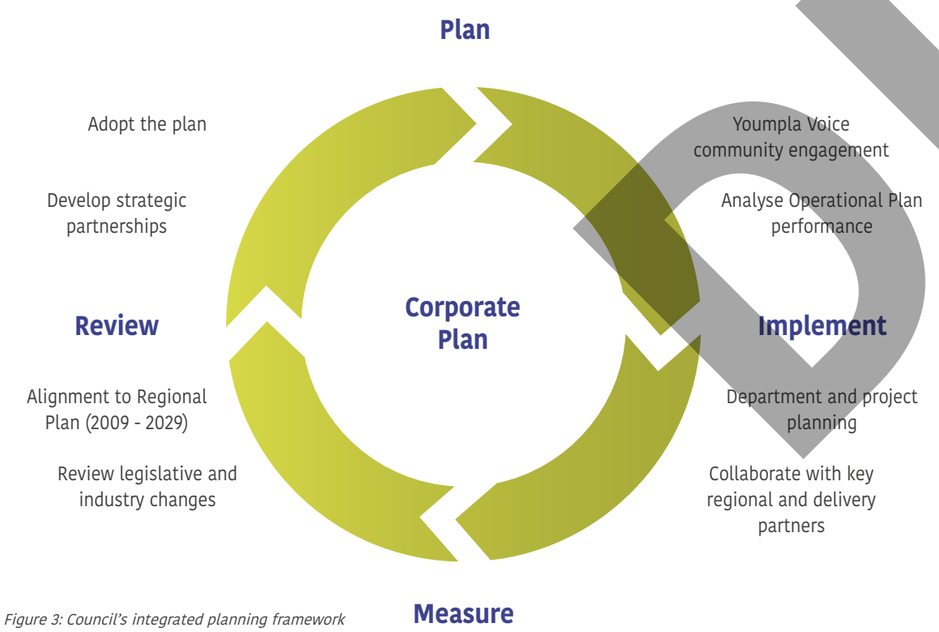

Figure 3: Council's integrated planning framework

Planning for 2025

Council's Corporate Plan / Bisnis Plan was adopted in 2019 and sets out a framework to help achieve our vision 'for communities and Council to be autonomous, prosperous, and sustainable', and our mission to improve our communities' liveability in all we do'. Three strategic pillars were identified as essential to achieving these goals: Pipol / People, Mekem las long / Sustainability, and Pruitpul / Prosperity. 12 outcomes were aligned with the strategic pillars to form a robust framework that guides operational objectives.

Pipol
People

Outcome 1: We preserve cultural heritage, history and place.

Outcome 2: Our communities are safe, healthy and active.

Outcome 3: We ensure accessibility to community support services.

Outcome 4: We are a transparent, open and engaging Council.

Mekem las long
Sustainability

Outcome 5: We plan effectively for the future of our individual communities and region.

Outcome 6: Our communities remain resilient to the effects of climate change and natural disasters.

Outcome 7: Our communities are consulted around liveable places, aligned to lifestyle and environmental suitability.

Outcome 8: We manage Council affairs responsibly to the benefit of our communities.

Outcome 9: We actively reduce our environmental footprint and manage our resources sustainably.

Pruitpul
Prosperity

Outcome 10: We advocate and foster regional prosperity through enterprise development.

Outcome 11: We invest in the retention of key skills within our region.

Outcome 12: We bring opportunity to our region and put our culture on the world stage.

Poruma's frangipani lined street

DRAFT

Towards our Corporate Plan

Council develops key performance indicators as part of the annual Operational Plan. The table below outlines the Operational Plan objectives for the 2020/21 financial year and provides a measure of achievement for each. These objectives are actionable targets that move us closer to our vision for Council and communities.

On hold	project paused		Monitor	no new progress towards desired result
Completed	project completed		Action required	progress or outcome does not reflect desired result
In progress	project continuing			

Pipol / People

Key performance indicator	Delivery target	2020/21 result
Community Services: Collaborate with regional compliance partners to develop a Local Law awareness program.	Delivery of program.	
Community Services: Deliver healthy lifestyle tools and awareness programs aligned with community identified areas of need.	Analysis of community needs completed. Program framework delivered.	
Community Services: Develop and deliver Community Volunteer Development Program.	Framework developed and implemented.	
Community Services: Conduct Healthy Lifestyle Officer Development & Certification.	Workshop delivered.	
Community Services: Deliver community engagement events through local divisional offices.	Four events delivered per community.	
Community Services: Collaborate with the State Library of Queensland to develop community driven KPIs for the regional footprint.	Community needs gap analysis completed and program key performance indicators framework delivered.	

Key performance indicator	Delivery target	2020/21 result
Community Services: Deliver core Indigenous Knowledge Centre Programs: First 5 Forever, Community Library Program, roll out of Fresh Start to all Centres.	100% program delivery in Indigenous Knowledge Centres.	
Community Services: Deliver food safety education and awareness program and ensure all community and commercial licenses are current.	Education and awareness program delivered in each community and all applicable premises compliant.	
Community Services: Review aged care home support services with reference to state and federal standards.	Review paper and recommendations delivered.	
Community Services: Review the embedding of Torres Strait Islander and Aboriginal cultural perspectives in Aragun Childcare Centre (Badu) and Hammond After School Care.	Review paper and recommendations delivered.	
Community Services: Develop business case for future models of childcare service delivery in alignment with community specific requirements.	Business case and recommendations delivered.	
Corporate Affairs: Refresh of Council's community grant program.	Program delivered to all communities.	
Corporate Affairs: Grow the Youmpla Voice program & community specific engagement models.	Program delivered to all communities.	
Community Services: Undertake tenants survey and develop strategic recommendation report.	Annual survey completed and recommendation report delivered.	
Corporate Affairs: Refresh Council's core brand across all digital mediums and community channels.	Intranet and website redeveloped. Brand guidelines created.	
Building Services: Develop and grow local engagement modelling.	Framework developed.	
Executive Office: Develop a regional legal framework which addresses both State and Traditional Lore requirements.	Framework developed and ready for consultation.	
Executive Office: Support for the development of regional governance via One Boat and Regional Plans.	Assist regional leaders with consultation process and identify support model.	

Table 5: Organisational key performance indicator results for Pipol/People strategic pillar

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Mekem las long / Sustainability

Key performance indicator	Delivery target	2020/21 result
Executive Office: Facilitate the transfer of Deeds of Grant in Trust from Council to community-based entity that has been fully endorsed by the community to be the trustee (Poruma, Saibai, Ugar).	Process completed.	
Executive Office: Land Holding Act (LHA) Katter Lease Resolution: advocate for the grant of pending LHA entitlements in all Divisions.	Process completed.	
Executive Office: Execute templates for (Regional) Infrastructure & Housing Indigenous Land Use Agreements (ILUA). Develop an ILUA for each division of the electorate to cover all frequently used Future Acts under the Native Title Act 1993 (Cth) to maximise expediency in Native Title validation.	Remaining communities completed.	
Engineering Services: Improve Badu airstrip safety fence, upgrade Saibai airstrip apron (Helipad), and Dauan helipad access road.	Works completed.	
Engineering Services: Upgrade Erub Airport Road.	Works completed.	
Engineering Services: Construct Saibai sewerage treatment plant effluent outfall pipe.	Works completed.	
Engineering Services: Design works for Boigu, Poruma, Iama, Warraber & Masig Seawalls Program.	Design works completed and tendering and construction plan determined.	
Engineering Services: Construct Seawalls Program stage 2.	Boigu and Poruma construction works begun.	
Community Services: Evolve disaster preparedness, response and recovery in accordance with state legislation and guidelines.	Template and procedure developed for each community.	
Engineering Services: Deliver the Torres Strait Tide Gauge Project.	Funding arrangement formalised and works begun.	

Key performance indicator	Delivery target	2020/21 result
Building Services: Develop sustainable and increased durability housing concepts with key partners.	Workshop hosted with key partners and recommendation delivered.	
Business Services: Evolve Council's long-term financial planning and quantify the long-term requirements for program delivery, service levels, and associated costs.	Framework and modelling delivered.	
Corporate Affairs: Further develop Council's strategic planning tools, embracing digitisation and automation.	Integrated planning automation and dashboards implemented.	
Business Services: Develop stronger link between Asset Management Plans and Council's budget development.	Framework delivered.	
Business Services: Evolve and deliver Council's Asset Revaluation program.	100% program completion.	
Building Services: Refresh Council asset and capital works program.	Program framework and	
Executive Office: Effective management of Deed of Grant in Trust (DOGIT) Land as a Trustee.	Trustee requirements delivered.	
Business Services: Deliver Corporate Overhead Analysis program via cost allocation modelling.	Program modelling developed and delivered.	
Corporate Affairs: Further develop a good governance culture and compliance framework across Council.	Framework implemented and engagement tools developed.	
Corporate Affairs: Deliver group insurance evaluation and cost efficiency program.	Program delivered.	
People & Wellbeing: Evolve work health and safety policies & procedures.	Renewed work health and safety policies implemented.	
People & Wellbeing: Implement work health and safety systems.	System implementations completed	
Business Services: Further develop Council's disaster management & business continuity technology capabilities.	Roadmap identified and pilot program completed in two sites.	

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Mekem las long / Sustainability

Key performance indicator	Delivery target	2020/21 result
Corporate Affairs: Evolve Business Continuity Planning processes and exercises.	Program framework identified and gap analysis complete.	!
Business Services: Collaborate with key Council operational functions to deliver effective debt management programs.	Framework identified and >50% program delivery.	✓
Business Services: Implementation of statistical dashboards and metric reporting to enable real time data capability.	Dashboards implemented.	■
Business Services: Deliver IT Transformation Strategy & identified program deliverables.	Strategy complete and roadmap identified.	!
Business Services: Evolve Community Services frontline IT capability.	Gap analysis conducted and recommendation paper delivered.	!
Corporate Affairs: Evolve employee engagement tools for Council's vision, mission, values & service delivery excellence.	Engagement program delivered to all sites.	!
Corporate Affairs: Implement customer contact centre and automation tools.	Interactive voice response technology implemented, and data capability delivered.	!
Building Services: Implementation of desired Building Services operating model in alignment and consultation with key stakeholder delivery groups.	Operating model implemented.	✓
Building Services: Evolve core project management capability and efficiencies through software implementations and consultation with key stakeholder delivery groups.	Gap analysis completed and identified software implemented.	◔
Community Services: Increase rental collection rates.	Rental collection rate >80%.	✓

Key performance indicator	Delivery target	2020/21 result
Community Services: Drive an active reduction in current debts levels.	Debt management strategy deployed.	◔
Community Services: Successfully complete full registration under Queensland State Regulatory System for Community Housing.	Full registration completed.	✓
Community Services: Standardise operating procedures of Divisional Offices to improve timeliness and quality of customer services.	Standard operating procedures developed and implemented.	!
Building Services: Delivery of fuel bowser upgrade program.	Roadmap identified and >60% of program delivered.	◔
Special Projects & Logistics: Implement freight and logistics project allocation and delivery framework.	Framework identified and delivered.	■
Special Projects & Logistics: Mobilisation of Cairns operational footprint.	Cairns site 100% operational.	■
Special Projects & Logistics: Implement community freight support service.	Model and roadmap identified.	■
Special Projects & Logistics: Finalise fuel and gas best practise fulfilment model.	Gap analysis conducted and model developed and delivered.	!
Special Projects & Logistics: Develop fleet service fulfilment model, incorporating community & regional partnerships.	Gap analysis conducted and model developed and delivered.	!
Community Services: Environmental Health Worker Development & Certification Programs.	Professional development workshops delivered.	✓
Community Services: Strengthen financial governance through online training and professional development.	Professional development workshops complete.	!
People & Wellbeing: Refresh Council's Transitional Action Plan.	Plan delivered.	!
People & Wellbeing: Increase work health and safety support and representation within the region.	Work health and safety representatives identified and appointed.	✓

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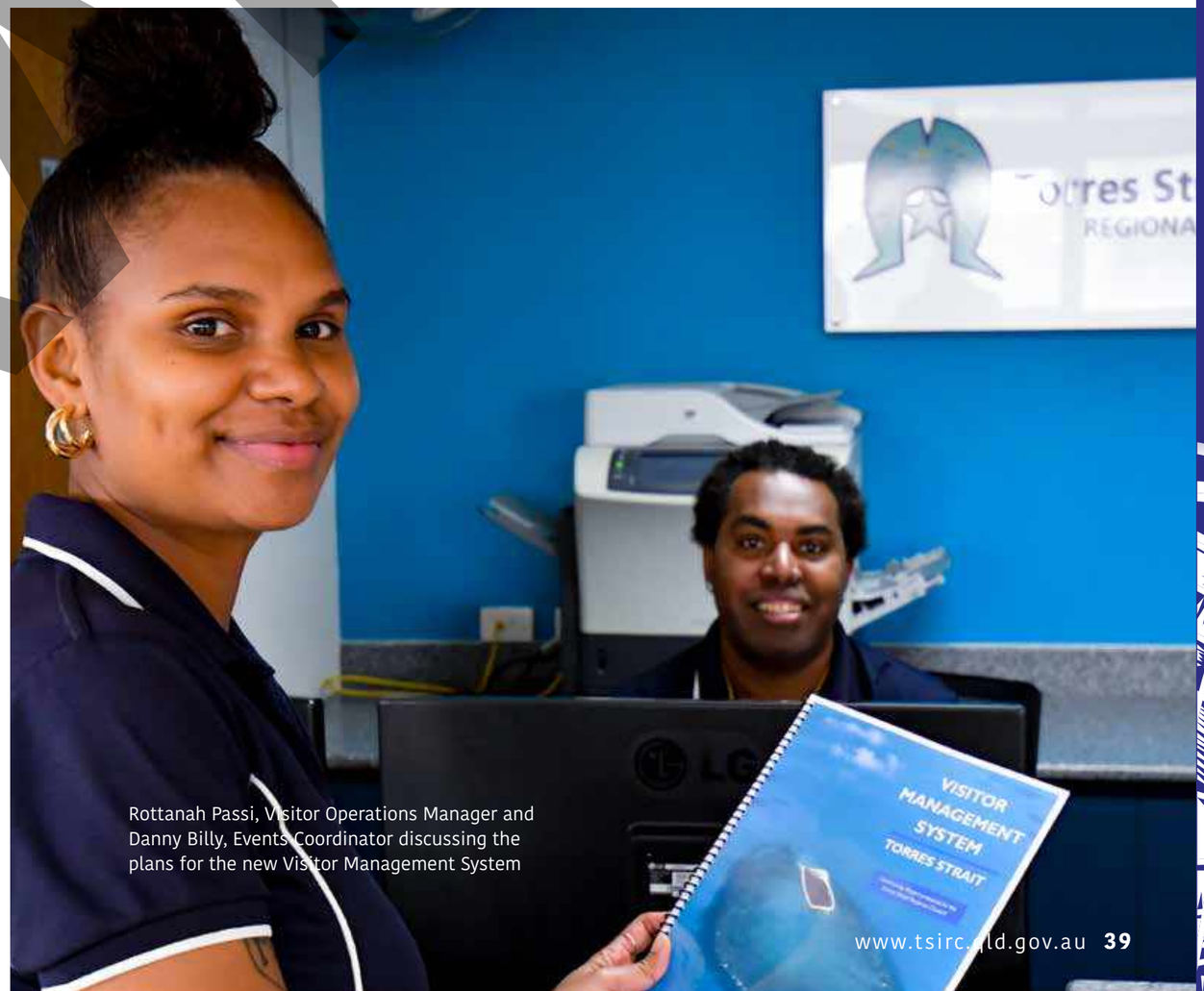
Mekem las long / Sustainability

Key performance indicator	Delivery target	2020/21 result
People & Wellbeing: Evolve Council's recruitment process & systems, focusing on regional accessibility.	Software implemented and local applicant feedback captured.	✓
People & Wellbeing: Develop Council's Diversity & Inclusion policy.	Policy delivered.	!
People & Wellbeing: Complete negotiations of new certified agreement with workforce.	Negotiations complete and agreement developed.	!
People & Wellbeing: Develop employee benefit & wellbeing programs.	Program parameters identified.	!
Engineering Services: Scope Metal Waste & Clean Up Project.	Planning finalised and works commenced.	◔
Community Services: Deliver illegal dumping hotspot program.	Program implemented in two communities.	✓
Community Services: Mosquito Management: • Inspection, Albopictus Survey • Education, Awareness, Control Activities • Assist the Dengue Action Response Team (DART) • Implement Mosquito Management Plan.	Program and plans implemented.	✓
Engineering Services: Complete water lagoon cover repair or replacement at Saibai, Erub, Mer and Ugar.	Works complete.	✓
Engineering Services: Deliver water and wastewater critical infrastructure / legislative compliance upgrades (multiple projects).	Multiple projects complete.	◔
Engineering Services: Deliver regional Smart Water Meter Project.	Project complete.	◔

Key performance indicator	Delivery target	2020/21 result
Engineering Services: Water and wastewater projects (Works for Queensland - COVID-19 funded projects).	Works complete.	◔
Community Services: Deliver *Biosecurity Act* compliance program.	100% of environmental health workers compliant.	✓
Community Services: Deliver education and awareness on water sanitation, waste management and sewerage.	One campaign per community delivered.	✓
Community Services: Deliver animal management program: • domestic animal compliance, • veterinary services, and • compliance and enforcement program.	Biannual vet visits complete. Compliance education program delivered to each community.	✓

Table 6: Organisational key performance indicator results for Mekem las long/Sustainability strategic pillar



Rottanah Passi, Visitor Operations Manager and Danny Billy, Events Coordinator discussing the plans for the new Visitor Management System

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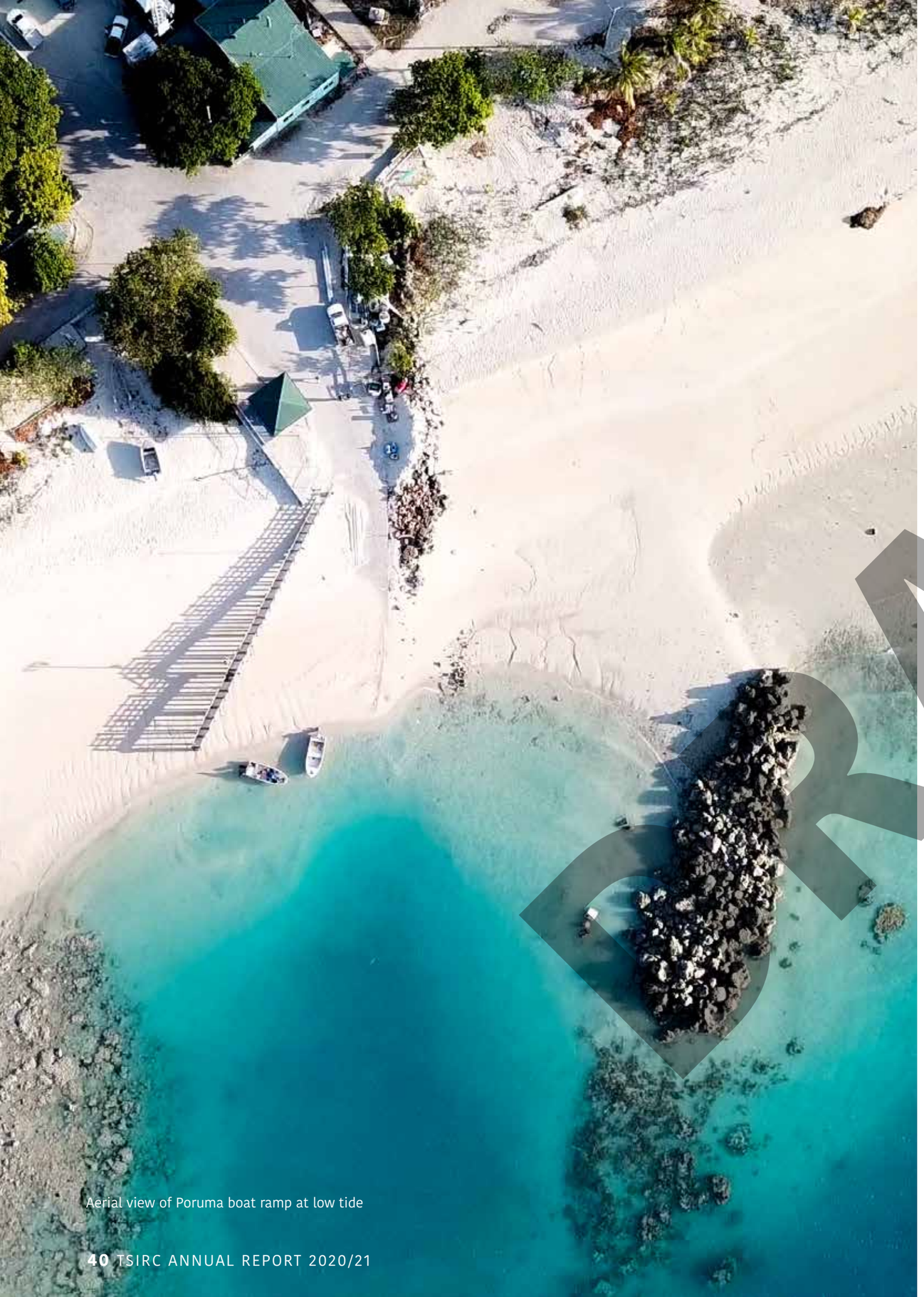

Aerial view of Poruma boat ramp at low tide

Pruitpul / Prosperity

Key performance indicator	Delivery target	2020/21 result
Corporate Affairs: Delivery of Council's Enterprise Development Strategy, identifying key sector opportunities.	Strategy published.	
Corporate Affairs: Grow strategic domestic & international knowledge alliances.	Framework developed and two agreements in place.	
Executive Office: Evolve Council's Enterprise Divestment Strategy.	Framework developed.	
Corporate Affairs: Development of Council's Visitor Management Strategy, tools & implementation roadmap.	Strategy published and roadmap identified.	
Community Services: Provide advice on development and lead implementation of a standardised approach to visitor management, including visitor entry and exit, accommodation and travel.	Strategic advice and recommendations provided. Roadmap milestone strategy delivered.	
People & Wellbeing: Implementation of learning & development strategy.	Strategy developed and implemented.	
People & Wellbeing: Grow Council's existing apprenticeship & traineeship program.	Trainee placements fulfilled.	
Corporate Affairs: Evolve Council's ethical procurement standards & policies.	Policy published and training delivered to all stakeholder groups.	

Table 7: Organisational key performance indicator results for Pruitpul/Prosperity strategic pillar

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About Council blo Mepla

Our organisation

Celebrating NAIDOC Week
with traditional Ilan dance

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Organisational structure

The organisational structure is as at June 30, 2021. Due to illness Council's Chief Executive Officer Bruce Ranga took extended leave from July 2020 and stepped down in April 2021. As a result, several acting appointments have been made in 2020/21.

David Baldwin
Acting Chief Executive Officer

Strategic Projects & Logistics
Executive Office
Legal Services

Hollie Faithfull
Chief Financial Officer

- Financial Services
- Corporate Affairs
- People and Wellbeing

Adeah Kabai
Acting Chief Engineer

- Capital works and infrastructure
- Water and waste services
- Transport services
- Climate change & disaster management
- Waste management

Ilario Sabatino
Chief Operating Officer

- Building Services
- Community services

Nicola Daniels
Head of Financial Services

- Financial services
- Information technology
- Assets

Luke Ranga
Head of Corporate Affairs

- Media and parliamentary relations
- Governance and risk
- Community advocacy
- Sourcing and supply chain management
- Communications
- Funding acquisition
- Enterprise development

Tracey Burrell
Acting Head of People and Wellbeing

- Recruitment
- Employee relations and benefits
- Apprenticeship and traineeship programs
- Learning and development
- Work health and safety

Dawson Sailor
Acting Head of Community Services

- Divisional office administration
- Aged care services
- Childcare services
- Healthy lifestyle and wellbeing programs
- Indigenous Knowledge Centres
- Environmental health services
- Social housing rental management

Peter Jacques
Head of Building Services

- Social housing construction and maintenance
- Council building assets construction and maintenance

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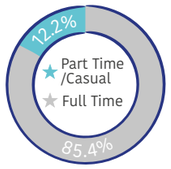
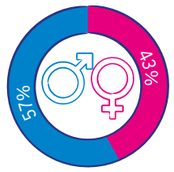
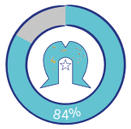
Our people

As the biggest employer in our local government area, Council is dedicated to being a diverse and inclusive workplace that supports the employment and training of people in our region. Our employees are located across our region in each of our communities, at Thursday Island, and in Cairns.

365
Total Employees



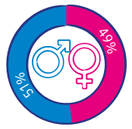




Indigenous employees

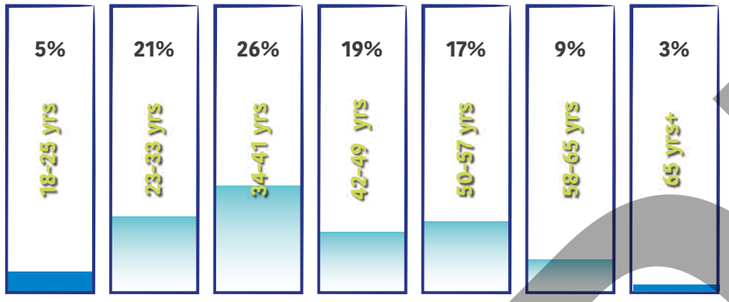
Based in local communitites

Our Managers

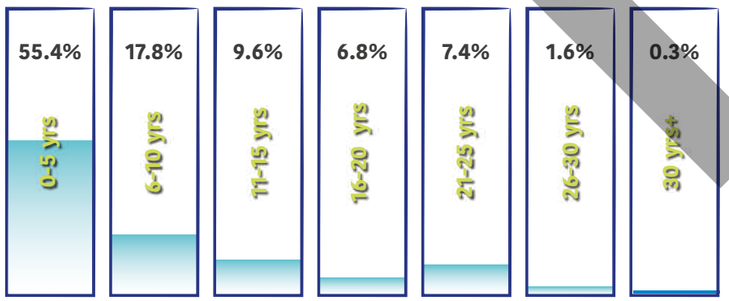


Indigenous managers

Age range of employees by category:



Years of service by category:



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Lala Gutchen, language teacher from Erub, enjoying the celebrations for the 150th anniversary of the Coming of the Light

Recognising team TSIRC

In 2020/21, Council celebrated as a number of employees reached significant length of service milestones. These long-serving and dedicated employees began their roles as part of the individual Island Councils that combined in 2008 to form the Torres Strait Island Regional Council.

Name	Years of service	Department
Taipo Nona	25 years	Community Services
Mika David	25 years	Community Services
Leila Passi	25 years	Community Services
George Kris	25 years	Community Services
Mary Waigana	30 years	Community Services
Ishmael Baira	30 years	Building Services

Table 8: Employee milestone service achievements

Newman Mari and Edward Mari celebrarting the completion of their certificate III in Carpentry

Phoebe Bowie, Tiaella Nona and Geiza Blanket celebrating the completion of their study

Council values continued professional growth and the continued development of key skills in our region. This year we are proud to celebrate several employees who attained new qualifications.

Edward Mari - Certificate III in Carpentry

Newman Mari - Certificate III in Carpentry

Lorraine Emeny - Certificate III Early Childhood Education and Care

Phoebe Bowie - Diploma of Early Childhood Education and Care

Ann-Maria Dorante - Advanced Diploma in Childrens Services

Yarkopeta Akiba-Bowie - Diploma of Leadership and Management and Diploma of Business

Bob Modee - Certificate IV in Government Investigations

Rowena Johnson - Certificate IV in Government Investigations

Ettie Gela - Certificate IV in Government Investigations

Santoi Thaiday - Certificate IV in Government Investigations

Karyche Bowie - Certificate IV in Government Investigations

Richard Gela - Certificate IV in Government Investigations

Moses Kudub - Certificate IV in Government Investigations

Ralph Larry - Certificate III Plumbing

Daube Ware-Cook - Certificate II Carpentry

Tiaella Nona - Diploma of Early Childhood Education and Care

Geiza Blanket - Diploma of Early Childhood Education and Care

Bernard Dorante

Winner Above and Beyond
Local Government Managers Queensland Awards

Council is proud to celebrate employee achievements. We congratulate Bernard on his award. Bernard ensured his community received an upgraded 2.5km water main supply, after key resources were impacted by the COVID-19 pandemic. He performed witness points, community liaison and conflict resolution, and oversaw duties on behalf of the Principal and Superintendent via video calls and photographs. His commitment ensured the project was completed ahead of schedule. Congratulations, Bernard and thank you.

DRAFT

Important role blo Council

Governance

Acting CEO, David Baldwin with Cr. Lama Trinkoon

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Role of Council and Elected Members

Council and its Elected Members continue to fulfil their roles and responsibilities in accordance with legislative requirements. Council is committed to effective, transparent, and accountable governance.

Section 12 of the *Local Government Act 2009* states that the role of elected members is to:

- represent the current and future interests of residents in the local government area,
- provide high-quality leadership to the region and Council,
- participate in Council meetings, policy development, and decisions making,
- ensure that the Council acts responsibly, achieves the goals set out in the Corporate Plan, and adheres to all laws that apply to local governments.

The Mayor and Elected Members perform their roles by attending and participating in Council meetings, engaging with residents within the Council area, and participating in policy development and decision-making processes. The Mayor has additional responsibilities to those listed above, which include chairing Council meetings, leading and advising Council's Chief Executive Officer, and representing Council at ceremonial or civic functions.

Our local government area is the most northerly Council in Australia. Our region is distributed across 42,000km² of sea and consists of 15 divisions across 14 islands. The Mayor and Elected Members are elected democratically by the community to represent the current and future interests of the residents within the entire local government area. Each division elects a Councillor, and a Mayor is elected for the whole region. One of the divisional Councillors is elected as Deputy Mayor by their fellow Councillors.

The Mayor and Elected Members hold monthly Ordinary Meetings to consider and decide on strategic matters of interest to the residents of Council's local government area and Council's operation. In addition to Ordinary Meetings, Special Meetings are held when required to discuss and decide upon urgent strategic matters.

Council is also the trustee for Deed of Grant in Trust land. As trustee, Council is responsible for managing and protecting the land for its Traditional Owners. Separate meetings are held to deal with matters relating to trust land and Council's role as trustee.

Cr. Noah and Cr. Levi visiting Yarrabah Aboriginal Shire Council

Meeting frequency and Elected Member meeting attendance

Meeting type	Number of meetings
Ordinary meetings	12
Special meetings	6
Strategic Adivsory Reference Group meetings	10
Culture, Arts, Land and Heritage Committee	3
Economic Growth Committee	3
Governance and Leadership Committee	3
Housing, and Safe and Healthy Communities Committee	3
Climate Change Adaptation and Environment Committee	3

Table 9: Number of Council meetings by meeting type

Legend

Not in office | Meeting attended | Meeting not attended

Councillor	Proportion of total meetings attended
Mayor Mosby	
Ordinary meetings 12/12	
Special meetings 6/6	
SARG meetings 10/10	

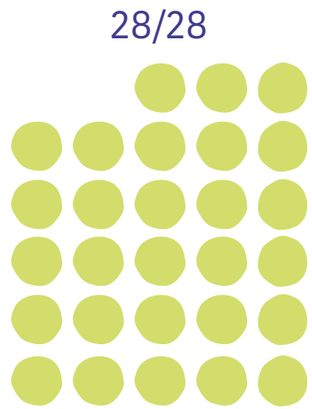

Figure 4: Mayor Mosby Council meeting attendance

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Councillor	Proportion of total meetings attended
Cr. Toby - Boigu	17/21
Ordinary meetings	11/12
Special meetings	4/6
Governance and Leadership Committee	2/3

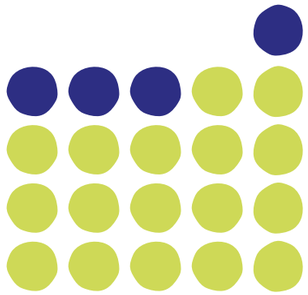

Figure 5: Councillor Toby Council meeting attendance

Councillor	Proportion of total meetings attended
Cr. Elisala - Dauan	21/21
Ordinary meetings	12/12
Special meetings	6/6
Culture, Arts, Land and Heritage Committee	3/3

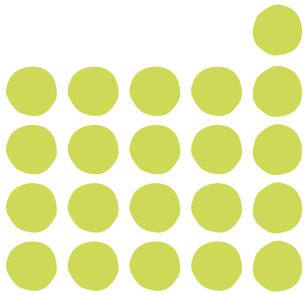

Figure 6: Councillor Elisala Council meeting attendance

Councillor	Proportion of total meetings attended
Cr. Tabuai - Saibai	16/21
Ordinary meetings	10/12
Special meetings	3/6
Economic Growth Committee	3/3

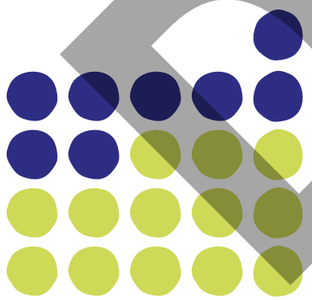

Figure 7: Councillor Tabuai Council meeting attendance

Councillor	Proportion of total meetings attended
Cr. Fell - Mabuiag	23/31
Ordinary meetings	11/12
Special meetings	3/6
SARG meetings	6/10
Housing, and Safe and Healthy Communities Committee	3/3

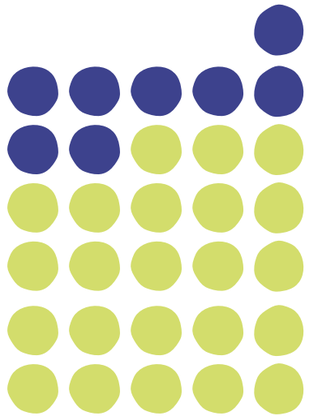

Figure 8: Councillor Fell Council meeting attendance

Councillor	Proportion of total meetings attended
Cr. Nona - Badu	15/21
Ordinary meetings	9/12
Special meetings	4/6
Culture, Arts, Land and Heritage Committee	2/3

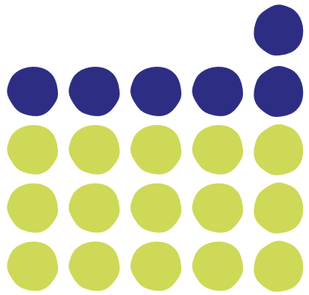

Figure 9: Councillor Nona Council meeting attendance

Councillor	Proportion of total meetings attended
Cr. Trinkoon - Arkai, Mua	20/21
Ordinary meetings	12/12
Special meetings	5/6
Governance and Leadership Committee	3/3

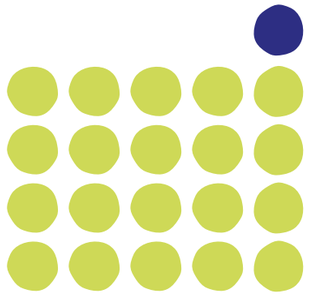

Figure 10: Councillor Trinkoon Council meeting attendance

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Councillor		Proportion of total meetings attended
Cr. Levi - Wug, Mua		16/21
Ordinary meetings	10/12	
Special meetings	4/6	
Housing, and Safe and Healthy Communities Committee	2/3	

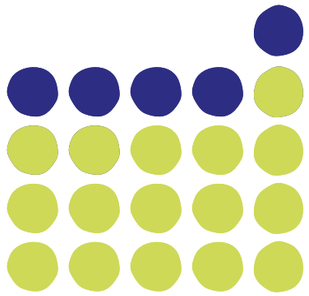

Figure 11: Councillor Levi Council meeting attendance

Councillor		Proportion of total meetings attended
Cr. Dorante - Kirirri		20/21
Ordinary meetings	12/12	
Special meetings	5/6	
Climate Change Adaptation and Environment Committee	3/3	

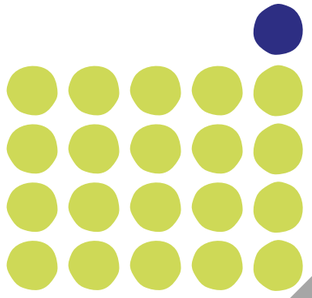

Figure 12: Councillor Dorante Council meeting attendance

Councillor		Proportion of total meetings attended
Cr. Lui - Iama		29/31
Ordinary meetings	11/12	
Special meetings	6/6	
SARG meetings	9/10	
Governance and Leadership Committee	3/3	

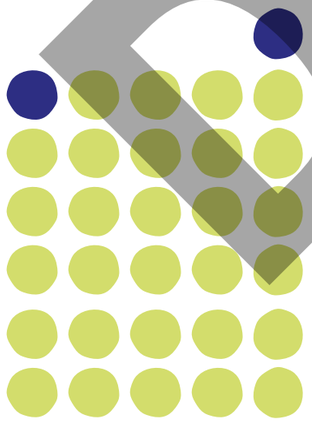

Figure 13: Councillor Lui Council meeting attendance

Councillor		Proportion of total meetings attended
Cr. Tamu - Warraber		19/21
Ordinary meetings	12/12	
Special meetings	5/6	
Climate Change Adaptation and Environment Committee	2/3	

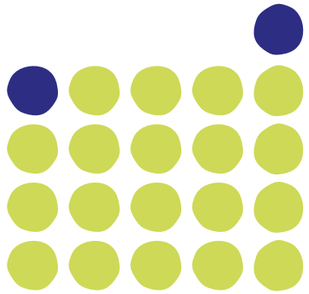

Figure 14: Councillor Tamu Council meeting attendance

Councillor		Proportion of total meetings attended
Cr. Pearson - Poruma		20/21
Ordinary meetings	11/12	
Special meetings	6/6	
Housing, and Safe and Healthy Communities Committee	3/3	

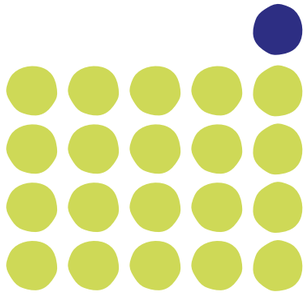

Figure 15: Councillor Pearson Council meeting attendance

Councillor		Proportion of total meetings attended
Cr. Mosby - Masig		26/31
Ordinary meetings	11/12	
Special meetings	5/6	
SARG meetings	7/10	
Climate Change Adaptation and Environment Committee	3/3	

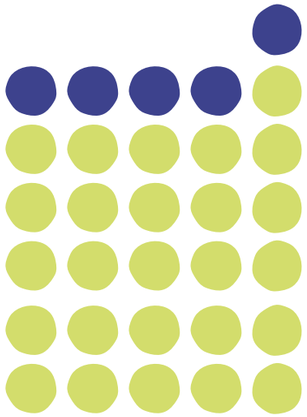

Figure 16: Councillor Mosby Council meeting attendance

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Councillor	Proportion of total meetings attended
Cr. Stephen - Ugar	26/31
Ordinary meetings	11/12
Special meetings	5/6
SARG meetings	7/10
Economic Growth Committee	3/3

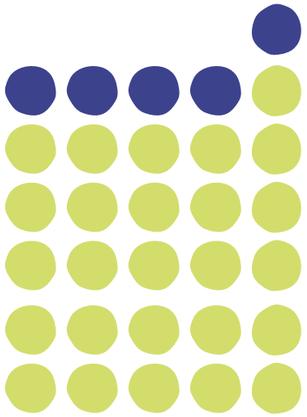

Figure 17: Councillor Stephen Council meeting attendance

Councillor	Proportion of total meetings attended
Cr. Boggo Gela - Erub	3/5
Ordinary meetings	1/3
Special meetings	2/2
Housing, and Safe and Healthy Communities Committee	0/0

***Councillor stepped down from his position in October 2020. His tenure made him eligible to attend five meetings before his resignation.**

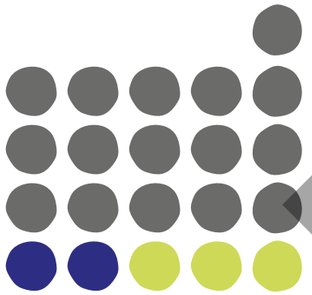

Figure 18: Councillor Boggo Gela Council meeting attendance

Councillor	Proportion of total meetings attended
Cr. Jimmy Gela - Erub	10/11
Ordinary meetings	6/6
Special meetings	3/3
Economic Growth Committee	1/2

***Councillor was elected at a by-election in December 2020. His first Ordinary meeting was in January 2021. He was eligible to attend eleven meeting during his tenure.**

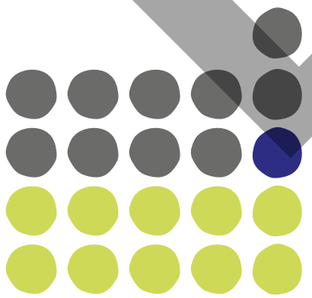

Figure 19: Councillor Jimmy Gela Council meeting attendance

Councillor	Proportion of total meetings attended
Cr. Noah - Mer	30/31
Ordinary meetings	12/12
Special meetings	5/6
SARG meetings	10/10
Culture, Arts, Land and Heritage Committee	3/3

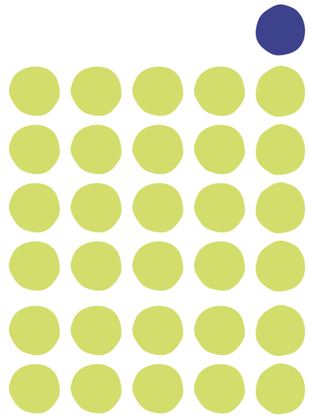

Figure 20: Councillor Noah Council meeting attendance

Note:

- SARG meeting for December 2020 and May 2021 did not proceed due to lack of quorum.
- Proxies were accepted at the September 2020, October 2020, January 2021 and March 2021 SARG meetings.
- Councillor Pearson was a proxy at the September, October and January meetings. Councillor Elisala was a proxy at the October meeting. Councillor Tamu was a proxy at the March Ordinary Meeting.

Mayor Mosby and Cr. Stephen enjoying their visit to Yarrabah Aboriginal Shire Council

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Elected member remuneration

Each year the Local Government Remuneration Commission sets the remuneration rates for Elected Members across Queensland. Torres Strait Island Regional Council's Elected Members are paid in accordance with the levels set by the Commission.

The remuneration for Elected Members of the Torres Strait Island Regional Council in the 2020/21 financial year were:

- Mayor $108,222
- Deputy Mayor $62,435
- Councillor $54,110

The remuneration for Councillors consists of two apportionments: the base rate and a meeting fee. In 2020/21 the annual base payment was $36,073.28 and the meeting fee was $1,503.06 per calendar month (or fortnightly equivalent). The meeting fee is payable for attendance and participation at scheduled meetings of the Council, subject to certification by the Mayor and/or Chief Executive Officer.

In addition to remuneration, Councillors are entitled to the provision of facilities that enable them to fulfil their duties and responsibilities. Provisions under this entitlement are set out in Council's Councillor Remuneration, Reimbursement and Facilities Provision Policy.

In accordance with the Policy, Elected Members are provided with an office in their respective division, a laptop, a mobile phone for Council use, and meeting and administrative support as required. Elected Members can hire a car from Council at a rate of $25 per week, which can be used for Council and personal business. Councillors are also provided with travel and accommodation when travelling on Council business, including when travelling to attend conferences, workshops, forums, and other relevant meetings. Councillors are covered by Council's insurance policies.

Cr. Tamu & Peter Kebs, Senior Legal Counsel, discussing a submission at a Council Ordinary Meeting

	Remuneration	Travel allowance	Travel airfares	Travel accommodation	Ground transport	Provision of car in community	**Total**
Mayor Mosby	$108,165.75	$26,713.80	$45,566.18	$19,621.87	$13,948.20	$6,477.00	**$220,492.80**
Cr. Toby	$52,587.80	$8,015.55	$4,535.00	$681.82	$2,430.54	$6,477.00	**$74,727.71**
Cr. Elisala	$54,090.86	$4,501.10	$11,383.13	$4,847.25	$1,559.09	$6,477.00	**$82,758.43**
Cr. Tabuai	$51,084.74	$3,451.05	$10,888.25	$3,619.10	$1,954.53	$6,477.00	**$77,474.67**
Cr. Fell	$52,913.71	$10,397.91	$10,517.46	$1,773.65	$2,452.35	$6,477.00	**$84,532.08**
Cr. Nona	$49,581.68	$1,908.15	$4,727.05	$4,858.04	$3,159.09	NA	**$64,234.01**
Cr. Trinkoon	$54,090.86	$4,922.30	$5,730.62	$12,140.64	$77.31	NA	**$76,961.73**
Cr. Levi	$54,090.86	$6,003.75	$4,745.10	$5,755.82	$2,390.91	$6,477.00	**$79,463.44**
Cr. Dorante	$54,090.86	$3,811.65	$4,420.62	$4,439.09	$2,056.69	$6,477.00	**$75,295.91**
Cr. Lui	$62,402.14	$12,337.15	$32,566.92	$14,095.46	$6,588.00	$6,477.00	**$134,466.67**
Cr. Tamu	$54,090.86	$5,268.80	$5,356.48	$4,835.48	$2,327.27	$6,477.00	**$78,355.89**
Cr. Pearson	$54,090.86	$4,277.10	$4,883.33	$5,630.49	$2,359.09	$6,477.00	**$77,717.87**
Cr. Mosby	$54,090.86	$6,021.60	$8,826.62	$8,425.46	$2,843.84	$6,477.00	**$86,685.38**
Cr. Stephen	$54,090.86	$10,707.50	$14,522.80	$2,440.00	$3,513.67	NA	**$85,274.83**
Cr. B Gela	$12,583.46	$220.40	$1,829.40	$0.00	$0.00	$4,318.00*	**$56,159.80**
Cr. J Gela	$24,002.60	$2,392.75	$1,898.05	$3,056.35	$1,559.09	$2,159.00*	**$35,067.84**
Cr. Noah	$54,090.86	$5,447.75	$20,282.81	$8,044.56	$2,886.00	$6,477.00	**$97,228.98**
Total	$900,139.60	$116,398.31	$192,679.82	$104,265.08	$52,105.67	$84,201.00	**$1,486,898.04**

Table 10: Councillor remuneration by category

* Full year allocation of provision of car in community for Erub is apportioned pro rata to each Councillor. Costs in the provision of car in community column include insurance, registration and depreciation. Note, there was a gap of two months between Councillor B Gela resignation of 2020 and Councillor J Gela declaration of office in December 2020. During this time the car remained at Erub.

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standing committees

In July 2020 Council established five new Standing Committees, endorsed new terms of reference for the Strategic Advisory Reference Group. The new committees were established to provide time for matters to be discussed in more detail and advice to be sought from Councillors on specialised projects and topics. Standing Committees also give Councillors the opportunity to work closely on matters of special interest or specialised skill. Each Councillor is a member of one committee and is elected by their peers, with the Mayor sitting on all committees.

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Cultural, Arts, Land & Heritage

Portfolio: Ailan kastom, cultural heritage advisory, language and arts advisory, regional events, Reconciliation Action Plan (RAP), Native Title, Deeds of Grant in Trust, and land transfer.

Members: Councillor Noah (Chair), Mayor Mosby, Councillor Elisala, Councillor Nona.

Executive Sponsor: Chief Operating Officer

Housing & Safe & Healthy Communities

Portfolio: Housing, water and wastewater, access and transport, health, master planning.

Members: Councillor Fell (Chair), Mayor Mosby, Councillor Levi, Councillor Pearson.

Executive Sponsor: Chief Engineer & Chief Operating Officer

Governance & Leadership

Portfolio: Regional assembly, Transition Action Plan (TAP), Torres Strait Treaty, local government boundaries.

Members: Councillor Lui (Chair), Mayor Mosby, Councillor Trinkoon, Councillor Toby

Executive Sponsor: Chief Operating Officer

Climate Change Adaptation & Environment

Portfolio: Torres Strait climate change strategy, Torres Strait seawall program, Torres Strait and North Peninsula Area biosecurity plan, renewable energy production, waste management, land and sea management.

Members: Councillor Mosby (Chair), Mayor Mosby, Councillor Tamu, Councillor Dorante.

Executive Sponsor: Chief Engineer

Economic Growth

Portfolio: Divestment of enterprises, regional stimulus projects, industry development, Torres Strait procurement policy, connectivity and tele-communication.

Members: Councillor Stephen (Chair), Mayor Mosby, Councillor Tabuai, Councillor Gela.

Executive Sponsor: Chief Financial Officer

Strategic Advisory Reference Group

Portfolio: Strategic direction, Council strategic plans and policies, long term financial forecasts, Council performance management, measurement, and benchmarking, strategic staffing initiatives, strategic asset management, facilities including office and residential accommodations.

Members: Mayor Mosby, Councillor Noah, Councillor Lui, Councillor Stephen, Councillor Fell, Councillor Mosby.

Executive Sponsor: Chief Executive Officer

Aerial view of Poruma

Greeted by a beautiful sunrise over Boigu

Audit

Council is committed to ensuring its internal and external accountability requirements are met as outlined in the *Local Government Act 2009* and *Local Government Regulation 2012*.

Audit Committee

In accordance with the requirements of the *Local Government Act 2009* and *Local Government Regulation 2012*, Council's Audit Committee meets quarterly to monitor, review, and make recommendations for action or improvement to Council.

To maintain compliance with the legislative requirements, Council's Audit Committee consists of two Councillors and two external members. The chair position must be held by one of the external members of the Committee. In the 2020/21 year the Audit Committee members were:

- Eric Muir (Chair)
- Paul Shipperly
- Mayor Mosby
- Councillor Fell

Dennis Messa
Apprentice electrician
Poruma, Division 11

"I enjoy flying around and getting to see and work in different Communities."

Dennis commenced his apprenticeship in October 2019. He has been able to work at several communities on exciting projects, including the new health centre upgrades at Poruma, Masig, and Dauan.

Dennis works closely with his main contractors Amped Up Electrics and Babinda Electrics. When at Poruma he also assists Council's Building Services team as a labourer.

Internal audit

Council's internal audit function provides independent and objective assurance of organisational operations. It brings a systematic and disciplined approach to the evaluation and management of our risk management controls and governance processes.

The internal audit function works collaboratively with Council's executive leadership team and management to recommend improvements to systems, processes, work practices, compliance, and business effectiveness. The internal audit function is outsourced to Pacifica Chartered Accountants.

The Internal Audit Plan sets outs the objectives for the financial year. The Plan is reviewed annually by Council's executive leadership team and Audit Committee to ensure it continues to align with organisational needs and our Corporate Risk Register. Council's 2020/21 Internal Audit Plan included the following components:

- Cybersecurity project - complete
- Special project Q-Build job costing practices - complete
- Procurement practices including tendering and contract management - complete
- Workshop management practices – postponed to 2021/22
- Creditors and accounts payable review – complete
- Verification of supplier charges against tendered or contracted rates – continuing into 2021/22
- Payroll data analytics – complete
- Internal audit issues register reviews – postponed to 2021/22
- Special project: financial sustainability measures (rental properties) - complete

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Councillor conduct matters

In alignment with the *Local Government Act 2009*, all Councillor conduct matters raised during the 2020/21 year are documented and reported.

Local Government Act 2009	Number	Details
Orders made by the chairperson to deal with unsuitable meeting conduct (section 150I(2))	Nil	N/A
Orders made by Council as disciplinary action against a councillor for inappropriate conduct (section 150AH(1))	Nil	N/A
Decisions, orders and recommendations made by the conduct tribunal against a councillor for misconduct (section 150AR(1))	Nil	N/A
Councillor conduct complaints referred by Council to the Office of the Independent Assessor (section 150P(2)(a))	2	1 complaint was accepted for investigation and is ongoing. 1 complaint is awaiting the Assessor's response.
Councillor conduct complaints referred by Council to the Crime and Corruption Commission (section 150P(3))	Nil	N/A
Notices given by Council to the Office of the Independent Assessor about particular conduct that would otherwise be considered inappropriate conduct or misconduct (section 150R(2))	Nil	N/A
Notices given by Council to the Office of the Independent Assessor about particular conduct amounting to misconduct (section 150S(2)(a))	Nil	N/A

Local Government Act 2009	Number	Details
Decisions made by the Office of the Independent Assessor about councillor conduct (section 150W(1) (a), (b) and (e))	Nil	N/A
Referrals of councillor conduct matters from the Office of the Independent Assessor to Council (section 150AC(3)(a))	Nil	N/A
Information (obtained during an investigation of suspected inappropriate conduct) given by Council to the Office of the Independent Assessor that indicates a councillor may have engaged in misconduct (section 150AF(4)(a))	Nil	N/A
Number of occasions where Council asked another entity to investigate the suspected inappropriate conduct of a councillor (chapter 5A, part 3, division 5)	Nil	N/A
Number of applications heard by the conduct tribunal about the alleged misconduct of a councillor	Nil	N/A

Table 11: Record of councillor conduct matters

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Administrative action complaints

Council is committed to dealing fairly with administrative action complaints. The process is managed under Council's Complaint Management Policy and Procedure and Council's Housing Complaint Management Policy.

Section 268 of the *Local Government Act 2009* identifies an "administrative action" complaint as a complaint about action taken or failed to be taken by Council. The Chief Executive Officer reports to Council annually regarding complaint management. This annual review identifies and analyses any complaint trends and significant issues, and any recommendations for improvement, to ensure that Council deals with complaints using a best practice approach.

In the 2020/21 financial year, Council obtained independent feedback on the operation of its complaint management process. Council identified areas for improvement, including the need to promote public awareness of Council's complaint process, improve the response and handling time for complaints and streamline complaints management.

Council undertook a comprehensive review of the Complaint Management Policy and Complaint Management Procedure in 2020/21. As a result of this review, the policy and procedure were updated in April 2021. Council also updated its Complaint (Public Official) Policy in June 2021.

The number of administrative action complaints received in 2020/21 has increased significantly to 26 complaints, compared to seven in 2019/20 and eight in 2018/19.

Administrative action complaints under section 187 of the *Local Government Regulation 2012*	Number
The number of administrative action complaints made to the local government in 2020/21	26
The number of administrative action complaints resolved by the local government under the complaints management process in 2020/21.	10
The number of administrative action complaints made in previous years resolved by the local government in 2020/21.	2
The number of administrative action complaints not resolved by the local government under the complaints management process in 2020/21.	16
The number of administrative action complaints made in previous years that were not resolved by the local government in 2020/21.	Nil

Table 12: Record of administrative action complaints

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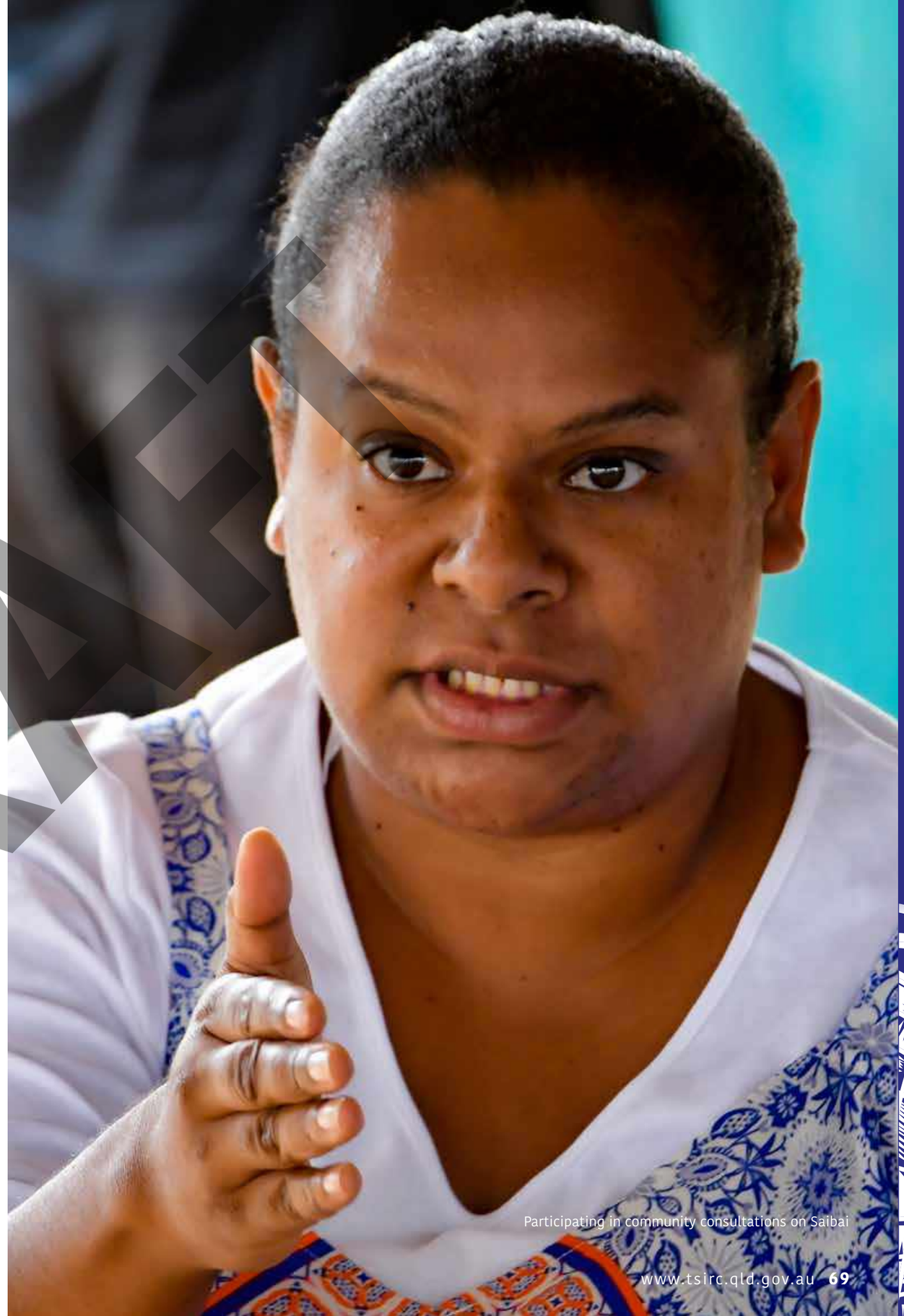

Participating in community consultations on Saibai

compliance activities

Council's compliance activities for the 2020/21 year in accordance with the legislative requirements set out in the *Local Government Act 2009* and *Local Government Regulation 2012*.

Compliance with section 23 *Public Sector Ethics Act 1994*

Council's commitment to Queensland's public sector ethical principles and the local government principles is reflected in our policies and procedures. Our administrative procedures and management practices also have due regard to the ethical principles, local government principles, and Council's Code of Conduct.

Council's Code of Conduct applies to all employees, Councillors, contractors, consultants, and agents of Council and sets out expected rights, duties, and obligations of all who are subject to it. The Code was most recently reviewed and updated in April-June 2021 and endorsed by the Council on 29 June 2021.

All employees appointed to positions with Council are educated about their rights, duties, and obligations under the Code of Conduct via our induction program. The induction for new employees includes training on the local government principles set out in section 4(2) of the *Local Government Act 2009* and the ethical principles set out in section 4(2) of the *Public Sector Ethics Act 1994*. Council employees can also access the Code of Conduct on Council's corporate intranet.

Councillors have received ongoing training throughout the 2020/21 year on conduct matters in response to legislative changes to the Councillor conduct regime.

Special rates and charges

During the 2020/21 financial year, Council did not levy any special rates or charges.

Concessions for rates and charges

During the 2020/21 financial year, Council did not have any concessions for rates and charges.

Invitations to change tender

During the 2020/21 financial year, there was one invitation to change tender under section 228(8) of the *Local Government Regulation 2012*.

Registers kept by Council

Council's registers provide a source of truth for various subject matters and help ensure efficient, effective, and transparent governance processes. Council kept the following registers during the 2020/21 year:

- Assets register
- Beneficial Enterprises
- Cat and Dog register
- Councillor Conduct register
- Delegations registers
- General Complaints Database
- Interests register
- Land Record
- Large Contracts register
- Local Laws register
- Lost and Stolen Property
- Preferred Suppliers
- Pre-qualified Suppliers
- Register of Councillors
- Register of Electoral Gifts
- Register of Fees and Charges
- Register of Gifts
- Right to Information Database
- Road Map and register
- Sole Supplier register.

Summary of investigation notices

During the 2020/21 year, Council did not receive any Queensland Productivity Commission notices of investigation under section 49 of the *Local Government Regulation 2012*. During the same period, Council did not receive any Queensland Productivity Commission recommendations on any competitive neutrality complaints under section 52(3) of the *Local Government Regulation 2012*.

Beneficial enterprises

Council did not have any beneficial enterprises in the 2020/21 year.

Business activities

Council conducted the following business activities during the financial year: accommodation, building services, childcare services, commercial property rentals, and the sale of fuel and gas.

Significant business activities

Council did not have any significant business activities in the 2020/21 year.

Overseas travel

During the 2020/21 financial year, no overseas travel was undertaken by Councillors or employees of Council in an official capacity.

Senior management remuneration

Section 201 of the Local Government Act 2009 requires that a local government's annual report state the total remuneration packages payable to senior management. Council's Executive Leadership Team consists of the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and a Chief Engineer.

The following table shows the senior management remuneration packages for the 12-month period from 1 July 2020 to 30 June 2021. The remuneration levels shown are on a cash basis and exclude non-monetary benefits, allowances, and superannuation.

Remuneration Package Band	In band
$150,001 - $250,000	3
$250,001 - $350,000	1
$350,001 - $450,000	1
Total Remuneration of Senior Management	$1,223,538

Table 13: Executive remuneration package bands

Natasha Nelson
Business Services Accountant
Cairns Office

"As the first Indigenous accountant at Council, I'm proud to use this opportunity to represent my culture and my people. In my role, I keep community needs and values at the forefront of decision making. I enjoy that my role contributes to the financial success of Council, which leads to a strong foundation from which we can provide services to our communities and people."

Natasha has been employed by Council since mid-2020 and is a certified Chartered Accountant. Her role is to provide financial support to Council's business units to ensure effective financial management of operational budgets.

Prior to joining Council, Natasha worked for three and a half years as a Senior Auditor at a multinational accounting firm. She also has seven years' experience offering operational and financial support in the youth and Indigenous not-for-profit sector.

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Particular resolutions

Section 185 of the *Local Government Regulation 2012* requires Council to list in this report any resolutions made under sections 206(2) and 250(1) of the *Local Government Regulation 2012*.

Section 206(2)
No resolutions were made by Council under section 206(2) in the 2020/21 financial year.

Section 250(1) - Expense reimbursement policy or amendment
Council made a resolution relating to its Councillor Remuneration, Reimbursement and Facilities Provision Policy at the November 2020 Ordinary Meeting as follows.

Resolution

Moved: Cr Pearson; *Second:* Cr Nona

Council resolves to:
1. amend the following Torres Strait Island Regional Council policies:
- Councillor Code of Conduct (Local Government Act 2009, section 150D)
- Meeting Procedure (Local Government Act 2009, section 150G)
- Standing Orders (Local Government Act 2009, section 150G)
- Councillor Remuneration, Reimbursement and Facilities Provision Policy (Local Government Regulation 2012, sections 247 and 250) previously endorsed by Council at its Ordinary Meeting on 28 April 2020, in the terms presented to Council at today's Ordinary Meeting and endorse the same

and

2. delegate authority to the Chief Executive Officer in accordance with the Local Government Act 2009 to exercise the functions and powers assigned to the Chief Executive Officer under the amended and endorsed policies, including the power to make any further minor administrative amendments to the policies as they arise.

MOTION CARRIED

Council made a resolution relating to its Councillor Remuneration, Reimbursement and Facilities Provision Policy at the May 2021 Ordinary Meeting as follows.

Resolution

Moved: Cr Noah; *Second:* Cr Tamu

Council resolves to:
1. Amend the Torres Strait Island Regional Council's Councillor Remuneration, Reimbursement and Facilities Provision Policy previously endorsed by Council at its Ordinary Meeting on 28 April 2020, and 16 November 2020 in the terms presented to Council at today's Ordinary Meeting and endorse the same by adding the following; If the CEO consider it an operational advantage or that savings can be achieved by hiring a car of a higher class, this is at the CEO'S discretion. In exceptional circumstances where there is no Council vehicle or taxi service reasonably available, a hire car may be approved, for travel periods of less than 3 days, at the CEO discretion.
2. Delegate authority to the Chief Executive Officer in accordance with the Local Government Act 2009 to exercise the functions and powers assigned to the Chief Executive Officer under the amended and endorsed policy, including the power to make any further minor administrative amendments to the policy as they arise.

MOTION CARRIED

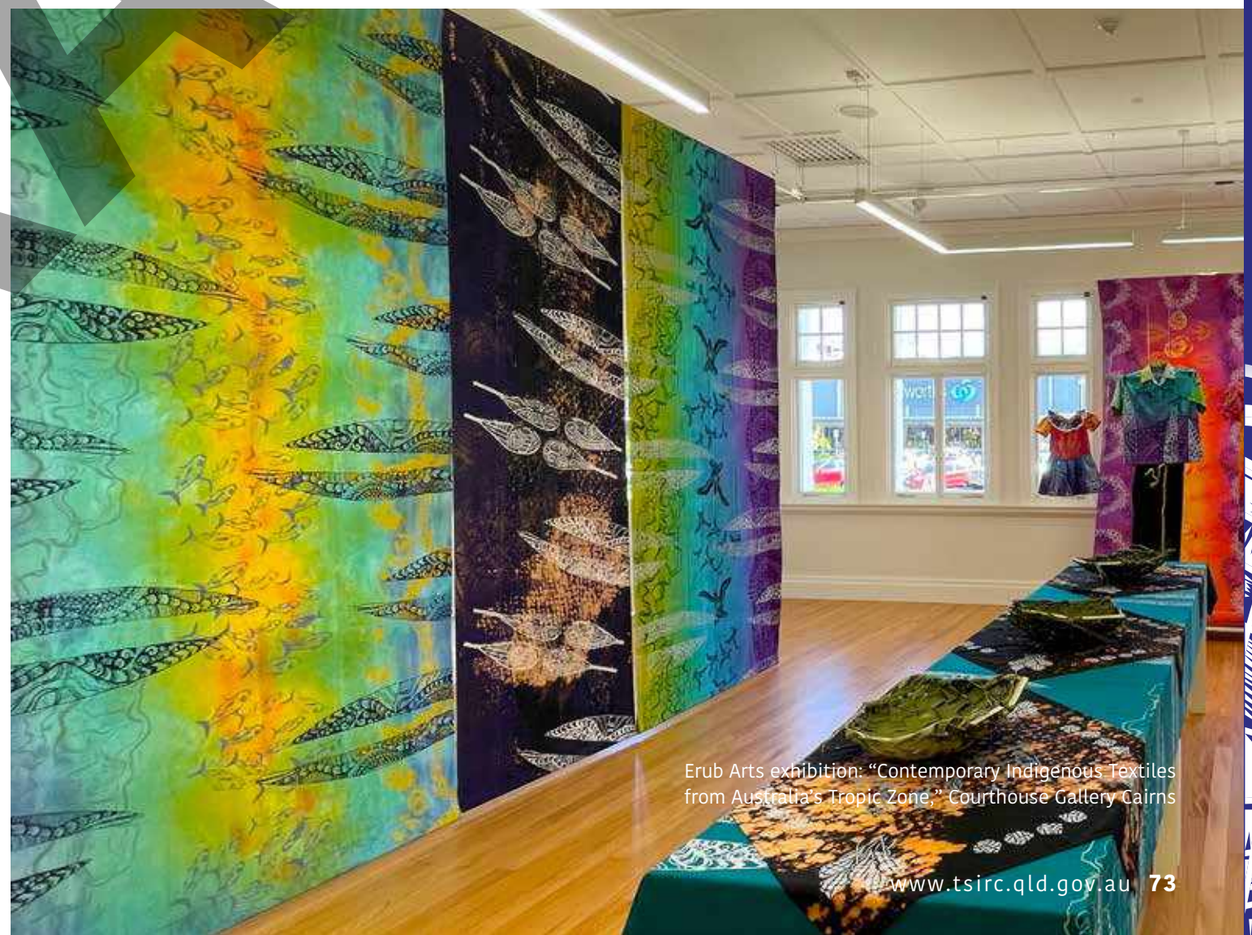
Council made a resolution relating to its Councillor Remuneration, Reimbursement and Facilities Provision Policy at the June 2021 Ordinary Meeting as follows.

Resolution

Moved: Cr Lui; *Second:* Cr Fell

Council resolves to:
1. amend and endorse the Torres Strait Island Regional Council's Councillor Remuneration, Reimbursement and Facilities Provision Policy previously endorsed by Council at its Ordinary Meeting on 25 May 2021 in the terms presented to Council; and
2. delegate authority to the Chief Executive Officer in accordance with the Local Government Act 2009 to exercise the functions and powers assigned to the Chief Executive Officer under the amended and endorsed policy, including the power to make any further minor administrative amendments to the policy as they arise.
3. Council does not endorse the change to the policy regarding hire cars and reverts to the old policy. The reason for the rejection is due to the fact that Councillors have to travel from their island home to conduct Council business down South and to also consult with their constituents who are located off their home islands under Ailan Kastom regarding Trustee issues.

MOTION CARRIED



Erub Arts exhibition: "Contemporary Indigenous Textiles from Australia's Tropic Zone," Courthouse Gallery Cairns

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Relaxing at the boat races at Erub

Procurement

The instruments and principles that guide Council's procurement activities, including an overview of large contracts awarded in the 2020/21 financial year.

Council procurement is governed by the *Local Government Act 2009*, the *Local Government Regulation 2012*, and Council's own Procurement and Ethical Sourcing Policy and associated procedures.

As set out in section 104(3) of the *Local Government Act 2009*, Council employees must have regard for the sound contracting principles, when conducting procurement activities. These principles are:

1. value for money;
2. open and effective competition;
3. the development of competitive local business and industry;
4. environmental protection;
5. ethical behaviour and fair dealing

Council is required to publicly tender work that has an expected value of more than $200,000. Council is not required to publicly tender work of more than $200,000 where there is an exemption. Exemptions include the use of Localbuy, Council's registers of pre-qualified suppliers, and sole suppliers.

Council maintains two registers of pre-qualified suppliers. Suppliers on the registers were appointed through a public tender process conducted in 2019/20. Council has also endorsed a list of sole suppliers. To be considered a sole supplier, Council must be satisfied that the supplier is the only supplier who is reasonably available to Council.

During the 2020/21 financial year Council moved all public tenders and some of its quotation processes to a new online portal, Vendorpanel. This move followed the decommissioning of the previous portal used by Council.

Vendorpanel provides a single, streamlined process for suppliers to upload their insurances, licenses, and other details. It also improves Council's governance with regard to supplier compliance requirements.

Major construction contracts awarded

Council values economic development in our region and aims to support local businesses whenever possible. The page shows the total number of major construction contracts awarded and provides a breakdown of those contracts by the geographical location of the supplier.

Supplier location	No.
Contracts awarded to suppliers within Council's local government area	1
Contracts awarded to suppliers within the Torres Strait	5
Contracts awarded to suppliers within Far North Queensland	8
Contracts awarded to suppliers outside of Far North Queensland	0
Contracts awarded to interstate suppliers	0

Table 14: Major construction contracts awarded by supplier location

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Wanem Council be mekem dis year

Our annual performance

After school fun on the beach at Poruma

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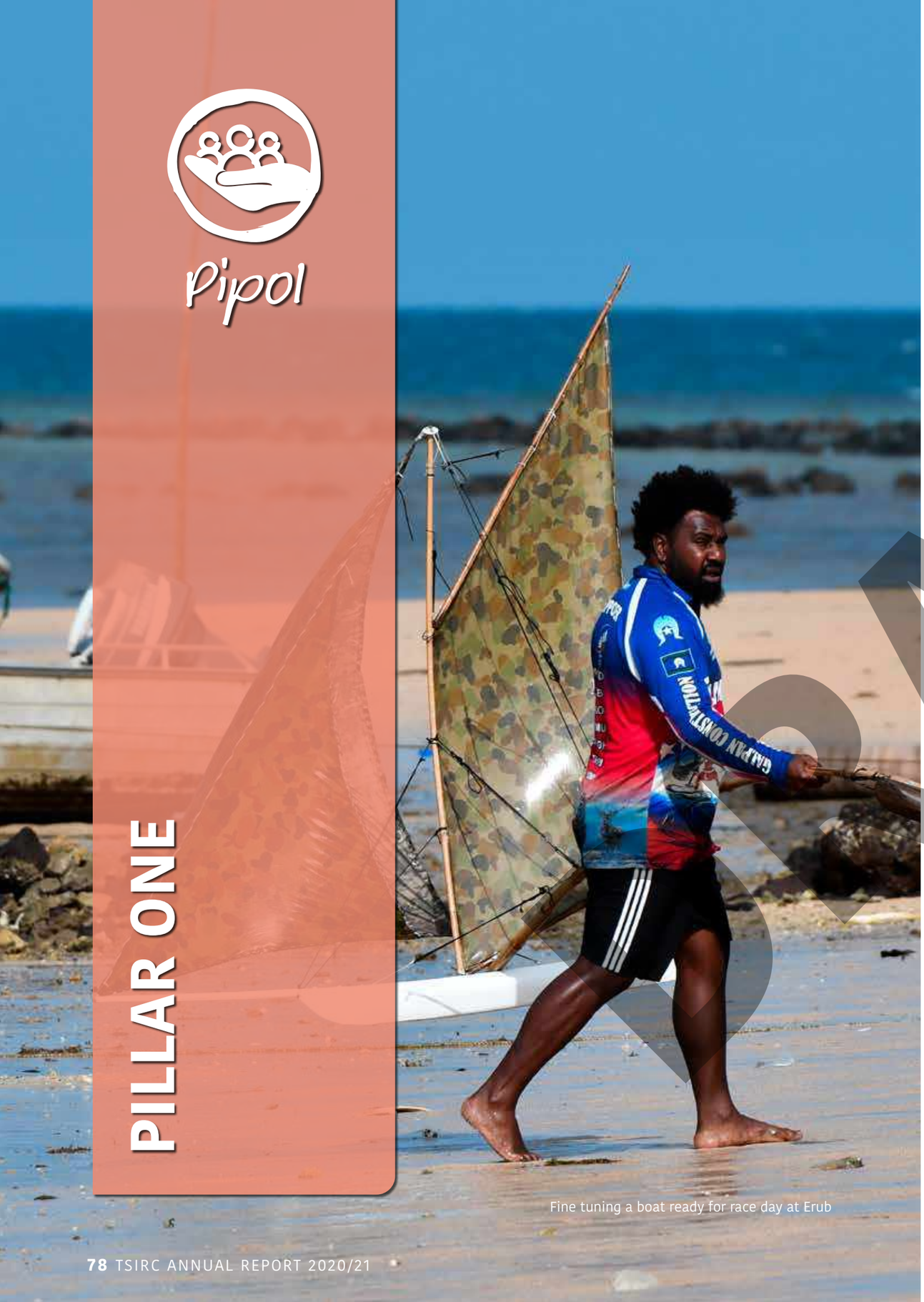
Pipol

PILLAR ONE



Fine tuning a boat ready for race day at Erub

Healthy lifestyles

We strive for our communities to be safe, healthy, and active.

Closing the gap Keriba Way

In 2020/21 Council worked to provide programs and tools that support healthy lifestyles in our region. In March 2021 Council launched the Keriba Way Health and Wellbeing Pilot Program at Warraber (Sue Island) and Erub (Darnley Island).

KERIBA stands for:

Keep community active

Empower individuals to make a change

Reconcile and restore connection to self-worth through social emotional health and wellbeing

Individuals having the power to change their own lifestyle with the tools this project gives them

Being bold and brave in creating a balanced lifestyle

Achieve lifestyle changes for oneself in a community setting

The aim of the program is to empower individuals to achieve positive lifestyle changes in a supportive and culturally connected community setting. In the Meriam Mir language Keriba means 'our'. Keriba Way is 'our way' of working to close the gap in Torres Strait Islander health outcomes.

The pilot program was conducted over 12 weeks and comprises health screening, social and physical activities, and emotional health and wellbeing education awareness sessions. These activities were delivered in a culturally safe space and centred on addressing community identified need. Topics covered in the pilot program included:

- Cooking and eating healthy meals
- Tackling smoking
- Mental health and wellbeing
- Diabetes awareness
- Shopping for healthy foods on a budget.

The Keriba Way program was well-regarded in the pilot communities with Council's Healthy Lifestyle Officers often receiving positive feedback from participants. Council is currently evaluating the program and is planning to roll it out to other communities during the 2021/22 financial year.

Walk the Strait

In partnership with the Heart Foundation Walking, Keriba Way participants set the challenge to 'Walk the Strait' in 12 weeks.

Council's Healthy Lifestyle Officers calculated the distance between each community in our region and converted it to a total of 874,928 steps. Each day the program participants walked their daily steps as a team, encouraging and supporting each other along the way. Participants received incentives for each leg of the Strait they walked, including limited edition commemorative island wristbands.

Ella Kris, Manager Healthy Lifestyles showing the way

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connecting community

We aim to preserve cultural heritage, history, and place

Indigenous Knowledge Centres

Council's local government area is home to ten Indigenous Knowledge Centres (IKCs). Our IKCs are public information and library hubs that are owned and operated by Council with support provided by the Library Board of Queensland and the State Library of Queensland.

IKCs work in and with communities to run community programs, loan collection materials and books, provide public technology, and document, record, and share Torres Strait Islander and Aboriginal language and culture.

During the 2020/21 year Council's IKCs delivered the First Five Forever Program, engaged young people in the community with school holiday programs, and hosted women's cultural time.

First Five Forever

The First Five Forever Program is delivered twice a week at the IKCs. The program is open to families with young children (birth to five years old). The aim of the program is to encourage and support early learning development by connecting families and their children with community and culture through stories, nursery rhymes, and play activities.

The program has received wonderful feedback with a number of parents informing the IKC coordinators that they are reading more to their children at home after being involved in First Five Forever.

Kids and families learning together at First Five Forever

Eso to our partners

Council would like to say a big eso to our partners in supporting healthy and well communities:

- Health and Wellbeing Queensland
- Torres Health Tackling Indigenous Smoking Nor Mor Smok Program
- Warkai Waina Mental Health Program
- Diabetes Queensland
- Diabetes Australia
- Torres Strait Regional Authority Meke Garden Project
- Torres and Cape Health Service
- University of Sydney Family and Wellbeing Program
- State Library of Queensland.

Malu visiting the kids at Erub to promote the Nor Mor Smok program

School holiday programs

IKC School Holiday programs aim to engage, excite, and educate young people in our communities. In April 2021, Kubin IKC ran a Culture Program in partnership with the Mua Lagalau Rangers Traditional and Ecological Knowledge.

The program was conducted over three days and focused on Elders connecting with young people and sharing traditional knowledge. The program gave children the chance to learn traditional song and dance from the Elders as well as learning about Ailan Kastom.

The 2020/21 year also included a five-day Science, Technology, Engineering and Maths (STEM) program in partnership with STEM Punks. During the program, children were immersed in singing, dancing, and games that sparked their interest in STEM.

Women's cultural time

This year, a number of IKCs hosted a regular Women's Cultural Time Program. The program offers time and space for women to connect with each other through language and song.

Participants use the time to engage with one another about the important cultural and social roles that women play in the community.

The program also offers opportunities to discuss issues of importance, such as shared experiences and knowledge about women's health, family wellbeing, and child rearing.

Enjoying a sausage after the colour fun run at Warraber

Mayor Mosby visiting Poruma women taking advantage of the Women's Cultural Time program

Learning some clever weaving tricks

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Enriched communities

We ensure accessibility to community support services.

Culturally rich childcare

Council's childcare centres have continued to review and enhance their services during the year to ensure that culture is embedded in daily operations. Aragun Child Care Centre (Badu) and Hammond After School Care each offer toys, books, and other resources that provide important opportunities for children to learn about culture and develop cultural identity.

The curriculum at both centres is designed around the inclusion of culture in daily activities, such as traditional singing, music, dancing. The children celebrate and participate in cultural events, performing island dances and songs.

Educators speak to and teach the children in local dialect to assist with language and speech development. They also use documentaries and photographs to teach about the islands, people, and cultural practice. During play, props and arts resources are selected to encourage children to set up and extend their play to reflect their home, community, and traditional practices.

To support cultural knowledge, both centres have a supportive group of volunteers who dedicate time to enhancing the children's connection to culture. Elders are regularly invited to visit the centres to share their stories and teach about community and cultural heritage. Families are encouraged to contribute ideas and activities at the centres to ensure culture continues to be embedded in engaging and creative ways.

Supported communities

During 2020/21 Council implemented its updated community grants program. This update followed the review that was undertaken in the 2019/20 financial year.

The new program aims to increase the transparency of the community grants process and make the process easier for community members to engage with. Council also anticipates that the increased transparency of the renewed process and the clear objectives, goals, and eligibility requirements will result in a more effective spend of funds.

The review of the implementation will take place in the 2021/22 financial year and will include consultation with all stakeholders. Further education and familiarisation with the new program for Council employees and community members will also continue into next year.

Building positive outcomes

This year, Council rolled out a new system to streamline all aspects of managing construction and maintenance of our social housing portfolio. Council is the second largest social housing provider in Queensland. Efficient and effective management of our housing portfolio is an essential component of building healthy and prosperous communities.

Procore is an all-in-one construction management software that enables Council to have a single source of accurate data about housing construction and maintenance projects. Council's entire suite of building applications has been integrated into one place, eliminating double entry of data and ensuring all employees are working off the most up-to-date information. An entire housing construction and maintenance job can now be run live from anywhere in our region via digital technology.

The implementation of Procore has yielded positive feedback from stakeholders. The new system supports Council's ability to achieve strategic goals and support positive housing outcomes in our communities.

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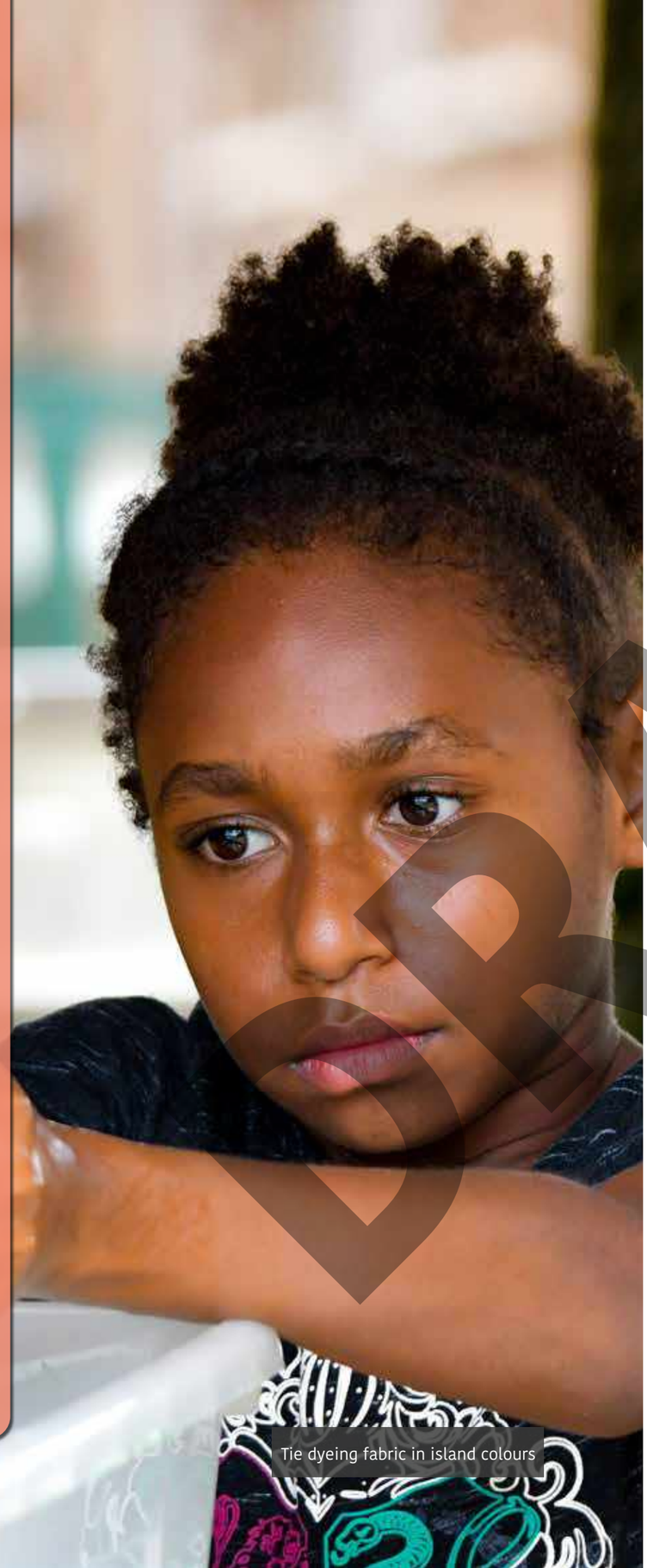
On set with Ella Kris and some of her island friends during filming of the dental health video for the 'Strait Smile' campaign

Mekem las long

PILLAR TWO



Tie dyeing fabric in island colours

Building a sustainable region

We plan effectively for the future of our individual communities and region.

Sustainable housing

This year, Council began the process of moving towards our aspirations for a more environmentally sustainable housing model. Careful analysis and selection of materials can yield significant improvements to the comfort, cost, and life-cycle environmental impact of Council's social houses.

Council's Building Services department is currently working with the Department of Communities, Housing, and Digital Economy on changing housing components, such as cabinets, flooring, and finishes for more environmentally sustainable options. The next phase in reimagining housing sustainability in our region is a consultation with community members. This consultation will determine community-centred housing styles, designs, and functionality.

Smart water management

To help sustainably manage water supplies in our communities, Council began installation of smart water meters in every community. Installation was completed at Badu (Mulgrave Island), Iama (Yam Island), Arkai (Kubin Community, Mua), Wug (St Pauls Community, Mua), Mabuiag (Jervis Island), Mer (Murray Island), and Saibai with the rollout for remaining communities continuing into the 2021/22 financial year.

The project was undertaken in partnership with Torres Strait Regional Authority and the Department of State Development, Infrastructure, Local Government and Planning.

The new smart water meters remotely monitor for leaks in the water network and feed live data directly to our water and wastewater department. The meters have enabled leaks to be identified and remediated more efficiently and minimised the amount of water lost within the network.

Billy Nigle Dau
Technical Officer for Water
Boigu, Division 1

"I enjoy working for Council as they gave me the opportunity to reach my goal; to be who I am now and to help our Torres Strait communities how to manage our water supply network."

Billy joined Council in 2011 after working for ten years as a water officer with the Department of Natural Resources.

Billy's role is to ensure that effective preventative and emergency maintenance is carried out on Council's water infrastructure to achieve good water supply reliability in line with Australian Drinking Water Guidelines. He also investigates, fixes, and reports on issues with Council water infrastructure and assists water operators.

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Keeping communities safe and healthy

We aim to create community-centred liveable places aligned to Torres Strait lifestyle and environment.

Keepeh ilan kleen

This year, Council worked towards improving appropriate waste disposal at Saibai and Badu (Mulgrave Island) with the Illegal Dumping Hotspot Program. The overall goal was to reduce instances of waste disposal outside Council facilities. The program was designed with two approaches: education and awareness, and monitoring and compliance.

Building education and awareness about the social and environmental impact of illegal dumping, the cost, the potential for waste reuse and resource recovery, and how to contact Council about waste disposal, was achieved in several ways:

- presentations at community meetings and schools
- notifications in the tender, contract, and visitor approval processes
- development of posters, information sheets, and a school pack
- signage at hotspots.

The monitoring and compliance aspect involved the purchase and installation of cameras at hotspots, weekly monitoring by Environmental Health Workers, and issue of warnings and infringement notices.

The Illegal Dumping Hotspot Program has been met with positive feedback from community members. The school visits were a success with children engaging positively with the key messages. Council is currently looking at options to expand the program to other communities where there are identified hotspots.

Environmental health skills

Council's Environmental Health Workers (EHWs) play a vital role in managing and protecting our ecologically sensitive and important region. The duties undertaken by Council's EHWs are comprehensive and include animal management, local law compliance and enforcement, health education and awareness, food safety, biosecurity, pest and feral pest management.

Qualifications required by EHWs under the Queensland Health Service Agreement are a Certificate IV in Indigenous Environmental Health and Certificate IV in Animal Control and Regulation in Aboriginal and Torres Strait Island Communities. EHWs are also required to attend the biannual Queensland Health Environmental Health and Animal Management workshops.

In 2020/21, Council increased training and education support for EHWs through a variety of additional training and qualification programs in partnership with Queensland Health, Torres Strait Regional Authority, Local Government Association of Queensland, Department of Environment and Science, and Biosecurity Queensland.

Training and qualifications undertaken by EHWs included E-coli water testing, pest management training (general), pest management training (timber pest), Certificate IV Government Investigations, Queensland Health healthy housing workshop, Biosecurity Act training, Authorised Person training, feral pest training, first aid, chipper and chainsaw training.

Council's Keepeh Ilan Kleen team on one of their school visits

Planning for the future

We manage Council affairs responsibly to benefit our communities.

Indigenous Land Use Agreements (ILUA)

In 2020/21, Council continued to consult to and execute the template Torres Strait Infrastructure and Housing Indigenous Land Use Agreements with the relevant Prescribed Body Corporates (PBC). The ILUAs for Dauan and Boigu are currently being executed and consultation at Mer and Poruma is ongoing. ILUAs to cover native title determinations areas at Badu, Saibai, Ugar, Iama, Erub, Masig, Mabuiag, Mua, and Warraber have been adopted and registered in previous years.

The agreement is the first of its kind and creates a consent-based native title process. Once in place, the agreement can be used for various future projects, such as infrastructure projects, home ownership leases, social housing renovations, and land transfers.

ILUAs set out an agreed formula for up-front native title compensation for certain types of projects, as well as the fees for service that the PBC can charge, and an agreed cultural heritage process and fee structure for cultural heritage remuneration.

By consulting on adopting ILUAs, Council improves efficiency and reduces costs involved in future projects, facilitates self-determination and community development by streamlining key land-related decision-making processes, and supports stakeholder relationships and the role of the PBC.

Santoi Thaiday
Environmental Health Worker
Iama, Division 9

"I enjoy travelling to different communities to experience different environments and issues. I also like meeting new people, including the other Environmental Health Workers. I have found the training very good and useful in performing my work and keeping my community healthy and safe."

Santoi has been employed by Council since July 2019. In that time, he has completed training in local laws, biosecurity authorised person training, healthy house training, and has completed a Certificate IV in Government Investigation.

Santoi's role focuses on protecting the unique landscapes of our region and helping keep community environments safe and healthy.

In the future, Santoi would like to continue his work with Council's environmental health team and gain a degree or diploma in environmental health. He sees the environmental health role as an extension of his island upbringing, caring for country and community.

School kids learning how to Keepeh Ilan Kleen

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Pruitpul

PILLAR THREE

The brilliant colours of a painted cray from Iama

Local government global reach

We bring opportunity to our region and put our culture on the world stage.

Creating knowledge alliances

Council's uniqueness drives us to be innovative and at the forefront of change, which encourages us to develop knowledge alliances that integrate resources, skills, and capabilities to build towards the aspirations of our region.

One of our key partners in the 2020/21 year has been the University of Sydney, which delivered their Service Learning in Indigenous Communities Program (SLIC) in the Kulkalgal Nation (Central Cluster).

Under the guidance of Professor Melissa Haswell and the SLIC team, SLIC students made contributions to the development of Council's Visitor Management System Draft Report in collaboration with Council and stakeholders. The development process included interviewing Elders, Councillors, Council representatives, workers, and residents about their views and experiences with visitors and tourism.

The SLIC team also conducted a second program during the year to add value for Regional Managers, regarding their operational planning activities. Council has received positive feedback on the processes and will continue to develop new and existing knowledge alliances in the coming year.

Ada Pearson
IKC Coordinator
Kirirri, Division 8

"I enjoy my role as IKC Coordinator because I get to interact with my community. I mina like the feeling when you help someone in the community – proper good feeling."

Ada has been an IKC Coordinator since 2020. Her role involves engaging community members of all ages with the programs and resources the IKC has to offer.

Ada has established some fantastic programs at her IKC and is especially proud of the Summer Book Reading Club that was part of the school holiday program and had a huge turnout. Ada's favourite program to run is First Five Forever as she enjoys being able to reach out to the mums and bubs in her community each week.

Visiting our region

Council successfully secured funding from the Torres Strait Regional Authority to develop and implement a new strategy for visitor management. In 2020/21 the initial planning phase of the new strategy was undertaken, with the importance of culture at the centre of discussions.

The Torres Strait is a unique and dynamic region and is a place of deeply embedded and evolving traditional culture. Since Bepor Taim / before time, Torres Strait Island peoples have practised stewardship in relation to land and sea country in accordance with Ailan Kastom / Island Custom.

It is a heritage which the Torres Strait peoples are eager to share and with which they expect visitors to engage when in island communities. It became clear during the consultation that any suggestions relating to visitor management practice needed to be sensitive to and protective of Ailan Kastom.

Key challenges faced by community and government organisations in ensuring a safe and comfortable stay for their visitors were identified in the planning stage. These include water treatment and supply, accommodation, and infrastructure. Inconveniences that may arise for visitors include the high cost of living and complexity of transportation.

The benefits of an effective implementation of the strategy will include clear communication of cultural protocols to visitors, a positive and safe visitor experience, and the facilitation of community benefits, such as employment, small business economic activity, the sharing of cultural foods and traditional arts like music, dancing, weaving, and painting.

The visitor management strategy will continue to be developed throughout the 2021/22 year, with community consultations taking place in the first half of the year. It is anticipated that the strategy will be finalised in the first half of the 2022/23 financial year.

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Developing our region

We advocate and foster enterprise development and invest in regional skills building.

Fostering learning and development

During the year, Council implemented its renewed Learning and Development Strategy. The strategy outlines a plan to enhance the learning culture within Council to further encourage employees to attain additional skills, knowledge, and competencies.

The strategy links workforce learning and development activities in a systematic way to address business needs and establish priorities for Council plans and resources. It also ensures that accurate training records are maintained and that the effectiveness of learning and development activities in enhancing individual and departmental performance can be ascertained.

Council's learning and development needs have been identified through a dual approach of a formal Training Needs Analysis and the Employee Performance Review Procedure. This analysis identified gaps that exist between what training and development opportunities are needed and those that are currently available.

The renewed Learning and Development Strategy has informed the preparation of a redeveloped Learning and Development procedure. Relationships with key stakeholders, such as Registered Training Organisations, Local Government Association of Queensland, Australian Apprenticeship Support Networks, and community groups, have also been maintained and strengthened.

Pilot testing of virtual reality workplace safety training has been undertaken in line with the strategy. The pilot program received positive feedback from employees who liked the fact that it helped to bridge geographical distance when travel for in-person training was not possible. Virtual training will be rolled out to all staff in the 2021/22 year.

Prioritising ethical procurement

During the 2020/21 financial year, Council has been working to improve procurement governance. This was achieved through the review of the procurement policy and procedures, the development of new procurement and contract documents, and the introduction of a simplified procurement hub.

The review of Council's procurement policy and procedures resulted in the documents and process being expanded in relation to the standards and ethics of procurement activities using public money, and in relation to Torres Strait Islander, social, and sustainable procurement. Training on how to procure ethically when spending public money was rolled out across the organisation and will continue into the coming financial year.

The renewed procurement and contract documents reflect Council's commitment to the development of local Torres Strait Islander businesses, social and sustainable procurement. Council will use a portion of its annual procurement spend to engage suppliers that provide a direct benefit to the communities within Council's jurisdiction and the Torres Strait region. This includes offering quoting opportunities directly to Torres Strait Islander businesses, social enterprises, and social and environmental benefit suppliers.

To better analyse and manage procurement spend, Council is implementing an internal online procurement hub where employees can download relevant documents, receive training and analyse procurement spend across a variety of categories. The hub is due to go live early in the 2021/22 financial year.

Building Services supervisors refreshing their knowledge at a training workshop

Melissa Browne

Learning and Development Officer
Cairns Office

"I don't consider myself a learning and development officer, rather a storyteller who influences change. I am passionate about humanising workforce development by creating positive learning experiences that cultivate curiosity and embrace learning diversity.

Dr Maya Angelou once said, 'When you learn, teach. When you get, give'. I hope I can continue to live by this advice and support people to achieve their goals and be the best they aspire to be, for many years."

Melissa is an Aboriginal woman with connections to the Wombaya, Kalkadoon and Gudanji people. She has been employed with Council since September 2020 and is an experienced workforce development professional.

Melissa's role is to coordinate compliance training, mandatory training, and professional development opportunities for employees, to design and deliver learning strategies that build the capacity of employee skills and knowledge, and to attract and retain a skilled and capable workforce.

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community engagement

Council is dedicated to serving the people of our region. In the 2020/21 year a variety of community engagement activities were undertaken. These activities include financial support for community groups, community education and information session, and advocacy activities at state and federal levels.

Council's community grants program offers support to the local community by providing funding assistance. This assistance supports the promotion of social, cultural, sporting, and recreational activities. The program aims to improve the professional development of community members, the capacity for community entities to provide valuable services, and the increased delivery of social services and activities within our region.

Decision making for grant and donation funding is guided by Council's Community Grants Policy and Procedure. Grant applications are competitively assessed against the criteria in a fair and equitable manner and allocated by Council. There are three funding types available:

- Regional grants are distributed via three funding rounds per year, plus an additional scholarship allocation during round two.
- Community grants are open for application year-round and are assessed at Councils' monthly ordinary meetings.
- Funeral donations are open for application year-round.

Erub-based artist Florence Gutchen having a laugh with a happy customer

Community grants

DIVISION 1 - BOIGU

Organisation/Individual	Purpose of Grant or Donation	Amount
Boigu Community	Contribution towards catering costs for Coming of the Light	898.18
Boigu Island Dance Team	Contribution towards costumes and travel costs to other Torres Strait Islands to perform	5,499.60
Aaron Tom	Contribution towards Crab Project	2,487.66
Tanaio Anau	Contribution towards funeral related costs	1,000.00
Donald Banu	Contribution towards funeral related costs	3,000.00
Tabernacle Choir	Contribution towards purchase of choir uniforms for Holy Trinity Church Dedication	992.50
	Total	**13,877.94**

Table 15: Community grants awarded Boigu

DIVISION 2 - DAUAN

Organisation/Individual	Purpose of Grant or Donation	Amount
Dauan Campus Sport Carnival	Contribution towards catering for school sports carnival	2,000.00
Roxin Eagle Football Club	Contribution towards catering, jerseys and travel to Island of Origin	9,920.00
Dauan Committee Group	Contribution towards celebration of Coming of the Light 150th Anniversary	10,000.00
Lavinia Uta	Contribution towards funeral related costs	1,990.00
	Total	**23,910.00**

Table 16: Community grants awarded Dauan

Louise Manas
IKC Coordinator
Kubin Community Mua, Division 6

"I see this role brings positive connection to the community. It is so rewarding to connect with community, through community and children's programs and to partner with the Queensland State Library. I enjoy the awesome books that are sent to our Indigenous Centres as they are marvellous Indigenous Literacy Foundation books."

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DIVISION 3 - SAIBAI

Organisation/Individual	Purpose of Grant or Donation	Amount
Thugerr Warriors RLFC	Contribution towards catering, accommodation and travel to Zenadth Kes Cup	2,000.00
Janet Sam	Contribution towards funeral related costs	1,990.00
Polly Akiba	Contribution towards funeral related travel costs	2,000.00
Gidina Waia	Contribution towards funeral related travel costs	2,000.00
Restoration Revival Ministries	Contribution towards purchase of musical equipment for use by fellowship and community youth	7,339.75
Saibai Stags	Contribution towards team jersey's for Zenadth Kes Cup	3,465.00
Mabel Walit	Contribution towards travel costs to attend funeral on Yam	2,500.00
	Total	**21,294.75**

Table 17: Community grants awarded Saibai

DIVISION 4 - MABUIAG

Organisation/Individual	Purpose of Grant or Donation	Amount
St Mary's Church	Contribution towards catering costs for Coming of the Light	967.83
Sania Whap	Contribution towards catering costs for community Christmas party	1,000.00
Solema Luffman	Contribution towards funeral related costs	2,000.00
Mavis Joe	Contribution towards funeral related travel costs	2,000.00
Goemu Bau Raiders Rugby League Team	Contribution towards travel and nomination costs to attend Northern Peninsula Area Cup	4,700.00
Bau Au Stingers Womens Rugby League Team	Contribution towards travel and nomination costs to attend Torres Strait Cup	4,700.00
Sarah Whap	Contribution towards travel costs to attend funeral on Yam	2,500.00
Besi Darts Team	Contribution towards travel costs to attend Torres Strait Dart Competition	2,916.00
	Total	**20,783.83**

Table 18: Community grants awarded Mabuiag

DIVISION 5 - BADU

Organisation/Individual	Purpose of Grant or Donation	Amount
Dhadhin Geai Warriors & Sports	Contribution towards accommodation/flights for officials attending Island of Origin	5,029.12
Badu Touch Team	Contribution towards attendance at Battle of the Islands - accommodation	2,500.00
Badu Community Justice Group	Contribution towards Community Justice Group Court Sitting (5 sittings per year)	800.00
Sophie Nona	Contribution towards costs associated with attendance at Queensland School Sport Representative in Cairns	632.72
Melita Hosea	Contribution towards costs for guardian and student to travel to Queensland School Sport Representative in Cairns	1,772.31
Flora Au	Contribution towards funeral related costs	1,993.54
Damu Mareko	Contribution towards funeral related costs	1,997.95
Charles Elisala	Contribution towards funeral related costs	1,849.96
Sadie Matasia	Contribution towards funeral related costs	1,500.00
Kulpiyam Youth and Sport Inc.	Contribution towards operational costs of running the Badu Kuki Sports	2,500.00
Raw Fitness Badu	Contribution towards operational costs of running the fitness program	2,500.00
Badu United Team	Contribution towards uniforms for Island of Origin 2021	1,772.31
	Total	**24,847.91**

Table 19: Community grants awarded Badu

DIVISION 6 - ARKAI

Organisation/Individual	Purpose of Grant or Donation	Amount
Elijah Tabernacle	Contribution towards Church Leaders Conference	10,000.00
Banisha Mosby	Contribution towards funeral related travel costs	1,830.00
Charlotte Pearson	Contribution towards funeral related travel costs	1,106.00
Lucy Mosby	Contribution towards funeral related travel costs	1,989.00
Arkai Brothers Rugby League Team	Contribution towards travel costs to attend Badu Island of Origin	9,990.00
	Total	**24,915.00**

Table 20: Community grants awarded Arkai

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DIVISION 7 - WUG

Organisation/Individual	Purpose of Grant or Donation	Amount
St Pauls Anglican Church	Contribution towards catering for Coming of the Light celebrations	3,774.00
St Pauls Anglican Church	Contribution towards catering for Florence Buchanan Day memorial dinner	995.48
Norita Kris	Contribution towards costs for guardian and student to travel to Queensland School Sport Representative in Cairns	2,500.00
Asera George Saveka	Contribution towards funeral related costs	1,817.11
John Kris	Contribution towards funeral related travel costs	1,834.16
Marie Newie	Contribution towards funeral related travel costs	1,744.00
Demetrius Saunders	Contribution towards funeral related travel costs	1,744.00
Kiwat Lui	Contribution towards travel costs to attend funeral on Yam	1,500.00
	Total	**15,908.75**

Table 21: Community grants awarded Wug

DIVISION 8 - KIRIRRI

Organisation/Individual	Purpose of Grant or Donation	Amount
No applications received		
	Total	**00.00**

Table 22: Community grants awarded Kirirri

DIVISION 9 - IAMA

Organisation/Individual	Purpose of Grant or Donation	Amount
Thaiwa Volleyball Team	Contribution towards attendance at Easter volleyball competition Warraber - uniforms & flights	2,000.00
Thelma Kepa	Contribution towards funeral related costs	1,498.41
Manuel Kepa	Contribution towards funeral related costs	1,994.71
St John The Devine Parish	Contribution towards funeral related costs	3,734.96
St John The Devine Parish	Contribution towards funeral related costs	2,000.00
Maggina Kelly	Contribution towards funeral related travel costs	2,000.00
Anthony David	Contribution towards uniforms for Easter volleyball competition Warraber	2,500.00
	Total	**15,728.08**

Table 23: Community grants awarded Iama

DIVISION 10 - WARRABER

Organisation/Individual	Purpose of Grant or Donation	Amount
Warraber Sporting Association	Contribution towards catering for Mabo Day celebration	1,100.00
Olive Lui	Contribution towards funeral related costs	2,000.00
Harold Pearson	Contribution towards funeral related costs	2,000.00
Clara Tamu	Contribution towards funeral related travel costs	2,000.00
Iris Billy	Contribution towards funeral related travel costs	2,000.00
Clara Tamu	Contribution towards travel costs to attend funeral on Yam	2,500.00
	Total	**11,600.00**

Table 24: Community grants awarded Warraber

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Reef shark swimming in the turquoise waters of the Torres Strait

DIVISION 11 - PORUMA

Organisation/Individual	Purpose of Grant or Donation	Amount
Mui Kuzi Touch Football Team	Contribution towards attendance at Battle of the Islands - flights, accommodation & uniforms	9,522.00
Poruma Volleyball Team	Contribution towards attendance at Easter volleyball competition Warraber - uniforms & flights	2,000.00
New Day Torres Strait Islander Corp	Contribution towards costs to host Worship Leaders Summit	9,999.98
Urab Dart Team	Contribution towards travel costs to attend Torres Strait Dart Competition	1,819.00
	Total	**23,340.98**

Table 25: Community grants awarded Poruma

DIVISION 12 - MASIG

Organisation/Individual	Purpose of Grant or Donation	Amount
Church of the Living God	Contribution towards catering for Autumn Church Conference, and hire of vehicle	1,827.12
June Messa	Contribution towards funeral related costs	1,999.98
Paul Lowatta	Contribution towards funeral related costs	2,000.00
Songhie Billy	Contribution towards funeral related costs	1,950.00
Yessie Daniel Mosby	Contribution towards funeral related travel costs	804.00
Elizabeth Warria	Contribution towards funeral related travel costs	1,265.55
Collin Messa	Contribution towards funeral related travel costs	7,992.62
Collin Messa	Contribution towards funeral related travel costs	4,840.00
Simon Naawi	Contribution towards study assistance - purchase of laptop	1,547.00
	Total	**24,226.27**

Table 26: Community grants awarded Masig

DIVISION 13 - UGAR

Organisation/Individual	Purpose of Grant or Donation	Amount
Ann Pau	Contribution towards funeral related travel costs	2,000.00
Ann Pau	Contribution towards funeral related travel costs	586.66
Ugar Community	Contribution towards travel costs for Coming of the Light	17,700.00
Ann Pau	Contribution towards travel costs to attend Funeral on Thursday Island	636.48
	Total	**20,923.14**

Table 27: Community grants awarded Ugar

DIVISION 14 - ERUB

Organisation/Individual	Purpose of Grant or Donation	Amount
Serub Serub Nar Racing Club	Contribution towards canoe materials for the Coming of the Light	1,978.95
Erub Arts	Contribution towards publication of Coming of the Light 150th Anniversary booklet	7,985.10
	Total	**9,964.05**

Table 28: Community grants awarded Erub

DIVISION 15 - MER

Organisation/Individual	Purpose of Grant or Donation	Amount
Ms Maryanne Barsa	Contribution towards catering costs for Walk the Strait presentation night	1,000.00
Gelam Youth Sports & Rec	Contribution towards catering for the Meriba Segur Carnival	4,939.80
St James Anglican Parish	Contribution towards costs to establish admin support	9,959.96
Margaret Passi	Contribution towards funeral related costs	549.84
Melora Noah	Contribution towards funeral related costs	2,000.00
Janny Epseg	Contribution towards funeral related travel costs	2,000.00
	Total	**20,449.60**

Table 29: Community grants awarded Mer

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REGIONAL GRANT

Organisation/Individual	Purpose of Grant or Donation	Amount
Tabernacle Choir	Contribution towards celebrations for the Holy Trinity Church Dedication Day - Saibai	1,507.50
Thomasina Mene	Scholarship grant	500.00
Kiali Wapau	Scholarship grant	500.00
	Total	**2,507.50**

Table 30: Regional grants awarded all divisions

COMMUNITY GIFTS

Organisation/Individual	Purpose of Grant or Donation	Amount
Tagai	Contribution towards academic scholarship	1,000.00
	Total	**1,000.00**

Table 31: Community gifts awarded all divisions

Naila Nona
IKC Coordinator
Badu, Division 5

"I love interacting with all ages of the Community and being able to see members enjoying themselves in our local library brings me joy."

Naila has been employed Council since October 2019.

Naila's role is to promote IKC services and programs and to engage and connect with community members of all ages.

Sun setting over Ugar

Celebrating International Womens Day on Mabuiag

Aerial shot of the traditional fish traps on Ugar

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Money blo Counsel

Financial overview

Planting new coconut palms on Poruma

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Financial summary

Council's Financial Statements were completed within the statutory timeframe set out in the *Local Government Act 2009* and the *Local Government Regulation 2012*. The audit report was unqualified.

This section of the report provides the Community Financial Report in accordance with the requirements of section 179 of the *Local Government Regulation 2012*. It provides a summary of the Financial Statements to enable readers to easily evaluate Council's financial performance and position.

During the 2020/21 financial year, Torres Strait Island Regional Council recorded a substantial operating deficit. This means that the operating revenue of Council was not adequate to cover operational costs, including depreciation expenses of $47,022,761.

Council's net position for 2020/21 is a deficit of $25,720,055. Included in this result is an advance payment from the Department of State Development, Infrastructure, Local Government and Planning of $5,687,102, being approximately fifty percent of the 2021-2022 Financial Assistance Grant.

Total income is down on the previous year by $1,682,138 to $88,933,937. Total expenses of $114,653,993 is a decrease on the 2019/20 year figure of $120,385,818.

Council's net assets for the 2020/21 financial year are $935,669,584. This is on par with the previous year figure of $929,130,560.

Financial statements

Financial statements supply a summary of Council's financial position for the 2020/21 year. Council's audited Financial Statements are available in this Annual Report from page 112 and include:

Statement of comprehensive income: shows how Council performed during the year. The statement displays Council's revenue and expenses, and the associated profit or loss amount. This profit or loss amount is known as the net result.

Statement of financial position: shows Council's assets (what we own), liabilities (what we owe), and community equity (our net worth). Community equity is calculated by subtracting the total liabilities from the total assets. Assets that exceed liabilities indicates a good financial position.

Statement of changes in equity: presents a summary of transfers to and from community equity accounts, including retained earnings and asset revaluation surplus.

Statement of cash flows: reports how revenue is received, and expenses paid, effect Council's cash balances.

Notes to the Financial Statements: provide a detailed breakdown of all significant items in the Financial Statements and what these items represent.

Long-term measures of financial sustainability: presents three sustainability indicators that have been set by the Department of Local Government, Racing, and Multi-cultural Affairs. These indicators monitor the long-term sustainability of Councils across Queensland.

Operating results 2020/21

Budget: –$52,255,511

Result: –$56,232,584

Council's operating position reflects the ability to meet running costs using operating revenue. This includes Council's ability to fund future acquisition and replacement of assets. Operating position is calculated by subtracting operating expense from operating revenue. This calculation does not include revenue or expenses for capital projects.

Council's operating position for the year ended 30 June 2021 is a deficit of $56,232,585. Accounting depreciation has a significant effect on Council's operating result. Accounting depreciation and amortisation of $47,022,761 has been expensed to account for the use or deterioration of community assets over the expected life of each asset.

Council undertook a desktop revaluation to record fair value as at 30 June 2021. This resulted in an increase in Council's asset base of $32,259,079.

Council received $50,407,002 of operating revenue during 2020-21. The major source of revenue received was from grants, subsidies, contributions, and donations providing $23,534,368 (46.7%) of revenue. The second major source of revenue was sales revenue of $16,061,240 (31.9%). The remaining operating revenue for Council is sourced from rates and charges, fees and charges, rental income, interest revenue and other income.

Council's operating expenses for the 2020/21 financial year totalled $106,639,586. The major expenses were depreciation and amortisation of $47,022,761 (44.1%), materials and services of $32,030,242 (30.0%) and employee benefits of $26,202,353 (24.7%).

Operating result four-year comparison

2020/21	2019/20	2018/19	2017/18
–$56.2M	–$50M	–$40.6M	–$36.9M

Table 32 : Operating result four-year comparison

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Sun setting on another beautiful day

Capital expenditure

Budget: $71,004,948*
Result: $32,870,109

Key capital works completed during the year include:

- $4.6M community housing works
- $4.5M MIP6 water and sewerage assets
- $1.6M Hammond water main replacement
- $750,000 Mer lagoon liner and covering
- $760,282 various other water works
- $343,170 mobile desalination unit
- $414,713 Dauan helipad upgrade
- $358,577 Badu airport fencing installed.

Capital expenditure four-year comparison

2020/21	2019/20	2018/19	2017/18
$32.9M	$22.4M	$25.3M	$13.9M

Table 33 : Capital expenditure four-year comparison
**Budget figure excludes contributed assets.*

Net result

Budget: $7,930,962
Result: –$25,720,055

Council's net result is calculated by subtracting total revenue (operating and capital) from total expenses (operating and capital). This does not include any adjustments for asset revaluations. The net result for 2020/21 includes the following major items:

- $38,526,936 of capital grants, subsidies, contributions and donations received from various Government agencies to assist with providing capital infrastructure. Of this, $4,583,373 has been recorded as contributed assets which are non-cash revenue. These contributed assets include water and sewerage assets from the Commonwealth Major Infrastructure Program (MIP6).
- $8,014,407 of capital expenses which predominantly represents the value of assets replaced or disposed of throughout the year, of which, $4,514,430 related to the disposal of registered Land Holding Act Leases. Refer to note 17 of the Financial Statements for further details on the Land Holding Act Leases.
- $47,022,761 of depreciation has been recognised as a non-cash expense.

Assets and liabilities

Assets

Assets are what Council owns. Council's assets can be divided into current assets and non-current assets. Current assets consist of cash and cash equivalents, trade and other receivables, lease receivables, inventories, and other financial assets. Non-current assets consist of property, plant and equipment, intangibles, and other financial assets.

Council's assets as at 30 June 2021 total $979,584,956. This includes $63,349,059 of current assets (liquid assets or amounts due to be received within twelve months) and $916,235,897 of non-current assets. The most significant component of Council assets are property, plant and equipment, which are valued at $902,394,258 or 92.1% of total assets.

During the year, a desktop valuation was undertaken which resulted in Council's asset base increasing by $32,259,079. Trade and other receivables reflect outstanding housing and commercial debts payable as at 30 June 2021

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Low tide on Masig

Assets cont.

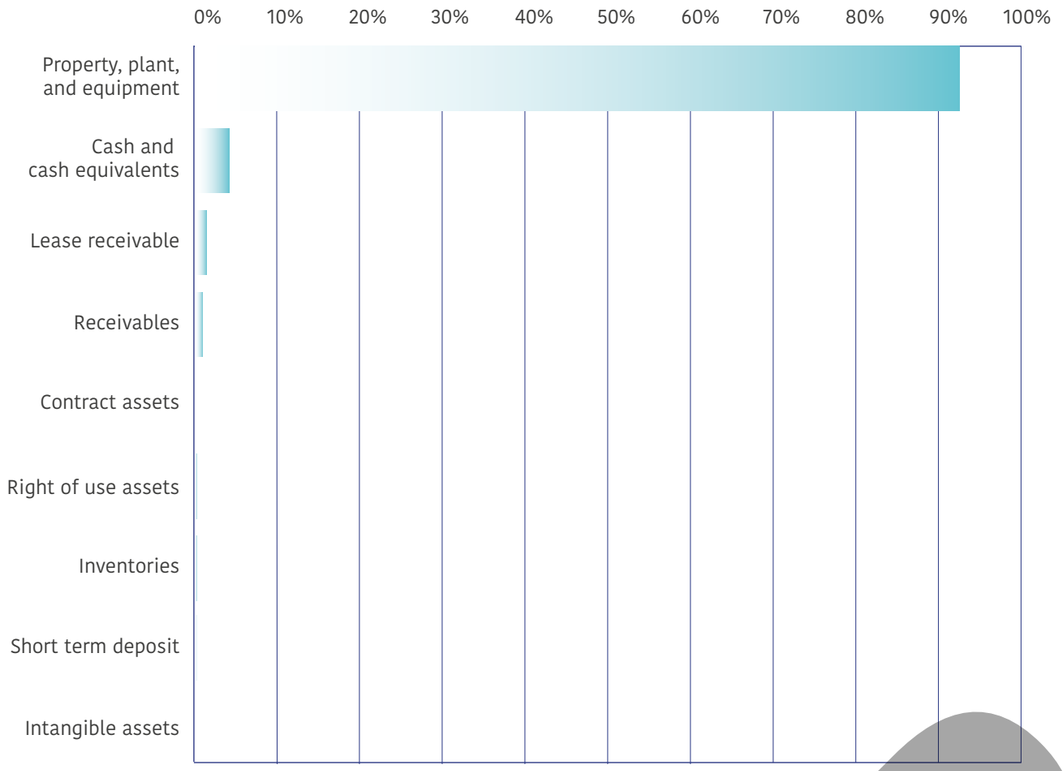

Figure 21: Council assets by category

Category	Amount $	%
Property, plant, and equipment	902,394,258	92.12
Cash and cash equivalents	45,179,212	4.61
Lease receivable	13,520,246	1.38
Receivables	9,681,523	0.99
Contract assets	7,787,466	0.79
Right of use assets	698,349	0.07
Inventories	257,825	0.03
Short term deposit	66,077	0.01
Intangible assets	0	0
	979,584,956	100

Table 34: Council assets by category

Liabilities

Liabilities are what Council owes. Council's liabilities include loans, amounts owed to suppliers, amounts owed to employees for leave entitlements, and provision for future expenditure such as landfill restoration costs.

Council's total liabilities were $43,915,372 as at 30 June 2021. This includes $39,147,589 of current liabilities and $4,767,783 of non-current liabilities. Council's current liabilities are due to be paid out within twelve months.

New accounting standards in effect from 1 July 2019 brought a liability for grant funding received but not yet expended onto the balance sheet. Grant funding received but not expended is the largest liability held by Council making up 48.5% of total liabilities. Most of this liability relates to funding held for Indigenous Council's Critical Infrastructure Program projects which are due to be finalised by 30 June 2022. Refer to note 12 of the notes to the financial statements for further detail.

Borrowings consist of a loan from Queensland Treasury Corporation (QTC) which will be paid off at the beginning the 2021-2022 financial year. Council's borrowings are discussed further in the Queensland Treasury Debt section.

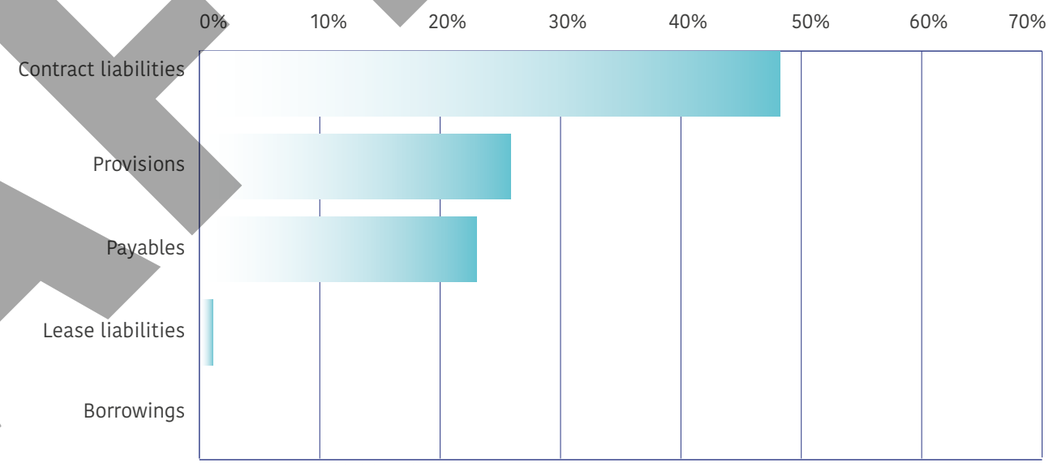

Figure 22: Council liabilities by category

Category	Amount $	%
Contract liabilities	21,304,105	48.5
Provisions	11,661,632	26.6
Payables	10,202,651	23.2
Lease liabilities	710,774	1.6
Borrowings	36,210	0.1
	43,915,372	100

Table 35: Council liabilities by category

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Queensland Treasury debt

Queensland Treasury Corporation is the State Government owned lending agency that provides financing to local government and state agencies within Queensland for infrastructure projects.

Council did not undertake any new borrowings from the Queensland Treasury Corporation in the 2020/21 financial year. At the beginning of the 2020/21 financial year, Council's Queensland Treasury debt carried over a total value of $104,748 from previous years.

As at 30 June 2021 $36,210 of this debt remained. Payments of this debt are conducted via quarterly principal payments and monthly interest payments. These payments are made in accordance with the terms and conditions set by the Queensland Treasury Corporation. Payment of the remaining debt will be finalised in the 2021/22 financial year, with the final payment to be made in December 2021.

Financial sustainability ratios

Financial sustainability measures indicate whether Council is operating in a financially sustainable manner. As shown below, for 2020/21 Council is within range for one of the three financial sustainability ratios.

In accordance with section 178 of the *Local Government Regulation 2012*, Council tracks three measures of financial sustainability. These measures are:

Operating surplus ratio: indicates the extent to which revenues raised cover operational expenses only, or are available for capital funding.

Asset sustainability ratio: approximates the extent to which infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.

Net financial liabilities ratio: Indicates the extent to which the net financial liabilities of Council can be serviced by its operating revenues.

The target range for the financial ratios is set in accordance with Department of Infrastructure, Local Government and Planning Financial Management (Sustainability) Guideline 2013.

The following tables show actual historical ratio values for the last three financial years. Forecast ratios for the next nine years are included in the Long-term Financial Sustainability Statement in the Financial Statements included in this report.

Operating surplus ratio

Target	2020/21	2019/20	2018/19	Explanation of 2020/21 result
0% - 10%	-112%	-87%	-55%	There has been a decrease in sales for contracts and total recoverable works. This is due to the completion of less work and the recognition of previous operating revenue as capital revenue in line with new accounting standards from 1 January 2019. Depreciation is a non-cash allocation of asset consumption of $46M.

Table 36: Operating surplus ratio historical three-year performance trend

Asset sustainability ratio

Target	2020/21	2019/20	2018/19	Explanation of 2020/21 result
>90%	28%	27%	30%	Council is dependent on State and Federal Government funding for renewal of infrastructure assets. The timing of renewal programs does not coincide with the annual allocation of depreciation expense.

Table 37: Asset sustainability ratio historical three-year performance trend

Net financial liabilities ratio

Target	2020/21	2019/20	2018/19	Explanation of 2020/21 result
>/ 60%	-39%	-45%	-69%	Council has minimal liabilities as a percentage of total operating revenue.

Table 38: Net financial liabilities ratio historical three-year performance trend

Financial management strategy

Torres Strait Island Regional Council has put in place several long-term financial planning initiatives since amalgamation in 2008. These include:

- Development and regular update of Council's Long-term Financial Model including scenario based and sensitivity analysis;
- Divestment of non-core Local Government Services to the Community;
- Implementation of a rigorous Debt Management Policy;
- Identification and valuation of all Council assets;
- Development of Asset Management Plans for all asset classes;
- Implementation of cashless divisional offices.

The Long-Term Financial Plan and subsequent strategy for Council is to:

- Maximise own-source revenue initiatives including strengthening the Debt Recovery process;
- Concentrate on delivering a surplus budget (before depreciation);
- Deliver on Asset Management Plan strategies and goals where funding allows Council to do so; and
- Continue to lobby Federal and State Governments to free up funds for further Asset Management Plan initiatives.

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How we spend eh money blo Counsel

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Enjoying NAIDOC activities

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Learning the steps at Kirirri

Financial statements
For the year ended 30 June 2021

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Statement of Comprehensive Income
For the year ended 30 June 2021

	Note	2021 $	Restated 2020 $
Income			
Recurrent revenue			
Community levies, rates and charges	3(a)	1,408,588	1,625,173
Fees and charges	3(b)	4,456,201	4,230,793
Sales revenue	3(c)	16,061,240	19,665,040
Grants, subsidies, contributions and donations	3(d)	23,534,368	25,003,587
Total recurrent revenue		45,460,397	50,524,594
Capital revenue			
Grants, subsidies, contributions and donations	3(d)	38,526,936	33,101,161
Total capital revenue		38,526,936	33,101,161
Interest received	4(a)	343,374	669,228
Other income	4(b)	(251,913)	1,474,214
Rental income	4(c)	4,855,144	4,846,879
Total income		88,933,937	90,616,075
Expenses			
Recurrent expenses			
Employee benefits	6	(26,202,353)	(25,663,299)
Materials and services	7	(32,030,242)	(33,432,091)
Finance costs	8	(1,384,231)	(844,004)
Depreciation and amortisation			
Property, plant and equipment	11	(46,381,515)	(46,905,038)
Intangible assets		(6,822)	(26,900)
Right of use assets	13	(634,424)	(684,654)
Total recurrent expenses		(106,639,586)	(107,555,986)
Capital expenses	5	(8,014,407)	(12,749,832)
Total expenses		(114,653,993)	(120,305,818)
Net result		(25,720,055)	(29,689,743)
Other comprehensive income			
Increase in asset revaluation surplus	11	32,259,079	52,456,783
Total other comprehensive income for the year		32,259,079	52,456,783
Total comprehensive income for the year		6,539,023	22,767,040

Statement of Financial Position
For the year ended 30 June 2021

	Note	2021 $	Restated 2020 $
Current assets			
Cash and cash equivalents	9	45,179,212	52,763,075
Short term deposit		66,077	65,374
Receivables	10	9,681,523	3,665,123
Inventories		257,825	249,500
Contract assets	12	7,787,466	4,647,861
Lease receivable	13	376,956	370,578
Total current assets		63,349,059	61,761,511
Non-current assets			
Lease receivable	13	13,143,290	14,715,268
Property, plant and equipment	11	902,394,258	887,086,625
Right of use assets	13	698,349	1,330,000
Intangible assets		-	6,822
Total non-current assets		916,235,897	903,138,715
Total assets		979,584,956	964,900,226
Current liabilities			
Payables	14	10,202,651	7,339,207
Borrowings		36,210	68,648
Provisions	15	6,954,834	5,578,386
Contract liabilities	12	21,304,105	17,844,335
Lease liabilities	13	649,789	651,775
Total current liabilities		39,147,589	31,482,351
Non-current liabilities			
Borrowings		-	36,100
Provisions	15	4,706,798	3,562,288
Lease liabilities	13	60,985	688,927
Total non-current liabilities		4,767,783	4,287,315
Total liabilities		43,915,372	35,769,665
Net community assets		935,669,584	929,130,560
Community equity			
Asset revaluation surplus	11	514,581,023	482,321,944
Retained surplus		421,088,561	446,808,616
Total community equity		935,669,584	929,130,560

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

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Statement of Changes in Equity
For the year ended 30 June 2021

		Asset revaluation surplus	Retained surplus	Total
		$	$	$
Balance as at 1 July 2020		482,321,944	446,808,616	929,130,560
Net result		-	(25,720,055)	(25,720,055)
Other comprehensive income for the year		-	-	-
Increase in asset revaluation surplus		32,259,079	-	32,259,079
Total comprehensive income for the year		32,259,079	(25,720,055)	6,539,023
Balance as at 30 June 2021		514,581,023	421,088,561	935,669,584
Balance as at 1 July 2019		429,865,161	496,169,492	926,034,653
Adjustment on initial application of AASB 15 / AASB 1058		-	(17,426,892)	(17,426,892)
Correction of prior year error	21		(2,244,241)	(2,244,241)
Restated balance as at 1 July 2019		429,865,161	476,498,359	906,363,520
Net result		-	(29,689,743)	(29,689,743)
Other comprehensive income for the year		-	-	-
Increase in asset revaluation surplus		52,456,783	-	52,456,783
Total comprehensive income for the year		52,456,783	(29,689,743)	22,767,040
Balance as at 30 June 2020 - restated		482,321,944	446,808,616	929,130,560

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

Statement of Cash Flows
For the year ended 30 June 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers		22,778,944	41,382,601
Payments to suppliers and employees		(55,206,959)	(59,949,659)
		(32,428,015)	(18,567,058)
Interest received		343,374	669,228
Recurrent grants and contributions		23,534,368	25,003,587
Borrowing costs		(104,851)	(44,058)
Net cash inflow (outflow) from operating activities	19	(8,655,123)	7,061,699
Cash flows from investing activities			
Payments for property, plant and equipment		(32,870,961)	(22,394,040)
Proceeds from sale of property plant and equipment		1,559	1,136
Proceeds from insurance claims		7,596	162,032
Finance lease receipts		370,578	361,787
Capital grants, subsidies, contributions and donations		34,263,728	17,549,831
Net cash inflow (outflow) from investing activities		1,772,500	(4,319,254)
Cash flows from financing activities			
Repayment of borrowings		(68,539)	(63,673)
Repayments made on leases (principal only)		(632,701)	(672,583)
Net cash inflow (outflow) from financing activities		(701,240)	(736,256)
Net increase (decrease) in cash and cash equivalents held		(7,583,863)	2,006,189
Cash and cash equivalents at the beginning of the financial year		52,763,075	50,756,886
Cash and cash equivalents at the end of the financial year	9	45,179,212	52,763,075

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

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Notes to the financial statements
For the year ended 30 June 2021

1 Information about the financial statements

1.A Basis of preparation

The Torres Strait Island Regional 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 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements have been prepared under the historical cost convention except as stated. The Council uses the Australian dollar as its functional currency, its presentation currency and rounds to the nearest dollar.

The income of local government and public authorities is exempt from income tax. However Council is subject to Fringe Benefits Tax, Goods and Services Tax ('GST'). The net amount of GST recoverable from the Australian Taxation Office (ATO) or payable to the ATO is shown as an asset or liability respectively.

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.

Comparative information is prepared on the same basis as the prior financial year.

1.B Date of authorisation

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

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

Council has adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2020. The standards did not have a material impact on reported position, performance and cash flows of Council.

1.D Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 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 material impact for council then further information has been provided in this note.

No standard issued by the AASB which is not yet effective is expected to have a material impact for Council.

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

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:

· Revenue recognition - Note 3
· Valuation and depreciation of property, plant and equipment - Note 11
· Leases - Note 13
· Provisions - Note 15
· Contingent liabilities - Note 17
· Financial instruments and financial risk management - Note 23

1.F Impact of COVID-19 on the financial statements as at 30 June 2021

Council has performed an assessment of the impact of COVID-19 on its operations and results for the financial year and assessed that it has not had a material impact. The impacts identified are considered limited to some additional cleaning costs and some minor delays in completion of capital and maintenance works due to the impact of lockdowns and travel restrictions in place at different points during the financial year however the cumulative impact is not considered material to the financial statements. Council has some anecdotal evidence that the cost of various materials and services has increased as a result of the pandemic however it is not considered possible to quantify this impact.

Given the evolving circumstances of the pandemic within Australia, the ongoing impact on Council cannot be reliably estimated for future financial periods.

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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 in Note 2(b) are as follows :

Executive Services

The objective of the Executive function is to seek to maximise corporate performance, comply with laws, regulations, standards, community expectations and support staff to carry out their responsibilities.

Implementation of major policy and management decisions is delivered from the Office of the CEO. Ultimately the CEO is responsible for services to Councillors and the Community. The Office of the CEO consists of the following areas:

- Mayor and Councillors
- Committees
- Governance
- Legal services
- Organisational development services
- Strategic Projects & Logistics

Engineering Services

The Engineering Services function is headed by the Chief Engineer (CE). The objective is to provide a high level of service in integrated infrastructure management which ensures environmental protection and meets community expectations.

The outcomes achieved by Engineering Services are linked with Council's commitment to public health, transport, water and wastewater infrastructure.

Key components of the Engineering Services function include:

- Water services
- Wastewater services
- Civil works services
- Waste services

Operations

The Operations division is headed by the Chief Operating Officer (COO) who is responsible for the following areas:

Health and Community Services

The objective of the Health and Community Services function is to develop, manage and deliver community and public health services that meet the needs of all sectors of the community.

The Health and Community Services function delivers the following services:

- Community services
- Housing services
- Environmental health services
- Health and wellbeing services
- Divisional administrative services

Building Services

The objective of the Building Services function is to provide repairs and maintenance on social housing and new construction on behalf of the State and Federal Government.

Business Services

The Business Services division is headed by the Chief Financial Officer (CFO). The objective of this division is to provide efficient and effective support services to Council functions. The Business Services function is multi-disciplinary and consists of:

- Financial management services
- Strategic (financial) planning
- Information services
- Asset management services

Corporate Affairs

Corporate Affairs is headed by the CFO. The objective of this function is to provide efficient and effective delivery of services to Council functions through innovative, practical and responsible solutions.

Key components of the Corporate Affairs function include:

- Media, events and communication
- Engagement and advocacy
- Procurement
- Policy and procedure review
- Strategic (corporate) planning services
- Enterprise development
- Governance
- Risk

2 Analysis of results by function (continued)

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

Year ended 30 June 2021

Functions	Gross program income – Recurrent – Grants	Gross program income – Recurrent – Other	Gross program income – Capital – Grants	Gross program income – Capital – Other	Total income	Gross program expenses – Recurrent	Gross program expenses – Capital	Elimination of inter-function transactions	Total expenses	Net result from recurrent operations	Net result	Assets
	$	$	$	$	$	$	$	$	$	$	$	$
Executive Services	546,200	312,789	413,450	-	1,272,439	7,510,065	-	133,941	7,644,006	(6,651,076)	(6,371,567)	2,559,563
Health and Community Services	3,893,070	10,617,193	4,379,685	-	18,889,949	35,213,663	-	3,648,845	38,862,507	(20,703,399)	(19,972,559)	355,230,886
Engineering Services	895,545	3,223,404	25,531,621	-	29,650,570	37,499,934	-	764,242	38,264,176	(33,380,984)	(8,613,606)	524,872,497
Building Services	-	13,477,041	3,324,658	-	16,801,698	14,085,841	-	(925,806)	13,160,034	(608,800)	3,641,664	-
Corporate Affairs	200,647	6,000	47,006	-	253,653	1,332,236	-	7,639	1,339,875	(1,125,589)	(1,086,222)	-
Business Services	17,998,906	(763,793)	4,830,517	-	22,065,629	10,997,848	8,014,407	(3,628,860)	15,383,394	6,237,265	6,682,234	96,922,011
Total Council	23,534,368	26,872,634	38,526,936	-	88,933,937	106,639,586	8,014,407	-	114,653,992	(56,232,584)	(25,720,055)	979,584,956

Effective from 1 July 2020, Housing Services became a functional objective of Health and Community Services. Previously Housing Services was a stand alone function and thus reported separately in the year ended 30 June 2020 comparatives below.

Year ended 30 June 2020 - Restated

Functions	Gross program income – Recurrent – Grants	Gross program income – Recurrent – Other	Gross program income – Capital – Grants	Gross program income – Capital – Other	Total income	Gross program expenses – Recurrent	Gross program expenses – Capital	Elimination of inter-function transactions	Total expenses	Net result from recurrent operations	Net result	Assets
	$	$	$	$	$	$	$	$	$	$	$	$
Executive Services	646,200	191,293	-	-	837,493	4,932,950	-	18,992	4,951,942	(4,095,457)	(4,114,449)	-
Health and Community Services	4,358,533	5,285,525	1,306	-	9,645,364	15,827,431	-	293,765	16,121,196	(6,183,373)	(6,475,832)	11,605,499
Engineering Services	990,442	3,367,310	8,649,721	-	13,007,473	36,567,388	-	109,208	36,676,596	(32,209,636)	(23,669,123)	501,457,798
Housing Services	-	4,894,819	641,711	-	5,536,530	20,605,616	-	2,011,597	22,617,213	(15,710,797)	(17,080,683)	302,315,931
Building Services	-	17,193,091	8,520,988	-	25,714,079	17,903,871	-	149,767	18,053,638	(710,780)	7,660,442	-
Corporate Affairs	223,846	-	-	-	223,846	1,363,004	-	2,080	1,365,084	(1,139,158)	(1,141,238)	-
Business Services	18,784,566	1,579,289	15,287,435	-	35,651,290	10,355,726	12,749,832	(2,585,409)	20,520,149	10,008,129	15,131,141	149,520,998
Total Council	25,003,587	32,511,327	33,101,161	-	90,616,075	107,555,986	12,749,832	-	120,305,818	(50,041,072)	(29,689,743)	964,900,226

3 Revenue

(a) Community levies, rates and charges

Community levies, rates and annual charges are recognised as revenue when Council obtains control over the assets comprising these receipts which is 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.

	2021 $	2020 $
Water charges commercial	327,581	447,453
Sewerage charges commercial	853,517	913,833
Garbage charges commercial	168,453	204,273
Rates from 40 year leases	59,037	59,614
	1,408,588	1,625,173

(b) Fees and charges

Council provides a range of goods and services to the community and other third parties for a fee. These fees are set in a fees and charges register adopted by Council at the annual budget meeting. Revenue arising from fees and charges is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods or 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.

	2021 $	2020 $
Airport landing fees	396,927	387,852
Commercial property rental	2,522,658	2,338,351
Maritime fees	1,350,855	1,326,828
Hire of Council buildings	88,840	53,098
Other fees and charges	96,921	124,664
	4,456,201	4,230,793

Timing of revenue recognition for fees and charges

	2021		2020	
	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time
Fees and charges	2,522,658	1,933,543	2,338,351	1,892,441
	2,522,658	1,933,543	2,338,351	1,892,441

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3 Revenue (continued)

(c) Sales revenue

Council provides a range of goods and services to the community and other third parties for a fee. These fees are set in a fees and charges register adopted by Council at the annual budget meeting. Revenue is recognised at a point in time when the customer obtains control of the goods or services, generally when the customer has taken undisputed delivery of the goods or provision of service.

Revenue from contract and recoverable works generally comprises a recoupment of material costs together with an hourly charge for the 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. 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. There are no contracts in progress at the year end.

	2021 $	2020 $
Contract and recoverable works	13,477,040	17,136,449
Plant and equipment hire	68,897	56,381
Childcare services	141,084	106,090
Accommodation	787,527	689,611
Sale of fuel and gas	1,283,743	1,379,311
Sale of powercards	302,948	297,198
	16,061,240	19,665,040

Timing of revenue recognition for sales

	2021		2020	
	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time
Sales	14,474,548	1,586,692	17,988,531	1,676,509
	14,474,548	1,586,692	17,988,531	1,676,509

(d) Grants, subsidies, contributions and donations

Grant income under AASB 15

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

The performance obligations vary in each agreement but include salaried positions and specific travel in relation to those positions. 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. Within grant agreements there may be performance obligations where control transfers at a point in time and others where there is 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.

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Notes to the financial statements
For the year ended 30 June 2021

3 Revenue (continued)

(d) Grants, subsidies, contributions and donations (continued)

Grant income under AASB 1058

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

Capital grants

Capital grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and which are enforceable are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

Any unbilled grants (accrued income) are included as part of contract assets and any unspent grants (unearned income) are included as part of contract liabilities in the statement of financial position.

Donations and contributions

When 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 assets since there are no performance obligations.

	2021 $	2020 $
Operating		
General purpose grants	11,030,037	12,030,841
State Government subsidies and grants	10,630,254	10,132,120
Commonwealth Government subsidies and grants	1,874,077	2,840,626
	23,534,368	25,003,587

Capital

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

State Government subsidies and grants	30,579,614	18,070,433
Commonwealth Government subsidies and grants	3,363,949	3,709,813
Contributed assets	4,583,373	11,320,915
	38,526,936	33,101,161

3 Revenue (continued)

(d) Grants, subsidies, contributions and donations (continued)

Timing of revenue recognition for grants, subsidies, contributions and donations

	2021		2020	
	Revenue recognised over time $	Revenue recognised at a point in time $	Revenue recognised over time $	Revenue recognised at a point in time $
Grants and subsidies	35,317,719	22,160,214	22,693,618	24,090,217
Contributions	-	4,583,373	-	11,320,912
	35,317,719	26,743,587	22,693,618	35,411,129

4 Interest and other income

	Note	2021 $	2020 $
(a) Interest received			
Interest received from bank and term deposits is accrued over the term of the investment.			
Interest received from financial institutions		343,374	669,228
		343,374	669,228
(b) Other income			
Other income is recognised on receipt.			
Insurance claims received		66,318	448
Gain/(loss) on revaluation of finance leases	13	(1,195,022)	785,376
Commission income		470,240	425,103
Other revenue		406,551	263,287
		(251,913)	1,474,214
(c) Rental income			
Rental revenue from community housing is recognised as income as rent is received.			
Residential property rental income		4,855,144	4,846,879
		4,855,144	4,846,879

Council currently holds a social welfare housing portfolio and these buildings are held to meet service delivery objectives, rather than to earn rental income or for capital appreciation purposes.

As the buildings held by Council do not meet the definition of investment property, these buildings are accounted for in accordance with AASB 16 *Property, Plant and Equipment.*

Notes to the financial statements
For the year ended 30 June 2021

5 Capital expenses

	Note	2021 $	2020 $
Loss on disposal of non-current assets			
Book value of property, plant and equipment disposed		3,509,132	7,169,530
Less: Proceeds from the sale of property, plant and equipment		(1,559)	(1,136)
Less: Proceeds from insurance claims		(7,596)	(162,032)
		3,499,977	7,006,362
Loss on disposal of registered *Land Holding Act* leases			
Book value of property, plant and equipment		4,514,430	5,744,839
Less: Proceeds from the transfer of registered *Land Holding Act* leases		-	-
		4,514,430	5,744,839
Loss on derecognition of right of use assets	13	-	(1,369)
		-	(1,369)
		8,014,407	12,749,832

6 Employee benefits

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

		2021 $	Restated 2020 $
Staff wages and salaries		19,322,848	18,846,508
Councillors' remuneration		1,016,537	964,846
Annual, sick and long service leave entitlements		4,137,760	3,635,067
Superannuation	18	2,507,633	2,297,952
		26,984,777	25,744,373
Other employee related expenses		220,077	331,329
		27,204,855	26,075,702
Less: Capitalised employee expenses		(1,002,502)	(412,403)
		26,202,353	25,663,299

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

	2021	2020
Total Council employees at the reporting date:		
Elected members	16	16
Administration staff	335	326
Total full time equivalent employees	351	342

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7 Materials and services

	Note	2021 $	2020 $
Expenses are recorded on an accruals basis as Council receives the goods or services.			
Advertising and marketing		50,785	32,277
Audit services		222,344	196,500
Communications and IT		1,723,207	1,801,176
Consultants		871,809	1,097,398
Contractors		9,717,528	7,628,943
Donations paid		274,415	357,789
Freight		798,556	1,503,352
Insurance		4,174,281	3,153,640
Legal fees		594,862	327,603
Materials - carpentry, plumbing, electrical		234,038	4,594,930
Motor vehicle expenses		986,982	204,465
Other materials and services		2,153,992	1,300,649
Power		1,406,172	1,305,148
Powercards, fuel and gas for resale		2,647,069	2,676,313
Rent paid		79,525	163,495
Repairs and maintenance		2,506,395	3,415,987
Subscriptions and registrations		175,988	137,852
Supplies and consumables		566,335	610,360
Temporary staff costs		444,276	531,535
Travel		2,527,145	2,523,258
Less: Expenses capitalised		(125,462)	(130,579)
		32,030,242	33,432,091

* Total audit fees quoted by the Queensland Audit Office relating to the 2020-21 financial statements are $194,500 (2019-20: $196,500)

8 Finance costs

	Note	2021	2020
Finance costs charged by Queensland Treasury Corporation		6,286	10,700
Bank charges		113,156	106,240
Impairment of receivables / (reversal) of impairment		(722,042)	513,134
Refuse restoration		1,966,316	180,572
Interest on leases	13	20,514	33,358
		1,384,231	844,004

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Notes to the financial statements
For the year ended 30 June 2021

9 Cash and cash equivalents

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 known amounts of cash and which are subject to an insignificant risk of changes in value.

Council's cash at bank and term deposits are held with National Australia Bank on normal terms. The bank currently has a short term credit rating of A-1+ and long term rating of AA-. Deposits at call are held with the Queensland Treasury Corporation.

	Note	2021 $	2020 $
Cash at bank		5,853,960	4,937,823
Deposits at call		39,325,252	47,825,252
Balance per Statement of Cash Flows		45,179,212	52,763,075
(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies		21,476,396	18,749,103
Total externally imposed restrictions on cash assets		21,476,396	18,749,103
(ii) Internal allocations of cash at the reporting date			
Funds set aside and held in reserves for DOGIT land		1,740,241	1,245,665
Total internally allocated cash assets		1,740,241	1,245,665
Trust funds held for outside parties			
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities:			
Island funeral funds		254,003	257,373
Church funds		9,780	9,781
Other community funds		51,732	48,066
		315,515	315,220

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds relating to island funeral funds, church funds and other community funds. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

Funds held in trust by outside parties		
DFK Kidsons holding funds for the Major Infrastructure and Other Program	33,588,348	30,965,583
	33,588,348	30,965,583

The Major Infrastructure and Other Program is jointly funded by the Australian and Queensland Governments to deliver and upgrade major infrastructure capital works in the Torres Strait. DFK Kidsons holds funds for multiple councils in regards to the Major Infrastructure and Other Program. The amount disclosed above relates to Torres Strait Island Regional Council's portion of the funds. Infrastructure assets are not recognised by the Council until they have reached completion.

10 Receivables

Receivables are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery. Settlement is required within 30 days after the invoice is issued.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. Council actively pursues outstanding housing debts from both current and former tenants as per its Rental Debt Policy. Recovery action is undertaken for tenants who are more than 14 days in arrears. Housing Officers review rent accounts fortnightly and make contact with tenants in person to negotiate affordable rent and arrears payment plans. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

	2021 $	2020 $
Current		
Receivable - Housing	13,350,660	13,393,630
Less impairment	(12,552,822)	(13,306,867)
Receivable - Rates	470,816	472,371
Less impairment	(235,408)	(187,672)
Receivable - Other	3,139,750	1,576,322
Less impairment	(213,415)	(199,849)
	3,959,582	1,747,934
Accrued revenue	5,095,702	1,561,916
Prepayments	225,303	119,415
GST receivable	400,936	235,857
	9,681,523	3,665,123

Movement in accumulated impairment losses is as follows.		
Opening balance at 1 July	13,694,388	14,170,368
Less: Debts written off during the year	(107,351)	(989,114)
Reverse prior year debts offset against Receivables	136,652	
Additional impairments recognised	669,323	513,134
Less: Impairments reversed	(1,391,366)	-
Closing balance at 30 June	13,001,646	13,694,388

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

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.

The exposure to credit risk for trade receivables by type of counterparty was as follows:

Housing charges	13,350,660	13,393,630
Government entities	2,329,891	1,077,831
Utility charges	470,816	472,371
Other	1,253,134	498,491
Total	17,404,501	15,442,323

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10 Receivables (continued)

Expected credit loss assessment

Council uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers, which comprise a very large number of small balances. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

Loss rates are based on actual credit loss experience over the past ten years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Council's view of economic conditions over the expected lives of the receivables.

For housing receivables this rate ranges from 10% - 95% depending on the aging of the debt (2019/20: 20% - 99.99%). In relation to other receivables, this rate ranges from 0.31% - 80.20% depending on the aging of the debt (2019/20: 0.16% - 53.79%)

2021

Aging	Closing Balance 30/6/2021 $	Historical Probability of default	Loss given default	Lifetime Expected Credit Loss $
Housing				
Current	153,300	10.00%	100%	15,330
1-30 days	60,348	95.00%	100%	57,330
31-60 days	71,614	95.00%	100%	68,034
61-90 days	13,065,397	95.00%	100%	12,412,128
	13,350,660			12,552,822
Other Debtors				
Current	2,144,609	0.31%	100%	6,728
1-30 days	333,816	1.83%	100%	6,117
31-60 days	16,298	80.20%	100%	13,072
61-90 days	1,115,843	37.90%	100%	422,907
	3,610,566			448,823

2020

Aging	Closing Balance 30/6/2020 $	Historical Probability of default	Loss given default	Lifetime Expected Credit Loss $
Housing				
Current	105,988	20.00%	100%	21,198
1-30 days	46,666	99.00%	100%	46,200
31-60 days	85,558	99.00%	100%	84,703
61-90 days	13,155,418	99.99%	100%	13,154,768
	13,393,630			13,306,867
Other Debtors				
Current	1,173,312	0.16%	100%	1,885
1-30 days	110,681	3.47%	100%	3,837
31-60 days	61,457	5.71%	100%	3,512
61-90 days	703,243	53.79%	100%	378,287
	2,048,693			387,521

Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment

Council - 30 June 2021	Buildings (Communities)	Buildings (Corporate)	Recreational Facilities	Road / Transport Network	Stormwater Drainage Network	Flood Mitigation Network	Water Supply Network	Sewerage Network	Wharves, Piers, Jetties & Pontoons	Waste Landfill	Land Assets	Plant & Equipment	Work in progress	Total
Basis of measurement	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	Cost	
Asset values	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Opening gross value as at 1 July 2020	566,467,014	107,077,405	26,337,950	277,703,800	13,784,500	36,284,654	235,768,784	258,369,240	49,022,070	2,664,300	2,497,135	8,747,774	14,242,014	1,598,966,640
Additions	-	-	-	-	-	-	-	-	-	-	-	-	32,870,109	32,870,109
Capital contributions	-	-	-	-	-	-	3,668,441	914,932	-	-	-	-	-	4,583,373
Assets capitalised from work in progress	4,675,294	542,065	-	1,195,944	-	-	3,493,611	296,642	-	-	-	478,424	(10,681,980)	-
Impairment from work in progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	(12,538,451)	(467,559)	-	(781,230)	-	-	(5,095,911)	(1,947,743)	-	-	-	(277,706)	-	(21,108,600)
Revaluation adjustment to asset revaluation surplus	22,230,187	4,235,335	1,033,270	10,302,064	516,919	1,360,675	9,061,692	9,868,522	1,838,328	97,452	62,428	-	-	60,606,870
Closing gross value as at 30 June 2021	580,834,044	111,387,246	27,371,220	288,420,578	14,301,419	37,645,329	246,896,617	267,501,593	50,860,398	2,761,752	2,559,563	8,948,492	36,430,143	1,675,918,394
Accumulated depreciation and impairment														
Opening balance as at 1 July 2020	264,151,082	54,636,440	14,732,450	109,817,883	5,298,780	7,933,205	116,310,329	112,008,699	19,538,617	1,232,037	-	6,220,496	-	711,880,016
Depreciation provided in period	18,557,384	4,156,475	961,661	5,005,352	278,375	875,851	7,473,017	7,123,778	1,071,968	159,197	-	718,457	-	46,381,515
Revaluation adjustment to asset revaluation surplus	11,022,502	2,302,757	607,516	4,187,498	209,143	330,340	4,569,579	4,299,029	772,897	46,529	-		-	28,347,791
Impairment adjustment to asset revaluation surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of impairment previously recorded	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation/impairment on disposals	(6,507,138)	(259,505)	-	(714,131)	-	-	(3,391,081)	(1,937,763)	-	-	-	(275,569)	-	(13,085,188)
Accumulated depreciation as at 30 June 2021	287,223,830	60,836,167	16,301,627	118,296,602	5,786,298	9,139,396	124,961,844	121,493,743	21,383,482	1,437,763	-	6,663,384	-	773,524,136
Book value as at 30 June 2021	293,610,214	50,551,079	11,069,593	170,123,976	8,515,121	28,505,933	121,934,773	146,007,850	29,476,916	1,323,989	2,559,563	2,285,108	36,430,143	902,394,258
Range of estimated useful life in years	15 -50	10 - 50	5 - 50	10 - 100	47 - 53	10 - 50	3 - 60	5 - 100	10 - 50	15 - 25	Land: Not Depreciated	1 - 25	WIP: Not Depreciated	

Additions comprise:

	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Renewals	3,578,705	514,005		781,230			6,790,539	1,211,574				280,355		13,156,408
Other additions	1,096,589	28,060		414,714			371,513					198,069		2,108,945
Total additions	4,675,294	542,065	-	1,195,944	-	-	7,162,052	1,211,574	-	-	-	478,424	-	15,265,353
Asset revaluation surplus														
Opening balance as at 1 July 2020	144,258,411	22,384,045	6,686,607	126,971,212	3,584,832	2,023,208	65,604,684	95,482,678	15,079,220	192,046	55,000	-	-	482,321,944
Movements - Revaluation	11,207,685	1,932,578	425,754	6,114,565	307,775	1,030,335	4,492,113	5,569,492	1,065,431	50,923	62,428	-	-	32,259,079
Movements - Impairments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as at 30 June 2021	155,466,097	24,316,623	7,112,361	133,085,777	3,892,607	3,053,543	70,096,797	101,052,170	16,144,651	242,968	117,428	-	-	514,581,023

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Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment (continued)

Council - 30 June 2020	Buildings (Communities)	Buildings (Corporate)	Recreational Facilities	Road / Transport Network	Stormwater Drainage Network	Flood Mitigation Network	Water Supply Network	Sewerage Network	Wharves, Piers, Jetties & Pontoons	Waste Landfill	Land Assets	Plant & Equipment	Work in progress	Total
Basis of measurement	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	Cost	
Asset values	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Opening gross value as at 1 July 2019	570,369,340	108,247,372	25,800,682	280,990,386	13,244,263	33,864,732	231,565,979	252,228,399	45,126,249	2,647,471	520,000	7,888,245	19,800,600	1,592,293,718
Additions													22,428,299	22,428,299
Capital contributions	-	-	-	-	-	-	2,947,414	8,373,498	-	-	-	-	-	11,320,912
Assets capitalised from work in progress	2,998,075	2,735,412	159,440	1,224,720	-	764,654	1,965,654	154,548	2,218,207	-	1,922,135	1,125,443	(15,268,288)	(0)
Projects written off from work in progress	-	-	-		-	-	-	-	-	-	-	-	(12,718,597)	(12,718,597)
Disposals	(14,523,326)	(1,024,801)	(146,177)	(1,711,487)	-	-	(7,600,590)	(6,309,672)	(1,283,639)	-	-	(265,914)	-	(32,865,607)
'Revaluation adjustment to asset revaluation surplus	7,622,924	(2,880,577)	524,004	(2,799,818)	540,237	1,655,268	6,890,327	3,922,467	2,961,254	16,829	55,000	-	-	18,507,916
Closing gross value as at 30 June 2020	566,467,014	107,077,405	26,337,950	277,703,800	13,784,500	36,284,654	235,768,784	258,369,240	49,022,070	2,664,300	2,497,135	8,747,774	14,242,014	1,598,966,641
Accumulated depreciation and impairment														
Opening balance as at 1 July 2019	276,307,512	63,010,262	17,616,426	115,970,747	4,949,375	5,382,585	111,835,345	111,737,318	17,625,786	1,292,924	-	5,782,416	-	731,510,695
Depreciation provided in period	19,132,694	3,848,243	985,362	5,461,216	255,269	1,107,155	6,802,642	7,465,332	1,044,107	106,640	-	696,378	-	46,905,038
Revaluation adjustment to asset revaluation surplus	(23,518,019)	(11,467,491)	(3,659,495)	(6,005,634)	161,780	1,443,465	3,550,070	(3,237,675)	1,131,360	(167,527)	-	-	-	(41,769,166)
Impairment adjustment to asset revaluation surplus	-	(143,207)	(100,573)	8,064,078	-	-	-	-	-	-	-	-	-	7,820,298
Reversal of impairment previously recorded	-	-	-	(12,502,012)	(67,644)	-	-	(65,955)		-	-	-	-	(12,635,613)
Depreciation/impairment on disposals	(7,771,105)	(611,367)	(109,270)	(1,170,512)			(5,877,728)	(3,890,321)	(262,636)	-	-	(258,299)	-	(19,951,239)
Accumulated depreciation as at 30 June 2020	264,151,082	54,636,440	14,732,450	109,817,883	5,298,780	7,933,205	116,310,329	112,008,699	19,538,617	1,232,037	-	6,220,496	-	711,880,016
Book value as at 30 June 2020	302,315,932	52,440,965	11,605,500	167,885,918	8,485,720	28,351,449	119,458,456	146,360,541	29,483,453	1,432,263	2,497,135	2,527,278	14,242,014	887,086,625
Range of estimated useful life in years	15 -50	10 - 50	5 - 50	10 - 100	47 - 53	10 - 50	3 - 60	5 - 100	10 - 50	15 - 25	Land: Not Depreciated	1 - 25	WIP: Not Depreciated	
Asset revaluation surplus														
Opening balance as at 1 July 2019	113,117,468	13,653,925	2,402,535	131,829,476	3,206,374	1,811,405	62,264,427	88,322,535	13,249,326	7,690	-	-	-	429,865,161
Movements - Revaluation	31,140,943	8,586,914	4,183,499	3,205,816	378,457	211,803	3,340,257	7,160,142	1,829,894	184,356	55,000		-	60,277,080
Movements - Impairments	-	143,207	100,573	(8,064,078)	-	-	-	-	-	-	-	-	-	(7,820,299)
Closing balance as at 30 June 2020	144,258,411	22,384,045	6,686,607	126,971,212	3,584,832	2,023,208	65,604,684	95,482,678	15,079,220	192,046	55,000	-	-	482,321,944

11 Property, plant and equipment (continued)

(a) Recognition

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

By operation of the *Local Government Act 2009*, *Torres Strait Islander Land Act 1991* and *Land Act 1994*, Council retains ownership of the below classes of property, plant and equipment. This includes leasehold and licensed assets on Mer Island and Badu Island.

Acquisition of assets

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

Property, plant and equipment received in the form of contributions are recognised as assets and revenues at cost as supplied by the contributor entity, where that value exceeds the recognition threshold for the respective asset class.

Capital and operating expenditure

Wages, materials expenditure and an appropriate portion of direct costs for the acquisition or construction of assets is treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of the non-current asset are expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

(b) Measurement

All asset classes excluding plant and equipment and work in progress (WIP) are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*. Plant and equipment and WIP are measured at amortised cost.

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

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

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

Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment (continued)

(c) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment assets is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, progressively over its estimated useful life to the Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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

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

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

(d) Land under roads

Torres Strait Island Regional Council does not control any land under roads. Land under the road network within the Council area that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is not controlled by Council but is controlled by the State pursuant to the relevant legislation. This land is not recognised in these financial statements.

(e) Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

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11 Property, plant and equipment (continued)

(f) Deed of Grant in Trust land

The Council is located on land assigned to it under various Deeds of Grant in Trust (DOGIT) held under the *Torres Strait Islander Land Act 1991* (Qld) (TSILA), *Aboriginal Land Act 1991* (Qld) and the *Land Act 1994* (Qld). The land comprises an area of approximately 483.6 square kilometres, across the following Islands:

- Boigu Island
- Dauan Island
- Erub Island
- Hammond Island
- Iama Island
- Moa Island (comprising two DOGITs of St Paul's and Kubin communities)
- Mabuiag Island
- Poruma Island
- Saibai Island
- Ugar Island
- Warraber Island
- Masig Island

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

The reserve land for Mer Island was managed by the Department of Communities, Child Safety and Disabilities Services until 14 December 2012. On 14 December 2012 Mer Gedkem Le (Torres Strait Islanders) Corporation RNTBC became the trustee of Torres Strait Islander land under the TSILA in communal freehold of Mer Island. The Corporation is trustee for the Native Title Holders.

The DOGIT land for Badu Island was administered by Council in the capacity as trustee until 1 February 2014. On 1 February 2014, Mura Badulgal (Torres Strait Islanders) Corporation RNTBC became the trustee of Torres Strait Islander land under the TSILA in communal freehold of Badu Island. The Corporation is trustee for the Native Title Holders.

Essential service buildings and infrastructure on Badu Island and Mer Island are leased by Council for the terms of 5 years, 30 years and 99 years at agreed values.

The relevant leased assets are still reported as assets of the Council; land is not reported; nominal rental is paid except for the former child care centre, one staff residence and one contractor camp on Badu Island, for which future commitments are $78,909 over three years. They have not been classified as leases as assets were originally constructed by Council, and recorded as such prior to the change in land arrangements. No lease liability has been recognised in the financial statements for these leases, expect for the two before mentioned leases of the child care centre and staff residence on Badu Island.

Pursuant to the terms and conditions of the respective leases, it is intended that the Council continue to maintain these assets for the benefit of the community, as Council possesses the necessary skills and knowledge to best utilise these assets.

Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment (continued)

(g) Valuation

(i) Valuation processes

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

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

All of Council's property, plant and equipment measured at fair value at reporting date is categorised at level 2 or 3. Council does not have any assets measured at fair value which meet the criteria for categorisation as level 1.

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

Council measures and recognises assets in all asset classes relating to property plant and equipment, other than plant and equipment and WIP, at fair value on a recurring basis.

All asset classes carried at fair value were last comprehensively valued as at 30 June 2020.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of assets 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, Council engages independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, disposals and changes in methodology such as useful life and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes. These indices are then reviewed by Asset Class Managers and Executives to ensure accuracy of these indices for Council.

Council's property, plant and equipment valuation policies and procedures are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. Management prepares a report for the Audit Committee's review and endorsement.

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Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment (continued)

(g) Valuation (continued)

(ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation approach	FV hierarchy	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Interim valuation approach
Buildings (Communities)	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates developed from building projects completed in the Torres Strait and supplemented by published cost guides including the Rawlinsons Construction Cost Guide and Cordell Cost Guide. Allowances are made for the remote locality of the assets. **Accumulated depreciation** Componentisation - Structure, Site Improvements, Roof, and Fixtures and Fittings Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 4.00% index which when applied increased fair value by $11,207,685
Buildings (Corporate) 2021: $1,593,103 2020: $1,595,865	Market approach	Level 2	30/06/2020	Jones Lang Lasalle	Comparable transactions of industrial properties within the Cairns market, adjusted for differences in key attributes such as size of improvements, functionality and condition.	Desktop valuation performed in 2021 resulting in a 4.00% index which when applied increased fair value by $61,271
Buildings (Corporate) 2021: $48,957,977 2020: $50,845,100	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates developed from building projects completed in the Torres Strait and benchmarked against cost estimate publication. Allowances are made for the remote locality of the assets **Accumulated depreciation** Componentisation - Substructure, superstructure, roof, internal fabric, internal service, external services, site improvements, and furniture and fittings. Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 4.00% index which when applied increased fair value by $1,871,307
Recreational Facilities	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates developed from building projects completed in the Torres Strait and benchmarked against cost estimate publications. Allowances are made for the remote locality of the assets **Accumulated depreciation** Componentisation - Substructure, superstructure, roof, internal fabric, internal service, external services, site improvements, and furniture and fittings. Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 4.00% index which when applied increased fair value by $425,754
Road / Transport Network	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates - developed based on in-house project costs, sub-contractor and head contractor project costs and benchmarked against cost estimate publications. Locality adjustments are also applied. **Accumulated depreciation** Segmentation - high level, between intersections Componentisation - formation, pavement, seal and kerb and channel Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 3.75% index which when applied increased fair value by $6,114,565

Notes to the financial statements
For the year ended 30 June 2021

11 Property, plant and equipment (continued)

(g) Valuation (continued)

(ii) Valuation techniques used to derive fair values (continued)

Asset class and fair value hierarchy	Valuation approach	FV hierarchy	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Interim valuation approach
Stormwater Drainage Network	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates - developed based cost estimate publications including Rawlinsons Construction Cost Guide and Cordell Cost Guide. Locality adjustments are also applied. **Accumulated depreciation** Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 3.75% index which when applied increased fair value by $307,775
Flood Mitigation Network	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates - developed based cost estimate publications including Rawlinsons Construction Cost Guide and Cordell Cost Guide. Locality adjustments are also applied. **Accumulated depreciation** Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 3.75% index which when applied increased fair value by $1,030,335
Water Supply Network	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates - developed based on in-house project costs, sub-contractor and head contractor project costs and benchmarked against cost estimate publications. Locality adjustments are also applied. **Accumulated depreciation** Componentisation - electrical, mechanical and civil. Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 4.00% index which when applied increased fair value by $4,492,113
Sewerage Network	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates - developed based on in-house project costs, sub-contractor and head contractor project costs and benchmarked against cost estimate publications. Locality adjustments are also applied. **Accumulated depreciation** Componentisation - electrical, mechanical and civil. Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 4.00% index which when applied increased fair value by $5,569,492
Wharves, Piers, Jetties & Pontoons	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates - developed based on in-house project costs, sub-contractor and head contractor project costs and benchmarked against cost estimate publications. Locality adjustments are also applied. **Accumulated depreciation** Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 3.75% index which when applied increased fair value by $1,065,431

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11 Property, plant and equipment (continued)

(g) Valuation (continued)

(ii) Valuation techniques used to derive fair values (continued)

Asset class and fair value hierarchy	Valuation approach	FV hierarchy	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Interim valuation approach
Waste Landfill	Current replacement cost	Level 3	30/06/2020	Jones Lang Lasalle	**Current replacement cost** Unit rates developed from projects completed in the Torres Strait and benchmarked against cost estimate publications. Allowances are made for the remote locality of the assets **Accumulated depreciation** Total useful life estimates, condition assessments, remaining useful life estimates.	Desktop valuation performed in 2021 resulting in a 4.00% index which when applied increased fair value by $50,923
Land Assets 2021: $1,970,188 2020: $1,922,135	Market approach	Level 2	30/06/2020	Jones Lang Lasalle	Comparable transactions of industrial properties within the Cairns market, adjusted for differences in key attributes such as size, topography and location.	Desktop valuation performed in 2021 resulting in a 2.50% index which when applied increased fair value by $48,053
Land Assets 2021: $589,375 2020: $575,000	Market approach	Level 3	30/06/2020	Jones Lang Lasalle	Transactions of properties within Thursday Island market, adjusted for differences in key attributes such as size, topography and location. Professional judgement given the thinly traded nature of the Thursday Island property market.	Desktop valuation performed in 2021 resulting in a 2.50% index which when applied increased fair value by $14,375

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12 Contract balances

Contract assets represents 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 in excess of the costs incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

	Note	2021 $	2020 $
Contract assets		7,787,466	4,647,861
Contract liabilities			
Funds received upfront to construct Council controlled assets		20,839,893	17,635,281
Non-capital performance obligations not yet satisfied		464,212	209,054
		21,304,105	17,844,335
Revenue recognised that was included in the contract liability balance at the beginning of the year:			
Funds to construct Council controlled assets		4,118,566	2,690,352
Non-capital performance obligations		164,122	188,847
		4,282,688	2,879,199

13 Leases

Council as a lessee

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

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

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

Exceptions to lease accounting:

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

Terms and conditions of leases:

Buildings

Council leases two buildings which are used for offices and accommodation. The leases are for periods of two and four years and include details of any renewal options if applicable, and contain extensions and termination options.

13 Leases (continued)

Right of use assets	**Note**	**2021**	**2020**
		$	**$**
Balance at 1 July		1,330,000	1,963,038
Additions to right of use assets		-	619,396
Re-measurement of lease liability		2,773	-
Derecognition of right of use assets		-	(567,780)
Amortisation charge		(634,424)	(684,654)
Closing balance		698,349	1,330,000
Lease liabilities			
Balance at 1 July		1,340,702	1,963,038
Additions to lease liabilities		-	619,396
Re-measurement of lease liability		2,773	-
Derecognition of lease liabilities		-	(569,149)
Lease payments		(653,215)	(705,941)
Interest expense		20,514	33,358
Closing balance		710,774	1,340,702
Current			
Lease liability		649,789	651,775
		649,789	651,775
Non-current			
Lease liability		60,985	688,927
		60,985	688,927
Total lease liabilities		710,774	1,340,702

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

2021	**< 1 year**	**1-5 years**	**> 5 years**	**Total**	**Total per statement of financial position**
	$	$	$	$	$
Buildings	662,563	66,564	-	729,126	710,774

2020	**< 1 year**	**1-5 years**	**> 5 years**	**Total**	**Total per statement of financial position**
	$	$	$	$	$
Buildings	702,494	746,152	-	1,448,646	1,340,702

Notes to the financial statements
For the year ended 30 June 2021

13 Leases (continued)

Amounts included in the statement of comprehensive income related to leases

	Note	**2021**	**2020**
		$	**$**
Interest on lease liabilities		20,514	33,358
Loss on derecognition of leases		-	(1,369)
Amortisation of right of use assets		634,424	684,654
Expenses relating to short-term		61,662	65,123
		716,599	781,766
Total cash outflows for leases		714,877	771,064

Council as a lessor

Council has leased the following dwellings and vacant sites as lessor to the Queensland Government for 40 years:

- 51 dwellings located on Moa Island (Kubin)
- 6 dwellings and 3 vacant site on Saibai Island
- 6 dwellings and 4 vacant sites on Boigu Island
- 21 vacant sites on Kirirri Island
- 25 vacant sites on Moa Island (St Pauls)
- 6 vacant sites on Iama Island
- 2 vacant sites on Ugar Island
- 5 vacant sites on Poruma Island
- 10 vacant sites on Masig Island
- 8 vacant sites on Warraber Island
- 7 vacant sites on Erub Island
- 6 vacant sites on Mabuiag Island
- 3 vacant sites on Dauan Island

The total lease payment per dwelling in the current year ranged between $2,038 and $2,238 ($2,001 to $2,199 for 2019/20). These lease payments are required to be adjusted each year by the change in the Consumer Price Index (All Groups). As the gross lease payments are insufficient to cover the fair value (current 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 on revaluation of finance lease assets are recognised as other income annually.

The Queensland Government has the right to surrender any part of the lease at any time by giving Council three months' written notice. Per the lease agreement any improvements to the property transfer to Council when the lease terminates. No leases were surrendered between 1 July 2020 and 30 June 2021 (2019/20, nil).

Current		
Lease receivable	376,956	370,578
	376,956	370,578
Non-current		
Lease receivable	13,143,290	14,715,268
	13,143,290	14,715,268

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13 Leases (continued)

	Note	2021 $	2020 $
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		376,956	370,578
Later than one year but not later than five years		1,507,826	1,482,313
Later than five years		11,516,978	11,380,691
		13,401,760	13,233,582
Add: Estimated contingent rent		6,987,475	7,641,298
Less: Present value adjustment		(6,868,989)	(5,789,034)
Fair value of lease payments		13,520,246	15,085,846
The fair value of lease payments is receivable as follows:			
Not later than one year		376,956	370,578
Later than one year but not later than five years		1,516,137	1,510,948
Later than five years		11,627,153	13,204,320
		13,520,246	15,085,846
Movements in finance leases were as follows:			
Opening balance		15,085,846	14,670,336
Add: Initial recognition of new leases		-	-
Less: Lease receipts		(370,578)	(369,866)
Less: Surrender of leases		-	-
Add: Gain on revaluation	4(b)	(1,195,022)	785,376
Closing balance		13,520,246	15,085,846

The calculation of fair value has included an estimate of average annual CPI increases of 2.5% (2.5%: 2019/20) and a discount rate of 2.28% (1.72%: 2019/20).

14 Payables

Trade creditors are recognised as a liability at the time the amount owed can be measured reliably and when it is probable the amount will have to be paid, when the goods are received or the service is performed. Amounts are unsecured and normally settled within 30 days.

	2021 $	Restated 2020 $
Current		
Creditors	834,856	905,239
Accrued wages and salaries	929,610	3,201,658
Refundable bonds	2,000	4,782
Accrued expenses	7,739,141	3,052,499
Retention	640,760	175,029
Revenue in advance	56,285	-
	10,202,651	7,339,207

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15 Provisions

Annual leave

Annual leave represents the amount which Council has a present obligation to pay resulting from employees' services provided up to balance date. The accrual is based on present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

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

Long service leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made by Council resulting from employees' services provided up to balance date. The accrual is based on present value of remuneration rates that will be paid when the liability is expected to be settled including related on-costs and adjusted for the probability of employees remaining in the Council's employment.

The long service leave provision has been 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 pre-requisite 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.

Landfill restoration and rehabilitation

A provision is made for the cost of rehabilitation of assets and other future restoration costs where it is probable Council will be liable, or required, to incur costs on the cessation of use of these facilities. The provision represents the present value of the anticipated future costs associated with the closure and aftercare management of landfill sites.

The calculation of this provision requires assumptions such as 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 landfill sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the 15 sites will close between 2022 and 2024.

As landfill sites are on state reserves / DOGIT land which the Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised. Changes in the provision are treated as an expense or income.

	Current		Non-Current	
	2021 $	2020 $	2021 $	2020 $
Current				
Annual leave	2,339,429	2,252,609	-	-
Long service leave	1,135,418	929,014	706,115	444,699
Provision for landfill restoration	3,479,986	2,396,763	4,000,683	3,117,589
	6,954,834	5,578,386	4,706,798	3,562,288

Details of movements in non-employee provisions:	2021 $	2020 $
Landfill restoration		
Balance at beginning of financial year	5,514,352	5,333,781
Increase due to unwinding of discount	17,985	108,824
Additional provisions	1,178,324	-
Increase/(decrease) due to change in discount rate	770,008	71,747
Balance at end of financial year	7,480,669	5,514,352

16 Commitments for expenditure

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

	2021 $	2020 $
Consultancy	959,459	48,753
Other	2,061,172	885,082
Contractors	371,411	173,761
Recoverable work contractors	2,987,981	1,105,243
Freight	949,725	97,417
Contract employees	35,970	21,416
	7,365,719	2,331,671

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

Capital assets		
Buildings	1,957,396	153,829
Sewerage	13,445,823	4,829,484
Seawalls	1,354,610	15,389,984
Other	7,004,296	1,373,148
	23,762,125	21,746,445

17 Contingent liabilities and assets
Details and estimates of the maximum amounts of contingent liabilities and assets are as follows:

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

As at 30 June 2021 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there were insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is $336,580.

17 Contingent liabilities and assets (continued)

Native Title Compensation Liability

The *Native Title Act 1993* (Cth) requires "future acts", such as the construction of major and minor Council infrastructure, housing, signage and the granting of leases to proponents such as government and individuals, to be conducted using prescribed processes listing under it. In many cases, in order to be valid, a notice process or a registered Indigenous Land Use Agreement under the *Native Title Act 1993* (Cth) is required before conducting a future act. Prior to amalgamation of the Island Councils in 2008, infrastructure and leases were likely to have been progressed without complying with these requirements of the *Native Title Act 1993* (Cth). This infrastructure and leases are termed invalid future acts, for which compensation is payable by Council.

It is difficult to estimate the likely compensation payable because jurisprudence in this area has only recently started emerging. A native title compensation case was decided by the High Court of Australia on 13 March 2019 (Northern Territory v Griffiths [2019] HCA 7) that sets out legal principles for determining the quantum of native title compensation payable. That case provides some guidance in relation to a compensation formula. However, the principles in that case cannot be applied to Council's contingent liabilities without making allowances for the differing circumstances in the Torres Strait context. For example, the High Court case involved extinguishment of non-exclusive native title rights, whereas invalid future acts in Torres Strait may not involve extinguishment and are likely to concern exclusive native title rights rather than non-exclusive native title rights. Further, the economic loss component of native title compensation is to be calculated with reference to the freehold value of the land affected, and in Council's local government area there are no land valuations at present.

At this point there are no applications for compensation claims against Council. Numerous compensation claims for alleged invalid future acts are likely to be made in coming years. Council is making deputations to the State of Queensland about the assistance that Council will require in the future to address these claims, should Council's insurance cover be inadequate.

Land Holding Act Lease

Under the *Aboriginal and Torres Strait Islander Land Holding Act 1985* (repealed and replaced with the *Aboriginal and Torres Strait Islander Land Holding Act 2013*), Island Councils across Torres Strait received 354 applications for perpetual leases of land held in trust by those Island Councils. Of the 354 lease applications received by the Island Councils, 116 applications were invalid due to incomplete information or procedural non-compliance. For the remaining 238 applications, the applicant has a legal right to a perpetual lease for the land stated in the application. Due to law reform in 1991, it is no longer possible to apply for a *Land Holding Act* lease. When the Island Councils amalgamated in 2008, TSIRC assumed trustee legal interests in the land subject to Land Holding Act leases and lease entitlements.

The perpetual leases were not all granted in the 1980s with only 61 being granted by 2013. For the 61 leases originally granted, in some cases only the land was leased while the house on the land remained a Council social housing asset. Council and the State are working together to transfer ownership of each social house to the current leaseholder in each case. When the ownership of any of these houses is transferred, the asset will be removed from Council's asset register and social housing register.

Council and the State are working together to grant all remaining valid lease entitlements either to the original applicant or to the applicant's beneficiaries. Where there is a valid lease entitlement, the lease can be granted without the consent of the native title party because the lease entitlement is a legal right that pre-existed the recognition of native title rights in Australia. This was confirmed by the Supreme Court of Queensland in February 2018. Between then and today, 112 LHA leases have been registered in Torres Strait communities, with 65 valid lease entitlements remaining to be resolved.

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17 Contingent liabilities (continued)

Land Holding Act Lease (continued)

The purpose of the lease under the Land Holding Act was to provide home ownership. On registration of each of the outstanding 65 lease entitlements, Council will divest the social housing asset (if applicable) to the perpetual leaseholder for $1.00. The fair value as at 30 June 2021 for social housing assets relating to the outstanding 65 lease entitlements totals $17,036,328 (2019/20: $24,046,400). However, at this time, it is uncertain whether all of the outstanding 65 lease entitlements will be granted and all of the associated social housing assets divested (a lease entitlement may be surrendered or partially surrendered with the result that the house remains a Council asset). On registration of any of the leases, the asset will be removed from Council's asset register and social housing register.

NAB bank guarantee

NAB has provided Council a bank guarantee facility for the amount of $49,500, as security bond for the lease of the Cairns office on Grafton Street, in favour of the current lessor. As collateral for provision of the guarantee NAB holds a Security interest over Council's term deposit to the amount of $49,500.

Contract claim

This contingent liability is for a contract-related claim that is currently in dispute. Particulars of the dispute are not disclosed here because this may prejudice Council's interests.

Contingent Assets

Insurance claim

During 2020 financial year the Dauan pontoon was impaired beyond use. An assessment concluded that the pontoon failed due to a design fault. Council lodged an insurance claim. Council's insurer has agreed to pay the claim subject to a quantity survey to value the engineered controls. A designer has been engaged and expects to complete an engineering design by January 2022. The design then needs to be priced by a quantity surveyor and submitted to the insurer. Once the insurance claim is finalised, Council is eligible to receive the value of the cost to replace the pontoon up to a value of $2.5 million, less the insurance deductible of $500,000 which is the cost borne by Council.

18 Superannuation

Council contributes to LGIAsuper previously known as the Local Government Superannuation Scheme (Qld) (the Scheme). LGIAsuper is a Multi-employer Plan as defined in Australian Accounting Standard AASB 119 *Employee Benefits*. The Scheme has a number of elements including defined benefit funds and an accumulation benefit fund. Council does not have any employees who are members of the defined benefits funds and so is not exposed to the obligations, assets or costs associated with these funds. Council has employees who are members of the accumulation benefits fund.

	Note	2021 $	2020 $
Superannuation contributions made to the LGIA Super Accumulation Benefits Fund		1,926,961	1,986,600
Other superannuation contributions for employees		580,672	311,352
Total superannuation contributions paid by Council for employees:	6	2,507,633	2,297,952

Notes to the financial statements
For the year ended 30 June 2021

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

	2021 $	Restated 2020 $
Net result	(25,720,055)	(29,691,112)
Non-cash items:		
Depreciation and amortisation	47,022,761	47,616,592
Asset contributions in capital income	(4,583,373)	(11,320,912)
(Gain)/loss on revaluation of finance lease	1,195,022	(785,376)
	43,634,410	35,510,304
Investing and development activities:		
Loss on derecognition of right of use assets	-	(1,369)
Loss on disposal of non-current assets	8,014,407	12,751,201
Capital grants and contributions	(33,943,563)	(21,780,250)
	(25,929,156)	(9,030,418)
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(6,016,400)	10,651,836
(Increase)/decrease in inventory	(8,325)	(1,657)
Increase/(decrease) in payables	2,863,444	(810,555)
Increase/(decrease) in other provisions	2,520,958	431,932
	(640,322)	10,271,556
Net cash inflow from operating activities	(8,655,124)	7,060,330

20 Reconciliation of liabilities arising from financing activities

2021	As at 30 June 2020	Cash flows	Non-cash changes	As at 30 June 2021
Loans	104,748	(68,539)	-	36,210
Lease liability	1,340,702	(632,701)	2,773	710,774
	1,445,450	(701,240)	2,773	746,984

2020	As at 30 June 2019	Change in accounting policy	Cash flows	Non-cash changes	As at 30 June 2020
Loans	168,421	-	(63,673)	-	104,748
Lease liability	-	2,013,289	(672,583)	-	1,340,702
	168,421	2,013,289	(736,256)	-	1,445,450

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21 Correction of error

During the 2020/21 financial year Council became aware of an error in its 2019/20 financial statements. It was identified that there had been an error in interpretation of the relationship between Council's Certified Agreement and the relevant underlying award for certain staff, dating back to the 2014/15 year. This resulted in an under-payment of wages, which has since been paid during the 2020/21 year. The total prior period under-payment was $2,751,130. The portion that related to the 2019/20 financial year was $506,889, with $2,244,241 relating to earlier periods.

The error described above has been corrected by adjusting the comparative amounts for 2019/20. A restated Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been included along with restated notes as detailed below:

	Original balance as presented at 30 June 2020 $	Adjustment $'000	Restated balance at 30 June 2020 $
Statement of Financial Position			
Increase in trade and other payables	4,588,077	2,751,130	7,339,207
Decrease in retained surplus	449,559,746	(2,751,130)	446,808,616
Statement of Comprehensive Income			
Increase in employee benefits	25,156,410	506,889	25,663,299
Decrease in net result	(29,182,854)	(506,889)	(29,689,743)
Statement of Changes in Equity			
Decrease in opening retained surplus	478,742,600	(2,244,241)	476,498,359
Decrease in net result	(29,182,854)	(506,889)	(29,689,743)

22 Events after the reporting period

There were no material adjusting events after the balance date.

23 Financial instruments and financial risk management

Financial risk management

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. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

The Council's audit committee oversees how management monitors compliance with the Council's financial risk management policies and procedures, and reviews the adequacy of the framework in relation to the risks faced by the Council. The Council audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia. The Council does not invest in derivatives or other high risk investments.

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Notes to the financial statements
For the year ended 30 June 2021

23 Financial instruments and financial risk management (continued)

Credit risk

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

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 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 Torres Strait Island Regional Council.

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

Liquidity risk

Exposure to liquidity risk

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

The Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows.

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

	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	$	$	$	$	$
2021					
Payables	10,202,651	-	-	10,202,651	10,202,651
Loans - QTC	36,210	-	-	36,210	36,210
	10,238,861	-	-	10,238,861	10,238,861
2020					
Payables	6,840,686	-	-	6,840,686	6,840,686
Loans - QTC	74,219	36,894	-	111,113	111,113
	6,914,905	36,894	-	6,951,799	6,951,799

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

23 Financial instruments and financial risk management (continued)

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

Interest rate risk
Council is exposed to interest rate risk through investments and borrowings with QTC and other financial institutions. Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Based on the carrying value of Council's financial instruments at balance date, any fluctuation in interest rates would not have a material impact on the financial position or performance of Council.

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.

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date.

24 Transactions with related parties

(a) Transactions with key management personnel (KMP)
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly.

KMPs include the Mayor, Councillors, Council's Chief Executive Officer and the Executive Management team. Effective 1 July 2020, the Executive Management team consists of the Chief Operating Officer, Chief Engineer and Chief Financial Officer in 2020/21. In 2019/20 the Executive Management team consisted of the Chief Operating Officer, and Chief Financial Officer. Compensation paid to KMPs for 2020/21:

	2021 $	2020 $
Short-term employee benefits	2,197,266	1,774,427
Post-employment benefits	104,934	73,009
Termination benefits	297,752	-
Long-term employee benefits	(24,922)	37,192
	2,575,030	1,884,627

Detailed remuneration disclosures are provided in Council's Annual Report.

(b) Transactions with other related parties
Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, parent, child and dependant of a KMP or their spouse. Per Ailan Kastom, an Uncle, Aunty or sibling who represents one of those roles to a KMP has been considered to be a related party.

Notes to the financial statements
For the year ended 30 June 2021

24 Transactions with related parties (continued)

(b) Transactions with other related parties (continued)

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

Details of transactions			
Employee expenses for close family members of KMPs	(i)	335,713	736,606
Purchase of materials and services from entities controlled by KMPs	(ii)	11,600	64,471
Grants and donations for close family members of KMPs	(iii)	5,416	6,632
Fees and charges charged to entities controlled by KMPs	(iv)	4,202	8,415

(i) All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with Council's Certified Agreement for the job they perform. Council employs 363 staff (335 full time equivalent staff) of which 4 are close family members of key management personnel.

(ii) Council purchased the following materials and services from entities that are controlled by members of key management personnel. All purchases were at arm's length and were in the normal course of Council operations:

Accommodation	10,800	43,200
Contractor	800	-
Ferry charters	-	19,880
Consumables	-	1,035
Fuel and electricity	-	356
	11,600	64,471

Included in the above is $10,800 of accommodation charges relating to the usage of a house on Masig from Councillor Mosby. All purchases were at arm's length, on normal terms and conditions and were in the normal course of Council's operations.

(iii) Grants and donations totalling $5,416 (2020: $6,632) were made during the reporting period to related parties of KMPs as community members under Council's Grants and Donations Procedure.

(iv) The fees and charges charged to entities controlled by KMPs were at arm's length. $4,202 (2020: $Nil) was charged for accommodation and hall fire for Gur A Baraadharaw Kod Torres Strait Sea and Land Council, an entity which a number of Councillors are Directors. In 2019/20, $7,158 was charged for a commercial lease for M&M Mini Mart at Hammond Island, a business owned by Ex Councillor Sabatino and $1.257 for licensing fees for Maria Tamaru Tamu for office space use on Warraber Island, as close family member of Ex Councillor Clara Tamu.

(c) Commitments to/from related parties

Council has commitments for the provision of goods and services at ordinary commercial rates and terms. Commitments include the supply of accommodation, fuel and ferry transfers from the following related party entities:

	2021 $	2020 $
Badu Island Foundation Ltd	-	6,000
	-	6,000

Badu Island Foundation Ltd is not considered a related party for the 2020/21 financial year as Councillor Nona was not the Chair of the organisation for this period. All commitments were at arm's length, on normal terms and conditions and were in the normal course of Council's operations.

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24 Transactions with related parties (continued)

(d) Loans and guarantees to/from related parties

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

(e) Outstanding balances

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

Receivables	Current	Over 30 Days	Over 60 Days	Over 90 Days	Total
	$	$	$	$	$
2021					
Rates and charges	-	-	-	95,753	95,753
Social housing	476	1,042	900	187,949	190,367
Other fees and charges	-	-	-	524	524
Total	476	1,042	900	284,226	286,644
2020					
Rates and charges	37	-	-	155,468	155,505
Social housing	1,109	900	925	142,519	145,453
Other fees and charges	-	-	-	860	860
Total	1,146	900	925	298,847	301,818

$228,740 has been recognised in current and prior years for the allowance for bad or doubtful debts owed by related parties.

Notes to the financial statements
For the year ended 30 June 2021

24 Transactions with related parties (continued)

(e) Outstanding balances (continued)

The table below details related party outstanding balances at the end of the reporting period which are over 90 days:

2021

Related party	Relationship	Customer	Nature of transactions	Over 90 Days
				$
Laurie Nona	Manager	Badu Art Centre	Rates and charges	85,615
Getano Lui (Jnr)	Councillor	Getano Lui (Jnr)	Social housing	57,133
Adeah Kabai	Mother	Joyce Kabai	Social Housing	30,463
Lama Trinkoon	Spouse	Ivy Trinkoon	Social housing	27,879
Torenzo Elisala	Father	Tenny Elisala	Social Housing	27,521
Jimmy Gela	Councillor	Jimmy Gela	Social Housing	25,405
Rocky Stephen	Director	Kos & Abob Fisheries (TSI)	Rates and charges	10,137
Francis Pearson	Defacto	Alice Pearson	Social housing	9,619
Dimas Toby	Spouse	Telita Banu	Social housing	4,665
Rocky Stephen	Councillor	Rocky Stephen	Social housing	1,322
Dimas Toby	Councillor	Dimas Toby	Social housing	1,063
Amounts less than $1,000				3,404
				284,226

2020

Related party	Relationship	Customer	Nature of transactions	Over 90 Days
				$
Laurie Nona	Manager	Badu Art Centre	Rates and charges	73,461
Laurie Nona	Chair	Badu Island Foundation	Rates and charges	71,746
Getano Lui (Jnr)	Councillor	Getano Lui (Jnr)	Social housing	49,333
Lama Trinkoon	Spouse	Ivy Trinkoon	Social housing	33,877
Torenzo Elisala	Father	Tenny Elisala	Social housing	27,385
Francis Pearson	Defacto	Alice Pearson	Social housing	12,414
Rocky Stephen	Director	Kos & Abob Fisheries (TSI)	Rates and charges	10,137
Dimas Toby	Spouse	Telita Banu	Social housing	7,165
Rocky Stephen	Father	Daniel Stephen	Social housing	5,395
Keith Fell	Councillor	Keith Fell	Social housing	1,842
Rocky Stephen	Councillor	Rocky Stephen	Social housing	1,286
Dimas Toby	Councillor	Dimas Toby	Social housing	1,063
Total of balances less than $1,000				3,741
				298,845

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24 Transactions with related parties (continued)

(f) Debt balances written off during the period as statute barred debt

The below debts were written off during the period as statute barred debt, being debt older than 6 years of age and pursuant to the *Limitation of Actions Act 1974* (Qld) and cannot be legally enforced in a Court of competent jurisdiction.

Council first attempted to write off statute-barred debts in 2015 however a quorum could not be established due to a number of Councillors declaring a material personal interest or conflict of interest and excluding themselves from voting. Following the March 2016 local government election, Council tabled the write off again however was still unable to reach a quorum.

In August 2016, Council presented two separate write off resolutions for Council's consideration, one addressing commercial debts and the other addressing housing debt. Again a quorum could not be established for consideration of either resolution.

On 5 October 2016, Council engaged King & Company Solicitors to address the question of how Council may act to write off statute barred debt while ensuring statutory compliance. King & Company provided several options to Council to address the issue. The option adopted by Council was to delegate the write off power to the CEO. The issue of material personal interest or conflict of interest does not arise in respect of a Council decision to delegate the matter to the CEO for decision, provided Council merely delegates the CEO power to make the decision and does not in any way direct the CEO to make any particular decision about the matter.

The resolution was made at the October 2016 Ordinary Council Meeting adopting the revised Fiscal Governance Policy granting the CEO delegation to write off statute barred debt.

2021

Related party	Relationship	Customer	Nature of transactions	Debt balance written off $
No debt balances were written off during the period as statute barred debt				-

2020

Related party	Relationship	Customer	Nature of transactions	Debt balance written off $
Getano (Jnr) Lui	Councillor	Getano (Jnr) Lui	Social housing	4,141
Keri Akiba	Councillor	Keri Akiba	Social housing	3,423
Ted Fraser Nai	Uncle	Gabriel Nai	Social housing	2,870
Rocky Stephen	Father	Daniel Stephen	Social housing	1,603
Dimas Toby	Councillor	Dimas Toby	Social housing	1,063
Torenzo Elisala	Spouse	Wosomo Daina	Social housing	818
Torenzo Elisala	Mother	Meleta Elisala	Social housing	818
				14,736

Notes to the financial statements
For the year ended 30 June 2021

24 Transactions with related parties (continued)

(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 Torres Strait Island Region. Therefore, on a regular basis ordinary citizen transactions occur between council and its related parties. Some examples include:

- Utility and other fees and charges
- Sales of gas, fuel and power cards
- Hire of council buildings and equipment
- Accommodation hire

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Notes to the 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, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.

Mayor
Phillemon Mosby

Date: 16/09/2021

Acting Chief Executive Officer
David Baldwin

Date: 16/09/2021

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INDEPENDENT AUDITOR'S REPORT

To the councillors of Torres Strait Island Regional Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Torres Strait Island Regional 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 Acting 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 Torres Strait Island Regional 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.

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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.

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- 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.

17 September 2021

Sri Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

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Notes to the financial statements
For the year ended 30 June 2021

Measures of Financial Sustainability

	How the measure is calculated	Target	30 June 2021 Result
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	-112%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	greater than 90%	28%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	not greater than 60%	-39%

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.

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.

Mayor
Phillemon Mosby

Date: 16/09/2021

Acting Chief Executive Officer
David Baldwin

Date: 16/09/2021

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INDEPENDENT AUDITOR'S REPORT

To the councillors of Torres Strait Island Regional Council

Report on the current-year financial sustainability statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Torres Strait Island Regional Council for the year ended 30 June 2021, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Acting 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 Torres Strait Island Regional 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 Torres Strait Island Regional 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.

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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.

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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.

17 September 2021

Sri Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

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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
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	-112%	-79%	-70%	-66%	-61%	-56%	-52%	-47%	-43%	-39%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	28%	62%	0%	0%	0%	0%	0%	0%	0%	0%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	-39%	-28%	-26%	-24%	-24%	-25%	-26%	-27%	-28%	-29%

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.

The above ratios have been calculated using Council's most recently adopted original budget. Council bases its asset sustainability ratio on confirmed renewal program funding. Council's forecasting ability has a dependency on donor program lifecycles, traditionally occurring in four to five year intervals.

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.

Mayor
Phillemon Mosby

Date: 16/09/2021

Acting Chief Executive Officer
David Baldwin

Date: 16/09/2021

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Denise and Michala marching for NAIDOC

More wok blo Council

Appendices

Crystal clear waters under Masig jetty

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Appendix A
Glossary of acronyms

ACRONYM	DESCRIPTION
BCP	Business Continuity Planning
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
DOGIT	Deed of Grant in Trust
EHW	Environmental Health Worker
HLO	Healthy Lifestyle Officer
IKC	Indigenous Knowledge Centre
ILUA	Indigenous Land Use Agreement
IT	Information Technology
LDMG	Local Disaster Management Group
LGA	*Local Government Act 2009*
LGAQ	Local Government Association of Queensland
LGR	*Local Government Regulation 2012*
PBC	Prescribed Body Corporate
RNTBC	Registered Native Title Body Corporate
SARG	Strategy Advisory Reference Group
SLIC	Service Learning in Indigenous Communities Program run by the University of Sydney
STEM	Science, Technology, Engineering & Maths
TSIRC	Torres Strait Island Regional Council

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Appendix C
Legislative compliance index

The Torres Strait Island Regional Council Annual Report is produced in accordance with the requirements set out in the *Local Government Act 2009* and the *Local Government Regulation 2012*.

REQUIREMENT	LEGISLATIVE REFERENCE	PAGE REFERENCE
The annual report must:		
contain a list of all the beneficial enterprises that the local government conducted during the financial year	*Local Government Act 2009* s41	71
contain a list of all the business activities that the local government conducted during the financial year	*Local Government Act 2009* s45	71
identify the business activities that are significant business activities	*Local Government Act 2009* s45	71
state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied	*Local Government Act 2009* s45	N/A
state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there are any new significant business activities	*Local Government Act 2009* s45	N/A
The annual report must state:		
the total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government	*Local Government Act 2009* s201	71
the number of employees in senior management who are being paid each band of remuneration	*Local Government Act 2009* s201	71
The annual report must contain:		
the general-purpose financial statement for the financial year, audited by the auditor-general	*Local Government Regulation 2012* s183	112 - 167

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REQUIREMENT	LEGISLATIVE REFERENCE	PAGE REFERENCE
the current-year financial sustainability statement for the financial year, audited by the auditor-general	*Local Government Regulation 2012* s183	162
the long-term financial sustainability statement for the financial year	*Local Government Regulation 2012* s183	166
the auditor-general's audit reports about the general-purpose financial statement and the current year financial sustainability statement	*Local Government Regulation 2012* s183	159, 163
the community financial report for the financial year	*Local Government Regulation 2012* s184	102 - 111
a copy of the resolutions made during the financial year under s250(1) of the LGR (adoption of an expenses reimbursement policy	*Local Government Regulation 2012* s185	72
a list of any resolutions made during the financial year under s206(2) of the LGR (threshold for non-current physical asset to be treated as an expense)	*Local Government Regulation 2012* s185	72
In relation to councillors, the annual report must contain:		
the total remuneration, including superannuation contributions, paid to each councillor during the financial year	*Local Government Regulation 2012* s186	60 - 61
the expenses incurred by, and the facilities provided to, each councillor during the financial year under the local government's expenses reimbursement policy	*Local Government Regulation 2012* s186	60 - 61
the number of local government meetings that each councillor attended during the financial year	*Local Government Regulation* s186	53 - 59
the total number of the following during the financial year:		
• orders made under section 150I(2) of the LGA	*Local Government Regulation 2012* s186	66
• orders made under section 150AH(1) of the LGA	*Local Government Regulation 2012* s186	66
• decisions, orders and recommendations made under section 150AR(1) of the LGA	*Local Government Regulation 2012* s186	66

REQUIREMENT	LEGISLATIVE REFERENCE	PAGE REFERENCE
each of the following during the financial year:		
• the name of each councillor for whom a decision, order or recommendation under section 150(I(2), 150AH(1) or 150 AR(1) of the LGA was made	*Local Government Regulation 2012* s186	66
• a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the councillors	*Local Government Regulation 2012* s186	66
• a summary of the decision, order or recommendation made for each councillor	*Local Government Regulation 2012* s186	66
complaints referred to the assessor under section 150P(2)(a) of the LGA by the local government, a councillor of the local government or the chief executive officer of the local government	*Local Government Regulation 2012 2012* s186 (1) (f)(i) –(iv)	66
matters, mentioned in section 150P(3) of the LGA, notified to the Crime and Corruption Commission	*Local Government Regulation 2012* s186 (1) (f)(i) –(iv)	66
notices given under section 150R(2) of the LGA	*Local Government Regulation 2012* s186 (1) (f)(i) –(iv)	66
notices given under section 150S(2)(a) of the LGA	*Local Government Regulation 2012* s186 (1) (f)(i) –(iv)	66
decisions made under section 150W(1)(a), (b) and (e) of the LGA	*Local Government Regulation 2012* s186 (1)(f)(v) and s353	67
referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the LGA	*Local Government Regulation 2012* s186 (1)(f)(vi)-(vii)	67
occasions information was given under section 150AF(4)(a) of the LGA	*Local Government Regulation 2012* s186 (1)(f)(vi)-(vii)	67
occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the LGA for the local government, the suspected inappropriate conduct of a councillor	*Local Government Regulation 2012* s186 (1)(f)(vi)-(vii)	67
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	*Local Government Regulation 2012* s186(1)(f)(ix) and s353	67

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Appendix C cont.

REQUIREMENT	LEGISLATIVE REFERENCE	PAGE REFERENCE
In relation to administrative action complaints the annual report for a financial year must contain:		
a statement about the local government's commitment to dealing fairly with administrative action complaints	*Local Government Regulation 2012* s187	68
a statement about how the local government has implemented its complaints management process, including an assessment of the local government's performance in resolving complaints under the process.	*Local Government Regulation 2012* s187	68
the number of the following during the financial year:		
• administrative action complaints made to the local government	*Local Government Regulation 2012* s187	68
• administrative action complaints resolved by the local government under the complaints management process	*Local Government Regulation 2012* s187	68
• administrative action complaints not resolved by the local government under the complaints management process; and	*Local Government Regulation 2012* s187	68
the number of administrative action complaints not resolved by the local government under the complaints management process that were made in a previous financial year.	*Local Government Regulation 2012* s187	68
The annual report for a financial year must contain the following information about any overseas travel made by a councillor or local government employee in an official capacity during the financial year:		
for a councillor - the name of the councillor	*Local Government Regulation 2012* s188	71
for a local government employee - the name of, and position held by, the local government employee	*Local Government Regulation 2012* s188	71
the destination of the overseas travel	*Local Government Regulation 2012* s188	71
the purpose of the overseas travel	*Local Government Regulation 2012* s188	71
the cost of the overseas travel	*Local Government Regulation 2012* s188	71

Appendix C cont.

REQUIREMENT	LEGISLATIVE REFERENCE	PAGE REFERENCE
The annual report for a financial year must contain a summary of:		
the local government's expenditure for the financial year on grants to community organisations	*Local Government Regulation 2012* s189	92 - 102
expenditure from each councillor's discretionary fund, including:	*Local Government Regulation 2012* s189	N/A
• the name of each community organisation to which an amount was allocated from the fund; and	*Local Government Regulation 2012* s189	92 - 101
• the amount and purpose of the allocation.	*Local Government Regulation 2012* s189	92 - 101
The annual report for a financial year must also contain the following information:		
the chief executive officer's assessment of the local government's progress towards implementing its 5-year corporate plan and annual operational plan	*Local Government Regulation 2012* s190	11
particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year	*Local Government Regulation 2012* s190	76 -101
an annual operations report for each commercial business unit, which means a document that contains the following information for the previous financial year:		N/A
• information that allows an informed assessment of the unit's operations, including a comparison with the unit's annual performance plan	*Local Government Regulation 2012* s190	N/A
• particulars of any changes made to the unit's annual performance plan for the previous financial year, including the impact the changes had on the unit's financial position, operating surplus or deficit and prospects.	*Local Government Regulation 2012* s190	N/A
• particulars of any directions the local government gave the unit	*Local Government Regulation 2012* s190	N/A

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Appendix C cont.

REQUIREMENT	LEGISLATIVE REFERENCE	PAGE REFERENCE
details of any action taken for, and expenditure on, a service, facility or activity supplied by another local government under an agreement for conducting a joint government activity	*Local Government Regulation 2012* s190	N/A
details of any action taken for, and expenditure on, a service, facility or activity for which the local government levied special rates or charges for the financial year	*Local Government Regulation 2012* s190	N/A
The annual report for a financial year must contain a summary of:		
the number of invitations to change tenders under section 228(7) of the LGR during the financial year	*Local Government Regulation 2012* s190	70
a list of the registers kept by the local government	*Local Government Regulation 2012* s190	70
a summary of all concessions for rates and charges granted by the local government	*Local Government Regulation 2012* s190	70
the report on the internal audit for the financial year	*Local Government Regulation 2012* s190	65
a summary of investigation notices given in the financial year under S49 of the LGR for competitive neutrality complaints	*Local Government Regulation 2012* s190	70
the local government's responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under S52(3) of the LGR	*Local Government Regulation 2012* s190	70

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Mayor Mosby enjoying a yarn

Cr. Tabuai, Cr. Fell, Cr. Noah & Milton Savage on Kiri

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