

# ANNUAL REPORT

2025-26

PORMPURA AW



ABORIGINAL  
SHIRE COUNCIL



COMMITMENT  
RESPECT  
COMMUNITY  
FAMILY  
TEAMWORK



# ACKNOWLEDGEMENT OF

## Traditional Owners

Pormpuraaw Aboriginal Shire Council  
acknowledges the Traditional Owners of the land.

We pay respects to Elders past, present, emerging and to all members of the Community. We recognise their continuing connection to both land and sea and the strength of a cultural heritage and belief system that spans past, present, and future generations.





# CONTENTS

|                        |    |
|------------------------|----|
| INTRODUCTION           | 4  |
| OUR SHIRE              | 6  |
| YEAR IN REVIEW         | 9  |
| OUR ORGANISATION       | 16 |
| COMMUNITY SERVICES     | 29 |
| BUSINESS DEVELOPMENT   | 35 |
| OPERATIONS             | 38 |
| CORPORATE SERVICES     | 42 |
| STATUTORY REQUIREMENTS | 56 |





# INTRODUCTION





# REPORT STRUCTURE

Our report is divided into eight sections:

## Our Shire

A brief insight into the history and the township, the location and regional demographics of Pormpuraaw

## Year in Review

An overview of the year from the Mayor and Chief Executive Officer, new employees, years of service and star employees

## Our Organisation

An introduction to our Elected Council, our principals and values, our vision and mission, our objectives, our corporate structure and an acknowledgement to our funding bodies.

## Community Services

A snapshot into Aged Care Services, Centrelink, Indigenous Knowledge Centre, Community Hall, Justice Group, Disaster Management, Alcohol Management, and Events.

## Business Development

A snapshot into the Admin Store, the bakery and Environment.

## Operations

A snapshot into Airport, Building Maintenance, Mobile Concrete Batching Plant, Parks and Gardens, Roads and Workshop.

## Corporate Services

An overview of corporate services financial position, including Statement of comprehensive income, revenue, expenses, changes in equity, cash flows and measures of sustainability.

## Legislative Requirements

Requirements under the Local Government Act 2009 (Qld).

# ABOUT OUR Annual Report

Our annual report details the performance, activities, and achievements of the Pormpuraaw Aboriginal Shire Council for the financial year spanning 1 July 2025 to 30 June 2026.

As our foremost accountability tool for corporate Governance, this report provides a comprehensive and transparent overview of both financial and non-financial information regarding the efficiency and effectiveness of Councils operations. While Council is required by legislation including the Local Government Act 2009, to prepare and adopt an Annual Report containing specific statutory reporting and externally audited financials, we view this document as much more than a summary of operations. It tells the story of Pormpuraaw over the past year.

Our work is guided by a strong strategic planning and performance framework, which determines how we prioritise and deliver essential programs and services for our people now and in the future. At the heart of this framework is our Corporate Plan. By guiding our operational plan, annual budget, and capital works program, it anchors Council's decision-making and turns our community's long-term vision into daily action.

This Annual Report is a vital part of Council's ongoing commitment to open, transparent, and accountable governance. It informs Council, community members, and other stakeholders of the realities of the past financial year. Most importantly, it is an opportunity to reflect on our learnings, celebrate our shared successes, and provide a complete picture of the progress we have made together as a strong and proud community.



An aerial photograph of a suburban neighborhood. The image shows a grid of streets with houses of various sizes and colors. There are many trees, some with green foliage and others with yellow or orange leaves. A playground with a blue and yellow structure is visible in the upper right. A large black banner with the text "OUR SHIRE" in red is overlaid on the left side of the image.

# OUR SHIRE



## ABOUT OUR COMMUNITY

Pormpuraaw is on the West Coast of Cape York, about 500 kilometres from the tip of Australia, and is home to the Thaayore, Wilk, Bakahn and Yir Yoront people.

### THE HISTORY OF PORMPURAAW

Pormpuraaw, formally known as Edward River, was established as an Anglican Mission in 1938. Following the establishment of the Kowanyama mission in 1905, the church recognised the complexities of bringing diverse tribal groups together across vast area. This led to a shift towards establishing smaller, localised missions, with Pormpuraaw taking root as the first of these settlements.

The mission era was a period defined by both profound hardship and remarkable community resilience. Government subsidies at the time provided only a fraction of what was required to sustain the population. As a result, many men and boys worked on regional cattle stations, which fortunately allowed them to remain close to their traditional Country. Concurrently, women and children from across the Gulf of Carpentaria were relocated to mission dormitories for institutionalised schooling. Because government rationing was erratic - particularly during the war years when fuel shortages prevented supply boats from arriving - residents relied heavily on hunting and gathering. This vital resilience on traditional bush foods ultimately ensured that strong, unbroken cultural connections to the land were maintained.

A defining milestone in Pormpuraaw's history of self-determination was achieved in 1986, when the Pormpuraaw Aboriginal Community Council gained land title through a Deed of Grants in Trust. This granted the Council full

full local government authority over 466,198 hectares of traditional lands. In 2004, the community took another significant step forward, officially incorporating the Shire Council under the Local Government Act 2004, cementing our modern governance structure.

### PORMPURAAW TOWNSHIP

The Pormpuraaw Community is united by a shared network of essential local infrastructure, including our school, community halls, recreational spaces, local shops, the art centre, and the community services administrative building.

Deeply rooted in history, our community layout originated during the mission settlement era and continues to reflect traditional linguistic and territorial affiliations. Today, Pormpuraaw's neighbourhoods broadly mirror the geographical distribution of traditional clan estates across the 466,198 hectares of the Pormpuraaw Deed of Grant in Trust Lands.

The Edwards River serves as a defining natural landmark, broadly dividing the Wik-speaking clans to the North from those to the South. This geography shapes our two distinct neighbourhoods; the Mungkan side, home to the residents whose ancestral ties lie along North of the river, and the Thaayore side, which accommodates speakers of Thaayore, Yir Yoront, and other dialects associated with the lands along the South of the Edward River.



## REGIONAL DEMOGRAPHICS

The Pormpuraaw Aboriginal Shire Council serves a population of 644 residents, defined by a strong cultural heritage with 76.6% of the community identifying as First Nations. The region leans younger, with a median age of 34, and maintains deep linguistic and traditional ties, evidenced by 68.8% of households speaking a language other than English at home.

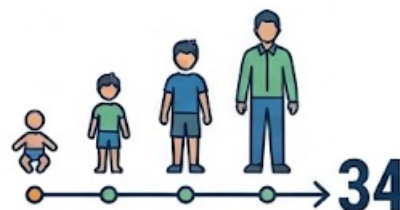
Economic and housing metrics reflect that specific dynamics of the local landscape, highlighting an unemployment rate of 43.8% alongside highly accessible housing with an average weekly rent of \$120.



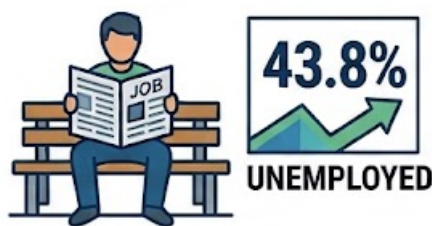
**POPULATION**



**FIRST NATIONS: 76.6%**



**MEDIAN AGE**



**Unemployed**



**LANGUAGES SPOKEN AT HOME  
OTHER THAN ENGLISH: 68.6%**



**AVERAGE WEEKLY RENT: 120**



# YEAR IN REVIEW





## MESSAGE FROM THE MAYOR

Ralph Kendall Jnr



This is my third Annual Report and marks the completion of my third full year during this elected term.

The 2025/26 financial year was another significant and productive year for Council. We hit the ground running, delivering a range of important projects while continuing to strengthen our workforce through increased local employment opportunities.

A key achievement during the year was Council's commitment to improving employee benefits and workforce equity. Council provided award-based employees with a Council-determined wage increase of \$1.94 per hour. In addition, employees engaged under the Local Government Employees Award Streams B and C were granted access to the Locality Allowance previously available only to Stream A employees.

As a result, all employees are now entitled to five weeks of annual leave and 15 days of personal leave, ensuring consistent employment benefits across our entire workforce.

The Pormpuraaw Rodeo, held in September 2025, was a tremendous success. I would like to acknowledge and thank Durack Civil for their generous donation of the electronic bull, which provided hours of entertainment for both children and adults. Our Annual Fishing Competition in April 2026 was also highly successful, with Eddie Kepple winning a new tinnie and outboard motor for catching the largest barramundi.

I would also like to congratulate and thank our Finance Team for achieving another unqualified audit result. Only one minor issue was raised relating to the timing of capitalisation and depreciation of plant and equipment, demonstrating the continued strength of Council's financial management and governance practices.

During the year, we commenced construction of six granny flats and four housing extensions, as well as upgrades to the Main Roads Contractors Camp. The airstrip upgrade was successfully completed and, while the project has been delivered, investigations are continuing into the cause of surface bubbling experienced during severe storm conditions.

Looking ahead, we have finalised the design for the new Council Administration Building and Aged Care Facility. We have also completed planning for two new staff houses, with construction expected to commence in late 2026.

While we have achieved a great deal over the past year, there is still much more to come. With a strong pipeline of projects and opportunities ahead, 2026/27 is shaping up to be another exciting and productive year for our community and Council.

I would like to thank Councillors, staff, community members, funding partners, and stakeholders for their ongoing support and commitment to making Pormpuraaw a stronger and more prosperous community.

- Ralph Kendall Jnr



## MESSAGE FROM THE CEO

Janelle Menzies



The 2025/26 financial year marked my first full year as Chief Executive Officer of Pormpuraaw Aboriginal Shire Council. I am pleased to report that Council has successfully achieved its **14th consecutive unmodified audit**, a significant accomplishment that reflects the dedication, professionalism, and hard work of our Councillors, staff and partners. I thank everyone involved in delivering this outstanding result.

In July 2025, Council employed a bakery couple to establish and operate the community bakery. The bakery initially opened in September 2025, however, operations ceased after a short period. Council subsequently undertook a recruitment process and successfully engaged in a new baker who commenced employment in May 2026, enabling the bakery to reopen in July 2026.

One of the most significant projects undertaken during the year was the upgrade of the Pormpuraaw Airport. The contract was awarded to Durack Civil, who commenced works in August 2025, including the construction of a temporary airstrip on the eastern side of the causeway.

During the construction period, Skytrans was unable to operate on the temporary airstrip. However, Hinterland Aviation and the Royal Flying Doctor Service (RFDS) continued to provide essential aviation services to the community. Construction was completed in October 2025, and the project was celebrated with a community cricket match on the newly constructed runway before it officially reopened.

While the airport upgrade has significantly improved the facility, Council continues to experience bubbling on sections of the new airstrip surface. Funding has since been secured through the Queensland Reconstruction Authority's Disaster Recovery Funding Arrangements (DRFA) program to investigate the cause of the issue and identify suitable remediation options.

During the year, ten new social housing dwellings were completed and allocated to community members, providing much-needed housing outcomes for local families.

Council's four new staff houses in Yalu Street were completed in July 2025 and were quickly occupied by newly recruited employees relocating to Pormpuraaw.

Council also demolished the former staff residence at 27 Matpi Street and awarded a contract to WIP construction to build a new three-bedroom and a new two-bedroom staff residence. In addition, Council approved the construction of six new one-bedroom staff houses opposite the kiosk to assist with workforce attraction and retention.

Planning also continued for two new residential subdivisions. Council is currently awaiting environmental approvals to relocate approximately 1,000 orchids before construction can commence.



In July 2025, Pormpuraaw was honoured to host Her Excellency Dr Jeannette Young AC PSM, Governor of Queensland and her husband, Professor Graeme Nimmo RFD.

During their visit, they toured the Pormpuraaw State School, the Pormpuraaw Arts Centre, and the Edward River Crocodile Farm. Council was privileged to host the Governor and Professor Nimmo overnight and to share a traditional Kup Murri with Elders and community members.

Council continued to invest in staff development and wellbeing throughout the year. A number of staff engagement activities were held, including beach bonfires, a splash park barbecue, and several all-staff workshops.

Council also introduced its Employee Assistance Program (EAP), with Carla Berbary providing information sessions to staff on the support services available.

In addition, staff undertook a range of accredited training programs, including:

- Certificate II in Security Operations;
- First Aid Training
- Certificate III in Water Industry Operations; and
- Various trade block training courses undertaken by Council apprentices in Cairns.

Council proudly supported and delivered a range of community events throughout the year.

In July 2026, Council hosted the Don't Buy Sly Family Fun Day, followed by an evening celebration featuring live entertainment from Big Pups.

The annual Pormpuraaw Rodeo was held in September 2025 and was a tremendous success, attracting strong community participation and running without incident. Council also hosted its annual fishing competition in April 2026, which once again provided to be a popular event for residents and visitors alike.

In December 2025, Pormpuraaw welcomed visits from Royal Australian Air Force C-27J Spartan and C-130J Hercules aircraft, which played a key role in delivering donations and supplies to the community. The initiative was supported by the Australian Army's 51st battalion, Far North Queensland Regiment, and coordinated in partnership with the Australian Olympic Committee.

The visit also included two-time Olympic boxing champion Brad Hore and Australian Olympic Committee representative Tess Adler, who spent time engaging with community members.

Council was also pleased to host federal member of Parliament Matt Smith, who joined community celebrations and attended Christmas activities with residents and aged care clients.

Councillors continued to represent the interest of the Pormpuraaw community through active participation in a range of regional, state and national forums.



# YEAR IN REVIEW

These included:

- Torres and Cape Indigenous Councils Alliance (TCICA) bi-monthly meetings;
- Local Government Association of Queensland (LGAQ) Indigenous Leaders Forums in Brisbane and Cairns;
- The LGAQ Annual Conference; and
- The Australian Local Government Association (ALGA) National General Assembly in Canberra.

While delivering day-to-day services and major infrastructure projects, Council also continued planning and design work on a number of strategic initiatives, including:

- The Sport and Recreation Precinct Master Plan;
- A new Council Chambers facility;
- A new Home and Community Care and Aged Care building;
- Upgrades to amenities at the Pormpuraaw United Brothers Sports Club;
- Six housing extensions and four granny flats under Council's social housing program;
- Social housing design principles and planning for approximately 40 new homes over the next five years; and
- Upgrades to the Main Roads Contractors Camp.

The 2025/26 financial year has been one of significant achievement, growth, and investment for Pormpuraaw Aboriginal Shire Council. From major infrastructure projects and housing developments to community events, workforce development, and strategic planning, Council has continued to deliver positive outcomes for the community.

I would like to thank the Mayor, Councillors, staff, community members, government agencies, contractors, and stakeholders for their ongoing support and commitment. While the past year has been exceptionally busy, the year ahead promises to be even more ambitious as we continue building a stronger and more prosperous future for Pormpuraaw.

*- Janelle Menzies*





## OUR PEOPLE, OUR STRENGTH

### New Additions & Milestones

During the 2025-26 financial year, Council welcomed a talented cohort of new employees whose diverse skills and fresh perspectives strengthened our workforce. Complementing this incoming talent, Council also proudly celebrated our long-standing staff through our years of service awards in December 2025.

Together, this vital institutional knowledge and new energy ensure Council remains well-equipped to drive future growth and deliver on our core objectives.

### NEW EMPLOYEES

2025

|                |                  |
|----------------|------------------|
| Leonie Wason   | Gavin Zeelie     |
| Rebecca Brian  | Landis Coleman   |
| Sonya Brian    | Luigi Formose    |
| Brett Coleman  | Kenneth Clemment |
| Graham Poon    | Robbie Morris    |
| Avril Paul     | Chris Birthsel   |
| Loveona Ballie | Craig Goggeleye  |
| Leona Worrell  | Ada Williams     |

2026

|                        |                 |
|------------------------|-----------------|
| Hamish Gothakchalkenin | Melanie Conrad  |
| Christopher Savage     | Father Andrews  |
| Geoff Scott            | Kenioriana      |
| Michele Dunk           | Vanessa Deakin  |
| Gus Yates              | Stacey Conrad   |
| Tori Pittorino         | Hannah Hasing   |
| Allira Fourmile        | Jerese William  |
| Scott Harvey           | Lachlan Coleman |
| Drew Murfitt           | Madlyn Conrad   |
| Michelle Sands         | Jocelyn Coleman |
| George Conrad          | Bevan Holroyd   |
| Amy Yates              |                 |

### YEARS OF SERVICE AWARDS

10YRS

2024 Joanne Brim (2014)  
2024 Anthony Charlie (2014)  
2023 Tracey Graham (2013)  
2022 James Holroyd (2012)  
2023 Grace Millindi (2013)  
2021 Roger Norris (2011)  
2023 Ina Tyore (2013)  
2025 Rosmary Tyore (2015)  
2022 Cameron Watts (2012)  
2022 Clinton Williams (2012)

15YRS

2023 Emily Kendall (2008)

25YRS

2025 Raymond Kendall (2000)  
2021 Heather Hyore (1996)



## Star Employees of the Month

In recognition of the exceptional dedication, resilience, and operational excellence demonstrated across our organisation this part year, we are proud to celebrate the recipients of our internal monthly awards.

These honours highlight the individuals and groups who champion our core values every day: The Star Employee Award, celebrating individual initiative, peer leadership, and consistent high performance; the Star WHS Award, recognising an unwavering commitment to proactive safety practices, hazard reduction, and the physical and mental wellbeing of our workforce; and the Star Team Award, commending a collective effort that broke down silos, overcame complex challenges, and delivered transformative results.

We extend our sincere gratitude and congratulations to the 2025-26 financial year winners for setting the benchmark of excellence and driving our sustained success.

**JUL**  
**2025**

**STAR EMPLOYEE:** Nem Yesberg  
**STAR WHS:** Greg Maugeri  
**STAR TEAM:** Cairns Team

**AUG**  
**2025**

**STAR EMPLOYEE:** Kira Tsao  
**STAR WHS:** Heinz Szilagy

**SEP**  
**2025**

**STAR EMPLOYEE:** Marcus Carmody  
**STAR WHS:** Frederick Holroyd

**OCT**  
**2025**

**STAR EMPLOYEE:** Grace Toumoun  
**STAR WHS:** Alfreda Passi

**NOV**  
**2025**

**STAR EMPLOYEE:** Glen Simpson  
**STAR WHS:** Gavin Kendall  
**STAR TEAM:** Carpenters

**DEC**  
**2025**

**STAR EMPLOYEE:** Chris Brithisel  
**STAR WHS:** Cameron Watts  
**STAR TEAM:** Workshop

**JAN**  
**2026**

**STAR EMPLOYEE:** Melissa Douthat  
**STAR WHS:** Noel Tabuai  
**STAR TEAM:** Rangers

**FEB**  
**2026**

**STAR EMPLOYEE:** Gavin Zeelie  
**STAR WHS:** Patti  
**STAR TEAM:** Airport

**MAR**  
**2026**

**STAR EMPLOYEE:** Norris Rodger  
**STAR WHS:** Grace Millindi  
**STAR TEAM:** Garbage

**APR**  
**2026**

**STAR EMPLOYEE:** Jimmy Holroyd & Leona Worrell  
**STAR TEAM:** Plumbing

**MAY**  
**2026**

**STAR EMPLOYEE:** Anne Boundy  
**STAR WHS:** Hamish Goth  
**STAR TEAM:** Community Services

**JUN**  
**2026**

**STAR EMPLOYEE:** Requondon Daniel  
**STAR WHS:** Robinson Barney  
**STAR TEAM:** Facilities Cleaners



# OUR ORGANISATION





## ELECTED COUNCIL



### MAYOR

Ralph Kendall Jnr

Previously elected in 2016 and re-elected in 2024



### DEPUTY MAYOR

Tim Koo-Aga

Elected in 2016, 2020 and again in 2024.



### COUNCILLOR

Romena Edwards

Elected in 2024.



# OUR ORGANISATION

Photos on this page taken by © Christine Howes (2026)



## COUNCILLOR

Keith Barney

Elected in 2016 and again in 2024.



## COUNCILLOR

Devon Tarpencha

Elected in 2026.





## OUR GUIDING PRINCIPALS



### STRONG COMMUNITY

The Council will strengthen the capacity and resilience of the Pormpuraaw Community through partnerships with the Community, business, government and non-government sector groups in pursuing positive social, economic, and environmental outcomes.



### EXCELLENCE

Council and staff will strive for innovation, continuous improvement, and long-term success in management and leadership practices, strategic planning, and the performance of Council systems.



### ACCOUNTABILITY

Council is accountable to the Community and will conduct its affairs openly with integrity in consultation with Community, at the same time reflecting the highest level of democratic governance and public administration.



### FAIRNESS AND EQUITY

Council recognises and values the needs of different sectors and groups within its community and works in partnership with valued volunteers, community-based and State and Commonwealth departments to ensure needs are addressed in a planned and timely manner.



### WELCOMING IDEAS

Council will actively encourage and seek the exchange of ideas and knowledge in finding creative solutions.



### INVESTING IN THE FUTURE

Council will take a long-term view as a responsible steward of community assets and finances.



## OUR STAFF VALUES

### COMMITMENT

We are committed to supporting and respecting one another by listening, communicating openly, taking responsibility, caring for each other's gear, and working together with dedication - staff and Council alike - to create a safe, collaborative, and accountable workplace



### RESPECT

We show respect by valuing our workmates, other staff, Council members, and the community - listening to opinions, caring for tools, equipment, and vehicles, and treating customers and the township with courtesy and pride.



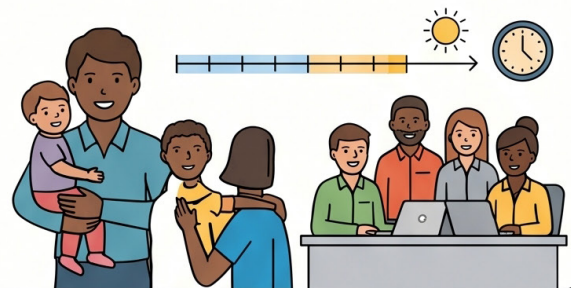
### COMMUNITY

We are committed to delivering services, resources, and entertainment that strengthen community pride and viability - created by the community, for the community.



### FAMILY

We come to work as positive role models for our families, fostering a close-knit, supportive workplace that values a healthy balance between work and family life.



### TEAMWORK

Teamwork means working together towards a shared goal, combining our individual skills, strengths and efforts to achieve more than we ever could alone.





# OUR ORGANISATION

## OUR VISION THE FUTURE WE ENVISION

A strong, engaging community creating a dynamic future.

## OUR MISSION WHY WE ARE HERE

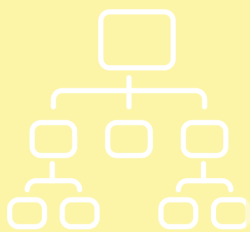
To meet the needs and aspirations of community members by delivering strong leadership together with strategic planning to construct new infrastructure that will deliver new and improved services and facilities.





## OBJECTIVES & STRATEGIES

Five Key Areas



### ORGANISATION

Ensure integrity, transparency and efficiency in Council operations through effective governance, community engagement, comprehensive communication, risk management, asset management, financial planning and up to date policies and processes.



### COMMUNITY The way we want to live together

To build a resilient and healthy community with the right services and facilities to make sure everyone can join in, feel safe and enjoy our culture.



### BUILT ENVIRONMENT Shaping our Surroundings

Develop a resilient and healthy community with the right infrastructure to ensure safety, inclusivity, and the celebration of our culture while planning for future growth and development.



### NATURAL ENVIRONMENT It begins with us

Ensure the healthy and sustainability of the natural environment through effective natural resource management, community engagement, proactive conservation and carbon reduction initiatives.



### ECONOMY Creating our Future

Faster economic growth and community development by enhancing education and training opportunities, improving infrastructure, ensuring reliable essential services, promoting tourism and community engagement initiatives.



## CORPORATE STRUCTURE

### ACCOUNTABILITY

Executive management staff at Pormpuraaw Aboriginal Shire Council report directly to and take direction from the Chief Executive Officer (CEO). The CEO oversees all operational management and workplace coordination, ensuring the continuous, reliable delivery of services to the Pormpuraaw community.



### STAFF CODE OF CONDUCT

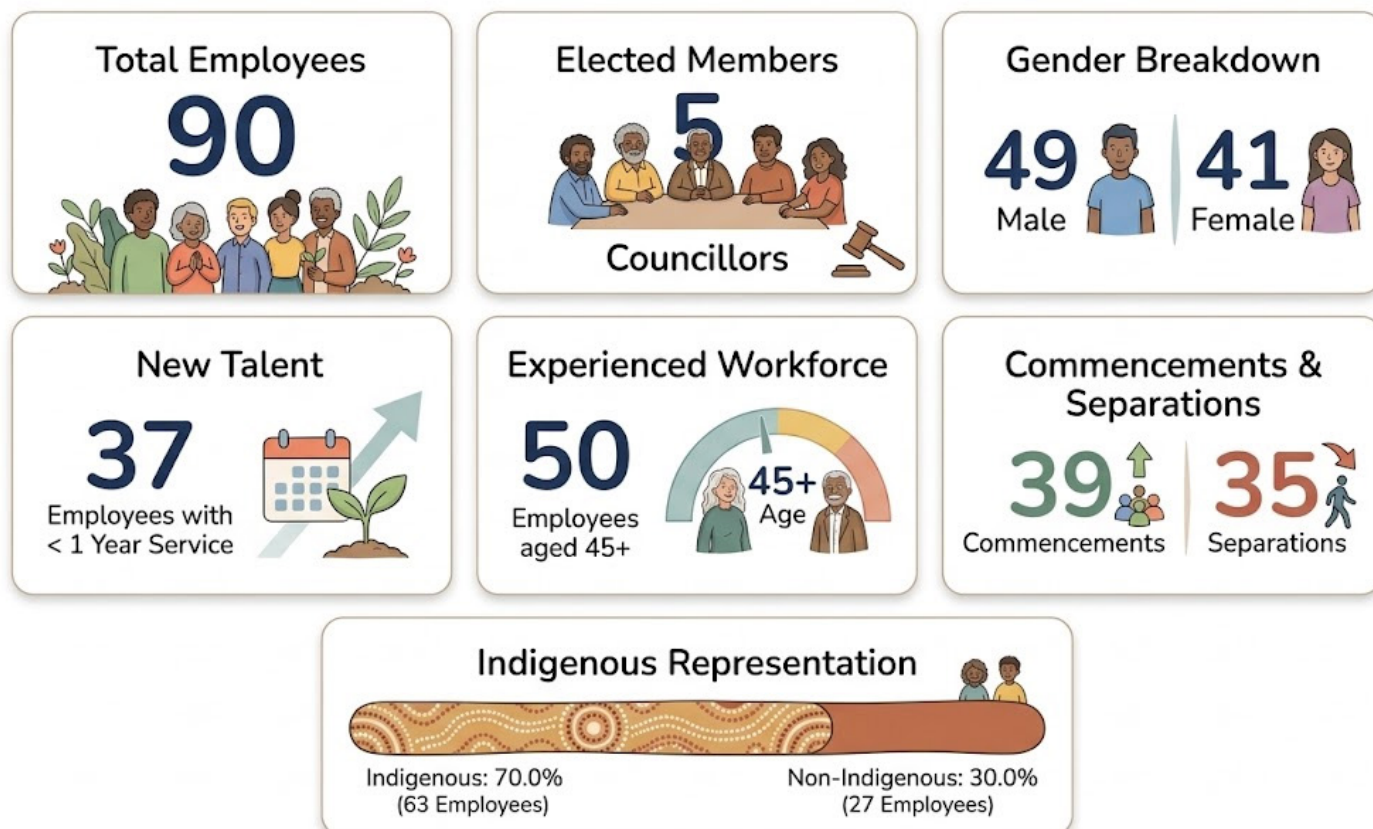
All Council staff must strictly comply with the Pormpuraaw Aboriginal Shire Council Code of Conduct, policies and confidentiality agreements. Furthermore, both Councillors and employees are expected to maintain professional boundaries, avoiding any improper involvement in local community activities, business dealings and political matters.



## HUMAN RESOURCES

Council's Human Resources (HR) activity during 2025–2026 was characterised by substantial workforce movement, ongoing recruitment activity and a continued focus on employee retention and capability development. Council's workforce comprises 90 employees, with five elected members reported separately.

### WORKFORCE AT A GLANCE



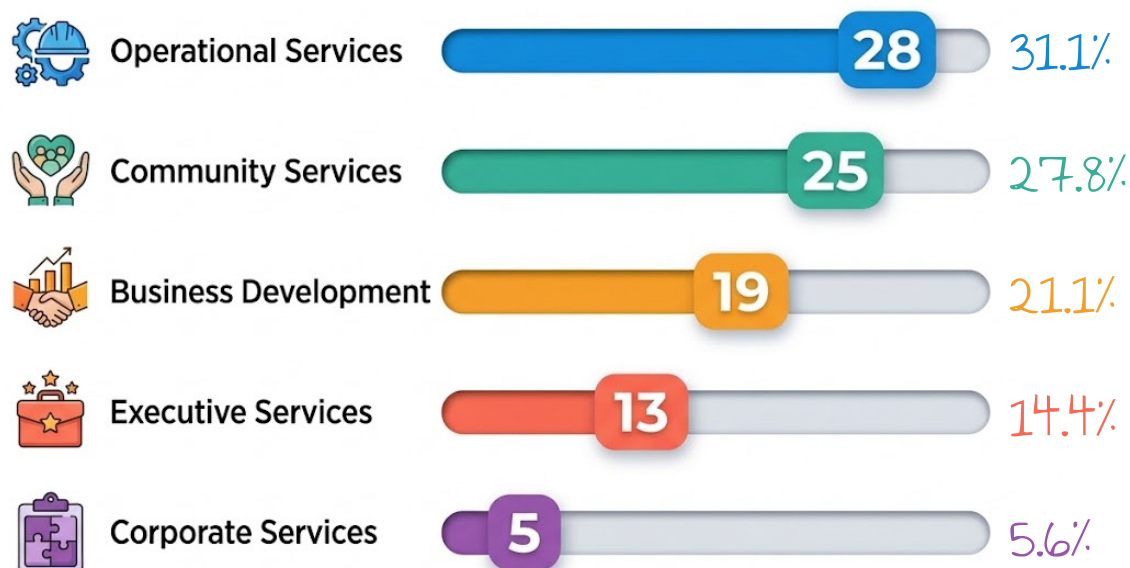
|                           |                                                                                                                                                  |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Workforce Size            | 90 employees, plus five elected members recorded in employee register.                                                                           |
| Gender Profile            | 54.4% male and 45.6% female                                                                                                                      |
| Age Profile               | 55.6% of employees are aged 45 years or older, highlighting succession and knowledge-transfer needs                                              |
| Length of Service         | 37 of 90 current employees (41.1%) had less than one year of service at the snapshot date, reinforcing the importance of induction and retention |
| Indigenous Representation | 63 of 90 employees (70.0%) identify as Indigenous; 27 employees (30.0%) are non-Indigenous                                                       |



## WORKFORCE PROFILE

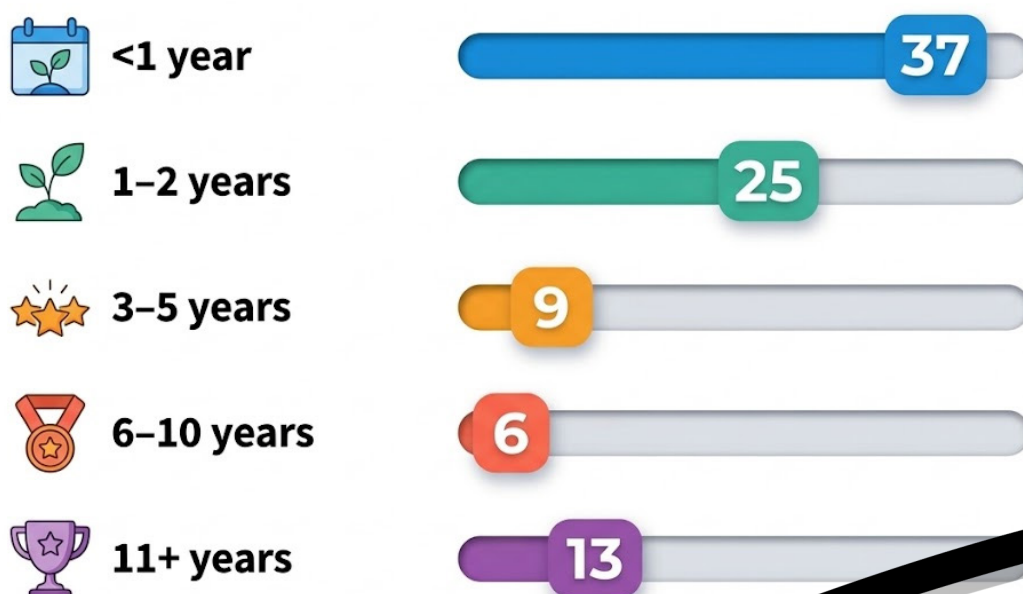
Operational Services and Community Services remain Council's largest workforce groups, together accounting for 58.9% of employees. Business Development Services is the third-largest service area.

### Employees by Service Area



### Length of Service

The workforce has a high concentration of relatively recent employees: 62 of 90 employees (68.9%) have less than three years of service. At the same time, 13 employees have more than 11 years of service, making structured knowledge transfer important.

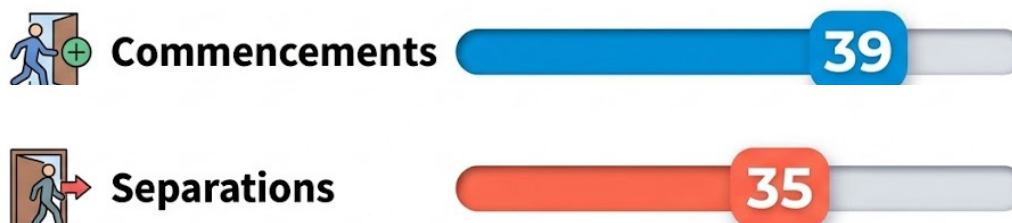




## RECRUITMENT AND WORKFORCE MOVEMENT

HR records for 2025–2026 show 39 employee commencements and 35 employee separations. This level of movement placed sustained demand on recruitment, pre-employment checks, onboarding, and workforce continuity.

### Workforce Movements



## APPRENTICESHIPS

Council supported three trade apprenticeships during the reporting period:

- Two male carpentry apprentices
- One female mechanic apprentice

These pathways build local trade capability and support succession.

## RECRUITMENT - VACANCIES

At year-end, Council had 14 vacant positions across nine vacancy categories.

|   |                                                                                     |                                                |             |
|---|-------------------------------------------------------------------------------------|------------------------------------------------|-------------|
| 1 |  | Aged Care Support Worker                       |             |
| 2 |  | Animal Control / Environmental Health Worker   |             |
| 3 |  | Bakery Apprentice or Bakery Assistant          |             |
| 4 |  | Bakery Retail Assistant                        |             |
| 5 |  | Council Facilities Cleaner                     |             |
| 6 |  | Cultural & Land Worker                         | 4 positions |
| 7 |  | Outdoor Facilities Crew                        | 2 positions |
| 8 |  | Post Office Customer Service & Cashier Officer |             |
| 9 |  | Finance & Admin Support Officer                |             |



## HR DELIVERY - 2025/26

HR's work during the year centered on keeping core employment processes consistent and supporting managers through a period of significant recruitment and workforce change.

| AREA                       | 2025-26 FOCUS                                                                                                                       |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Recruitment and Onboarding | Coordinated recruitment activity, pre-employment requirements, employment documentation and onboarding across Council service areas |
| Employment Documentation   | Strengthened employment records, contracts, position documentation and supporting HR records                                        |
| Employee Matters           | Supported managers with conditions of employment, probation, attendance, workplace concerns and consistent policy application       |
| Training & Capability      | Supported apprenticeships and staff training with further in-house capability development identified as a priority                  |
| Wellbeing                  | Provided HR support and referral pathways for employee wellbeing and psychosocial matters where required                            |





## ACKNOWLEDGEMENT OF Funding Bodies

Pormpuraaw Aboriginal Shire Council extends its gratitude to the following funding bodies for their support of activities funded during the 2025-26 financial year.

We sincerely appreciate your continued support and commitment to our community's growth and development.

### Commonwealth

- Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts
- Department of Health, Disability and Ageing
- Department of Climate Change, Energy, the Environment and Water
- Department of Industry, Science and Resources
- National Indigenous Australians Agency
- Services Australia

### State and Other Bodies

- Department of Local Government, Water and Volunteers
- Department of State Development, Infrastructure and Planning
- Queensland Reconstruction Authority
- Queensland Health
- Health and Wellbeing Queensland
- Department of Environment, Tourism, Science and Innovation
- Department of Transport and Main Roads
- Department of Trade, Employment and Training
- State Library of Queensland
- Queensland Police Service
- Department of Justice
- Department of Housing and Public Works
- Department of Sport, Racing and Olympic and Paralympic Games
- Department of Women, Aboriginal and Torres Strait Islander Partnerships and Multiculturalism
- Cape York Natural Resource Management



# COMMUNITY SERVICES





## AGED CARE SERVICES

Pormpuraaw Aboriginal Shire Council's Aged Care Centre is committed to delivering high-quality, culturally appropriate, consumer-directed care services that support the wellbeing, dignity and independence of older community members. Services are delivered by locally trained and employed staff who understand the cultural, social and community needs of clients and their families.

The Aged Care Centre currently operates through the following funded programs:

- Support at Home: 10 clients
- Commonwealth Home Support Programme: 30 clients
- Queensland Community Support Scheme: 2 clients
- Indigenous Employment Initiative: 12 local staff positions

The Centre provides a broad range of supports to eligible and vulnerable community members, assisting them to remain safely in their own homes and maintain independence for as long as possible. Services include meals, carer support, social support through group and individual activities, personal care, domestic assistance, day respite, garden maintenance and transport assistance for shopping, visiting, banking and medical appointments.

The Aged Care Centre provides breakfast, lunch and dessert for up to 30 clients each day, supporting good nutrition and regular wellbeing contact with clients.

In addition to essential care services, the Centre offers a range of engaging activities designed to encourage client participation, promote wellness and reablement, and maintain ongoing connection to culture and community. These activities include opportunities to spend time on Country, at the beach, rivers and the Centre, as well as participation in local community events.





## CENTRELINK

Centrelink services are provided to the public five days a week, supporting community members to access essential government services locally. Council continues to strengthen employment opportunities for local residents by offering comprehensive Centrelink training and ongoing support for staff working in this important service role. The Centrelink Agent assists community members by providing guidance and training to help them confidently access and use self-service facilities.

## INDIGENOUS KNOWLEDGE CENTRE

The Pormpuraaw Indigenous Knowledge Centre is proudly funded and supported by the Queensland Government and the State Library of Queensland. This valued support enables Council to provide an inclusive educational and cultural space for all members of the community to enjoy, learn, connect and participate in lifelong learning opportunities.

The Pormpuraaw Library offers a welcoming environment with a wide range of books and resources available for borrowing by children, young people, adults, students and recreational readers. The library also provides complimentary access to computers and iPads, supporting community members to build digital confidence and engage with online learning, communication and information services.

A key focus of the Centre is supporting children's learning, imagination and development. The library maintains a range of toys and educational resources designed to encourage creativity, skill-building and early learning. The Indigenous Knowledge Centre Coordinator is proactive in delivering stimulating educational activities for children after school and during school holidays, including scientific thinking activities, arts and crafts, storytelling about bush life, movie afternoons and other learning-based programs.

The Pormpuraaw Indigenous Knowledge Centre was also involved in the delivery of the Growing IKC program, which provided free workshops to community members across the following areas:

- Family history research
- Podcasting and oral history sharing
- Digital art

In partnership with the School, Torres and Cape Services and Pormpur Ngamplin Pam Mongthak, the Centre supports programs such as First Five Forever for children aged zero to five. This program helps build strong literacy foundations, encourages lifelong learning capabilities and connects parents and caregivers with resources that support early childhood development.

Operating five days per week, Monday to Friday, the Pormpuraaw Indigenous Knowledge Centre continues to play an important role in strengthening education, literacy, digital participation, cultural knowledge sharing and community connection.



## COMMUNITY HALL

Pormpuraaw has a designated Community Hall to provide support to the community for sport and recreational activities throughout Pormpuraaw. The hall is often hired for the delivery of:

- Sports & Recreation: General community sports, including basketball, Edor and indoor cricket
- Youth Programs: Dedicated activities focused on youth development
- After-School & Vacation Care: Structured recreational programs for children during school terms and holidays
- Community Events: Gatherings, celebrations and civic functions

## JUSTICE GROUP

The community Justice Group Program provides essential support and services to victims, offenders and community members involved in the criminal justice system in Pormpuraaw. Funded by the Department of justice and Attorney-General, the program works to develop local strategies that address justice-related issues and reduce Aboriginal and Torres Strait Islander peoples' contact with the criminal justice system.

The program enables community members to work collaboratively with courts, police and government agencies to respond to criminal behaviour, support victims of crime and promote safer community outcomes. Community Justice group members assist through community engagement, mediation and peacekeeping, Justice of the Peace Services, agency visit support, prison visits by telelink, community service orders and referrals to appropriate support services.

The Justice group may also assist community members with matters relating to Births, Deaths and Marriages, SPER payments, Aboriginal and Torres Strait Islander Legal Service Support, Queensland Indigenous Family Violence Legal Service support, Child Safety and Probation and Parole.





## DISASTER MANAGEMENT

Local Disaster Management Group meetings are held periodically throughout the year and at key times leading into seasonal weather events. These meetings support effective planning, coordination and preparedness across Pormpuraaw.

The Emergency Management Coordinator supports Pormpuraaw Aboriginal Shire Council by providing training, disaster management advice and practical on-the-ground support before, during and after disaster events.

The Local Disaster Management Plan is reviewed annually by the Local Disaster Management Group. As part of this process, training requirements, operational procedures and key disaster management processes are reviewed and updated to ensure information remains current, accurate and effective.

Each December, Pormpuraaw Operations undertakes a community clean-up in preparation for the cyclone and wet season. This work assists in reducing hazards, improving community safety and strengthening local disaster preparedness.

## ALCOHOL MANAGEMENT PLAN

Pormpuraaw operates as an Alcohol Managed Area with an approved carriage limit of 12 cans of mid-strength alcohol (4% or lower) per vehicle, purchasable as take-away from the club or brought into the community. The Pormpuraaw Post Office holds a Subsidiary Off-Premises liquor license to legally receive and manage shipments exceeding single carriage limits via Australia Post, ensuring full regulatory compliance.

Meanwhile, the local club serves as a designated social venue, encouraging responsible drinking habits and providing a safe space for community connection.





## COMMUNITY EVENTS

Council continued to promote active participation in sports, arts and cultural activities, strengthening community connection and enriching the social and cultural fabric of Pormpuraaw.

The annual Community Family Fishing Competition remained a much-loved event, bringing families together through friendly rivalry, cultural inclusion and positive community engagement.

In 2025, the much-anticipated return of the Pormpuraaw Rodeo delivered an exciting and memorable weekend for residents and visitors alike. With generous donations and strong on-the-ground support, community members of all ages enjoyed the opportunity to take part in the rodeo atmosphere, from bucking bull rides to the mechanical bull challenge. The inclusion of food vendors, stalls and a licensed area helped extend the celebrations into the evening, creating a welcoming space for people to gather, share stories from the day and celebrate community spirit.

Other events Council provided support to community members with directly or in conjunction with other stakeholders included NAIDOC celebrations, Anzac Day service, Youth Summit Colour Run, Fuel and Burn program, Pormpuraaw Footy Team “Crocs” participation with the Southern Cape Cluster competitions and Community Christmas Celebrations.







# BUSINESS DEVELOPMENT



## ADMIN STORE

The Admin Store consists of a small team that provides an ongoing Customer Service to the Pormpuraaw Council and Community where goods are received and stocked.

The Admin Store operations is where all Council and Community Goods Supply's and Materials are received, stored and await collection. The Admin Store holds the Materials and Supplies to complete Council and Community Projects and is delivered by a Weekly Truck Service Tuxworth and Woods Carrier each Thursday morning, with the exception over the extended wet season which restricted road transport for a period of 5 months for the year. Admin Stores also provides an Internal and External Delivery Service within the Pormpuraaw Community.

## BAKERY

Following significant work to bring the building up to food safety standards - including the construction of a new concrete slab, walk-in cool room, freezer room, and dry storage area - the Pormpuraaw Bakery held its initial opening in October 2025. Reaching this stage was a major milestone, particularly given the logistical hurdles of delivering major infrastructure in a remote community.

While the initial opening phase presented operational challenges, the team demonstrated remarkable resilience, teamwork, and commitment as processes were refined. Through this perseverance, operations were successfully restructured, and the bakery officially reopened on 23 July 2026.

Operating Tuesday to Friday, the Bakery has established a strong presence in the community by supplying fresh bread, hot pies, and cakes, with plans underway to introduce coffee service in the near future. Importantly, the enterprise has also created valuable local employment and training opportunities, progressing from early compliance and planning into an active, community-focused service delivery.





## ENVIRONMENT

This division while still being part of the operations team and being overseen by the Executive Manager of operations is led by the Pormpuraaw Land and Sea Rangers.

The Ranger team are a local indigenous team, lead by the Head Ranger with 3 Rangers with a ranger team of 6 with casual ranger support. They are supported by our environmental health team 1 and our animal control staff.

Council endeavours to protect both the natural and built environments in a way that does not compromise future generations and minimise our impact on non-renewable resources.

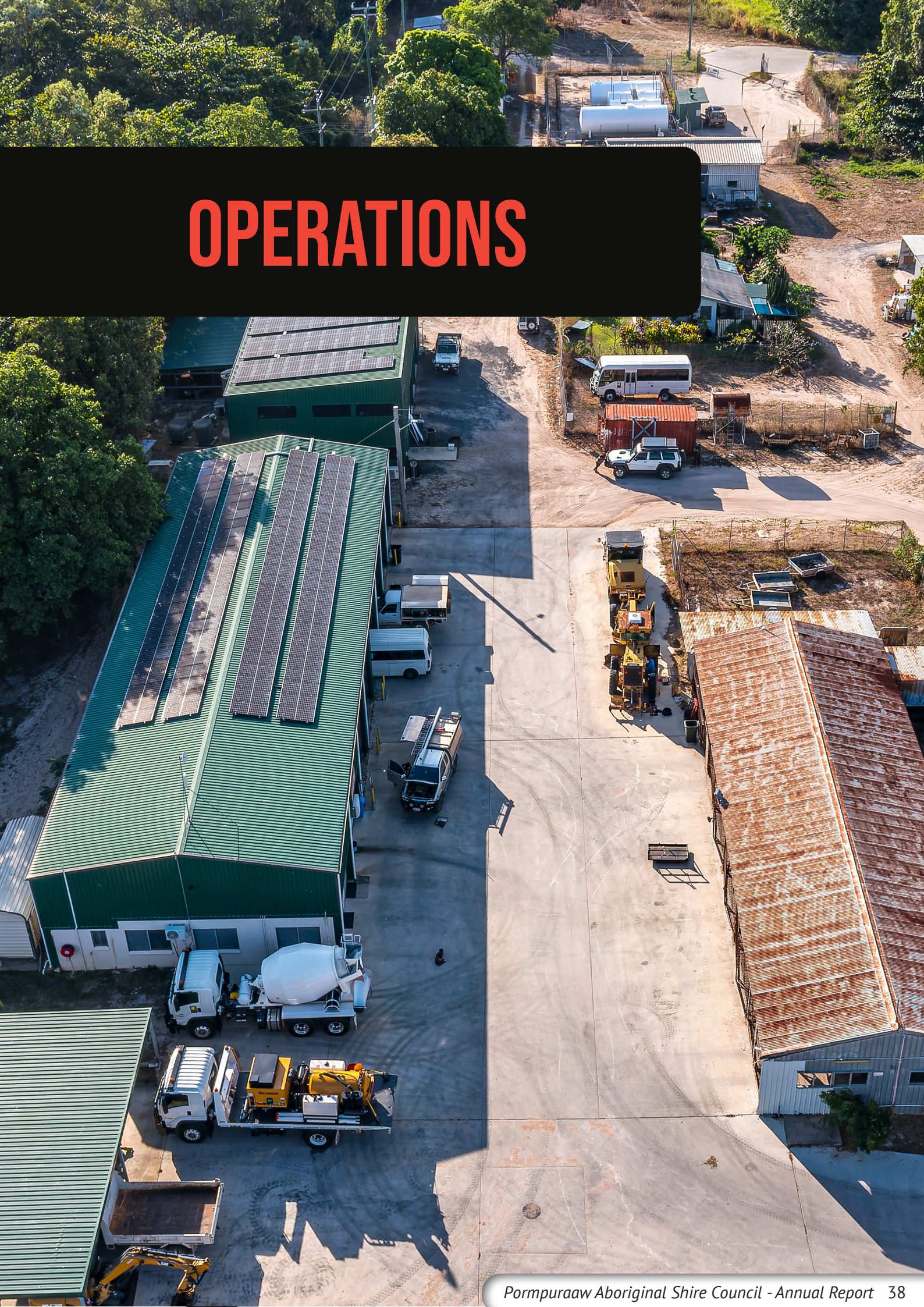
This year we have rolled out a Indigenous Protection Area (IPA) consultation program that will work with traditional owners.

Activities delivered in our environment area during the 2025-26 financial year included natural environment protection, animal welfare, turtle monitoring and ghost nets with a main focus area as follows:

- Community Partnership: continued partnership with Council, Departments, NGO's and Stakeholders to maintain Infrastructure & Vegetation control at various Council Assets throughout Pormpuraaw.
- Carbon Program: We completed the planned burns on time, with burn strategies developed after last years.
- Junior Rangers: Rangers have continued this program in partnership with our local School including participating in the years 3, 4, 5 & 6 school camps.
- Turtle Conservation: Activities continue in this important eco area.
- Outstation Re-development: Council continues to assist the Outstations with revenue from the Carbon Project, with planning for a major renewal program planned for the next 2 years.
- Animal Control: Vet visits community twice a year to assist with dog and disease control. The remote animal assistance team now also visits the community twice a year to support rangers and vets.
- Weed/Pest Management: Parkinson & other Weeds maintenance are still in place to control infestation.





An aerial photograph of a construction or industrial site. On the left, a large green building with solar panels on its roof is visible. In the center, a large paved area contains several vehicles, including a white cement mixer truck, a white utility truck, and a white van. To the right, there is a building with a rusty corrugated metal roof and a yellow excavator. In the background, there are more buildings, a white bus, and a red container. The word "OPERATIONS" is written in large, bold, orange letters across the top of the image.

# OPERATIONS



The Operations Division of Council covers the Built Environment and ensures that Council programs and projects are rolled out in a timely manner with a strong focus on timely delivery & budget control. The role Executive Manager of Operations position was filled in February 2026.

## AIRPORT

The Edward River Airport plays a very important part in providing the Pormpuraaw community essential services. Council continues to ensure that the Edward River Airport meets all of CASA requirements. This commitment extends to safeguarding both our personnel and all aircrafts utilising the airstrip, including regular public transport (RPT) services operated by Hinterland & Skytrans.

Durack Civil completed the construction phase of the airport pavement raising and strengthening upgrade project, including the reconstruction of a temporary airport to the East of town. These works followed on from the planning and design phase completed in the 2024-25 financial year by Orion Project Consulting and ARO Industries. The funding for these works came from the Australian Government following significant damage sustained during the 2022-23 wet season.

During the 2025-26 wet season, low pressure systems associated with severe storms and cyclones damaged the newly applied seal installed during the upgrade project completed in November 2025. This damage resulted from trapped air and gases rising through the pavement layers, causing the seal to lift and form bubbles.

A funding submission has been submitted to the Queensland Reconstruction Authority for funds to restore the pavement and other areas damaged during the 2025-26 wet season.





## BUILDING MAINTENANCE

### Repairs, Upgrades & Construction

Council continues to build capacity in this division with the full-time employment of a Senior Carpenter & Senior Plumber, and a team of five including three local apprentices, allowing Council to respond in an appropriate timeframe when repairs and maintenance are reported.

The R&M division provides the community with a prompt and professional service covering water, electrical and building requirements. The majority of requests are brought to Council's attention through the Government organisation, QBuild. During the 2025-26 year, Council received 929 maintenance requests from QBuild. Council and its partners are able to complete most tasks in a timely manner, ensuring the least inconvenience to the tenant/client.

Council also undertook 35 upgrades on social housing on behalf of QBuild as well as staff housing.

- Works for Queensland programmed works are continuing with the plumbing refurbishment of the beach campground amenities being completed.
- Works on the refurbishment of the roads camp units commenced during the 2025-26 year and are expected to be completed in the first quarter of the 2026-27 financial year.

## MOBILE CONCRETE

### Batching Plant

Council's mobile batching plant continues to assist with many projects ranging from building slabs, roadworks, drainage and footpaths. During the 2025-26 financial year, a new 6m<sup>3</sup> concrete agitator truck was purchased.

Council's batch plant produced 55m<sup>3</sup> of concrete for the 2025-26 financial year.

## PARKS AND GARDENS

Council maintains two hectares of parklands and gardens throughout the township area of Pormpuraaw. Council maintains all parks in a safe condition for the enjoyment of the community.

The P&G team also undertake yard maintenance at Council owned guesthouses, contractor camps & the community hall.

The P&G team also undertakes for a set fee, yard mowing and yard cleaning, these projects can either come from the residents themselves and or by way of a Works Order from QBuild.



## ROADS

Council maintains and upgrades roads and road-related projects through funded programs such as:

Transport and Main Roads, Aboriginal and Torres Strait Islander (ATIS) Transport Infrastructure Development Scheme (TIDS) for

- Upgraded a low flow causeway to a culvert structure to improve flood immunity on the Strathgordon Road.

Queensland Reconstruction Authority - Disaster Funding Arrangements (DRFA)

- Restoration of roads affected by weather events

### ROADS AND DRAINAGE MAINTENANCE

Council is responsible for the maintenance of approximately 15 kilometres of town roads and approximately 175 kilometres of urban and rural roads within the DOGIT area. Roads are maintained in a trafficable condition at all times.

In addition to roads, Council conducts required drainage and other civil construction works throughout the Pormpuraaw area which are required for various projects.

Currently, road works (restorations and improvements) are being conducted on the Pormpuraaw to Kowanyama Road as well as on the Northern Arterial Road.

Council will work with neighbouring shires to ensure that there is good road access to Pormpuraaw for the community residents for the most part of the year. Heavy wet seasons impact road access, and restoration works can only commence when it's safe and accessible.

## WORKSHOP

Councils workshop maintains our fleet of vehicles, Plant and Equipment to minimise downtime on operations. They also maintain our equipment to a standard that allows us to generate additional income via i.e. Wet & Dry hire of vehicle and Plant.

During the 2025-26 financial year, Council replaced ten fleet items ranging from ride on mowers to tandem trucks, replaced a grader gearbox, purchased a new water truck, mini excavator and a flail mower.

The workshop crew also maintain some of our internal roads leading to the sewer ponds, the campgrounds and other essential areas in the community.

Council workshop staff also undertake the weekly kerbside wheelie bin collection and push up the waste at landfill as required.



# CORPORATE SERVICES



## A WORD FROM TRACEY GRAHAM

The 2025-26 financial year has seen Council achieve yet another unmodified audit opinion, marking our fourteenth consecutive unmodified audit. This is a testament to our unwavering commitment to financial integrity and compliance.

Council has successfully met all sustainability measures in the 2025-26 financial year. In the upcoming financial year, we will be developing a comprehensive asset management framework and strategy, along with renewed asset management plans. These initiatives will emphasise asset renewal and ensure that we invest our depreciation budget, at a minimum, into asset renewals.

Council has performed well throughout the 2025-26 financial year, finishing the year with a \$21.98 million net result. As of 30 June 2026, Council's assets totaled over \$291.3 million, including \$101.7 million in current assets and \$189.6 million in non-current assets. Our total liabilities amounted to \$22.3 million, with \$22.1 million in current liabilities and \$225 thousand in non-current liabilities. Council's financial sustainability remains robust, supported by strong cash reserves of \$94.9 million. These reserves will enable us to self-fund operational requirements for approximately 56 months, even in the face of potential global economic impacts on grant funding.

Looking ahead, we will be developing an investment strategy in the next financial year to ensure that our cash reserves are invested in areas that yield benefits and ongoing returns for the Pormpuraaw Community. The Corporate Services department has worked diligently to ensure compliance across all facets of Council operations. This achievement was highlighted in the 2025-26 Queensland Audit Office closing external audit report, which identified no significant or minor deficiencies and one other matter being raised in relation to the timing of accounting for depreciation on new assets acquired.

Council is dedicated to sound financial practices, managing our financial affairs in accordance with the Local Government Act 2009 (Qld) and its associated regulations. We are committed to maintaining our capability to collect funds, pay employees and suppliers, and keep accurate accounting records. Our focus on long-term financial and asset management planning will bolster our ability to maintain service levels and manage associated costs effectively. Major priorities identified in our Corporate and Operational Plans will continue to guide our financial management strategies.

The Corporate Services Team ensures that all reporting and acquittals are completed in a timely manner. Council receives untied funding to support its overall operations, and we are continually exploring opportunities to enhance own source revenues to reduce our reliance on grants.

All statutory policies were reviewed throughout the year and adopted by Council. In the coming year there will be a focus to implement a new enterprise resource planning system, develop procedures and more efficient workflows throughout the organisation.

Our Corporate Services team provides a wide range of services, including:

- Financial (Payables, Receivables, Payroll, Procurement, Grant Management, Inventory, Reporting, etc.)
- IT & Communication Services
- Audits



The Executive Manager of Corporate Services thanks all Council staff for their continued effort and support throughout the year, with particular acknowledgement of the Finance Team for their efficient work during the audit process. The audit outcome reflects a shared organisational commitment to strong internal controls, sound processes and compliance.

Corporate Services also sincerely acknowledges the ongoing support of Council's funding bodies. Their funding and assistance continue to support Council's work with the community and contribute to positive outcomes for Pormpuraaw and its people.





# COMMUNITY FINANCIAL REPORT

This community financial report is produced as part of Council’s Annual Report. It explains in an easy to read format Council’s financial position to the community, stakeholders, employees and other interested parties.

This report is a summary only. A full set of Council’s 2025-26 Audited Financial Statements, including notes to the financial statements is included in this Annual Report, see Appendix A.

## FINANCIAL STATEMENTS

The audited financial statements of Pormpuraaw Aboriginal Shire Council set out the financial performance, financial position, cash flows and the wealth of Council for the financial year ended 30 June 2026.

The formal records of Council’s financial performance and position are contained in four sets of financial statements:

- 1. Statement of Comprehensive Income
- 2. Statement of Financial Position
- 3. Statement of Changes in Equity
- 4. Statement of Cash Flows

The financial statements have been certified by both the Mayor and the Chief Executive Officer as presented accurately, truly & fairly. Pormpuraaw Council’s Financial Statements were adopted by Council – ensuring both the responsibility for and the ownership of the financial statements by management and the elected representatives.

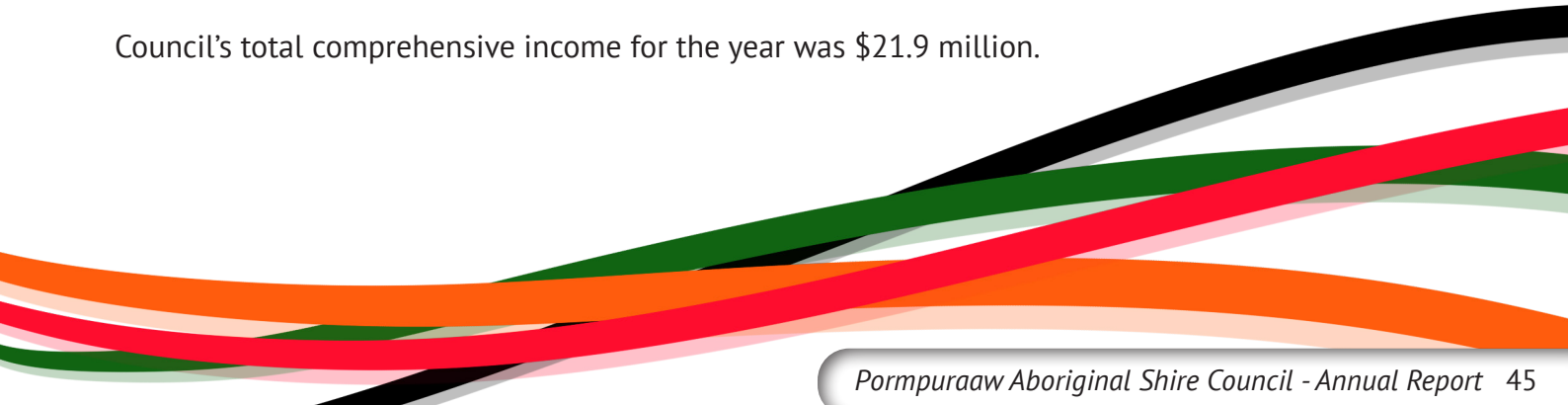
## STATEMENT OF COMPRENSIVE INCOME

*This statement shows all the revenue Council has earned and the expenses incurred for the financial year. There are two main categories of revenue for the financial year, Recurrent Revenue and Capital Revenue.*

For 2025–26, Council recorded a net surplus of almost \$22 million, representing an increase of \$4 million from the prior year. This result was primarily driven by higher Capital Grants revenue.

Capital expenses decreased by \$1.4 million. Capital expenses were represented by the write-off of the old Airport assets as the new asset was brought onto the Balance Sheet. Recurrent expenditure increased by \$3.2 million represented by an increase in Salaries and Wages, Materials and Services and the write-off of leased assets.

Council’s total comprehensive income for the year was \$21.9 million.





## KEY HIGHLIGHTS

Improved operating position: Operating revenue declined by \$693,842. However, the total operating revenue was still at a very healthy \$28.5 million. Grant funding of \$15.1 million continues to support service delivery and community programs.

Significant capital funding: Capital revenue increased by 55.6% over the prior year, mostly supporting the major infrastructure upgrade to the Airport.

Sustained financial strength: The net result of \$21.9 million demonstrates Council’s strong financial performance and ability to reinvest in essential community infrastructure.

|                                    | 2026<br>\$,000  | 2025<br>\$,000  | 2024<br>\$,000  |
|------------------------------------|-----------------|-----------------|-----------------|
| Operating Revenue                  | \$28,570        | \$29,264        | \$18,847        |
| Capital Revenue                    | \$18,267        | \$11,735        | \$6,386         |
| Total Revenue                      | \$46,837        | \$40,999        | \$25,233        |
| Recurrent Expenditure              | \$21,888        | \$18,686        | \$20,010        |
| Capital Expenditure                | \$2,966         | \$4,335         | \$345           |
| Total Expenditure                  | \$24,854        | \$23,021        | \$20,355        |
| Net Result                         | \$21,983        | \$17,978        | \$4,878         |
| +/(-) in Asset Revaluation Surplus | \$(34)          | \$44            | \$28,890        |
| <b>TOTAL COMPREHENSIVE INCOME</b>  | <b>\$21,949</b> | <b>\$18,022</b> | <b>\$33,768</b> |

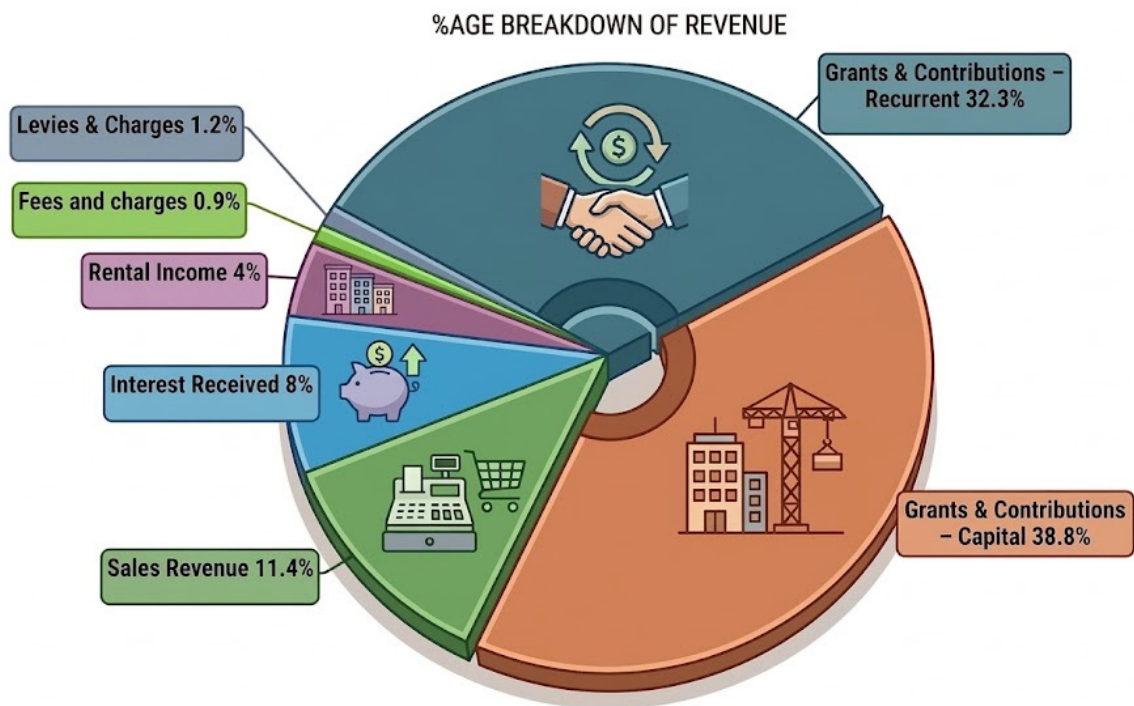




## REVENUE

Where our money comes from

For the 2025-26 financial year, 71% of total revenue comes from State and Federal recurrent and capital grants. Sales revenue makes up 11.4% with interest received accounting for a further 8%.



| REVENUE                            | ACTUAL<br>\$'000 | %     |
|------------------------------------|------------------|-------|
| Grants & Contributions - Recurrent | \$15,100         | 32.3% |
| Grants & Contributions - Capital   | \$18,200         | 38.8% |
| Sale Revenue                       | \$5,352          | 11.4% |
| Interest Received                  | \$3,756          | 8.0%  |
| Rental Income                      | \$1,873          | 4.0%  |
| Fees & Charges                     | \$416            | 0.9%  |
| Levies & Charges                   | \$554            | 1.2%  |
| Other Income                       | \$1,585          | 3.4%  |
| TOTAL INCOME                       | \$46,836         | 100%  |



Recurrent grant revenue includes the Financial Assistance (FA) grant that is an untied federal funding program that supports local councils’ general operations and helps provide residents with essential services, facilities, and infrastructure.

Council received \$2,641,538 representing 50% of the Commonwealth Financial Assistance Grant (FAG) allocation for the 2025/26 financial year and \$4,645,416, representing 80% of the allocation for 2026/27 financial year. As these FAG’s are untied grants, the full amount was recognised as revenue in the 2025/26 financial year.

In addition to the Financial Assistance Grant, Council received untied funds to support Indigenous councils from the Department of Local Government, Water & Volunteers and other recurrent grants supporting several programs including ranger operations, indigenous protected areas, aged care and community justice programs.

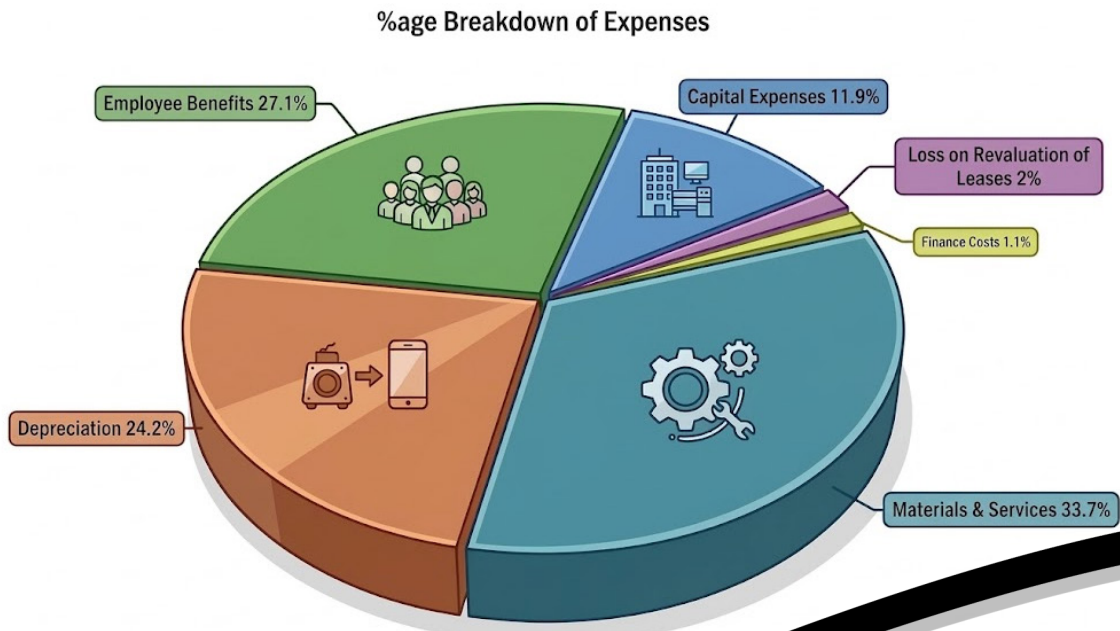
Capital grant revenue for 2025-26 financial year included \$16.7 million from the Queensland Reconstruction Authority, this included \$8.8 million for the Aerodrome Upgrade. Other capital grants included disaster recovery funding for roads, various Works for Queensland projects, funding for sub-divisional works and housing upgrades.

Sales revenue is \$5.3 million equaling 11.4% of total revenue. The biggest contributor in sales revenue was private works revenue of \$3.5 million, followed by fuel sales of \$0.8 million.

## EXPENSES

Where our money goes

Council is the largest employer for Pormpuraaw and engages in businesses with a range of local suppliers and contractors, spending money in the local economy. The cost for materials and services includes the repairs and maintenance recoverable works programs and payments for the delivery of essential services such as roads, water, sewerage, building services and the airport.





Depreciation is another major component of Council’s operating expense. It does not represent cash spent but the estimated reduction in the value of an asset as it is used to provide a service to the community. It provides a guide as to what Council should spend on asset renewals, and it is a component of the asset sustainability ratio. As such, Council’s ability to reduce this figure is limited.

During the financial year, Council invested \$14.7 million in the construction of the Aerodrome Upgrade and \$1.7 million in Disaster Recovery works for the restoration of several road assets with the main project being the Kowanyama Road at \$1.4 million.

The table below shows the breakdown of expenses.

| EXPENSE                       | ACTUAL<br>\$'000 | %           |
|-------------------------------|------------------|-------------|
| Materials & Services          | \$8,359          | 33.7%       |
| Depreciation                  | \$6,015          | 24.2%       |
| Employee Benefits             | \$6,728          | 27.1%       |
| Capital Expenses              | \$2,966          | 11.9%       |
| loss on Revaluation of leases | \$497            | 2.0%        |
| Finance Costs                 | \$289            | 1.1%        |
| <b>TOTAL EXPENSES</b>         | <b>\$24,854</b>  | <b>100%</b> |



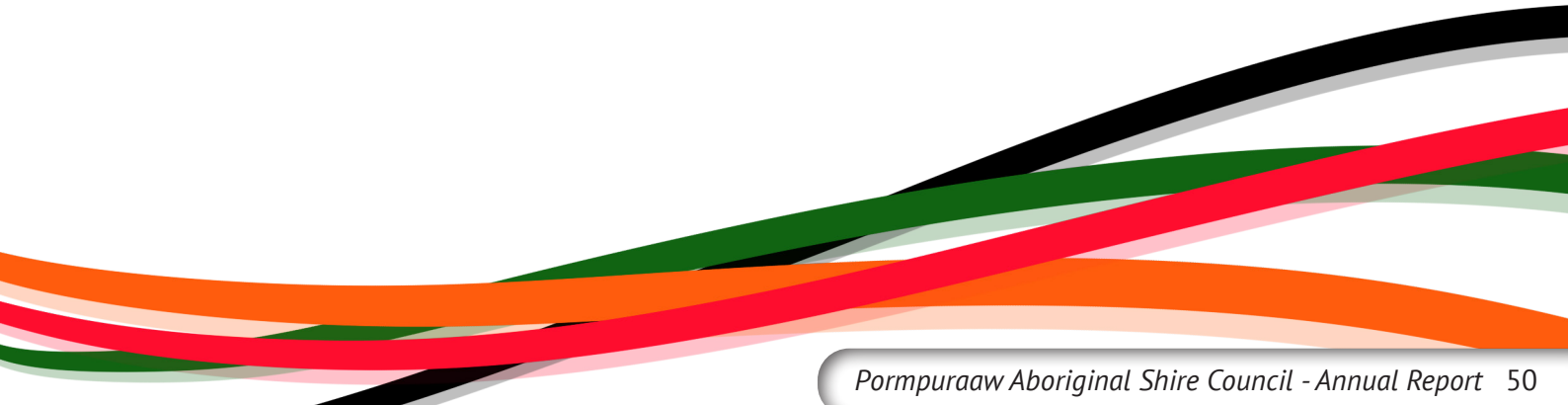


# REVENUE & EXPENDITURE

A snapshot of the past three years

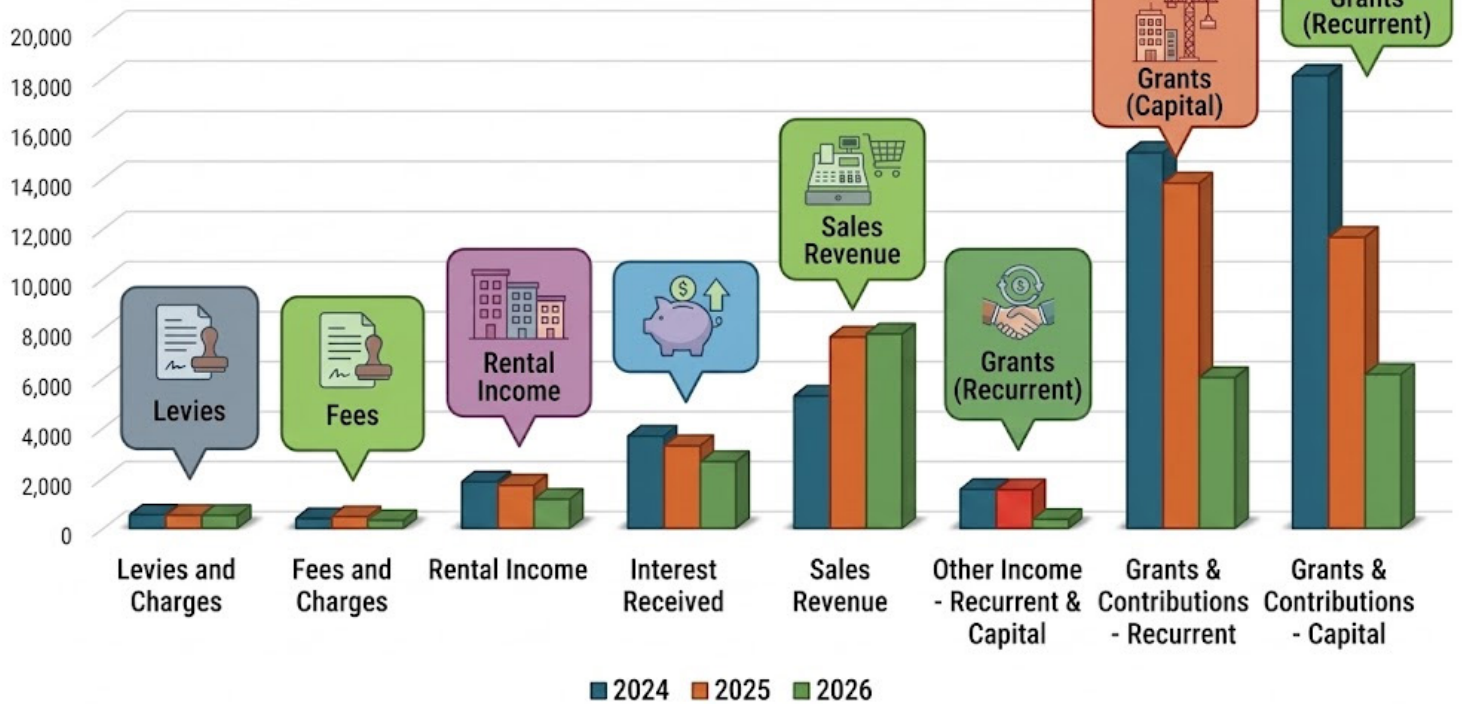
The below graphs show a comparison of the past three years of Council's revenue and expenditure. Council continues to focus on increasing own source revenue to continue to maintain a position of being financially sustainable.

| FINANCIAL PERFORMANCE                | 2026<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
|--------------------------------------|----------------|----------------|----------------|
| REVENUE                              |                |                |                |
| Levies and Charges                   | \$554          | \$532          | \$519          |
| Fees and Charges                     | \$416          | \$502          | \$333          |
| Rental Income                        | \$1,873        | \$1,757        | \$1,186        |
| Interest Received                    | \$3,756        | \$3,351        | \$2,695        |
| Sales Revenue                        | \$5,352        | \$7,712        | \$7,840        |
| Other Income - Recurrent & Capital   | \$1,585        | \$1,587        | \$383          |
| Grants & Contributions - Recurrent   | \$15,100       | \$13,851       | \$6,080        |
| Grants & Contributions - Capital     | \$18,200       | \$11,707       | \$6,197        |
| TOTAL INCOME                         | \$46,836       | \$40,999       | \$25,233       |
| EXPENSES                             |                |                |                |
| Employee Benefits                    | \$6,728        | \$5,413        | \$4,964        |
| Materials & Services                 | \$8,359        | \$7,386        | \$8,677        |
| Finance Costs                        | \$289          | \$239          | \$128          |
| Depreciation                         | \$6,015        | \$5,648        | \$6,049        |
| Other Expenditure                    | \$497          | \$0            | \$192          |
| Capital Expenditure                  | \$2,966        | \$4,335        | \$345          |
| TOTAL EXPENSES                       | \$24,854       | \$23,021       | \$20,355       |
| NET RESULT                           | \$21,983       | \$17,978       | \$4,878        |
| + / (-) In Asset Revaluation Surplus | \$(34)         | \$44           | \$28,890       |
| TOTAL COMPREHENSIVE INCOME           | \$21,949       | \$18,022       | \$33,768       |

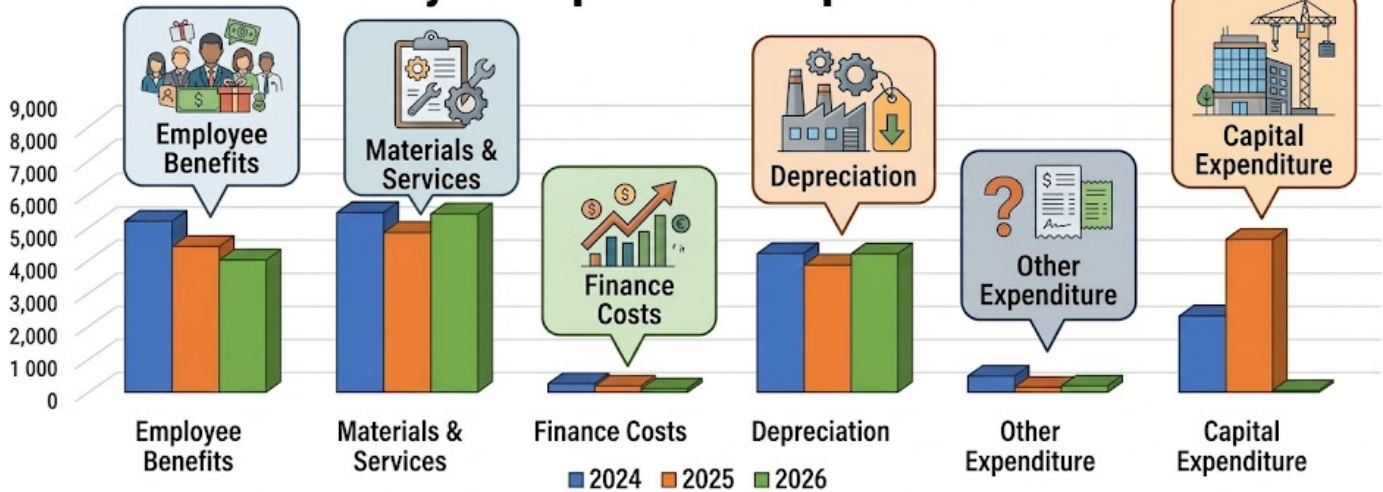




## 3yr Comparison - Revenue



## 3yr Comparison - Expenses





# STATEMENT OF FINANCIAL POSITION

*Shows the assets and liabilities of Council. The difference makes up the community equity.*

## ASSETS - WHAT COUNCIL OWNS

Council controlled assets at 30 June 2026 was a total value of \$291.3 million, with property, plant and equipment making up 60% of total assets, followed by cash at 32.6%. The finance leases for the 40-year leases on social housing comprise 4.7% of total assets.

The table below provides a summary of major items that make up Pormpuraaw community’s wealth.

| MAJOR ITEMS THAT MAKE UP THE PORMPURRAW’S<br>COMMUNITY WEALTH | 2026<br>\$’000   | 2025<br>\$’000   |
|---------------------------------------------------------------|------------------|------------------|
| Available Cash & Investments                                  | \$94,991         | \$89,541         |
| Receivables                                                   | \$1,451          | \$1,095          |
| Inventories                                                   | \$1,475          | \$536            |
| Contract Assets                                               | \$3,012          | \$2,036          |
| Other Assets                                                  | \$157            | \$129            |
| Buildings                                                     | \$38,184         | \$35,485         |
| Plant & Equipment                                             | \$4,855          | \$3,856          |
| Water Infrastructure                                          | \$9,262          | \$8,522          |
| Sewerage Infrastructure                                       | \$14,310         | \$13,309         |
| Other infrastructure (Roads)                                  | \$107,790        | \$103,092        |
| Land                                                          | \$520            | \$538            |
| Capital Works in Progress                                     | \$1,600          | \$272            |
| Finance Leases: 40 Year Leases Social Housing                 | \$13,695         | \$14,780         |
| Less Liabilities                                              | (\$22,327)       | (\$26,139)       |
| <b>NET COMMUNITY EQUITY</b>                                   | <b>\$268,975</b> | <b>\$247,026</b> |



## STATEMENT OF CHANGES IN EQUITY

*Shows the change in value of Council's net worth for the financial year.*

Community equity is the value of what Council is worth. It is measured as assets (what Council owns) less liabilities (what Council owes).

Council's total community equity as of 30 June 2026 was \$268.9 million.

|                           | 2026<br>\$'000   | 2025<br>\$'000   | CHANGES IN<br>EQUITY<br>\$'000 |
|---------------------------|------------------|------------------|--------------------------------|
| Asset Revaluation Surplus | \$140,259        | \$140,293        | \$(34)                         |
| Retained Surplus          | \$128,716        | \$106,733        | \$21,983                       |
| <b>TOTAL EQUITY</b>       | <b>\$268,975</b> | <b>\$247,026</b> | <b>\$21,949</b>                |

## STATEMENT OF CASH FLOWS

*Shows the cash inflows and outflows of Council during the financial year.*

The Statement of Cash Flows only reports on cash at the beginning of the reporting period and cash received in the period less cash disbursed in the period.

On 30 June 2026, Council held \$94.9 million in cash. This is an increase of \$5.45 million from the prior year. An advance payment of \$4.6 million was received as an early Financial Assistance Grant payment. Cash is invested with the Queensland Treasury Corporation to maximise Interest earnings.

|                                     | 2026<br>\$'000  | 2025<br>\$'000  |
|-------------------------------------|-----------------|-----------------|
| Cash at the Beginning of the Year   | \$89,541        | \$66,177        |
| +/-) Cash from Operating Activities | \$13,237        | \$15,478        |
| +/-) Cash from Investing Activities | \$(7,787)       | \$7,886         |
| <b>CASH AT THE END OF THE YEAR</b>  | <b>\$94,991</b> | <b>\$89,541</b> |



# MEASURES OF SUSTAINABILITY

The following are the financial sustainability measures for the Queensland local government sector, to be calculated, audited and published by every council as part of their annual statutory financial reporting process. The sustainability framework groups councils into tiers, in recognition of the differing financial and non-financial circumstances and challenges. The tiers set the targets for the measures of sustainability.

Pormpuraaw Aboriginal Shire Council is grouped under Tier 8. For the 2025-26 financial year, Council is required to report on seven of the nine measures.

| # | TYPE                    | MEASURE                               | RATIONALE                                                               |
|---|-------------------------|---------------------------------------|-------------------------------------------------------------------------|
| 1 | Financial Capacity      | Council Controlled Revenue Ratio      | Capacity to generate revenue internally                                 |
| 2 | Financial Capacity      | Population Growth Ratio               | Population growth/decline pressures on council                          |
| 3 | Operating Performance   | Operating Surplus Ratio               | Holistic overview of council operating performance                      |
| 4 | Operating Performance   | Operating Cash Ratio                  | Cash operating performance (less depreciation and other non-cash items) |
| 5 | Liquidity               | Unrestricted Cash Expense Cover Ratio | Unconstrained liquidity availability to council                         |
| 6 | Asset Management        | Asset Sustainability Ratio            | Capital Renewals Program performance                                    |
| 7 | Asset Management        | Asset Consumption Ratio               | Extent to which assets are being consumed                               |
| 8 | Asset Management        | Asset Renewal Funding Ratio*          | Asset replacement program performance                                   |
| 9 | Debt Servicing Capacity | Leverage Ratio*                       | Ability to repay existing debt                                          |

\*Asset Renewal Funding Ratio is not required; the reporting commences in FY 2027/28.

\*Leverage ratio is not applicable as Council has no current or projected borrowings/debt.

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.



## PORMPURAAW ABORIGINAL SHIRE COUNCIL (TIER 8)

### SUSTAINABILITY RATIOS FOR 2025-26

|                                      |                   |              |
|--------------------------------------|-------------------|--------------|
| <b>1. Council Controlled Revenue</b> | <b>2025/26</b>    | <b>3.40%</b> |
| <b>No Target</b>                     | <b>5-Year Avg</b> | <b>3.56%</b> |

*Council is unable to generate revenue through rates as valuations are not issued for ratable land in Indigenous local government areas. This severely limits Council's ability to generate revenue for itself. Pormpuraaw focuses on own-sourced revenue through sales of goods and services.*

|                             |                   |               |
|-----------------------------|-------------------|---------------|
| <b>2. Population Growth</b> | <b>2025/26</b>    | <b>0.47%</b>  |
| <b>No Target</b>            | <b>5-Year Avg</b> | <b>-1.74%</b> |

*Pormpuraaw is a micro community with an estimated population of 633 persons for the calculation of this ratio. Population can indicate additional pressure on Council to invest in new community infrastructure to support service needs.*

|                                   |                   |               |
|-----------------------------------|-------------------|---------------|
| <b>3. Operating Surplus Ratio</b> | <b>2025/26</b>    | <b>23.39%</b> |
| <b>No Target</b>                  | <b>5-Year Avg</b> | <b>12.91%</b> |

*Council achieved a strong operating result for the current year, contributing to a higher operating surplus ratio. This was further enhanced by the receipt of Financial Assistance grant for both the 2025–26 and 2026–27 financial years during the current year.*

|                                |                   |               |
|--------------------------------|-------------------|---------------|
| <b>4. Operating Cash Ratio</b> | <b>2025/26</b>    | <b>44.44%</b> |
| <b>Target: Greater than 0%</b> | <b>5-Year Avg</b> | <b>40.56%</b> |

*The current year ratio has been impacted by the early receipt and recognition of the 2026–27 Financial Assistance grant in June 2026. Council has achieved a strong operating cash ratio for both the current year and the five-year average.*

|                                                 |                   |                  |
|-------------------------------------------------|-------------------|------------------|
| <b>5. Unrestricted Cash Expense Cover Ratio</b> | <b>2025/26</b>    | <b>56 Months</b> |
| <b>Target: Greater than 4 months</b>            | <b>5-Year Avg</b> | <b>N/A</b>       |

*Council has achieved a very strong liquidity position and, after recent years of good financial management, is well positioned to meet both the short and long-term needs of the community.*

|                                      |                   |                |
|--------------------------------------|-------------------|----------------|
| <b>6. Asset Sustainability Ratio</b> | <b>2025/26</b>    | <b>307.15%</b> |
| <b>Target: Greater than 90%</b>      | <b>5-Year Avg</b> | <b>89.69%</b>  |

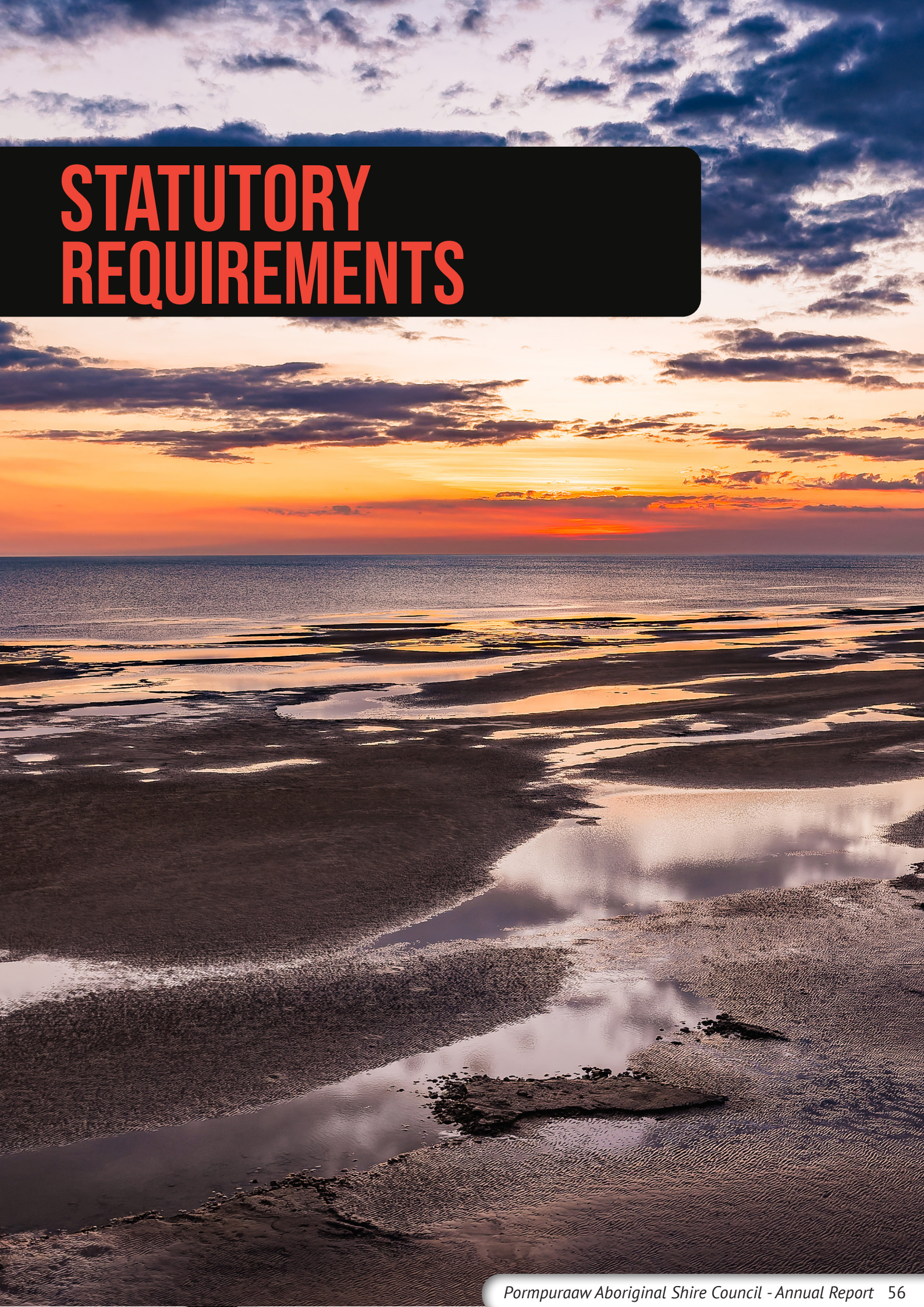
*The asset sustainability ratio has increased dramatically in the current year due to the Capital Expenditure required to renew and upgrade the Aerodrome. In prior years the ratio has been consistent, primarily driven by the level of funding available to Council. This ratio is also influenced by weather events affecting the community, with recovery funding often provided to assist with repairs and restoration following weather-related damage. Council is currently reviewing and enhancing its asset management plan, with a focus on prioritising renewal expenditure to maintain asset condition over the long term.*

|                                   |                   |               |
|-----------------------------------|-------------------|---------------|
| <b>7. Asset Consumption Ratio</b> | <b>2025/26</b>    | <b>61.99%</b> |
| <b>Target: Greater than 60%</b>   | <b>5-Year Avg</b> | <b>62.56%</b> |

*The target has been achieved for the current year and the five-year average. Council manages the consumption rate of assets appropriately.*



# STATUTORY REQUIREMENTS





This annual report has been prepared in accordance with Chapter 5, Part 3 of the Local Government Regulation 2012. The Act refers to the Local Government Act

## COUNCILLOR FINANCIAL DISCLOSURES

The total remuneration including superannuation paid to each Councillor in the financial year 2025-26 is as follows:

|                      |              | COUNCILLOR FEES | SUPERANNUATION | TOTAL REUMERATION | EXPENSES INCURRED |
|----------------------|--------------|-----------------|----------------|-------------------|-------------------|
| NAME                 | POSITION     | \$              | \$             | \$                | \$                |
| KENDALL, Ralph (Jnr) | Mayor        | 126,649         | 15,198         | 141,848           | 18,435            |
| KOO-AGA, Tim         | Deputy Mayor | 73,065          | 8,768          | 81,833            | 7,990             |
| BARNEY, Keith        | Councillor   | 62,713          | 7,525          | 70,238            | 11,223            |
| EDWARDS, Romena      | Councillor   | 62,713          | 7,525          | 70,238            | 2,421             |
| FOOTE, Lucy          | Councillor   | 37,786          | 4,534          | 42,320            | 239               |
| TARPENCHA, Devon     | Councillor   | 16,490          | 1,979          | 18,469            | 4,674             |

Expenses incurred by Councillors are set out in the Councillor Remuneration and Expense Reimbursement Policy (as published on our website) and include some of the following: travel and accommodation by Councillors relating to Council business, reimbursement for meals and incidental costs related to that travel, professional development deemed essential for the Councillor’s role and costs associated with mobile communication devices, satellite phone and vehicle for the Mayor.

Council has not resolved to allow or appoint councillor advisors for each councillor.

## COUNCILLOR TOOLS PROVIDED

In accordance with the Councillor Remuneration and Expense Reimbursement Policy, Councillors are provided with the following administrative tools to assist counidllors in their role.





# COUNCILLOR ATTENDANCE

Council meetings are currently scheduled to be held on the last Wednesday of each month. Twelve Council ordinary meetings and four special meetings were held in the 2025-26 financial year.

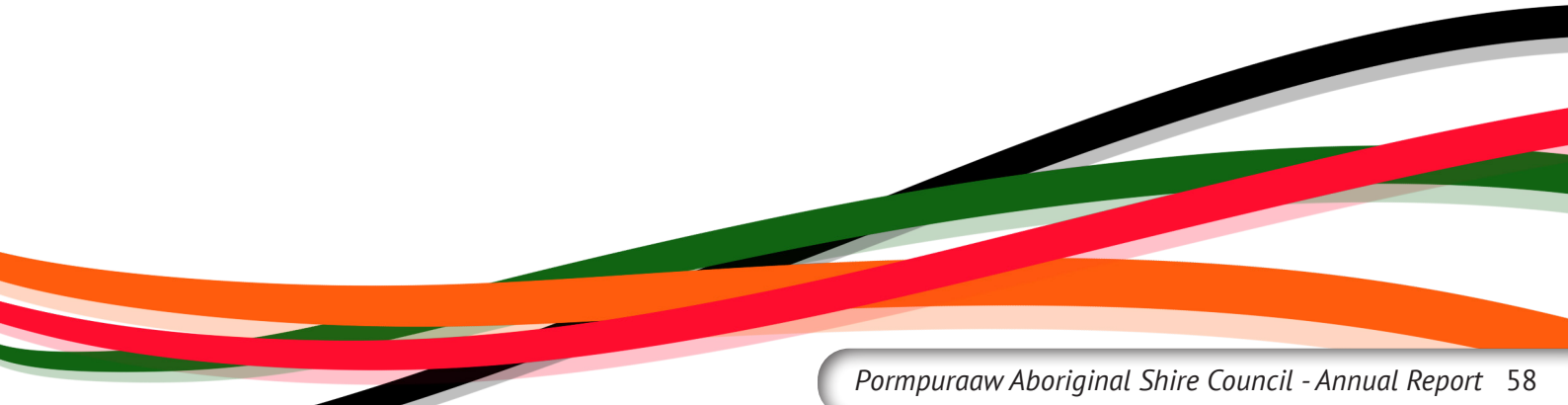
Councillor attendance is listed in the table below:

| NAME                                                              | POSITION     | # OF ORDINARY MEETINGS | # OF SPECIAL MEETINGS |
|-------------------------------------------------------------------|--------------|------------------------|-----------------------|
| KENDALL, Ralph (Jnr)                                              | Mayor        | 11                     | 1                     |
| KOO-AGA, Tim                                                      | Deputy Mayor | 12                     | 1                     |
| BARNEY, Keith                                                     | Councillor   | 12                     | 1                     |
| EDWARDS, Romena                                                   | Councillor   | 12                     | 1                     |
| FOOTE, Lucy - Resigned<br>31/01/2026 - Eligible 7<br>Meetings     | Councillor   | 0                      | 0                     |
| TARPENCHA, Devon<br>- Elected 16/04/2026 -<br>Eligible 3 Meetings | Councillor   | 2                      | 0                     |

# COUNCILLOR CONDUCT

In accordance with section 186 of the Local Government Regulation 2012, the Annual Report must provide the following information:

| DETAIL                                                                                                                                                                                  | RESULTS |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Section 186 (d)                                                                                                                                                                         |         |
| The number of complaints referred to the assessor under section 150P(2)(a) of the Act by the local government, a councillor of the local government or the CEO of the local government; | NIL     |
| The number of matters mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission;                                                                         | NIL     |
| The number of notices given under section 150R(3) of the Act;                                                                                                                           | NIL     |



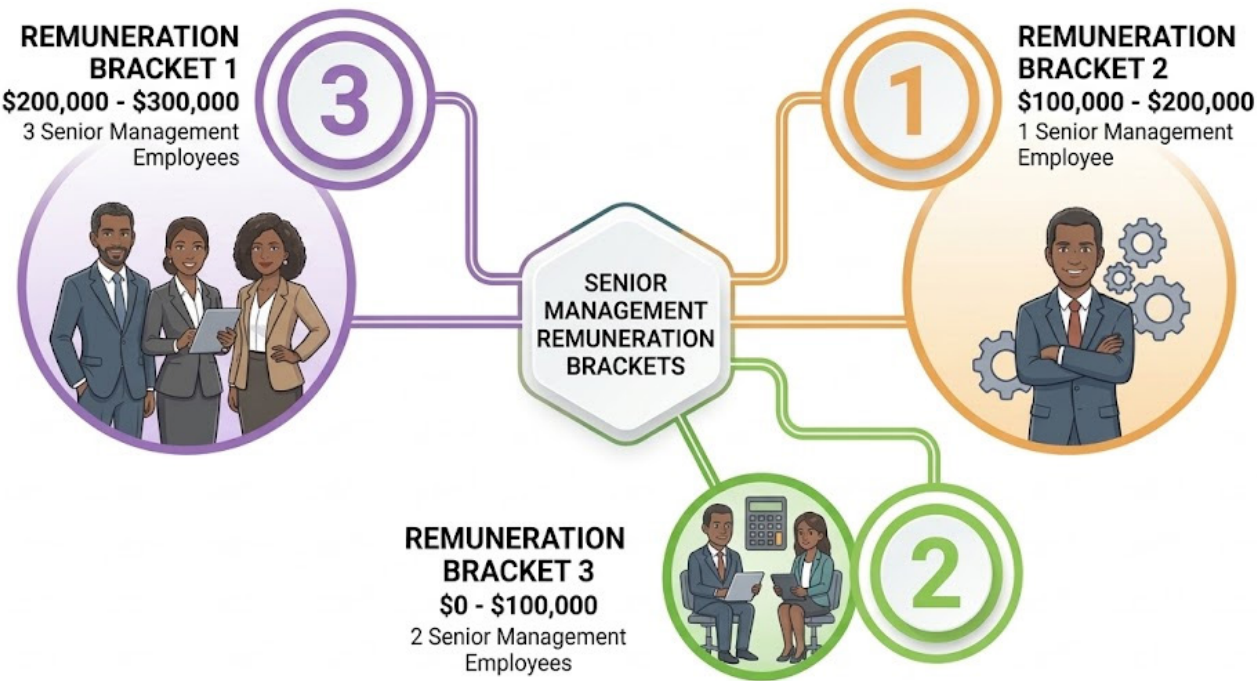


# SENIOR MANAGEMENT

## Employee Remuneration Disclosure

Remuneration to senior management employees is inclusive of base salary, superannuation contributions, paid leave entitlements and staff housing benefits provided. For the 2025-26 financial year, the total remuneration for Council’s six senior management employees that were employed in the financial year amounted to \$1,002,371.01.

Council operates with five senior management employees to carry out its statutory functions. During the 2025-26 financial year three (3) senior management employees were employed for only part of the year and three (3) were employed for the full financial year.



# OVERSEAS TRAVEL

No overseas travel in an official capacity was made by any Councillor or Council employee during the reporting period as per section 188 - Local Government Regulation 2012.

# EXPENDITURE ON GRANTS

## To Community Organisations

Council’s community grants program promotes community wellbeing by supporting activities in sport, arts, heritage, recreation, and other community initiatives. The program is delivered through an open and transparent process, with clear assessment criteria to ensure fairness and equity in the distribution of funding. The Pormpuraaw community grants program is funded out of Council’s discretionary community grant budget.

The community grant recipients for 2025-26 are as follows:

| RECIPIENT                                            | PURPOSE                                          | AMOUNT   |
|------------------------------------------------------|--------------------------------------------------|----------|
| Pormpuraaw State School                              | School Lunch Program                             | \$28,080 |
| Pormpur Ngamplin Pam Mongthak Aboriginal Corporation | Residential Rent Subsidy                         | \$16,663 |
| Pormpuraaw United Brothers Sports Club               | Community Christmas Party (In-Kind contribution) | \$836    |

In addition to the Council Community Grants Program, the following organisations have been funded through specific grant work plans.

| RECIPIENT                  | PURPOSE                                                                                               | AMOUNT   |
|----------------------------|-------------------------------------------------------------------------------------------------------|----------|
| Deadly Sports & Recreation | Pormpuraaw Crocs Footy Team                                                                           | \$8,393  |
| Deadly Sports & Recreation | Apunipima Women’s Camp<br>Donation of equipment for October 2025 Event                                | \$904    |
| Deadly Sports & Recreation | Pormpuraaw United Brothers Sports Club Donation towards the Pormpuraaw Community Christmas Event 2025 | \$10,000 |
| Community Justice Group    | Pormpuraaw United Brothers Sports Club Donation towards the Pormpuraaw Community Christmas 2025       | \$5,000  |



# DISCRETIONARY FUNDS

As the Council does not have ratable land thus general rates, there are no discretionary funds budgeted or allocated.

# ADMINISTRATIVE ACTION COMPLAINTS

The Council has a complaints management process in place and is committed to dealing fairly with administrative complaints. The complaints management process is designed to ensure that any member of the public can lodge a complaint about how they have been dealt with by Council staff or how they have been affected by any Council administrative decisions.

Council’s complaints management process was reviewed and adopted during the 2025-26 financial year and is made available to the public on Council’s website under the Administrative Action Complaint Process Policy. During the 2025-26 financial year, no complaints were lodged with Council under the administrative action complaints process, nor were there any unresolved administrative action complaints from the prior year.





# PARTICULAR RESOLUTIONS

The annual report must contain a copy of the resolutions made during the financial year under s250 (1) and s206 (2). Section s250(1) outlines that ‘A local Government must adopt an expenses reimbursement policy’ and s206(2) outlines that ‘The Local Government must, by resolution, set an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense’.

A copy of the Councillor Remuneration and Expense Reimbursement Policy is available on Council’s website - Resolution No: 2025/02/10/01 as below:-

|                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>6.1 COUNCILLOR REMUNERATION AND EXPENSE REIMBURSEMENT POLICY</b><br><b>EXECUTIVE SUMMARY</b><br>For the Council to adopt the Councillor Remuneration and Reimbursement Policy                                                   |
| <b>RESOLUTION NO: 2025/02/10/01</b><br><br>The Council resolve to adopt the Councillor Remuneration and Reimbursement Policy.<br><br><b>Moved:</b> Cr Romena Edwards<br><b>Seconded:</b> Cr Keith Barney<br><br><b>CARRIED 4/0</b> |

Pormpuraaw Aboriginal Shire Council did not make any resolutions setting an amount for each different type of non-current physical asset below which the value of an asset of the same type





# IMPLEMENTING THE CORPORATE PLAN

In march 2024, Council commenced a community engagement and consultation process to develop and identify key objectives for the new Corporate Plan 2024-29. This also provided the newly elected members with the opportunity to put their visions for the community into the new Corporate Plan. The top 10 focus areas for the Corporate Plan will be: Education, Better Roads/ Footpaths, Management of the Club, Jetties/Boat Ramps, Housing, Water Supply/Infrastructure, Tourism/Events, Cost of Living, Environmental/Cultural Heritage and Employment. The new Corporate Plan for 2024-29 was adopted by Council in July 2024.

The Corporate Plan has set the Strategic Priorities for the following areas:



## COMMUNITY

The way we  
want to live  
together



## BUILT ENVIRONMENT

Shaping our  
Surroundings



## NATURAL ENVIRONMENT

It begins with  
each of us



## ECONOMY

Creating our  
future



## ORGANISATION

Developing our  
capacity



## COMMUNITY THE WAY WE WANT TO LIVE TOGETHER



Communicating and engaging ethically,  
with fairness and respect for culture

Our goal is to build a resilient and healthy community with the right services and facilities to make sure everyone can join in, feel safe, and enjoy our culture.

| KPI REF | CP REF | KPI                                                                                                 | ACTION                                                                   | PROGRESS                                                                                                                                                                                                                          |
|---------|--------|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.2.1   | 1.2    | Develop the strategic plan                                                                          | Develop strategic plan to address the root cause of antisocial behaviour | Closing the gap meetings held                                                                                                                                                                                                     |
| 1.2.2   | 1.2    | Develop Drug and Alcohol Policy                                                                     | Develop Drug and Alcohol Policy                                          | Policy Drafted                                                                                                                                                                                                                    |
| 1.3.1   | 1.3    | Develop Sport & Rec Plan                                                                            | Develop Sport & Rec Annual Plan                                          | Sport & Rec Masterplan is Complete                                                                                                                                                                                                |
| 1.3.2   | 1.3    | Employment of Person                                                                                | Recruitment of Sport & Rec (Activities Officer) Officer                  | Position advertised with no applications. Grant to fund this position ends 30/06/2026                                                                                                                                             |
| 1.3.3   | 1.3    | Sport and Recreation Plan has made progress toward implementation and achieving targets set in plan | Implement Sport & Rec Master Plan                                        | Council have approved budget to commence development of Rodeo grounds and club house                                                                                                                                              |
| 1.4     | 1.4    | The number of agencies that have established regular communication with Council                     | Establish regular Stakeholders Meetings (Closing the Gap Committee)      | Closing the Gap meetings held                                                                                                                                                                                                     |
| 1.5     | 1.5    | Develop partnerships with organisations to support the gardens developed and maintained             | Collaborate with the school to develop a community                       | New gates installed                                                                                                                                                                                                               |
| 1.6     | 1.6    | Maintain community bus and ensure we have a bus driver                                              | Reliable Community Bus Service                                           | Bus Service for airport has been established. PPAC is currently offer a shopping bus service.                                                                                                                                     |
| 1.7.1   | 1.7    | Disaster Management is reviewed once per year.                                                      | Review of Disaster Management Plan                                       | LDMP has been updated and provided to the LDMG for feedback prior to the 26/06/26 After this date the mayor will sign off on 2026-2027 LDMP                                                                                       |
| 1.7.2   | 1.7    | LDMG Members trained                                                                                | Undertake Training for LDMG Members                                      | Report from Emergency Management Coordinator with current status of mandatory training required / competed. Overdue                                                                                                               |
| 1.7.3   | 1.7    | Emergency Activity Undertaken                                                                       | Undertake an emergency activity                                          | In conjunction with the airport, a desktop exercise was completed 4/06/2026                                                                                                                                                       |
| 1.7.4   | 1.7    | Minimum four LDMG meeting per year                                                                  | Undertake regular LDMG Meetings                                          | 2026-2027 LDMP has been updated and has been provided to the group for feedback. A LDMG meeting will be scheduled for early July to approve the updated LDMP, view a presentation of the new Aus Alert and complete a IGEM Review |



| KPI REF | CP REF | KPI                                        | ACTION                                                           | PROGRESS                                                                                                                                                                                                                    |
|---------|--------|--------------------------------------------|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.8.1   | 1.8    | Identify Land for Staff Housing            | Identify Land for Staff Housing                                  | 2 Blocks of land have been identified for staff housing plus 2 for future staff housing                                                                                                                                     |
| 1.8.2   | 1.8    | Demolish existing house on identified lots | Demolish Existing houses                                         | An appropriate contractor has been engaged to demolish high set Council House on 27 Matpi Street                                                                                                                            |
| 1.8.3   | 1.8    | Design Contract Awarded                    | Tender for Design of Houses                                      | Design Principals due to go to Council in July                                                                                                                                                                              |
| 1.8.4   | 1.8    | Tender for Supply of Housing               | Tender for Supply of Houses                                      | Works Awarded                                                                                                                                                                                                               |
| 1.8.5   | 1.8    | Houses ready for Tenants                   | Houses Delivered and ready for tenants                           | Current                                                                                                                                                                                                                     |
| 1.9.1   | 1.9    | Funding Agreements Signed                  | Secure Funding for Subdivisions                                  | Balance of Funding from Qld Housing signed                                                                                                                                                                                  |
| 1.9.2   | 1.9    | Local Housing plan endorsed                | Local Housing plan developed and signed off                      | Housing Plan adopted by council                                                                                                                                                                                             |
| 1.9.3   | 1.9    | Subdivisions Developed                     | Subdivision Development - Designs                                | Design Complete                                                                                                                                                                                                             |
| 1.9.4   | 1.9    | Housing Plans ready for construction       | Housing Designed developed                                       | Housing Designs to go to council in July                                                                                                                                                                                    |
| 1.9.6   | 1.9    | Monitor over 60 days                       | Maintain QBuild Maintenance program over 60 days to less than 40 | 21st January 75 20th February 40 27th March 39                                                                                                                                                                              |
| 1.9.7   | 1.9    | QBuild Upgrades                            | Qbuild Upgrades completed on time                                | Upgrades are on track                                                                                                                                                                                                       |
| 1.10    | 1.10   | Business Prescient Plan approved           | Development and Implementation of Business Prescient             | Design Completed                                                                                                                                                                                                            |
| 1.11.1  | 1.11   | All staff engaged in Training              | Develop and Deliver Training Plan for Aged Care                  | Decision has been made to engage a qualified trainer to be part of the Aged Care program and train staff on the job to support, mentor and succeed with upskilling staff with necessary skills and compliance requirements. |
| 1.11.2  | 1.11   | Tenants moved into ILF                     | Consult with Council on ILF                                      | One client has a current tenancy agreement, CEO working to solve issue with collection of rent for further two approved applications due to no having the necessary Centre pay agreement                                    |
| 1.11.3  | 1.11   | Plans for HACC Centre developed            | Develop Plans for new HACC centre                                | Architect finetuning building design to community needs                                                                                                                                                                     |

BUILT ENVIRONMENT

SHAPING OUR SURROUNDINGS



Together – building a strong, respectful and resilient community

Develop a resilient and healthy community with the right infrastructure to ensure safety, inclusivity, and the celebration of our culture while planning for future growth and development.

| KPI REF       | CP REF | KPI                                                                             | ACTION                                                        | PROGRESS                                                                                                                                             |
|---------------|--------|---------------------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1.1         | 2.1    | Designs complete for new council building                                       | Construct a new Council Administration Office                 | Design is complete and is ready to out for Tender                                                                                                    |
| 2.1.2 & 2.1.5 | 2.1    | Construction has commenced                                                      | Demolition of existing building & Construction Commenced      | Designs are in the final stages ready for quantity surveyor                                                                                          |
| 2.1.2         | 2.1    | Ready for staff relocation                                                      | Relocation Plan for construction of new building              | Current                                                                                                                                              |
| 2.1.4 & 2.1.5 | 2.1    | Tender Awarded                                                                  | Tender for New Council Building and Tender Awarded            | Current                                                                                                                                              |
| 2.2.1         | 2.2    | MOU with Cook Shire as well as being on their Prequalified supplier arrangement | MOU with Cook Shire                                           | Cook Shire approved PASC to undertake Emergent repairs of a scour across Strathgordon road to enable safe vehicle access into community during March |
| 2.2.2         | 2.2    | Attend at least two CYP meetings per year                                       | Attend CYP Meetings                                           | Meeting attend online, no new information.                                                                                                           |
| 2.3           | 2.3    | Staff employed and Bakery Open                                                  | Opening of Bakery and Employment of Staff                     | Meeting attend online, no new information.                                                                                                           |
| 2.4.1         | 2.4    | Survey undertaken for new subdivision                                           | Survey for new subdivisions                                   | Survey 100% complete Detailed design commenced                                                                                                       |
| 2.4.2         | 2.4    | Subdivisions designed                                                           | Design for Subdivisions                                       | Designs Complete                                                                                                                                     |
| 2.4.3         | 2.4    | Environmental Permits issues and orchids removed                                | Environmental Compliance for Subdivisions                     | Environmental application sent                                                                                                                       |
| 2.4.4 & 2.4.5 | 2.4    | Subdivision being developed                                                     | Tender Award for construction of subdivision                  | Current                                                                                                                                              |
| 2.5.1         | 2.5    | All maintenance carried out during the year                                     | All capital works to be programmed with relevant team leaders | All Projects due for completion at 30 June 2026 were completed.                                                                                      |



NATURAL ENVIRONMENT

IT BEGINS WITH US



Protecting the environment, people and culture through diverse and engaging opportunities

Ensure the health and sustainability of the natural environment through effective natural resource management, community engagement, proactive conservation, and carbon reduction initiatives.

| KPI REF | CP REF | KPI                                | ACTION                                      | PROGRESS                                                |
|---------|--------|------------------------------------|---------------------------------------------|---------------------------------------------------------|
| 3.1     | 3.1    | Natural Resources Plan Implemented | Implement Natural Resources Management Plan | work program based on natural resources management plan |
| 3.2.1   | 3.2    | 2 Vet Visits per year              | Vet Visits                                  | Vet Visit due in August                                 |
| 3.3.1   | 3.3    | Garbage Bins Replace               | Replace wheelie bins                        | Completed                                               |
| 3.3.2   | 3.3    | Community Looks Great              | Community Clean up for Governors Visit      | Work program up to date                                 |
| 3.3.3   | 3.3    | Vehicles removed from Community    | Removal of abandoned vehicles               | Tilt tray has arrived                                   |
| 3.4.1   | 3.4    | Increased no of turtle nests saved | Undertake Turtle Monitoring Project         | Program up to date                                      |
| 3.5.1   | 3.5    | No Ghosts on the Beaches           | Undertake Ghost Next Program                | All works completed                                     |
| 3.6.1   | 3.6    | Carbon Training completed          | Undertake training for Carbon Activities    | Carbon training was undertaken                          |
| 3.6.2   | 3.6    | Carbon Reports Complete            | Complete and lodge Carbon Reports           | Report Lodged                                           |
| 3.6.3   | 3.6    | Investigate new ACCU Contract      | Investigate new Carbon Contract             | Amended Contract Negotiated and signed                  |

ECONOMY

CREATING OUR FUTURE



Providing opportunities through strategic planning, workforce and economic development

Foster economic growth and community development by enhancing education and training opportunities, improving infrastructure, ensuring reliable essential services, and promoting tourism and community engagement initiatives.

| KPI REF | CP REF | KPI                                                    | ACTION                                                        | PROGRESS                                                                                                                                                                                                                                                                                                                               |
|---------|--------|--------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.1.1   | 4.1    | Funding Secured for CUC                                | Lobby Government for Community University Centre              | LGAQ Motion drafted                                                                                                                                                                                                                                                                                                                    |
| 4.1.2   | 4.1    | Funding Secured for Middle School                      | Lobby Government for Middle Secondary School                  | LGAQ Motion drafted                                                                                                                                                                                                                                                                                                                    |
| 4.2.1   | 4.1    | Additional Support for Boarding Students               | Lobby Government for additional support for boarding students | Motion drafted for LGAQ 2026 Conference                                                                                                                                                                                                                                                                                                |
| 4.2.1   | 4.2    | New SES Facility                                       | Lobby and apply for SES funding                               | Grant approval for replacement SES vehicle for Pormpuraaw successful, new vehicle on order                                                                                                                                                                                                                                             |
| 4.2.2   | 4.2    | Increased SES membership                               | Promote SES Volunteering                                      | SES visit in January - new members signed up.                                                                                                                                                                                                                                                                                          |
| 4.3.1   | 4.3    | Roads to Recovery projects completed                   | Identify R2R projects                                         | Current                                                                                                                                                                                                                                                                                                                                |
| 4.4.1   | 4.4    | Monthly cash for cans visits during dry season         | Monthly Containers for Change visits during Dry Season        | First visit from Containers for Change after the wet season 5/06/26 when 20,505 cans and containers were collected and removed from Pormpuraaw making the back yards and streets cleaner from litter. No local stakeholder has yet to take up the opportunity to establish a profitable business for containers for change collection. |
| 4.4.2   | 4.4    | Local Cash for Cans Operator                           | Identify a local stakeholder for cash for cans                | A local provider has approached council.                                                                                                                                                                                                                                                                                               |
| 4.5.1   | 4.5    | No missed or non-compliant water tests                 | Regular water testing                                         | Breach notice received from water regulator. Testing is ongoing                                                                                                                                                                                                                                                                        |
| 4.7.1   | 4.7    | Funding agreement signed for new water treatment plant | Source funding for new water treatment plant                  | Funding for new water treatment plant has been included in the successful RAF funding.                                                                                                                                                                                                                                                 |
| 4.7.1   | 4.8    | Camping Fees Revised                                   | Review of Camping Fees                                        | Camping Fees increased from \$55 per night to \$80 per night in 2025 FY                                                                                                                                                                                                                                                                |
| 4.8.2   | 4.8    | Develop a Tourism Strategy & On-line Booking System    | Develop a Tourism Strategy & on-line booking system           | Booking systems have been implemented                                                                                                                                                                                                                                                                                                  |
| 4.8.3   | 4.8    | Upgrade Camping Facilities                             | Upgrade Camping Facilities                                    | Additional Works Identified                                                                                                                                                                                                                                                                                                            |



ORGANISATION

DEVELOPING  
OUR CAPACITY



Building a sustainable financial future

Ensure integrity, transparency, and efficiency in Council operations through effective governance, community engagement, comprehensive communication, risk management, asset management, financial planning and up-to-date policies and processes.

| KPI REF | CP REF | KPI                                                | ACTION                                                 | PROGRESS                                                                                          |
|---------|--------|----------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 5.1.1   | 5.1    | Comprehensive Procedures Documents                 | Create procedures that are not documented              | Mapping system is being used.                                                                     |
| 5.2.1   | 5.1    | Updated HR Policies                                | Update HR Policies (Guidelines)                        | Most Policies not updated with Staff handbook                                                     |
| 5.2.1   | 5.2    | Quarterly Interagency meetings                     | Quarterly Interagency Meetings                         | interagency meeting held in June 2026                                                             |
| 5.2.2   | 5.2    | Quarterly Stakeholder - Closing the Gap meetings   | Quarterly Stakeholders Meetings                        | Quarterly Stakeholder meeting Held                                                                |
| 5.3.1   | 5.3    | New Website implemented                            | Implement new Website                                  | New Website is now Live                                                                           |
| 5.3.2   | 5.3    | New Intranet Site                                  | Implement new Intranet site                            | Intranet site is under development.                                                               |
| 5.3.3   | 5.3    | Website up to date                                 | Website updated within 2 weeks of Council Meeting      | All Minutes are on the website                                                                    |
| 5.3.4   | 5.3    | Monthly newsletter distributed                     | Monthly Newsletter                                     | Monthly newsletter produced                                                                       |
| 5.3.5   | 5.3    | Audit website once new website is live             | Audit Website with DLGP checklist                      | Website Audit Completed                                                                           |
| 5.1.3   | 5.4    | Governance up to date                              | Annual Review of DLGP Governance Checklists            | Governance checklist completed.                                                                   |
| 5.4.1   | 5.4    | Internal Audit Plan & 2 internal audits undertaken | Internal Audit Plan                                    | 2 Internal Audits Completed                                                                       |
| 5.4.2   | 5.4    | Monthly Financial Statements to Council            | Monthly Financial Statement to Council                 | Monthly statements are presented to council                                                       |
| 5.5.1   | 5.5    | Adopted Risk Register                              | Establish Risk Register, Framework and Register        | Risk Register almost completed                                                                    |
| 5.6.1   | 5.6    | Updated Local Laws                                 | Local Laws Review                                      | Current                                                                                           |
| 5.7.1   | 5.7    | Asset Management Plans adopted by council          | Develop Asset Management Plans                         | Asset Management Plans are in draft awaiting finance input and further review from professionals. |
| 5.8.1   | 5.8    | Investment Strategy adopted                        | Develop an Investment Strategy                         | Internal audit completed                                                                          |
| 5.8.2   | 5.8    | Unqualified Audit and Annual Report adopted        | Annual unqualified Audit and adoption of Annual report | Audit complete and Annual Report Adopted                                                          |
| 5.8.3   | 5.8    | Process developed                                  | Develop whole of life costs for projects               | Current                                                                                           |

| KPI REF | CP REF | KPI                              | ACTION                            | PROGRESS         |
|---------|--------|----------------------------------|-----------------------------------|------------------|
| 5.9.1   | 5.9    | CCTV Cameras installed           | New CCTV Camera covering roadways | Camera on order  |
| 5.9.2   | 5.9    | New fencing installed            | Upgrade fencing in Compound       | Sourcing Funding |
| 5.9.3   | 5.9    | Improved Security                | Secure additional secure storage  | Current          |
| 5.10.1  | 5.10   | Established Capability Statement | Develop Service Capacity Booklet  | Current          |



# BENEFICIAL ENTERPRISES

## And significant Business Activities

Council does not have any beneficial enterprises. Council did not conduct any significant business activities during the reporting period or preceding financial year that fell under section 45 of the Act.

# INVITATIONS TO CHANGE TENDERS

There are no instances to report where a company or persons who had submitted a tender to Council were invited to change their tender.

# JOINT GOVERNMENT ACTIVITY

There is no joint government activity to report for which another local government supplied goods and/or services for which Council levied special rates and charges in the financial year.

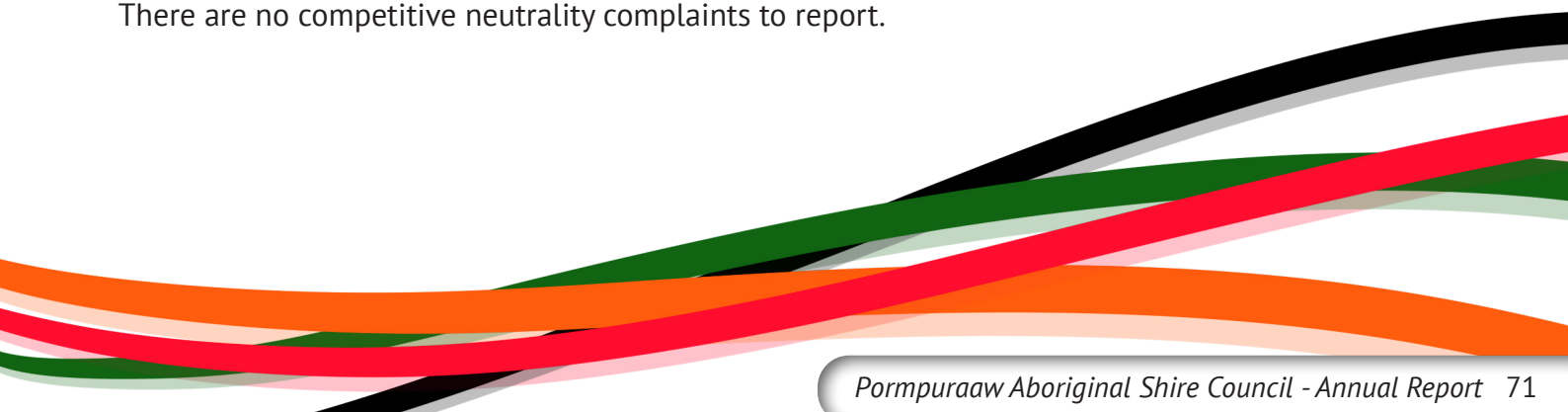
# LIST OF REGISTERS

The following registers are held by Pormpuraaw Aboriginal Shire Council and are available for viewing by members of the public on request:

- Register of Interest of Councillors
- Councillor Conduct Register
- Register of Financial Limit Delegation
- Minutes of Council Meetings
- Register of Council Resolutions
- Council Policy Register
- Register of Delegations
- Register of Contracts/Tenders
- Register of Prequalified Suppliers
- Register of Related Parties
- Risk Register
- Local Laws Register
- Roads Register
- Asset Register
- Fraud Register
- Register of Gifts

# COMPETITIVE NEUTRALITY COMPLAINTS

There are no competitive neutrality complaints to report.



## INTERNAL AUDIT FUNCTION

Council maintains an independent internal audit function to evaluate the effectiveness of its control measures and to assist in managing the operational risks to which local government activities are exposed.

A structured system of internal controls is in place to minimise risk and safeguard Council's assets. The internal audit function provides independent assurance on the adequacy and reliability of those controls, supporting the protection of assets from loss, waste or fraud, and ensuring that Council's operations are conducted to the highest standards of accountability and integrity.

The purpose of the internal audit function is to deliver an impartial assessment of the systems and processes that underpin Council's operations. This includes verifying the effectiveness of risk management, governance, control, and efficiency practices across the organisation.

The 2025-26 internal audit review encompassed the following areas:

### REVIEW OF ASSET VALUATIONS

Council undertook an internal audit of its asset valuation processes to ensure compliance with accounting standards and Queensland Treasury guidelines. The review assessed the desktop valuation of key asset classes, including residential and commercial buildings, water and sewerage infrastructure, other infrastructure, and Cairns land and buildings.

#### Key findings:

The comprehensive revaluation report, together with the related disclosures prepared on behalf of Council, was consistent with the Better Practice Guidelines issued by the Queensland Government.

The comprehensive and desktop revaluation reports, and the associated revaluation disclosures, were prepared in accordance with the Queensland Government Non-Current Asset Policies for the Queensland Public Sector.

The valuation methodologies applied were consistent with relevant Australian Accounting Standards, including AASB 116 Property, Plant and Equipment, AASB 13 Fair Value Measurement and AASB 136 Impairment of Assets.

Significant variations identified through the review process were investigated and discussed. Explanations were provided by the valuers, with appropriate corrections made where required and/or supplementary explanatory information included in the updated valuation reports.

Movements arising from the revaluation processes were reviewed, investigated and discussed. On this basis, the comprehensive valuations appear appropriate and will be recognised by Council as at 30 June 2026.

The indexation rates recommended by the valuer for the 2025–26 financial year are supported by relevant actual and reference data and appear reasonable.

At year-end, affected road assets were assessed for impairment, having regard to asset conditions, applicable materiality thresholds and a detailed supporting reconciliation.

Other year-end reporting matters, including airport runway work in progress, were reviewed and incorporated into the working papers provided to auditors.



## INVESTMENT STRATEGY AND ORGANISATIONAL REVIEW

The internal audit reviewed Council’s investment and cash management practices, capital funding and planning processes, and progress in implementing recommendations from the 2025 organisational review. The objective was to identify opportunities to strengthen financial governance, strategic planning, and organisational effectiveness to support long-term community outcomes.

**Key findings:**

Council has maintained a strong financial position, with substantial cash reserves and positive operating cash flows, providing capacity to invest in community infrastructure and strategic priorities.

A formal investment strategy is required to guide decision-making across operational funding, capital projects, and financial investments and to ensure alignment with Council’s long-term objectives.

Cash flow forecasting processes can be strengthened to better define operational funding requirements, identify surplus funds available for investment, and support long-term financial sustainability.

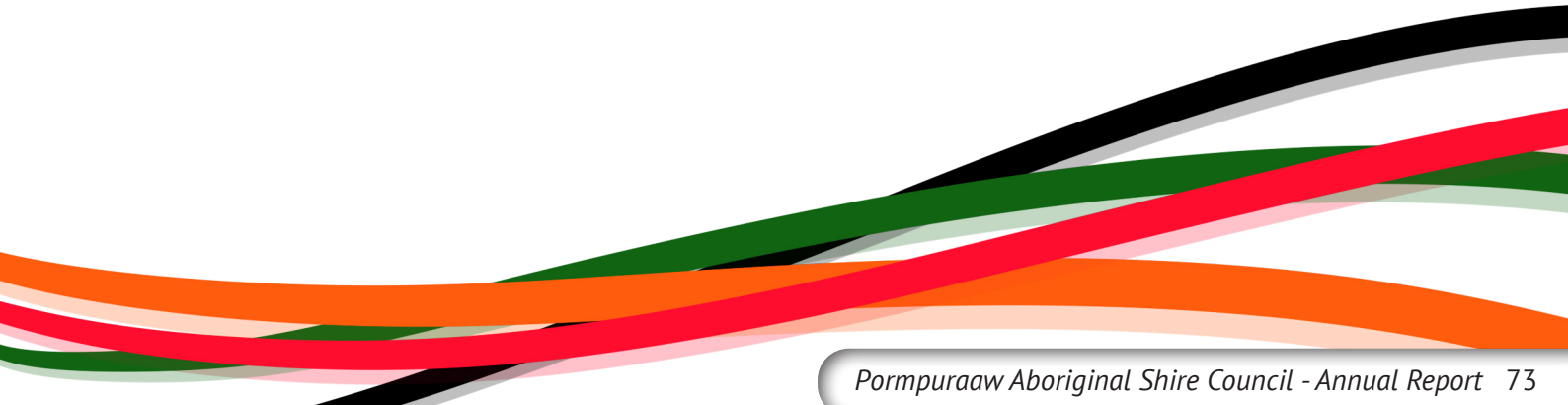
Council’s investment activities are compliant with legislative requirements; however, opportunities exist to optimise investment returns through enhanced cash management practices and review of investment settings.

A more structured framework for prioritising community and capital projects would improve transparency, funding allocation, and alignment between strategic objectives and available resources.

Council is actively funding major capital projects using internal reserves, with the audit recommending the development of a formal capital funding strategy and greater assessment of external funding opportunities.

Follow-up of the 2025 organisational review found progress in communication, resourcing, and organisational development initiatives, although further work is required to embed policies, strengthen role clarity, and improve information management systems.

The audit made recommendations to enhance governance, financial planning, investment management, project prioritisation, and organisational capability to support long-term community outcomes.



## REVIEW OF THE IMPLEMENTATION AND REGULATION OF ARTIFICIAL INTELLIGENCE

An internal audit was undertaken to gain a practical understanding of current AI use within Council, staff awareness of benefits and risks, and whether appropriate governance and risk arrangements are in place. The review reviewed and identified proportionate improvement opportunities suited to Council’s size, capability, and resources.

**Key findings:**

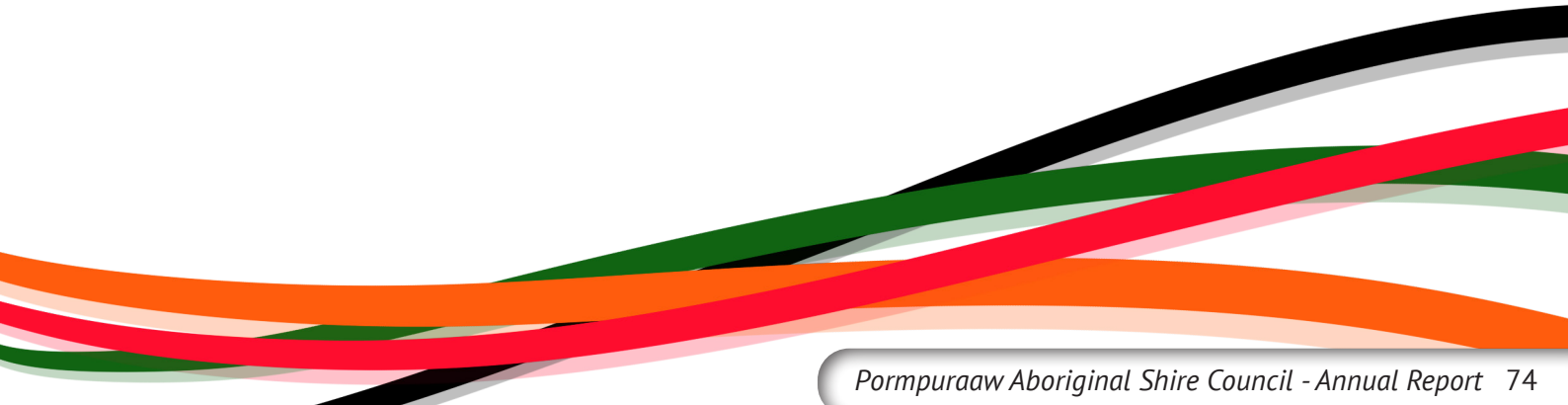
Council should develop and approve a simple Artificial Intelligence (AI) Use Policy to provide clear guidance on the acceptable, safe and culturally appropriate use of AI across the organisation. The policy should be proportionate to the needs and capacity of a small Aboriginal council and should focus on guiding staff conduct, rather than creating complex governance arrangements.

At a minimum, this policy should:

- Define AI in plain language, using examples relevant to Council operations;
- Clearly outline acceptable and prohibited uses, including that AI must not be used for decision-making or for entering personal, confidential or culturally sensitive information;
- Reinforce privacy, confidentiality and recordkeeping obligations, confirming that Council remains responsible for protecting its information;
- Require human review and appropriate cultural consideration of all AI-generated outputs, particularly for community-facing materials;
- Assign responsibility for oversight, escalation and appropriate use;
- Emphasise that AI is a support tool only and does not replace staff judgement, local knowledge or cultural authority; and
- Ensure the AI Use Policy aligns with Queensland Government Enterprise Architecture requirements.

Council should consider AI-related risks within its existing risk management framework, including whether these risks should be included in the Risk Register. Relevant risks may include:

- Privacy and confidentiality risks;
- Cultural and reputational risks;
- Accuracy, misinformation and inappropriate reliance on AI-generated content.





# APPENDIX A - AUDITED FINAICAL STATEMENT



## Annual Financial Statements

For the year ended 30 June 2026

**Pormpuraaw Aboriginal Shire Council**  
**Financial Statements**  
**For the year ended 30 June 2026**

**Table of contents**

**Page No.**

|                                                                                                     |    |
|-----------------------------------------------------------------------------------------------------|----|
| Statement of Comprehensive Income                                                                   | 3  |
| Statement of Financial Position                                                                     | 4  |
| Statement of Changes in Equity                                                                      | 5  |
| Statement of Cash Flows                                                                             | 6  |
| 1 Information about these financial statements                                                      | 7  |
| 2 Analysis of results by function                                                                   | 9  |
| 3 Revenue                                                                                           | 11 |
| 4 Grants, subsidies, contributions and donations                                                    | 12 |
| 5 Capital income                                                                                    | 13 |
| 6 Employee benefits                                                                                 | 13 |
| 7 Materials and services                                                                            | 14 |
| 8 Finance cost                                                                                      | 14 |
| 9 Capital expenses                                                                                  | 14 |
| 10 Cash and cash equivalents                                                                        | 15 |
| 11 Receivables                                                                                      | 15 |
| 12 Inventories                                                                                      | 15 |
| 13 Property, plant and equipment                                                                    | 16 |
| 14 Fair value measurements                                                                          | 20 |
| 15 Contract balances                                                                                | 24 |
| 16 Leases                                                                                           | 24 |
| 17 Payables                                                                                         | 26 |
| 18 Provisions                                                                                       | 26 |
| 19 Asset revaluation surplus                                                                        | 27 |
| 20 Commitments for expenditure                                                                      | 27 |
| 21 Contingent liabilities                                                                           | 27 |
| 22 Superannuation                                                                                   | 28 |
| 23 Trust Funds                                                                                      | 28 |
| 24 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities | 28 |
| 25 Events after the reporting period                                                                | 28 |
| 26 Transactions with related parties                                                                | 29 |
| 27 Financial instruments and financial risk management                                              | 31 |
| 28 Tied Grants by Project                                                                           | 33 |
| Management Certificate                                                                              | 36 |
| Independent Auditor's Report (General purpose financial statements)                                 | 37 |
| Current-year Financial Sustainability Statement (audited)                                           |    |
| Certificate of Accuracy (Current Year Financial Sustainability Statement)                           |    |
| Independent Auditor's Report (Current-year Financial Sustainability Statement)                      |    |
| Current-year Financial Sustainability Statement - contextual (unaudited)                            |    |
| Certificate of Accuracy - contextual (Current Year Financial Sustainability Statement)              |    |
| Long-term Financial Sustainability Statement (unaudited)                                            |    |
| Certificate of Accuracy (Long-term Financial Sustainability Statement)                              |    |



**Pormpuraaw Aboriginal Shire Council**  
**Statement of Comprehensive Income**  
**For the year ended 30 June 2026**

|                                                          |             | <b>2026</b>         | <b>2025</b>         |
|----------------------------------------------------------|-------------|---------------------|---------------------|
|                                                          | <b>Note</b> | <b>\$</b>           | <b>\$</b>           |
| <b>Income</b>                                            |             |                     |                     |
| <b>Revenue</b>                                           |             |                     |                     |
| <b>Recurrent revenue</b>                                 |             |                     |                     |
| Levies and charges                                       | 3(a)        | 553,980             | 531,999             |
| Fees and charges                                         | 3(b)        | 416,377             | 502,010             |
| Rental income                                            | 16          | 1,873,445           | 1,757,331           |
| Interest received                                        |             | 3,756,472           | 3,350,793           |
| Sales revenue                                            | 3(c)        | 5,351,453           | 7,711,858           |
| Other income                                             | 3(d)        | 1,518,432           | 1,558,744           |
| Grants, subsidies, contributions and donations           | 4(i)        | 15,099,714          | 13,850,980          |
| <b>Total operating revenue</b>                           |             | <b>28,569,873</b>   | <b>29,263,715</b>   |
| <b>Capital Income</b>                                    |             |                     |                     |
| Grants, subsidies, contributions and donations           | 4(ii)       | 18,200,099          | 11,707,493          |
| Capital income                                           | 5           | 66,715              | 28,076              |
| <b>Total capital income</b>                              |             | <b>18,266,814</b>   | <b>11,735,569</b>   |
| <b>Total income</b>                                      |             | <b>46,836,687</b>   | <b>40,999,284</b>   |
| <b>Expenses</b>                                          |             |                     |                     |
| <b>Recurrent expenses</b>                                |             |                     |                     |
| Employee benefits                                        | 6           | (6,727,697)         | (5,413,182)         |
| Materials and services                                   | 7           | (8,359,193)         | (7,385,444)         |
| Finance costs                                            | 8           | (289,312)           | (239,460)           |
| Depreciation                                             |             |                     |                     |
| Property, plant and equipment                            | 13          | (6,014,643)         | (5,648,188)         |
| Loss on revaluation of leases                            | 16          | (497,276)           | -                   |
| <b>Total operating expenses</b>                          |             | <b>(21,888,121)</b> | <b>(18,686,274)</b> |
| <b>Capital expenses</b>                                  | 9           | (2,965,545)         | (4,335,358)         |
| <b>Total expenses</b>                                    |             | <b>(24,853,666)</b> | <b>(23,021,632)</b> |
| <b>Net result</b>                                        |             | <b>21,983,021</b>   | <b>17,977,652</b>   |
| <b>Other comprehensive income</b>                        |             |                     |                     |
| <b>Items that will not be reclassified to net result</b> |             |                     |                     |
| Increase in asset revaluation surplus                    | 19          | (34,260)            | 44,152              |
| <b>Total other comprehensive income for the year</b>     |             | <b>(34,260)</b>     | <b>44,152</b>       |
| <b>Total comprehensive income for the year</b>           |             | <b>21,948,761</b>   | <b>18,021,804</b>   |

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

**Pormpuraaw Aboriginal Shire Council**  
**Statement of Financial Position**  
**As at 30 June 2026**

|                                      | Note | 2026<br>\$         | 2025<br>\$         |
|--------------------------------------|------|--------------------|--------------------|
| <b>Current assets</b>                |      |                    |                    |
| Cash and cash equivalents            | 10   | 94,991,215         | 89,541,399         |
| Receivables                          | 11   | 1,450,857          | 1,095,057          |
| Inventories                          | 12   | 1,475,004          | 536,213            |
| Contract assets                      | 15   | 3,011,630          | 2,035,877          |
| Other assets                         |      | 156,839            | 129,370            |
| Lease receivable                     | 16   | 610,755            | 588,332            |
| <b>Total current assets</b>          |      | <b>101,696,300</b> | <b>93,926,248</b>  |
| <b>Non-current assets</b>            |      |                    |                    |
| Property, plant and equipment        | 13   | 176,521,997        | 165,047,306        |
| Lease receivable                     | 16   | 13,083,813         | 14,191,844         |
| <b>Total non-current assets</b>      |      | <b>189,605,810</b> | <b>179,239,150</b> |
| <b>Total assets</b>                  |      | <b>291,302,110</b> | <b>273,165,398</b> |
| <b>Current liabilities</b>           |      |                    |                    |
| Payables                             | 17   | 1,550,409          | 2,280,471          |
| Contract liabilities                 | 15   | 19,455,542         | 22,734,264         |
| Provisions                           | 18   | 1,095,942          | 864,551            |
| <b>Total current liabilities</b>     |      | <b>22,101,893</b>  | <b>25,879,286</b>  |
| <b>Non-current liabilities</b>       |      |                    |                    |
| Provisions                           | 18   | 224,985            | 259,641            |
| <b>Total non-current liabilities</b> |      | <b>224,985</b>     | <b>259,641</b>     |
| <b>Total liabilities</b>             |      | <b>22,326,878</b>  | <b>26,138,927</b>  |
| <b>Net community assets</b>          |      | <b>268,975,232</b> | <b>247,026,471</b> |
| <b>Community equity</b>              |      |                    |                    |
| Asset revaluation surplus            | 19   | 140,259,023        | 140,293,283        |
| Retained surplus                     |      | 128,716,209        | 106,733,188        |
| <b>Total community equity</b>        |      | <b>268,975,232</b> | <b>247,026,471</b> |

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



**Pormpuraaw Aboriginal Shire Council  
Statement of Changes in Equity  
For the year ended 30 June 2026**

|                                                | <b>Asset revaluation<br/>surplus</b> | <b>Retained surplus</b> | <b>Total</b>       |
|------------------------------------------------|--------------------------------------|-------------------------|--------------------|
|                                                | <b>\$</b>                            | <b>\$</b>               | <b>\$</b>          |
| <b>Balance as at 1 July 2025</b>               | 140,293,283                          | 106,733,188             | 247,026,471        |
| Net result                                     | -                                    | 21,983,021              | 21,983,021         |
| Increase in asset revaluation surplus          | (34,260)                             | -                       | (34,260)           |
| <b>Total comprehensive income for the year</b> | <b>(34,260)</b>                      | <b>21,983,021</b>       | <b>21,948,761</b>  |
| <b>Balance as at 30 June 2026</b>              | <b>140,259,023</b>                   | <b>128,716,209</b>      | <b>268,975,232</b> |
| <b>Balance as at 1 July 2024</b>               | 140,249,131                          | 88,755,536              | 229,004,667        |
| Net result                                     | -                                    | 17,977,652              | 17,977,652         |
| Increase in asset revaluation surplus          | 44,152                               | -                       | 44,152             |
| <b>Total comprehensive income for the year</b> | <b>44,152</b>                        | <b>17,977,652</b>       | <b>18,021,804</b>  |
| <b>Balance as at 30 June 2025</b>              | <b>140,293,283</b>                   | <b>106,733,188</b>      | <b>247,026,471</b> |

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

**Pormpuraaw Aboriginal Shire Council**  
**Statement of Cash Flows**  
**For the year ended 30 June 2026**

|                                                                         | Note | 2026<br>\$         | 2025<br>\$         |
|-------------------------------------------------------------------------|------|--------------------|--------------------|
| <b>Cash flows from operating activities</b>                             |      |                    |                    |
| Receipts from customers                                                 |      | 8,764,607          | 10,817,266         |
| Payments to suppliers and employees                                     |      | (17,895,289)       | (14,271,039)       |
|                                                                         |      | <u>(9,130,682)</u> | <u>(3,453,773)</u> |
| Interest received                                                       |      | 3,629,112          | 3,343,672          |
| Rental income                                                           |      | 1,787,985          | 1,757,331          |
| Non-capital grants, subsidies, and contributions                        |      | 16,950,166         | 13,830,321         |
| <b>Net cash inflow from operating activities</b>                        | 24   | <u>13,236,581</u>  | <u>15,477,551</u>  |
| <b>Cash flows from investing activities</b>                             |      |                    |                    |
| Payments for property, plant and equipment                              |      | (20,557,188)       | (14,397,995)       |
| Proceeds from sale of property plant and equipment                      |      | 109,784            | 30,094             |
| Finance lease receipts                                                  | 16   | 588,332            | 529,625            |
| Grants, subsidies, contributions and donations                          |      | 12,072,307         | 21,724,765         |
| <b>Net cash inflow from investing activities</b>                        |      | <u>(7,786,765)</u> | <u>7,886,489</u>   |
| <b>Net increase in cash and cash equivalents held</b>                   |      | <u>5,449,816</u>   | <u>23,364,040</u>  |
| <b>Cash and cash equivalents at the beginning of the financial year</b> |      | 89,541,399         | 66,177,359         |
| <b>Cash and cash equivalents at end of the financial year</b>           | 10   | <u>94,991,215</u>  | <u>89,541,399</u>  |

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



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**1 Information about these financial statements**

**1.A Basis of preparation**

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

The general purpose financial statements are for the period 1 July 2025 to 30 June 2026. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Council is a not-for-profit entity for financial reporting purposes and these financial statements comply with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

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

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

There were no relevant new accounting standards mandatorily effective for the year ended 30 June 2026.

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

The AASB has issued Australian Accounting Standards and Interpretations which are not mandatorily effective at 30 June 2026. These standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies the new Australian Accounting Standards that were issued but not yet effective at the time of preparing these financial statements that could be applicable to Council.

|                                                                                                                     | Effective for reporting periods beginning on or after: |
|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| AASB 2025-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments | 1 January 2026                                         |
| AASB 18 Presentation and Disclosure in Financial Statements                                                         | 1 January 2028                                         |

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**1 Information about these financial statements**

**1.D Estimates and judgements**

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

Judgements, estimates and assumptions that have a potentially significant effect are outlined in the following financial statement notes:

Valuation and depreciation of property, plant and equipment - Note 13 and Note 14

Impairment of property, plant and equipment - Note 14

Contract assets and liabilities - Note 15

Provisions - Note 18

Contingent liabilities - Note 21

Revenue recognition - Note 3 and 4

Inventory - Note 12

**1.E Rounding and comparatives**

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

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

**1.F Taxation**

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



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**2 Analysis of results by function**

**2 (a) Components of Council functions**

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

**Community Services – The Way We Want To Live Together**

The key objective is to promote outcomes which encourage a healthy, supportive, contributing and proactive community where appropriate services and facilities are available and accessible by all. This function advocates and supports: participation of men in community programs; sport, art & culture; aged community members are provided with quality of life; and community access to justice through an active Justice Group.

The community function includes:

- Work and support programs of education, training and rehabilitation;
- Increase community awareness and engagement in public activities and special events;
- Encouraging leadership and stewardship through regular community discussions; and
- Providing quality aged care facilities by highly trained staff.

**Built Environment – Shaping Our Surroundings**

The key objective is to plan for the future development of the community in ways which actively value the heritage and the character of our community with access for all.

This function manages and provides, to a standard that ensures a minimum legislative compliance and equitable standard:

- Development and maintenance of urban and rural roads;
- Maintain and extend the program for roads, drainage and pathways;
- Advocate and supports the development of housing & the refurbishment of existing housing.

**Natural Environment – It Begins With Each Of Us**

The key objective is to ensure the natural environment is protected in a way that is not compromised for future generations and is managed so as to minimise our impact on non-renewable resources.

This function manages and provides:

- The Land & Sea Ranger programs;
- Supports and develops feral animal and plant pest control;
- Public Health programs;
- The development and monitoring of the West Coast Turtle Threat Abatement Program; and
- Water, waste and sewerage services.

**Economy – Creating Our Future**

The key objective is to facilitate a vibrant local economy which enjoys sustainable business investments and the benefits of a skilled and diverse workforce.

The goal of this function is to advocate and develop:

- Tourism infrastructure, a local tourism economy and employment opportunities;
- Diverse sustainable business opportunities;
- New businesses are established and/or developed in Pormpuraaw which generate a substantial flow of funds into the community; and
- the increase of training and employment opportunities for residents.

**Organisation – Developing Our Capacity**

The key objective is to strengthen the capacity of the council organisation and its people to serve our community and to pursue positive outcomes in partnership with community business and government bodies.

This function manages and provides:

- The longevity and sustainability of local government and its benefits to the community;
- Councillors that are actively engaged in the affairs of the community;
- Value the benefits of good financial management and accountability; and
- Community benefits which result from good governance.

The organisation function achieves its objectives by: transparency and accountability in business dealings, probity in purchasing; adhering to reporting timeframes and active communication to our stakeholders.

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**2 Analysis of results by function**

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

**Year ended 30 June 2026**

| Functions           | Gross Program Income |            |            |        | Total income | Gross program expenses |             | Total expenses | Net result from recurrent operations | Net Result  | Assets      |
|---------------------|----------------------|------------|------------|--------|--------------|------------------------|-------------|----------------|--------------------------------------|-------------|-------------|
|                     | Recurrent            |            | Capital    |        |              | Recurrent              | Capital     |                |                                      |             |             |
|                     | Grants               | Other      | Grants     | Other  |              |                        |             |                |                                      |             |             |
|                     | \$                   | \$         | \$         | \$     |              | \$                     | \$          |                |                                      |             |             |
| Community Services  | 2,638,647            | 334,625    | 23,071     | -      | 2,996,343    | (2,774,802)            | -           | (2,774,802)    | 198,470                              | 221,541     | 9,626,723   |
| Built Environment   | 588,279              | 4,849,488  | 3,390,985  | -      | 8,828,752    | (12,808,424)           | (3,317)     | (12,811,741)   | (7,370,657)                          | (3,982,989) | 128,660,925 |
| Natural Environment | 1,355,237            | 1,001,932  | 91,530     | -      | 2,448,699    | (1,395,915)            | -           | (1,395,915)    | 961,254                              | 1,052,784   | 26,112,402  |
| Economy             | 512,345              | 3,506,149  | 14,694,513 | -      | 18,713,007   | (2,926,975)            | (2,962,228) | (5,889,203)    | 1,091,519                            | 12,823,804  | 27,443,472  |
| Organisation        | 10,005,206           | 3,777,965  | -          | 66,715 | 13,849,886   | (1,982,005)            | -           | (1,982,005)    | 11,801,166                           | 11,867,881  | 99,458,588  |
| Total               | 15,099,714           | 13,470,159 | 18,200,099 | 66,715 | 46,836,687   | (21,888,121)           | (2,965,545) | (24,853,666)   | 6,681,752                            | 21,983,021  | 291,302,110 |

**Year ended 30 June 2025**

| Functions           | Gross Program Income |            |            |        | Total income | Gross program expenses |             | Total expenses | Net result from recurrent operations | Net Result | Assets      |
|---------------------|----------------------|------------|------------|--------|--------------|------------------------|-------------|----------------|--------------------------------------|------------|-------------|
|                     | Recurrent            |            | Capital    |        |              | Recurrent              | Capital     |                |                                      |            |             |
|                     | Grants               | Other      | Grants     | Other  |              |                        |             |                |                                      |            |             |
|                     | \$                   | \$         | \$         | \$     |              | \$                     | \$          |                |                                      |            |             |
| Community Services  | 2,030,062            | 637,723    | 37,131     | -      | 2,704,916    | (2,256,186)            | -           | (2,256,186)    | 411,599                              | 448,730    | 8,554,234   |
| Built Environment   | 44,852               | 6,575,104  | 11,516,440 | -      | 18,136,396   | (11,143,807)           | (4,335,358) | (15,479,165)   | (4,523,851)                          | 2,657,231  | 128,409,648 |
| Natural Environment | 1,386,612            | 776,375    | -          | -      | 2,162,987    | (1,253,678)            | -           | (1,253,678)    | 909,309                              | 909,309    | 23,964,519  |
| Economy             | 10,040               | 2,714,858  | 153,922    | -      | 2,878,820    | (2,209,390)            | -           | (2,209,390)    | 515,508                              | 669,430    | 19,042,041  |
| Organisation        | 10,379,414           | 4,708,675  | -          | 28,076 | 15,116,165   | (1,823,213)            | -           | (1,823,213)    | 13,264,876                           | 13,292,952 | 93,194,956  |
| Total               | 13,850,980           | 15,412,735 | 11,707,493 | 28,076 | 40,999,284   | (18,686,274)           | (4,335,358) | (23,021,632)   | 10,577,441                           | 17,977,652 | 273,165,398 |



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

**3 Revenue**

**(a) Service charges**

Service levies are recognised as revenue when Council obtains control over the assets comprising these receipts, which is the beginning of the levy period to which they relate.

|                | 2026           | 2025           |
|----------------|----------------|----------------|
|                | \$             | \$             |
| Service levies | 553,980        | 531,999        |
|                | <u>553,980</u> | <u>531,999</u> |

**(b) Fees and charges**

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

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

|                          | 2026           | 2025           |
|--------------------------|----------------|----------------|
|                          | \$             | \$             |
| Fees and charges         | 155,040        | 201,161        |
| Airline fees and charges | 261,337        | 300,849        |
|                          | <u>416,377</u> | <u>502,010</u> |

**(c) Sales revenue**

Revenue from sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of goods and the cessation of all involvement in the goods.

The Council generates revenues from a number of services including private works in the form of housing maintenance, fuel sales and powercard sales. Revenue from housing maintenance generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed.

|                              | 2026             | 2025             |
|------------------------------|------------------|------------------|
|                              | \$               | \$               |
| <b>Rendering of services</b> |                  |                  |
| Private work revenue         | 3,522,238        | 4,173,905        |
| Concrete batching revenue    | 161,847          | 1,219,752        |
| Aged care                    | 320,166          | 401,751          |
| Plant and equipment services | 193,172          | 242,078          |
| Commissions                  | 100,701          | 92,374           |
|                              | <u>4,298,124</u> | <u>6,129,860</u> |
| <b>Sale of goods</b>         |                  |                  |
| Fuel                         | 774,648          | 753,968          |
| Carbon credit sales          | 22,486           | 577,788          |
| Admin store sales            | 139,793          | 159,003          |
| Other                        | 116,402          | 91,239           |
|                              | <u>1,053,329</u> | <u>1,581,998</u> |
| <b>Total sales revenue</b>   | <u>5,351,453</u> | <u>7,711,858</u> |

**(d) Other income**

|                                                                       |                  |                  |
|-----------------------------------------------------------------------|------------------|------------------|
| RISE community contribution                                           | 440,630          | 216,697          |
| Other revenue                                                         | 5,195            | 21,547           |
| Gain on initial recognition of Australian Carbon Credit Units (ACCUs) | 822,607          | -                |
| Fuel tax credits                                                      | 250,000          | -                |
| Gain on revaluation of finance leases                                 | -                | 1,315,613        |
| Insurance claim                                                       | -                | 4,887            |
|                                                                       | <u>1,518,432</u> | <u>1,558,744</u> |

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

**4 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 events, specified maintenance, purchases, etc. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

**Grant income under AASB 1058**

Asset arising from grants in the scope of AASB 1058 is recognised at the asset's fair value when the asset is received. Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income then is recognised for any residual amount at the time the asset is received.

**Capital grants**

Capital grants are received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

**Contributions and donations**

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

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

|                                              | <b>2026</b>       | <b>2025</b>       |
|----------------------------------------------|-------------------|-------------------|
|                                              | <b>\$</b>         | <b>\$</b>         |
| <b>(i) Operating</b>                         |                   |                   |
| Commonwealth government subsidies and grants | 9,374,399         | 9,064,658         |
| State government subsidies and grants        | 5,594,110         | 4,686,089         |
| Other operating grants                       | 89,000            | 81,415            |
| Contributions                                | 42,205            | 18,818            |
|                                              | <u>15,099,714</u> | <u>13,850,980</u> |

Council received \$2,641,538 representing 50% of its Commonwealth Financial Assistance Grant allocation for the financial year 2025–26 and \$4,645,416, representing 80% of its allocation for 2026-27. As these are untied grants, the full amount was recognised as revenue upon receipt in the 2025–26 financial year, in accordance with the revenue standards.

|                                              |                   |                   |
|----------------------------------------------|-------------------|-------------------|
| <b>(ii) Capital</b>                          |                   |                   |
| Commonwealth government subsidies and grants | 41,623            | 658,932           |
| State government subsidies and grants        | 18,158,476        | 11,048,561        |
|                                              | <u>18,200,099</u> | <u>11,707,493</u> |



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

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

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

|                                 | <b>2026</b>                           |                              | <b>2025</b>                           |                              |
|---------------------------------|---------------------------------------|------------------------------|---------------------------------------|------------------------------|
|                                 | Revenue recognised at a point in time | Revenue recognised over time | Revenue recognised at a point in time | Revenue recognised over time |
|                                 | \$                                    | \$                           | \$                                    | \$                           |
| Government grants and subsidies | 14,526,619                            | 18,641,989                   | 13,728,543                            | 11,729,697                   |
| Other operating grants          | 89,000                                | -                            | 11,500                                | 69,915                       |
| Contributions                   | 42,205                                | -                            | 18,818                                | -                            |
|                                 | <u>14,657,824</u>                     | <u>18,641,989</u>            | <u>13,758,861</u>                     | <u>11,799,612</u>            |

**5 Capital income**

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

Proceeds from sale property, plant and equipment  
Less: Carrying value of disposed property, plant and equipment  
Total capital income

| <b>2026</b>   | <b>2025</b>   |
|---------------|---------------|
| \$            | \$            |
| 134,764       | 30,094        |
| (68,049)      | (2,018)       |
| <u>66,715</u> | <u>28,076</u> |

**6 Employee benefits**

Total staff wages, salaries and entitlements  
Councillors' remuneration  
Superannuation

Other employee related expenses

Less: Capitalised employee expenses

| <b>2026</b>      | <b>2025</b>      |
|------------------|------------------|
| \$               | \$               |
| 5,404,380        | 4,442,840        |
| 414,336          | 411,441          |
| 595,970          | 460,447          |
| <u>6,414,686</u> | <u>5,314,728</u> |
| 434,018          | 232,597          |
| 6,848,704        | 5,547,325        |
| (121,007)        | (134,143)        |
| <u>6,727,697</u> | <u>5,413,182</u> |

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

Total Council employees at the reporting date:

Elected members  
Administration staff  
Depot and outdoors staff  
Total Council employees

| <b>2026</b> | <b>2025</b> |
|-------------|-------------|
| Number      | Number      |
| 5           | 5           |
| 36          | 34          |
| 52          | 41          |
| <u>93</u>   | <u>80</u>   |

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

| <b>7</b> | <b>Materials and services</b>                                              | <b>2026</b><br><b>\$</b> | <b>2025</b><br><b>\$</b> |
|----------|----------------------------------------------------------------------------|--------------------------|--------------------------|
|          | Cost of fuel                                                               | 652,946                  | 616,845                  |
|          | Cost of enterprise sales                                                   | 136,963                  | 66,087                   |
|          | Freight                                                                    | 169,024                  | 162,649                  |
|          | Administration supplies and consumables                                    | 616,660                  | 493,879                  |
|          | Audit of annual financial statements by the Auditor-General of Queensland* | 70,100                   | 79,075                   |
|          | Communications and IT                                                      | 591,642                  | 285,220                  |
|          | Consultants                                                                | 942,763                  | 304,472                  |
|          | Contractors                                                                | 132,020                  | 56,970                   |
|          | Private works expenditure                                                  | 2,122,425                | 2,490,310                |
|          | Insurance                                                                  | 845,895                  | 863,083                  |
|          | Vehicle operating costs                                                    | 122,453                  | 97,497                   |
|          | Power and utility                                                          | 338,385                  | 226,911                  |
|          | Repairs and maintenance                                                    | 618,345                  | 434,564                  |
|          | Safety equipment and expenses                                              | 94,883                   | 48,095                   |
|          | Sport, community and recreational expenses                                 | 111,543                  | 112,254                  |
|          | Travel cost                                                                | 91,183                   | 60,891                   |
|          | Other materials and services                                               | 701,963                  | 986,642                  |
|          |                                                                            | <u>8,359,193</u>         | <u>7,385,444</u>         |

\* Total audit fees quoted by the Queensland Audit Office relating to the 2025-26 financial statements are \$75,100, excluding travel expenses (2025: \$79,075).

| <b>8</b> | <b>Finance cost</b>                               | <b>Note</b> | <b>2026</b><br><b>\$</b> | <b>2025</b><br><b>\$</b> |
|----------|---------------------------------------------------|-------------|--------------------------|--------------------------|
|          | Bank charges                                      |             | 109,347                  | 86,572                   |
|          | Movement on provision for restoration of landfill | 18          | 3,380                    | 41,571                   |
|          | Impairment of receivables                         |             | 176,585                  | 111,317                  |
|          |                                                   |             | <u>289,312</u>           | <u>239,460</u>           |

| <b>9</b> | <b>Capital expenses</b>         |     | <b>2026</b><br><b>\$</b> | <b>2025</b><br><b>\$</b> |
|----------|---------------------------------|-----|--------------------------|--------------------------|
|          | <b>Capital asset write-offs</b> |     |                          |                          |
|          | Capital write-off               | (i) | 2,965,545                | 10,000                   |
|          |                                 |     | <u>2,965,545</u>         | <u>10,000</u>            |

**Loss on disposal of non-current assets**

Proceeds from the sale of property, plant and equipment - -

Less: Carrying value of disposed property, plant and equipment - 189,293

- 189,293

**Loss on transfer of assets via finance lease**

Carrying value of housing assets written-off - 5,478,442

Less: Initial recognition of lease - (1,342,377)

- 4,136,065

Total capital expenses

2,965,545 4,335,358

(i) During the year, Council undertook a significant upgrade of the aerodrome runway, which involved replacing existing runway components that no longer provided their original service potential. Accordingly, the carrying amounts of the replaced components, excluding the formation component that remained in use, were derecognised and recognised as a capital write-off in profit or loss. Eligible costs directly attributable to constructing the replacement components were capitalised.



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

| 10 | Cash and cash equivalents           | Note | 2026<br>\$ | 2025<br>\$ |
|----|-------------------------------------|------|------------|------------|
|    | Cash at bank and on hand            |      | 1,632,999  | 18,661,807 |
|    | Deposits at call                    |      | 93,358,216 | 70,879,592 |
|    | Balance per Statement of Cash Flows |      | 94,991,215 | 89,541,399 |

The Council may be exposed to credit risk through its investments in the QTC Cash Fund or other financial institutions in Australia. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Other bank accounts are held with financial institutions, which are rated AA- based on rating agency Fitch Ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote. All investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is strong.

**Unrestricted cash**

|                                               |    |              |              |
|-----------------------------------------------|----|--------------|--------------|
| Cash and cash equivalents                     |    | 94,991,215   | 89,541,399   |
| Less: Externally imposed restrictions on cash | 28 | (21,576,270) | (24,081,547) |
| Unrestricted cash                             |    | 73,414,945   | 65,459,852   |

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

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

|                                                      |    |              |              |
|------------------------------------------------------|----|--------------|--------------|
| Unspent government grants and subsidies              | 28 | (21,576,270) | (24,081,547) |
| Total externally imposed restrictions on cash assets |    | (21,576,270) | (24,081,547) |

| 11 | Receivables          | Note | 2026<br>\$ | 2025<br>\$ |
|----|----------------------|------|------------|------------|
|    | Receivables          |      | 968,144    | 1,013,409  |
|    | Less: Loss allowance | 8    | (390,343)  | (284,783)  |
|    | Accrued income       |      | 746,287    | 366,431    |
|    | GST receivable       |      | 126,769    | -          |
|    |                      |      | 1,450,857  | 1,095,057  |

Settlement of these amounts is required within 30 days from invoice date.

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

No interest is charged on receivables.

**Expected credit loss assessment**

Council assesses expected credit losses on trade and other receivables using an approach appropriate to the nature of each receivable category. Receivables arising from the homeownership program are assessed collectively using a provision matrix based on historical collection patterns and relevant forward-looking information, while all other receivables are reviewed individually, with expected credit losses determined on a case-by-case basis.

**12 Inventories**

Costs are assigned on the basis of weighted average.

|                                                                               | Note | 2026<br>\$ | 2025<br>\$ |
|-------------------------------------------------------------------------------|------|------------|------------|
| <b>Inventories held for sale</b>                                              |      |            |            |
| Fuel                                                                          |      | 323,119    | 283,972    |
| Carbon credits                                                                | (i)  | 888,026    | -          |
| Other trading stocks                                                          |      | 17,024     | 13,645     |
|                                                                               |      | 1,228,169  | 297,617    |
| <b>Inventories held for distribution</b>                                      |      |            |            |
| Plant and equipment stores                                                    |      | 246,835    | 238,596    |
|                                                                               |      | 246,835    | 238,596    |
| <b>Total inventories</b>                                                      |      | 1,475,004  | 536,213    |
| (i) Carbon credits                                                            |      |            |            |
| ACCUs yet to be approved as at 30 June, measured at cost                      |      | 51,920     | -          |
| ACCUs approved and unsold as at 30 June, measured at current replacement cost |      | 836,106    | -          |
|                                                                               |      | 888,026    | -          |

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

**13 Property, plant and equipment**  
**30 June 2026**

Basis of measurement  
**Asset values**  
Opening gross value as at 1 July 2025  
Additions  
- Renewals  
- Other additions  
Disposals  
Revaluation adjustment to asset revaluation surplus  
Reallocation of restoration costs  
Impairment adjustment to asset revaluation surplus  
Transfers from work in progress  
**Closing gross value as at 30 June 2026**

| Note     | Furniture & Fittings | Buildings  | Plant & Equipment | Infrastructure assets - Water | Infrastructure assets - Sewerage | Infrastructure assets - Other | Land       | Work in Progress | Total       |
|----------|----------------------|------------|-------------------|-------------------------------|----------------------------------|-------------------------------|------------|------------------|-------------|
|          | Cost                 | Fair Value | Cost              | Fair Value                    | Fair Value                       | Fair Value                    | Fair Value | Cost             |             |
|          | \$                   | \$         | \$                | \$                            | \$                               | \$                            | \$         | \$               | \$          |
|          | 416,116              | 83,792,500 | 9,008,754         | 11,603,314                    | 18,247,994                       | 137,797,082                   | 537,596    | 271,938          | 261,675,294 |
|          | -                    | 347,222    | -                 | 83,580                        | 12,820                           | 16,132,499                    | -          | 1,212,659        | 17,788,780  |
|          | -                    | 125,281    | 1,685,351         | 11,606                        | 284,546                          | 418,804                       | -          | 242,820          | 2,768,408   |
| 5, 9     | -                    | (797,868)  | (879,156)         | -                             | (5,528)                          | (5,174,743)                   | -          | -                | (6,857,295) |
| 19       | -                    | 7,543,392  | -                 | 861,820                       | 467,489                          | 2,517,230                     | (17,596)   | -                | 11,372,335  |
| (i)      | -                    | -          | -                 | -                             | -                                | (1,437,986)                   | -          | -                | (1,437,986) |
| (ii) /19 | -                    | -          | -                 | -                             | -                                | 564,459                       | -          | -                | 564,459     |
|          | -                    | 127,002    | -                 | -                             | -                                | 105                           | -          | (127,107)        | -           |
|          | 416,116              | 91,137,529 | 9,814,949         | 12,560,320                    | 19,007,321                       | 150,817,450                   | 520,000    | 1,600,310        | 285,873,995 |

**Accumulated depreciation and impairment**  
Opening balance as at 1 July 2025  
Depreciation expense  
Depreciation on disposals  
Revaluation adjustment to asset revaluation surplus  
Reallocation of restoration costs  
Impairment adjustment to asset revaluation surplus  
**Accumulated depreciation as at 30 June 2026**  
**Carrying amount as at 30 June 2026**  
Range of estimated useful life in years

|          |         |            |           |           |            |               |         |           |             |
|----------|---------|------------|-----------|-----------|------------|---------------|---------|-----------|-------------|
|          | 416,116 | 48,334,100 | 5,152,805 | 3,081,172 | 4,938,891  | 34,704,904    | -       | -         | 96,627,988  |
|          | -       | 2,134,433  | 617,946   | 224,803   | 369,943    | 2,667,518     | -       | -         | 6,014,643   |
| 5, 9     | -       | (797,868)  | (811,107) | -         | (2,211)    | (2,212,515)   | -       | -         | (3,823,701) |
| 19       | -       | 3,282,805  | (0)       | (7,578)   | (609,209)  | 623,825       | -       | -         | 3,289,843   |
| (i)      | -       | -          | -         | -         | -          | (1,437,986)   | -       | -         | (1,437,986) |
| (ii) /19 | -       | -          | -         | -         | -          | 8,681,211     | -       | -         | 8,681,211   |
|          | 416,116 | 52,953,470 | 4,959,644 | 3,298,397 | 4,697,414  | 43,026,957    | -       | -         | 109,351,998 |
|          | -       | 38,184,059 | 4,855,305 | 9,261,923 | 14,309,907 | 107,790,493   | 520,000 | 1,600,310 | 176,521,997 |
|          | 3 - 5   | 15 - 80    | 5 - 15    | 10 - 80   | 15 - 120   | 10 - infinite | -       | -         | -           |

(i) During the 2025-26 financial year, Council incurred restoration costs totalling \$1,437,986 to restore roads damaged by prior-year weather events to their pre-disaster condition. These costs were recognised as asset additions and offset against accumulated depreciation, as the works restored the service potential of the affected assets rather than increasing their replacement cost. The restoration costs were consistent with the estimates used in determining the reduction in fair value of the affected assets recognised in the prior year.

(ii) As at 30 June 2026, a weather event caused damage to Council's aerodrome and roads infrastructure. The affected assets form part of the Infrastructure - Other asset class, which is measured at fair value. The damage reduced the service potential and fair value of the affected assets.

Based on estimated restoration costs provided by the Queensland Reconstruction Authority, Council recognised a reduction in fair value of \$8,681,211. The reduction was recognised as a revaluation decrement against the asset revaluation surplus for the Infrastructure - Other asset class and reflected through accumulated depreciation of the affected depreciable components.

In addition, estimates of restoration costs relating to prior-year weather events were revised during the year. The resulting \$564,459 adjustment was recognised through accumulated depreciation and the asset revaluation surplus.



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**13 Property, plant and equipment (continued)**  
**30 June 2025**

Basis of measurement  
**Asset values**  
Opening gross value as at 1 July 2024  
Additions  
- Renewals  
- Other additions  
Disposals  
Revaluation adjustment to asset revaluation surplus  
Reallocation of restoration costs  
Impairment adjustment to asset revaluation surplus  
Transfers from work in progress  
Write off of assets  
**Closing gross value as at 30 June 2025**  
**Accumulated depreciation and impairment**  
Opening balance as at 1 July 2024  
Depreciation expense  
Depreciation on disposals  
Revaluation adjustment to asset revaluation surplus  
Reallocation of restoration costs  
Impairment adjustment to asset revaluation surplus  
**Accumulated depreciation as at 30 June 2025**  
**Carrying amount as at 30 June 2025**  
Range of estimated useful life in years

| Note     | Furniture & Fittings | Buildings   | Plant & Equipment | Infrastructure assets - Water | Infrastructure assets - Sewerage | Infrastructure assets - Other | Land       | Work in Progress | Total       |
|----------|----------------------|-------------|-------------------|-------------------------------|----------------------------------|-------------------------------|------------|------------------|-------------|
|          | Cost                 | Fair Value  | Cost              | Fair Value                    | Fair Value                       | Fair Value                    | Fair Value | Cost             |             |
|          | \$                   | \$          | \$                | \$                            | \$                               | \$                            | \$         | \$               | \$          |
|          | 416,116              | 78,160,117  | 7,626,177         | 11,336,897                    | 17,238,491                       | 133,398,853                   | 491,000    | 935,725          | 249,603,376 |
|          | -                    | 120,994     | -                 | -                             | -                                | 1,896,963                     | -          | 127,002          | 2,144,959   |
|          | -                    | 8,679,376   | 1,450,537         | -                             | 614,741                          | 1,363,446                     | -          | 144,936          | 12,253,036  |
| 5, 9     | -                    | (6,000,948) | (67,960)          | -                             | -                                | -                             | -          | -                | (6,068,908) |
| 19       | -                    | 1,909,836   | -                 | 266,417                       | 394,762                          | 4,055,325                     | 46,596     | -                | 6,672,936   |
| (i)      | -                    | -           | -                 | -                             | -                                | (791,629)                     | -          | -                | (791,629)   |
| (ii) /19 | -                    | -           | -                 | -                             | -                                | (2,128,476)                   | -          | -                | (2,128,476) |
|          | -                    | 923,125     | -                 | -                             | -                                | 12,600                        | -          | (935,725)        | -           |
| 9        | -                    | -           | -                 | -                             | -                                | (10,000)                      | -          | -                | (10,000)    |
|          | 416,116              | 83,792,500  | 9,008,754         | 11,603,314                    | 18,247,994                       | 137,797,082                   | 537,596    | 271,938          | 261,675,294 |
|          | 416,116              | 45,552,207  | 4,721,853         | 2,785,238                     | 4,485,604                        | 29,709,256                    | -          | -                | 87,670,274  |
|          | -                    | 1,999,005   | 496,894           | 225,189                       | 342,718                          | 2,584,382                     | -          | -                | 5,648,188   |
| 5, 9     | -                    | (333,212)   | (65,942)          | -                             | -                                | -                             | -          | -                | (399,154)   |
| 19       | -                    | 1,116,100   | -                 | 70,745                        | 110,569                          | 981,727                       | -          | -                | 2,279,141   |
| (i)      | -                    | -           | -                 | -                             | -                                | (791,629)                     | -          | -                | (791,629)   |
| (ii) /19 | -                    | -           | -                 | -                             | -                                | 2,221,168                     | -          | -                | 2,221,168   |
|          | 416,116              | 48,334,100  | 5,152,805         | 3,081,172                     | 4,938,891                        | 34,704,904                    | -          | -                | 96,627,988  |
|          | -                    | 35,458,400  | 3,855,949         | 8,522,142                     | 13,309,103                       | 103,092,178                   | 537,596    | 271,938          | 165,047,306 |
|          | 3 - 5                | 15 - 80     | 5 - 15            | 10 - 80                       | 15 - 120                         | 10 - 1000                     | -          | -                | -           |

(i) In the 2024–25 financial year, Council incurred restoration costs totalling \$1,837,617 to return roads to their pre-disaster condition following weather events. This amount was recognised as asset additions. Of the total, \$791,629 was written off against accumulated depreciation as these costs did not increase the replacement cost but rather improved the asset condition. The remaining \$1,045,988 related to formation components, which have an indefinite useful life and no accumulated depreciation. Accordingly, these costs were capitalised as additions to the replacement cost, resulting in a corresponding increase in the asset's fair value.

(ii) As at 30 June 2025, a new weather event caused further damage to road assets, resulting in a total impairment of \$4,349,644. This amount was based on the draft estimate provided by the Queensland Reconstruction Authority and is consistent with the methodology applied in prior years. As the restoration works had not commenced by year-end, the impairment was recognised to reflect the reduced fair value of the affected assets. Of the total estimated impairment, \$2,128,476 was recognised against the replacement cost for road formation components, which have an indefinite useful life, while the remaining \$2,221,168 was recognised against accumulated depreciation for all other depreciable components, in line with prior year treatment.

**Porpuraaw Aboriginal Shire Council  
Notes to the Financial Statements  
For the year ended 30 June 2026**

**13 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 with a total value of less than \$5,000, and infrastructure assets and buildings with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

Acquisition of assets

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

Capital and operating expenditure

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

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

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

Deed of Grant in Trust Land

The Council is located on land assigned to it under a Deed of Grant in Trust (DOGIT) under Section 34I of the Land Act 1994. It comprises an area of approximately 466,000 hectares.

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

**(b) Measurement**

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

Capital work in progress

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

**(c) Depreciation**

Land is not depreciated as it has an unlimited useful life. Depreciation, where applicable, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in the first table to this note on page 16.



**Porpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**13 Property, plant and equipment (Continued)**

**(c) Depreciation (Continued)**

**Key judgments and estimates:**

Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to the Council.

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

**(d) Impairment**

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

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

**(e) Valuation**

**Key judgments and estimates:**

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

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

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

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**14 Fair value measurements**

Council compares the carrying amount of its property, plant and equipment on an annual basis to current fair value and makes adjustment where these are materially different. At least once every five years, Council performs a full comprehensive revaluation by engaging an external professionally qualified valuer.

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

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

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

**(i) Recognised fair value measurements**

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

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

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

Accordingly all Council assets included in property, plant and equipment classes shown at fair value are categorised as level 3, with the exception of the Cairns land and office space. There were no transfers between categories during the year (2025: Nil). Council's policy is to recognise transfers in and out of the fair value hierarchy as at the end of the reporting period.



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**14 Fair value measurements (Continued)**

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

Specific valuation techniques used to value Council assets comprise:

| Asset class and fair value hierarchy | Valuation approach                               | Last comprehensive valuation date | Valuer engaged                 | Key assumptions and estimates (related data sources)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Index applied (change in index recognised this year) |
|--------------------------------------|--------------------------------------------------|-----------------------------------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| Buildings (level 2 and 3)            | Market approach / Current replacement cost (CRC) | 30-Jun-26                         | Australis Asset Advisory Group | <p>Where an observable market for Council's assets could be identified, fair value was measured by way of a Market Approach, utilising sale prices of comparable properties after adjusting for differences in key attributes of the property.</p> <p>For assets that were considered of a specialist nature and did not meet the criteria for a Market approach, Fair value was measured on the basis of a Cost Approach (level 3). Under this methodology the gross replacement cost was assessed on the basis that it reflected a modern equivalent asset with similar service potential.</p> <p>Under the Cost approach, the asset's fair value is the result of the gross current value less accumulated depreciation, to reflect the consumed or expired service potential of the asset. The most significant inputs into the valuation were the rate per square metre of area (to arrive at the Gross Replacement Cost), building area and a condition score reflecting the remaining useful life of the asset. The cost to replace the asset is calculated and then adjusted to take account of any obsolescence.</p> <p>Assets been componentised for which they consider the asset to meet the definition of "Complex asset". 'Complex assets' were disaggregated into the different parts with a different useful life and depreciated separately.</p> <p>The components were further split into the short-life and long-life parts. The value of each part was determined based on the inter-relationship between a range of factors which include set condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value and useful life.</p> | N/A                                                  |

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**14 Fair value measurements (Continued)**

| Asset class and fair value hierarchy    | Valuation approach             | Last comprehensive valuation date | Valuer engaged                 | Key assumptions and estimates (related data sources)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Index applied (change in index recognised this year) |
|-----------------------------------------|--------------------------------|-----------------------------------|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| Infrastructure assets - other (level 3) | Current replacement cost (CRC) | 30-Jun-24                         | Australis Asset Advisory Group | <p>There is no market for Council's water and sewerage assets and other infrastructure assets (including roads) as these are held to provide essential services to the community. For the purpose of assessing the fair value for financial reporting purposes value has been determined primarily by using the current replacement cost methodology. Considerations in the calculations have been the type and the size of the individual infrastructure assets, construction materials used, level of finish, fixtures installed within, and the location of the assets. As the subject assets are located in a regional area, somewhat removed from the nearest provincial city of Cairns, and far removed from Queensland's capital city of Brisbane, a cost increase over and above that applicable to the nearest provincial city or in relation to a Brisbane Cost Index is necessary to account for the increase in replacement cost due to transportation of labour and materials from the nearest supply centre, and also the cost of specialised labour and contractors necessary for the construction work.</p> <p>In determining the most appropriate replacement cost of an asset, the nature of the asset, the nature of available comparative cost data and the purpose of the valuation has been taken into consideration along with the application of Greenfield unit rates and project cost assumptions.</p> <p>Replacement cost has been calculated with reference to unit rates by the valuers in consultation with Council. The rates have been developed from a combination of sources, cost guides, contractor rates, future works and regional information. Costs have been indexed to account for the location of the subject properties being away from the major supply centres or due to being in a different location to some of the other assets recently constructed.</p> | 1.89%                                                |
| Infrastructure assets - water (level 3) | Current replacement cost (CRC) | 30-Jun-26                         | Australis Asset Advisory Group | <p>The water assets were segregated into active and passive assets; passive assets were not further componentised and consisted primarily of mains and pipes. Unit rates were applied based on similar recent project costs, unit rate databases, indices, Rawlinson's Construction rates and quotations. Costs have been indexed to account for the location of the subject properties being away from the major supply centres or due to being in a different location to some of the other assets recently constructed.</p> <p>The remaining useful life was used in the depreciation calculations are estimated using three different methods such as condition, known age and estimated age. The physical condition score combined with obsolescence factor to arrive at adopted remaining life.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | N/A                                                  |



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**14 Fair value measurements (Continued)**

| Asset class and fair value hierarchy       | Valuation approach             | Last comprehensive valuation date | Valuer engaged                 | Key assumptions and estimates (related data sources)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Index applied (change in index recognised this year) |
|--------------------------------------------|--------------------------------|-----------------------------------|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| Infrastructure assets - sewerage (level 3) | Current replacement cost (CRC) | 30-Jun-26                         | Australis Asset Advisory Group | <p>Reference asset replacement costs for the water and sewerage and other infrastructure assets have been compiled by reference to actual costs incurred for some of the subject assets, for similar asset improvements constructed within the North Queensland Region, and also supported by reference to available data prepared and provided by construction cost consultants and quantity surveyors. Costs have been indexed to account for the location of the subject properties being away from the major supply centres or due to being in a different location to some of the other assets recently constructed.</p> <p>The sewer assets were segregated into active and passive assets; passive assets were not further componentised and consisted primarily of mains and pipes. Unit rates were applied based on similar recent project costs, unit rate databases, indices, Rawlinson's Construction rates and quotations.</p> <p>Consistent with roads, it is assumed that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. Where assets are located underground and physical inspection is not possible, the age, size and type of construction material, together with current and planned maintenance records are used to determine the fair value at reporting date</p> | N/A                                                  |
| Land (level 2)                             | Market approach                | 30-Jun-26                         | Australis Asset Advisory Group | <p>Land was acquired in the year ended 30 June 2019 and fair values were determined by reference to the market value during the previous comprehensive valuation. A desktop valuation has been performed independently by Australis Asset Advisory Group, registered valuers for the years ended 30 June 2025 with an assessment performed to ensure that material changes in the condition of assets have been captured and recorded.</p> <p>Where an observable market for Council's land assets could be identified, fair value was measured by way of a Market Approach (level 2), utilising sale prices of comparable properties after adjusting for differences in key attributes of the property, such as size. Level 2 valuation inputs were used to value land. Sales prices of comparable land are adjusted for differences in key attributes such as property size, location, topography, and other inherent attributes.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | N/A                                                  |

**Finance lease assets (Level 3)**

Finance leases are recognised at the present value of the expected future lease payments receivable (fair value). Council's current policy for the valuation of finance leases is set out in Note 16.

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

**15 Contract balances**

|                                                                                                     | 2026       | 2025       |
|-----------------------------------------------------------------------------------------------------|------------|------------|
|                                                                                                     | \$         | \$         |
| (a) Contract assets                                                                                 | 3,011,630  | 2,035,877  |
| (b) Contract liabilities                                                                            |            |            |
| Funds received upfront to construct or acquire Council controlled assets                            | 17,505,542 | 22,734,264 |
| Non-capital performance obligations not yet satisfied                                               | 1,950,000  | -          |
|                                                                                                     | 19,455,542 | 22,734,264 |
| Current contract liabilities                                                                        | 19,455,542 | 22,734,264 |
|                                                                                                     | 19,455,542 | 22,734,264 |
| Revenue recognised that was included in the contract liability balance at the beginning of the year |            |            |
| Funds to construct Council controlled assets                                                        | 5,713,358  | 6,891,706  |
| Non-capital performance obligations                                                                 | -          | 72,788     |
|                                                                                                     | 5,713,358  | 6,964,494  |

**Satisfaction of contract liabilities**

The contract liabilities that are in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets.

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

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

**16 Leases**

**Council as a lessee**

There are currently no existing leases in place.

**Exception to lease accounting**

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

**Leases at significantly below market value - Concessionary / peppercorn leases**

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

**Council as a lessor**

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

**Finance Lease:**

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

Council has leased 138 dwellings and 1 lot as lessor to the Queensland Government for 40 years. The total lease payment per dwelling in the current year was \$4,368 (\$4,172 for 2024-25) and \$7,986 (\$7,628 for 2024-25) for the Pormpuraaw Women's Centre. These lease payments are required to be adjusted each year by the change in the Consumer Price Index (All Groups) for Brisbane. As the gross lease payments are insufficient to cover the fair value (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).



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

**16 Leases (continued)**

|                | <b>2026</b>       | <b>2025</b>       |
|----------------|-------------------|-------------------|
|                | <b>\$</b>         | <b>\$</b>         |
| Current        |                   |                   |
| Finance leases | 610,755           | 588,332           |
|                | <u>610,755</u>    | <u>588,332</u>    |
| Non-current    |                   |                   |
| Finance leases | 13,083,813        | 14,191,844        |
|                | <u>13,083,813</u> | <u>14,191,844</u> |

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

|                                          |                   |                   |
|------------------------------------------|-------------------|-------------------|
| Gross minimum lease payments receivable: | 17,200,988        | 17,018,954        |
| Add: Estimated contingent rent           | 8,363,388         | 8,087,862         |
| Less: Present value adjustment           | (11,869,808)      | (10,326,640)      |
| Fair value of lease payments             | <u>13,694,568</u> | <u>14,780,176</u> |

The fair value of lease payments are receivable as follows:

|                              |                   |                   |
|------------------------------|-------------------|-------------------|
| Not later than one year      | 610,755           | 588,332           |
| Between one and two years    | 600,263           | 577,502           |
| Between two and three years  | 589,951           | 571,662           |
| Between three and four years | 579,817           | 565,880           |
| Between four and five years  | 569,857           | 560,158           |
| Later than five years        | 10,743,925        | 11,916,642        |
|                              | <u>13,694,568</u> | <u>14,780,176</u> |

Movements in finance leases were as follows:

|                                        |                   |                   |
|----------------------------------------|-------------------|-------------------|
| Opening balance                        | 14,780,176        | 12,651,811        |
| Add: Initial recognition of new leases | -                 | 1,342,377         |
| Less: Lease receipts                   | (583,401)         | (527,653)         |
| Less: Lease receipts - pro-rata        | (4,931)           | (1,972)           |
| Add/(Less): Gain/(Loss) on revaluation | (497,276)         | 1,315,613         |
| Closing balance                        | <u>13,694,568</u> | <u>14,780,176</u> |

The calculation of fair value has included an estimate of average annual CPI increases of 2.72% (2025: 2.58%) and a discount rate of 4.52% (2025: 3.63%).

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

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

*Operating leases:*

Where Council retains the risks and rewards relating to a lease, they are classified as operating leases. Rent from Council's commercial buildings and offices is recognised as income on a periodic straight line basis over the lease term.

|                                                                                       | <b>2026</b>      | <b>2025</b>      |
|---------------------------------------------------------------------------------------|------------------|------------------|
|                                                                                       | <b>\$</b>        | <b>\$</b>        |
| Property income (excluding variable lease payments not dependent on an index or rate) |                  |                  |
| Rent - Commercial Property                                                            | 245,616          | 174,283          |
| Rent - Community Housing                                                              | 194,939          | 203,719          |
| Rent - Residential Property                                                           | 266,384          | 231,905          |
| Accommodation Revenue                                                                 | 1,166,506        | 1,147,424        |
|                                                                                       | <u>1,873,445</u> | <u>1,757,331</u> |

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

The assets are included in the statement of financial position as property, plant and equipment as the asset is held to meet Council's service delivery objectives. (Note 13)

Fair value of property, plant and equipment leased out by Council under operating leases

|           |                   |                   |
|-----------|-------------------|-------------------|
| Buildings | <u>19,610,725</u> | <u>18,485,902</u> |
|-----------|-------------------|-------------------|

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

**17 Payables**

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

Salaries and wages

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

|                        | 2026<br>\$       | 2025<br>\$       |
|------------------------|------------------|------------------|
| <b>Current</b>         |                  |                  |
| Creditors and accruals | 1,413,525        | 2,277,675        |
| Others                 | 136,884          | 2,796            |
|                        | <u>1,550,409</u> | <u>2,280,471</u> |

**18 Provisions**

Annual leave

A liability for annual leave is recognised. As Council does not have an unconditional right to defer this liability beyond 12 months annual leave is classified as a current liability. This liability represents an accrued expense and is reported as a provision.

Long service leave

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

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

Landfill restoration provision

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 of landfill sites in accordance with environmental licence conditions. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for landfill sites is reviewed at least annually and updated based on the facts and circumstances available at the time.

The total projected cost of \$195,951 is expected to be incurred between 2037 and 2067. The figure excludes rehabilitating landfill cells on existing sites that are yet to be constructed or used.

|                                                    | Note | 2026<br>\$       | 2025<br>\$     |
|----------------------------------------------------|------|------------------|----------------|
| <b>Current</b>                                     |      |                  |                |
| Annual leave                                       |      | 599,032          | 481,949        |
| Long service leave                                 |      | 496,910          | 382,602        |
|                                                    |      | <u>1,095,942</u> | <u>864,551</u> |
| <b>Non-current</b>                                 |      |                  |                |
| Landfill restoration                               |      | 195,951          | 192,571        |
| Long service leave                                 |      | 29,034           | 67,070         |
|                                                    |      | <u>224,985</u>   | <u>259,641</u> |
| <b>Landfill restoration</b>                        |      |                  |                |
| Balance at beginning of financial year             |      | 192,571          | 151,000        |
| Increase/(decrease) due to change in discount rate | 8    | 3,380            | 41,571         |
| Balance at end of financial year                   |      | <u>195,951</u>   | <u>192,571</u> |



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

**19 Asset revaluation surplus**

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

|                                  | 2026<br>\$         | 2025<br>\$         |
|----------------------------------|--------------------|--------------------|
| Land                             | 145,821            | 163,417            |
| Furniture & Fittings             | 434,944            | 434,944            |
| Buildings                        | 49,696,808         | 45,436,221         |
| Infrastructure assets - Other    | 78,309,856         | 84,533,203         |
| Infrastructure assets - Water    | 3,114,150          | 2,244,752          |
| Infrastructure assets - Sewerage | 6,334,539          | 5,257,841          |
| Plant & equipment                | 2,222,905          | 2,222,905          |
|                                  | <u>140,259,023</u> | <u>140,293,283</u> |

**20 Commitments for expenditure**

**Contractual commitments**

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

|                        |                |                |
|------------------------|----------------|----------------|
| IT management services | 218,175        | 48,634         |
| Subcontractor services | 127,648        | 642,664        |
|                        | <u>345,823</u> | <u>691,298</u> |

**Capital commitments**

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

|                                            |                |                  |
|--------------------------------------------|----------------|------------------|
| Buildings                                  | 384,520        | 110,443          |
| Motor vehicles and capital plant purchases | 39,580         | 220,141          |
| Airport upgrades                           | -              | 5,456,977        |
|                                            | <u>424,100</u> | <u>5,787,561</u> |

This expenditure is payable within one year.

**21 Contingent liabilities**

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

**Local government mutual**

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

As at 30 June 2026 the financial results reported an accumulated surplus and it is not anticipated any liability will arise.

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2026**

**22 Superannuation**

Council contributes to Brighter Super. Brighter Super is a Multiemployer Plan as defined in Australian Accounting Standard *AASB 119 Employee Benefits*. The scheme has a number of elements including defined benefits funds and an accumulated benefits 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 accumulated benefits fund. The scheme is managed by the Brighter Super Trustee.

**23 Trust Funds**

|                                      |         |         |
|--------------------------------------|---------|---------|
| Trust funds held for outside parties | 250,465 | 360,871 |
|--------------------------------------|---------|---------|

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. The funds held in trust relate to building retention amounts and commercial lease bonds. 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 brought to account in the financial statements since Council has no control over the assets.

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

|                                                                              | 2026<br>\$   | 2025<br>\$   |
|------------------------------------------------------------------------------|--------------|--------------|
| Net result                                                                   | 21,983,021   | 17,977,652   |
| Non-cash items:                                                              |              |              |
| Depreciation                                                                 | 6,014,643    | 5,648,188    |
| Landfill restoration revaluation                                             | 3,380        | 41,571       |
| Loss on revaluation of finance leases                                        | 497,276      | (1,315,613)  |
| Gain on initial recognition of ACCUs                                         | (822,607)    | -            |
|                                                                              | 5,692,692    | 4,374,146    |
| Investing and development activities (non-cash):                             |              |              |
| Net (profit)/loss on disposal of non-current assets                          | 2,898,830    | 4,307,282    |
| Capital grants and contributions                                             | (18,200,099) | (11,707,493) |
|                                                                              | (15,301,269) | (7,400,211)  |
| Changes in operating assets and liabilities:                                 |              |              |
| (Increase)/decrease in receivables                                           | (355,800)    | 723,210      |
| (Increase)/decrease in inventories                                           | (116,184)    | 47,433       |
| (Increase)/decrease in contract assets                                       | (51,703)     | 129,625      |
| Increase/(decrease) in other assets                                          | (27,469)     | 11,997       |
| Increase/(decrease) in payables                                              | (730,062)    | (377,848)    |
| Increase/(decrease) in contract liabilities relating to operating activities | 1,950,000    | (143,435)    |
| Increase/(decrease) in provisions                                            | 193,355      | 134,982      |
|                                                                              | 862,137      | 525,964      |
| Net cash inflow from operating activities                                    | 13,236,581   | 15,477,551   |

**25 Events after the reporting period**

The following events have occurred since the end of the reporting period:

Since 30 June 2026, Council has entered into a number of significant contracts with a combined value of approximately \$12.0 million for the design and construction of residential housing, housing extensions and associated infrastructure works. The contracts are expected to be completed during the 2026-27 and 2027-28 financial years.



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**26 Transactions with related parties**

**(a) Transactions with key management personnel (KMP)**

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

KMP include the Mayor, Councillors, Council's Chief Executive Officer and executive management.

The compensation paid to KMP for 2025-26 comprises:

|                              | 2026<br>\$       | 2025<br>\$       |
|------------------------------|------------------|------------------|
| Short-term employee benefits | 1,440,013        | 1,350,650        |
| Post-employment benefits     | 169,035          | 134,954          |
| Long-term benefits           | 49,031           | 50,144           |
| Termination benefits         | 38,495           | 151,677          |
| Non-cash employment benefits | 71,839           | 40,096           |
| <b>Total</b>                 | <b>1,768,413</b> | <b>1,727,521</b> |

Detailed remuneration disclosures are provided in the annual report.

**(b) Transactions with other related parties**

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

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

| Details of Transaction                                                            | Additional information | 2026<br>\$ | 2025<br>\$ |
|-----------------------------------------------------------------------------------|------------------------|------------|------------|
| Sale of goods & services to related parties                                       | 26(b)(i)               | 85,618     | 33,952     |
| Service levies to related parties                                                 | 26(b)(i)               | 51,380     | 48,776     |
| Employee expenses for close family members of key management personnel            | 26(b)(ii)              | 697,522    | 670,486    |
| Non-cash employment benefits for close family members of key management personnel | 26(b)(iii)             | 27,114     | 80,821     |
| Subsidised housing benefit for a close family member                              | 26(b)(iv)              | -          | 12,358     |
| Rental income charged to a close family member                                    | 26(b)(iv)              | 3,029      | 4,364      |
| Purchase services from entities controlled by CFM                                 | 26(b)(v)               | 441,174    | -          |
| Contributions to entities controlled by KMP                                       | 26(b)(vi)              | 15,000     | -          |
| Travel expenses incurred on behalf of CFM                                         | 26(b)(vii)             | 871        | -          |

(i) Sales income and service levies charged to entities controlled by key management personnel and related parties were on an arm's length basis in accordance with the lease agreement, the terms of the sale or the Schedule of Fees & Charges.

(ii) All close family members of key management personnel were employed through an arm's length process. They are remunerated in accordance with the Award and Council's above award determination for the job they perform.

(iii) Housing is provided as a non-cash employment benefit for most externally recruited positions. The non-cash benefit forms a part of an individual's employment contract with Council.

(iv) Rental income charged to a close family member of the Mayor during the previous year was provided at a discounted rate, which is not at an arm's-length transaction. Of the total rental value, \$12,358 was subsidised by Council in accordance with Resolution 2024/10/12. The Mayor declared his conflict of interest in this matter and did not participate in any decisions related to this transaction.

(v) The Council received professional services from an entity controlled by CFM during the year. These services were sourced before the individual became a KMP of the Council. The transaction value disclosed includes only the amounts incurred after the individual commenced employment as a KMP of the Council and all the transactions were at arm's-length.

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**  
**26 Transactions with related parties (continued)**

(vi) The Council made donations to a controlled entity during the year, whose primary objective is to promote the welfare of the Pormpuraaw community.

(vii) During the year, the Council incurred travel expenses on behalf of a close family member of a KMP.

Council employs 93 staff (75 for 2024-25), of which only 11 (9 for 2024-25) are close family members of key management personnel.

**(c) Outstanding balances**

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

**Year ended 30 June 2026**

| Payables                  | Amounts owed to entities controlled by CFM | Amounts owed to close family member of KMP | Amounts owed to KMP |
|---------------------------|--------------------------------------------|--------------------------------------------|---------------------|
| Not past due              | 45,014                                     | -                                          | -                   |
| Past due 31-60 days       | -                                          | -                                          | -                   |
| Past due 61-90 days       | -                                          | -                                          | -                   |
| More than 90 days overdue | -                                          | -                                          | -                   |
| <b>Total owing</b>        | <b>45,014</b>                              | <b>-</b>                                   | <b>-</b>            |

**Year ended 30 June 2025**

There are no material outstanding balances at 30 June 2025 in relation to transactions with related parties.

**(d) Loans and guarantees to/from related parties**

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

**(e) Commitments to/from other related parties**

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

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

The majority of the entities and people that are related parties of Council live and operate within the Pormpuraaw community. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. The payment by community residents of utility charges, fees and charges and rental charges are considered to be an ordinary citizen transaction.

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



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**27 Financial instruments and financial risk management**

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

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

Cash and cash equivalents (Note 10)

Receivables - measured at amortised cost (Note 11)

Lease receivables (Note 16)

Payables - measured at amortised cost (Note 17)

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

- credit risk
- liquidity risk
- market risk

**Risk management framework**

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

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

The Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against 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 risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The Council's 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.

Pormpuraaw Aboriginal Shire Council does not enter into derivatives.

**Credit risk**

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from 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 state / commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

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

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

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**27 Financial instruments and financial risk management (Continued)**

**Liquidity risk**

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

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

*Exposure to liquidity risk*

Council is exposed to liquidity risk through its normal course of business.

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. These facilities are disclosed in Note 10.

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

|             | 0 to 1 year | 1 to 5 years | Over 5 years | Total contractual cash flows | Carrying amount |
|-------------|-------------|--------------|--------------|------------------------------|-----------------|
|             | \$          | \$           | \$           | \$                           | \$              |
| <b>2026</b> |             |              |              |                              |                 |
| Payables    | 1,413,525   | -            | -            | 1,413,525                    | 1,413,525       |
|             | 1,413,525   | -            | -            | 1,413,525                    | 1,413,525       |
| <b>2025</b> |             |              |              |                              |                 |
| Payables    | 2,277,675   | -            | -            | 2,277,675                    | 2,277,675       |
|             | 2,277,675   | -            | -            | 2,277,675                    | 2,277,675       |

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

**Market risk**

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

*Interest rate risk*

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

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

*Sensitivity*

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

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

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

|                  | Net carrying amount | Effect on Net Result |             | Effect on Equity |             |
|------------------|---------------------|----------------------|-------------|------------------|-------------|
|                  | \$                  | 1% increase          | 1% decrease | 1% increase      | 1% decrease |
|                  | \$                  | \$                   | \$          | \$               | \$          |
| <b>2026</b>      |                     |                      |             |                  |             |
| Deposits at call | 93,358,216          | 933,582              | (933,582)   | 933,582          | (933,582)   |
| <b>Total</b>     | 93,358,216          | 933,582              | (933,582)   | 933,582          | (933,582)   |
| <b>2025</b>      |                     |                      |             |                  |             |
| Deposits at call | 70,879,592          | 708,796              | (708,796)   | 708,796          | (708,796)   |
| <b>Total</b>     | 70,879,592          | 708,796              | (708,796)   | 708,796          | (708,796)   |

**(b) Fair value**

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



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**

**28 Tied Grants by Project**

The following note has been prepared on a cash basis.

|                                                                                                          | Balance<br>01/07/2025 | Revenue          | Council<br>Contribution | Expense            | Balance<br>30/06/2026 |
|----------------------------------------------------------------------------------------------------------|-----------------------|------------------|-------------------------|--------------------|-----------------------|
|                                                                                                          | \$                    | \$               | \$                      | \$                 | \$                    |
| <b>Commonwealth Government Grants</b>                                                                    |                       |                  |                         |                    |                       |
| <b>Commonwealth Government Allocation</b>                                                                |                       |                  |                         |                    |                       |
| Financial Assistance Grant                                                                               | -                     | 7,260,758        | -                       | (7,260,758)        | -                     |
| Total                                                                                                    | -                     | 7,260,758        | -                       | (7,260,758)        | -                     |
| <b>Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts</b> |                       |                  |                         |                    |                       |
| Roads to Recovery                                                                                        | 26,080                | -                | -                       | -                  | 26,080                |
| Local Roads & Community Infrastructure Program - Phase 4                                                 | (109,902)             | -                | 22,991                  | (64,614)           | (151,525)             |
| Total                                                                                                    | (83,822)              | -                | 22,991                  | (64,614)           | (125,445)             |
| <b>Department of Health, Disability and Ageing</b>                                                       |                       |                  |                         |                    |                       |
| CHSP Home Support Programme (HACC)                                                                       | 56,051                | 678,648          | -                       | (514,361)          | 220,338               |
| Support at Home - Thin Market Grant                                                                      | -                     | 169,973          | -                       | (91,396)           | 78,577                |
| Support at Home & New Aged Care Act Transition Funding                                                   | 10,000                | -                | -                       | (10,000)           | -                     |
| Indigenous Employment Initiative (IEI) - Aged Care                                                       | 654,149               | 574,329          | -                       | (721,525)          | 506,953               |
| Total                                                                                                    | 720,200               | 1,422,950        | -                       | (1,337,282)        | 805,868               |
| <b>Department of Climate Change, Energy, the Environment and Water</b>                                   |                       |                  |                         |                    |                       |
| Indigenous Protected Areas (IPA) Program                                                                 | 321,716               | 232,564          | -                       | (202,507)          | 351,774               |
| Total                                                                                                    | 321,716               | 232,564          | -                       | (202,507)          | 351,774               |
| <b>Department of Industry, Science and Resources</b>                                                     |                       |                  |                         |                    |                       |
| Community Energy Upgrades Fund R2                                                                        | -                     | 77,021           | -                       | -                  | 77,021                |
| Total                                                                                                    | -                     | 77,021           | -                       | -                  | 77,021                |
| <b>National Indigenous Australians Agency</b>                                                            |                       |                  |                         |                    |                       |
| RJED - Culture & Land Management Officers                                                                | -                     | 218,785          | -                       | (12,409)           | 206,376               |
| RJED - CJBFB Culture & Land Management Officers                                                          | -                     | 29,302           | -                       | (437)              | 28,865                |
| RJED - Local Food Choices for Local People                                                               | -                     | 131,732          | -                       | -                  | 131,732               |
| RJED - CJBFB Local Food Choices for Local People                                                         | -                     | 14,353           | -                       | -                  | 14,353                |
| RJED - Ineligible Wages                                                                                  | -                     | -                | 6,925                   | (6,925)            | -                     |
| Total                                                                                                    | -                     | 394,172          | 6,925                   | (19,770)           | 381,326               |
| <b>Services Australia</b>                                                                                |                       |                  |                         |                    |                       |
| Centrelink Agent                                                                                         | -                     | 63,956           | 10,858                  | (74,813)           | -                     |
| Total                                                                                                    | -                     | 63,956           | 10,858                  | (74,813)           | -                     |
| <b>Total - Commonwealth Govt Grants</b>                                                                  | <b>958,094</b>        | <b>9,451,420</b> | <b>40,773</b>           | <b>(8,959,744)</b> | <b>1,490,544</b>      |
| <b>State Government Grants</b>                                                                           |                       |                  |                         |                    |                       |
| <b>Department of the Environment, Tourism, Science and Innovation</b>                                    |                       |                  |                         |                    |                       |
| QIL&S Ranger Program                                                                                     | 118,557               | 909,755          | -                       | (800,222)          | 228,090               |
| Total                                                                                                    | 118,557               | 909,755          | -                       | (800,222)          | 228,090               |
| <b>Queensland Police Service</b>                                                                         |                       |                  |                         |                    |                       |
| State Emergency Services                                                                                 | -                     | 14,011           | 4,143                   | (18,154)           | -                     |
| Total                                                                                                    | -                     | 14,011           | 4,143                   | (18,154)           | -                     |
| <b>Department of Justice</b>                                                                             |                       |                  |                         |                    |                       |
| Community Justice Group                                                                                  | 17,060                | 472,646          | -                       | (351,964)          | 137,743               |
| Community Justice Group - Surplus                                                                        | 108,000               | -                | -                       | (83,213)           | 24,787                |
| Total                                                                                                    | 125,060               | 472,646          | -                       | (435,176)          | 162,530               |
| <b>State Library of Queensland</b>                                                                       |                       |                  |                         |                    |                       |
| Indigenous Knowledge Centres                                                                             | 3,473                 | 23,000           | 38,388                  | (64,861)           | -                     |
| First Five Forever Program                                                                               | 1,997                 | 3,000            | -                       | (4,997)            | -                     |
| Growing IKC                                                                                              | -                     | 39,090           | -                       | (25,340)           | 13,750                |
| Total                                                                                                    | 5,470                 | 65,090           | 38,388                  | (95,198)           | 13,750                |

**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**  
28 Tied Grants by Project (continued)

|                                                                                                     | Balance<br>01/07/2025 | Revenue    | Council<br>Contribution | Expense      | Balance<br>30/06/2026 |
|-----------------------------------------------------------------------------------------------------|-----------------------|------------|-------------------------|--------------|-----------------------|
|                                                                                                     | \$                    | \$         | \$                      | \$           | \$                    |
| <b>Department of Transport and Main Roads</b>                                                       |                       |            |                         |              |                       |
| <i>ATSI TIDS Projects</i>                                                                           | -                     | 361,408    | -                       | (361,408)    | -                     |
| Total                                                                                               | -                     | 361,408    | -                       | (361,408)    | -                     |
| <b>Queensland Health</b>                                                                            |                       |            |                         |              |                       |
| <i>ATSI Public Health Program</i>                                                                   | -                     | 213,948    | -                       | (171,932)    | 42,016                |
| Total                                                                                               | -                     | 213,948    | -                       | 171,932      | 42,016                |
| <b>Health and Wellbeing Queensland</b>                                                              |                       |            |                         |              |                       |
| <i>Discrete Communities Planning Funding</i>                                                        | 50,870                | -          | -                       | (50,870)     | -                     |
| <i>Fuel &amp; Burn Program</i>                                                                      | -                     | 18,000     | -                       | (11,318)     | 6,682                 |
| Total                                                                                               | 50,870                | 18,000     | -                       | (62,188)     | 6,682                 |
| <b>Department of Trade, Employment and Training</b>                                                 |                       |            |                         |              |                       |
| <i>First Start Program</i>                                                                          | -                     | 15,000     | -                       | (15,000)     | -                     |
| Total                                                                                               | -                     | 15,000     | -                       | (15,000)     | -                     |
| <b>Queensland Reconstruction Authority</b>                                                          |                       |            |                         |              |                       |
| <i>DRFA 2025 Restoration - Kowanyama Rd</i>                                                         | -                     | 571,405    | -                       | (1,437,985)  | (866,580)             |
| <i>DRFA 2025 Restoration - Northern Rd</i>                                                          | -                     | 433,464    | -                       | (230,186)    | 203,278               |
| <i>DRFA 2025 Restoration - BAAS Yard Rd</i>                                                         | -                     | 35,741     | -                       | -            | 35,741                |
| <i>DRFA 2025 Restoration - Pormpuraaw Rd</i>                                                        | -                     | 55,498     | -                       | -            | 55,498                |
| <i>DRFA 2025 Restoration - Floodways</i>                                                            | -                     | 113,098    | -                       | -            | 113,098               |
| <i>Qld Resilience &amp; Risk Reduction Fund</i>                                                     | (112,954)             | 106,079    | -                       | (11,793)     | (18,668)              |
| <i>DRF Aerodrome Upgrade</i>                                                                        | 4,473,379             | 8,858,075  | -                       | (14,692,680) | (1,361,226)           |
| <i>DRFA 2025 Emergent Works</i>                                                                     | (34,978)              | 34,818     | 160                     | -            | -                     |
| <i>DRFA 2026 Emergent Works</i>                                                                     | -                     | -          | -                       | (12,420)     | (12,420)              |
| <i>Get Ready Qld</i>                                                                                | (1,356)               | 4,462      | 3,599                   | (7,383)      | (678)                 |
| Total                                                                                               | 4,324,092             | 10,212,640 | 3,759                   | (16,392,447) | (1,851,956)           |
| <b>Department of Women, Aboriginal and Torres Strait Islander Partnerships and Multiculturalism</b> |                       |            |                         |              |                       |
| <i>Splash park</i>                                                                                  | (87,500)              | 350,000    | -                       | (350,000)    | (87,500)              |
| <i>Qld Community Support Scheme</i>                                                                 | -                     | 59,175     | -                       | (64,003)     | (4,828)               |
| <i>Qld Community Support Scheme Training</i>                                                        | -                     | 3,750      | -                       | -            | 3,750                 |
| <i>Qld Community Support Scheme Referral &amp; Linking</i>                                          | -                     | 7,113      | -                       | -            | 7,113                 |
| <i>Community Transport</i>                                                                          | -                     | 31,440     | 79,549                  | (121,469)    | (10,480)              |
| <i>Community Transport - Once Off</i>                                                               | -                     | 4,000      | -                       | -            | 4,000                 |
| <i>Naidoc Week</i>                                                                                  | -                     | 1,500      | 171                     | (1,671)      | -                     |
| <i>Service Enhancement Plan</i>                                                                     | (20,000)              | 20,000     | -                       | -            | -                     |
| <i>Don't Buy Sly Grog Initiative</i>                                                                | 7,244                 | -          | 1,315                   | (8,559)      | -                     |
| Total                                                                                               | (100,256)             | 476,978    | 81,034                  | (545,701)    | (87,945)              |
| <b>Department of Housing and Public Works</b>                                                       |                       |            |                         |              |                       |
| <i>Forward Remote Capital Program - 7 Social Houses</i>                                             | (159,390)             | -          | -                       | -            | (159,390)             |
| <i>Remote Capital Program - 3 Social Houses</i>                                                     | 16,359                | -          | -                       | -            | 16,359                |
| <i>Social Housing Built Form Design Principles</i>                                                  | -                     | -          | -                       | (42,670)     | (42,670)              |
| <i>Remote Capital Funding Schedule 2</i>                                                            | -                     | 432,540    | -                       | (471,917)    | (39,377)              |
| <i>Remote Capital Funding Schedule 3</i>                                                            | -                     | 1,950,000  | -                       | -            | 1,950,000             |
| <i>Remote Capital Funding Schedule 4</i>                                                            | 900,000               | -          | -                       | (212,888)    | 687,112               |
| <i>Remote Capital Funding Schedule 5</i>                                                            | 1,350,000             | -          | -                       | (253,307)    | 1,096,693             |
| Total                                                                                               | 2,106,969             | 2,382,540  | -                       | (980,782)    | 3,508,727             |
| <b>Department of Sport, Racing and Olympic and Paralympic Games</b>                                 |                       |            |                         |              |                       |
| <i>Deadly Active Sport &amp; Recreation Program</i>                                                 | -                     | 59,850     | -                       | (59,850)     | -                     |
| Total                                                                                               | -                     | 59,850     | -                       | (59,850)     | -                     |
| <b>Department of State Development, Infrastructure and Planning</b>                                 |                       |            |                         |              |                       |
| <i>Residential Activation Fund</i>                                                                  | 14,821,108            | -          | -                       | -            | 14,821,108            |
| Total                                                                                               | 14,821,108            | -          | -                       | -            | 14,821,108            |



**Pormpuraaw Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2026**  
28 Tied Grants by Project (continued)

|                                                              | Balance<br>01/07/2025 | Revenue           | Council<br>Contribution | Expense             | Balance<br>30/06/2026 |
|--------------------------------------------------------------|-----------------------|-------------------|-------------------------|---------------------|-----------------------|
|                                                              | \$                    | \$                | \$                      | \$                  | \$                    |
| <b>Department of Local Government, Water and Volunteers</b>  |                       |                   |                         |                     |                       |
| <i>Indigenous Council Funding</i>                            | -                     | 2,729,449         | -                       | (2,729,449)         | -                     |
| <i>Indigenous Cape Communities Economic Development Fund</i> | -                     | 108,213           | -                       | -                   | 108,213               |
| <i>LGGSP - New Staff Duplex Complex</i>                      | (948,970)             | 948,970           | -                       | -                   | -                     |
| <i>Works for Queensland 2021-2024</i>                        | (160,000)             | 160,000           | -                       | -                   | -                     |
| <i>Scheme Supply Fund Pathway One</i>                        | -                     | 30,000            | -                       | -                   | 30,000                |
| <i>Works for Queensland 2024-2027</i>                        | 1,145,504             | -                 | 29,838                  | (826,172)           | 349,170               |
| <i>ICCIP</i>                                                 | (156,643)             | 261,351           | -                       | (104,707)           | -                     |
| Total                                                        | (120,109)             | 4,237,982         | 29,838                  | (3,660,328)         | 487,383               |
| <b>Total - State Govt Grants</b>                             | <b>21,331,760</b>     | <b>19,439,849</b> | <b>157,163</b>          | <b>(23,598,387)</b> | <b>17,330,384</b>     |
| <b>Other Grant Providers</b>                                 |                       |                   |                         |                     |                       |
| <b>Cape York Natural Resource Management</b>                 |                       |                   |                         |                     |                       |
| <i>Nest to Ocean R8 (Turtle Program) CY411</i>               | (20,000)              | 89,000            | 1,435                   | (70,435)            | -                     |
| Total                                                        | (20,000)              | 89,000            | 1,435                   | (70,435)            | -                     |
| <b>Total Other Grant Providers</b>                           | <b>(20,000)</b>       | <b>89,000</b>     | <b>1,435</b>            | <b>(70,435)</b>     | <b>-</b>              |
| <b>Total Grants</b>                                          | <b>22,269,854</b>     | <b>28,980,269</b> | <b>199,371</b>          | <b>(32,628,566)</b> | <b>18,820,927</b>     |
| <b>Add back negative (unclaimed ) grant balances</b>         | <b>1,811,694</b>      |                   |                         |                     | <b>2,755,342</b>      |
| <b>Unspent grant revenue</b>                                 | <b>24,081,548</b>     |                   |                         |                     | <b>21,576,270</b>     |
| <b>Revenue included above</b>                                |                       |                   |                         |                     |                       |
| Contributions                                                |                       | 42,205            |                         |                     |                       |
| Movement due to contract balances                            |                       | 4,277,339         |                         |                     |                       |
| <b>Revenue as per Note 4</b>                                 |                       | <b>33,299,813</b> |                         |                     |                       |

**Pormpuraaw Aboriginal Shire Council  
Financial Statements  
For the year ended 30 June 2026**

**Management Certificate  
For the year ended 30 June 2026**

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

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

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 2 to 35, 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  
Ralph Kendall Jnr

Date: 31 / 08 / 2026



Chief Executive Officer  
Janalle Menzies

Date: 31 / 08 / 2026



## INDEPENDENT AUDITOR'S REPORT

To the Councillors of Pormpuraaw Aboriginal Shire Council.

### Report on the audit of the financial report

#### Opinion

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

The financial report comprises the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the certificate given by the Mayor and Chief Executive Officer.

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2026:

- 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.
- c) In my opinion, the financial report:
  - i. gives a true and fair view of the council's financial position as at 30 June 2026, and of its financial performance for the year then ended
  - ii. complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

#### 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 (including Independence Standards)* (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

The council is responsible for the other information.

The other information comprises the information included in the council's annual report for the year ended 30 June 2026, but does not include the financial report and my auditor's report thereon.

At the date of this auditor's report, the available other information in the council's annual report for the year ended 30 June 2026 was the current year financial sustainability statement, unaudited current year financial sustainability statement - contextual ratios and unaudited long-term financial sustainability statement.

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

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

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

### **Responsibilities of the council for the financial report**

The council is responsible for:

- the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009* and the Local Government Regulation 2012, and other prescribed requirements and Australian Accounting Standards, and such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error
- the establishment and keeping of accounts in accordance with prescribed requirements
- 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. My auditor's report must state whether I have received all the information and explanations required, and whether I consider the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects.

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 financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:  
[www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

A further description of my responsibilities under the *Auditor-General Act 2009* and *Auditor-General Auditing Standards* is located at the Queensland Audit Office website at:  
[www.qao.qld.gov.au/audit-program/audit-standards](http://www.qao.qld.gov.au/audit-program/audit-standards)

These descriptions form part of my auditor's report.

*M Manuel*

Megan Manuel  
as delegate of the Auditor-General

2 September 2026  
Queensland Audit Office  
Brisbane



**Pormpuraaw Aboriginal Shire Council**  
**Financial Statements**  
**For the year ended 30 June 2026**

**Measures of Financial Sustainability**

- 1 Current Year Financial Sustainability Statement
- 2 Current Year Certificate of Accuracy
- 3 Independent Auditors Report (Current Year Financial Sustainability Statement)
- 4 Current Year contextual Financial Sustainability Statement
- 5 Current Year Certificate of Accuracy
- 6 Unaudited Long Term Financial Sustainability Statement
- 7 Long Term Certificate of Accuracy

**Pormpuraaw Aboriginal Shire Council**  
**Current-year Financial Sustainability Statement**  
**For the year ended 30 June 2026**

| Type                  | Measure                               | Target (Tier 8)       | Actual Current Year | 5-Year Average | Narrative                                                                                                                                                                                                                                                                                                                                           |
|-----------------------|---------------------------------------|-----------------------|---------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Audited ratios</b> |                                       |                       |                     |                |                                                                                                                                                                                                                                                                                                                                                     |
| Liquidity             | Unrestricted Cash Expense Cover Ratio | Greater than 4 months | 56 months           | NA             | Council has achieved a very strong liquidity position and, after recent years of good financial management, is well positioned to meet both the short and long term needs of the community. This ratio has also been impacted by the early receipt of Financial Assistance Grants allocation for 2026-27 financial year.                            |
| Operating Performance | Operating Surplus Ratio               | N/A                   | 23.39%              | 12.91%         | Consistent with recent years, Council achieved a strong operating result and operating surplus ratio for the current year. The result was further strengthened by the receipt of Financial Assistance Grants relating to both the 2025–26 and 2026–27 financial years during the current reporting period. Refer to Note 4(i) for further details.  |
|                       | Operating Cash Ratio                  | Greater than 0%       | 44.44%              | 40.56%         | The current year ratio has been impacted by the early receipt and recognition of the 2026-27 Financial Assistance Grants in June 2026. Despite this timing impact, Council has achieved a strong operating cash ratio for both the current year and the five-year average.                                                                          |
| Asset Management      | Asset Sustainability Ratio            | Greater than 90%      | 307.15%             | 89.69%         | The significant increase in the asset sustainability ratio reflects the substantial capital renewal works undertaken during the year, particularly on airport and road infrastructure. These works were partly driven by weather-related damage, with recovery funding provided to support the repair and restoration of affected community assets. |
|                       | Asset Consumption Ratio               | Greater than 60%      | 61.99%              | 62.56%         | The target has been consistently achieved for both the current year and five-year average. Council manages the consumption rate of assets appropriately.                                                                                                                                                                                            |

The current year financial sustainability statement is prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2024*. The amounts used to calculate the five 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 2026.

**Pormpuraaw Aboriginal Shire Council  
Certificate of Accuracy  
For the year ended 30 June 2026**

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  
Ralph Kendall Jnr

Date: 31 / 08 / 2026



Chief Executive Officer  
Janelle Menzies

Date: 31 / 08 / 2026



## INDEPENDENT AUDITOR'S REPORT

To the Councillors of Pormpuraaw Aboriginal Shire Council

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

#### Opinion

I have audited the accompanying current year financial sustainability statement of Pormpuraaw Aboriginal Shire Council (the council).

The financial sustainability statement for the year ended 30 June 2026, comprises the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s. 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement is accurately calculated in accordance with the Financial Management (Sustainability) Guideline 2024.

#### 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 (including Independence Standards)* (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 2024 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

The council is responsible for the other information.

The other information comprises the information included in the council's annual report for the year ended 30 June 2026, but does not include the financial sustainability statement and my auditor's report thereon.

At the date of this auditor's report, the available other information in the council's annual report for the year ended 30 June 2026 was the general purpose financial statements, unaudited current-year financial sustainability statement – contextual ratios, and the unaudited long-term financial sustainability statement.

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

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

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

### **Responsibilities of the council for the current year financial sustainability statement**

The council is responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Financial Management (Sustainability) Guideline 2024 and the Local Government Regulation 2012. The council's responsibility also includes such internal control as the council determines is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

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

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

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

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

- identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

● *Queensland*  
● ● **Audit Office**

*Better public services*

- obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the council.

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.

*M Manuel*

Megan Manuel  
as delegate of the Auditor-General

2 September 2026  
Queensland Audit Office  
Brisbane



**Pormpuraaw Aboriginal Shire Council**  
**Unaudited Current-year Financial Sustainability Statement - Contextual Ratios**  
**For the year ended 30 June 2026**

| Type                          | Measure                    | Target (Tier 8) | Actual Current Year | 5-Year Average | Narrative                                                                                                                                |
|-------------------------------|----------------------------|-----------------|---------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Contextual ratios (unaudited) |                            |                 |                     |                |                                                                                                                                          |
| Financial Capacity            | Council-Controlled Revenue | N/A             | 3.40%               | 3.56%          | Council is unable to generate revenue through rates as valuations are not issued for rateable land in Indigenous local government areas. |
|                               | Population Growth          | N/A             | 0.47%               | -1.74%         | N/A                                                                                                                                      |

The current year financial sustainability statement - Contextual Ratios is prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2024* . The amounts used to calculate the two 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 2026.

**Pormpuraaw Aboriginal Shire Council**  
**Certificate of Accuracy - Contextual Ratios**  
**For the year ended 30 June 2026**

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  
Ralph Kendall Jnr

Date: 31 / 08 / 2026



Chief Executive Officer  
Janelle Menzies

Date: 31 / 08 / 2026

**Pormpuraaw Aboriginal Shire Council**  
**Unaudited Long-Term Financial Sustainability Statement**  
**Prepared as at 30 June 2026**

| Type                  | Measure                               | Target (Tier 8)       | Actuals as at<br>30 June<br>2026           | 30 June<br>2027 | 30 June<br>2028 | 30 June<br>2029 | 30 June<br>2030 | 30 June<br>2031 | 30 June<br>2032 | 30 June<br>2033 | 30 June<br>2034 | 30 June<br>2035 | 30 June<br>2036 |
|-----------------------|---------------------------------------|-----------------------|--------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Financial Capacity    | Council-Controlled Revenue            | N/A                   | 3%                                         | 4%              | 4%              | 4%              | 4%              | 4%              | 4%              | 4%              | 4%              | 4%              | 4%              |
|                       | Population Growth                     | N/A                   | 0.5%                                       | 1%              | 1%              | 1%              | 1%              | 1%              | 1%              | 1%              | 1%              | 1%              | 1%              |
| Asset Management      | Asset Renewal Funding Ratio           | N/A                   | N/A for long-term sustainability statement |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Operating Performance | Operating Surplus Ratio               | N/A                   | 23%                                        | -7%             | -19%            | -26%            | -26%            | -26%            | -25%            | -24%            | -24%            | -23%            | -22%            |
|                       | Operating Cash Ratio                  | Greater than 0%       | 44%                                        | 17%             | 12%             | 11%             | 11%             | 12%             | 12%             | 13%             | 13%             | 14%             | 14%             |
| Liquidity             | Unrestricted Cash Expense Cover Ratio | Greater than 4 months | N/A for long-term sustainability statement |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Asset Management      | Asset Sustainability Ratio            | Greater than 90%      | 307%                                       | 95%             | 189%            | 164%            | 50%             | 28%             | 28%             | 28%             | 28%             | 28%             | 28%             |
|                       | Asset Consumption Ratio               | Greater than 60%      | 62%                                        | 62%             | 64%             | 62%             | 59%             | 56%             | 54%             | 51%             | 49%             | 46%             | 44%             |

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.



**Pormpuraaw Aboriginal Shire Council  
Long Term Certificate of Accuracy  
For the year ended 30 June 2026**

**Certificate of Accuracy**  
For the long-term financial sustainability statement prepared as at 30 June 2026

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  
Ralph Kendall Jnr

Date: 31 / 08 / 2026



Chief Executive Officer  
Janella Menzies

Date: 31 / 08 / 2026