



Torres Strait Island
REGIONAL COUNCIL



2024-25 ANNUAL REPORT



Acknowledgement

Torres Strait Island Regional Council acknowledges Native Title Holders, Elders past and present, and all members of the Communities we serve within the five clusters of Zenadh Kes: Kemer Kemer Meriam Nation of the Eastern Islands, the Kulkalgal Nation of the Central Islands, Kaiwalagal Kaurareg Aboriginal Nation of the Inner Islands, Malulilgal Nation of the Western Islands, and the Gudaw Malulgal Nation of the Top Western Islands. We recognise their continuing connection to land and sea and the strength of a cultural heritage and belief system that spans past, present and future generations. We also recognise all Torres Strait Islander people in the Region and on the Australian mainland.

Disclaimer:

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

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Welcome To The Report

Torres Strait Island Regional Council is proud to present the annual report for the financial year 2024-25. This report outlines the financial and operational performance for the year against the key objectives, strategies, and priorities of our Corporate Plan / Bisnis Plan 2020-2025, the 2024-25 Operational Plan and the endorsed 2024-25 Annual Budget.

This report aims to:

- Meet the legislative obligations under the *Local Government Act 2009* and the *Local Government Regulation 2012*.
- Communicate our vision, operational direction, and the work within the communities we serve.
- Demonstrate our ongoing commitment to accountability and transparency.
- Promote the distinctiveness of our region domestically and internationally.
- Build community and stakeholder confidence in Council's projects and partnerships.

This report is divided into the following main sections:

- **Introduction** – A review of the year by the Mayor and Chief Executive Officer and an overview of our region, Councillors and organisation.
- **Our highlights** – Year in review and significant events and achievements.
- **Annual Performance** – An overview of our achievements and progress in line with the Corporate and Operational Plans.
- **Financial Overview** – A community financial report, reflecting the organisation's financial performance.
- **Financial Statements** – Comprehensive audited financial statements for the 2024-25 financial year.

Appendices

An index of tables and figures, and an index that outlines this report's compliance with legislative obligations under the Local Government Act 2009 and the Local Government Regulation 2012.

Information contained in this document is based on available information at the time of writing. All figures and diagrams are indicative only and should be referred to as such. While TSIRC has exercised reasonable care in preparing this document it does not warrant or represent that it is accurate or complete. Council or its officers accept no responsibility for any loss occasioned to any person acting or refraining from acting in reliance upon any material contained in this document.



Our Region

The Torres Strait Island region is a unique and diverse area located between the northern tip of Queensland, Australia, and Papua New Guinea. Home to a population of approximately 5,000 people, the region is rich in cultural heritage, with Torres Strait Islanders maintaining strong traditions in language, dance, art and song.



We are **15** island communities with **5,000+** people



We are situated between the northern most tip of mainland Australia to the south of PNG



We are a place of national & international significance



We speak **26** traditional languages and dialects



We are represented by **one Mayor & 15 councillors**, elected by our communities



We manage **1.1 billion** in assets and deliver **\$78 million** in operating expenditure & **\$56 million** in capital works



We have a workforce of **329** employees with **79%** living in community



We have over **700+** community houses to support



We have **15** seaports, **13** helipads, **11** aerodromes



We operate **15** water treatment plants, **12** wastewater facilities, **15** waste management centres



We service **15** cemetteries, **2** childcare centres, **3** arts & cultural centres **15** post outlets, **13** fuel outlets, **10** indigenous knowledge centres, **24** accommodation facilities and community access to Medicare & Centrelink



We run **15** environmental health and biosecurity programs, **21,000+** power cards, **10 +** home support services



We manage **13** communities as Deed of Grant in Trust (DOGIT) trustee



We are committed to ensuring compliance with native title laws across all **15** of our island communities



We manage **23,000+** border movements annually





Vision

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

For our Communities and Council to be autonomous, prosperous and sustainable.

AUTONOMOUS:

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

PROSPEROUS:

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

SUSTAINABLE:

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

Mission

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

To improve our Communities' liveability in all we do.

LIVEABILITY:

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

Our Values

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



ONE

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

We are one team who achieves together.



RESPECT

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

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



ACCOUNTABILITY

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

We are accountable and responsive to our communities.



COURAGE

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

We are courageous leaders who think innovatively.



RESILIENCE

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

We are builders of a sustainable and resilient region.

Our Divisional Footprint

Division 2 - Dauan
Population: 131
Language: Kala Lagaw Ya
Dialect: Kalaw Kawaw Ya

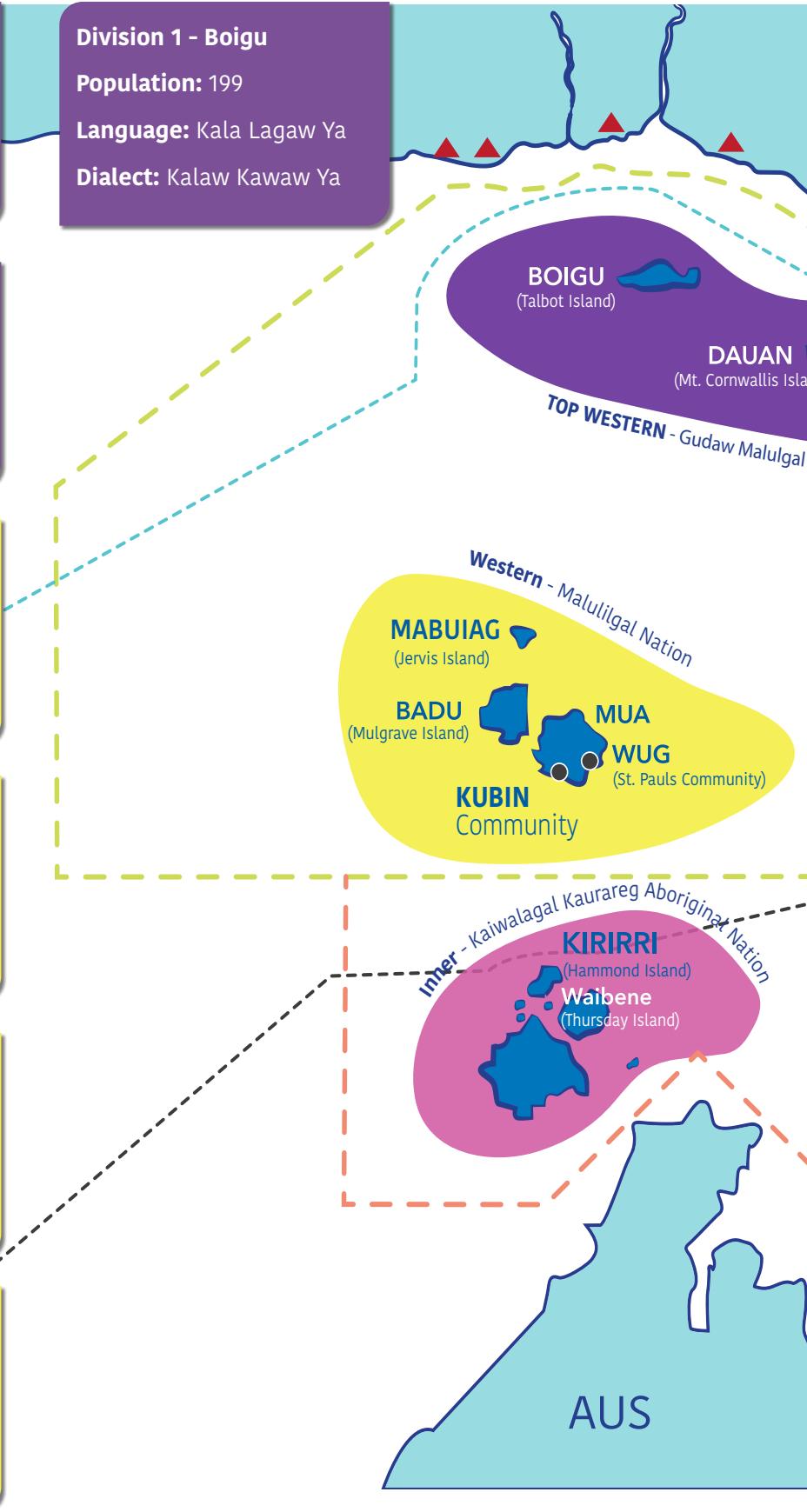
Division 3 - Saibai
Population: 340
Language: Kala Lagaw Ya
Dialect: Kalaw Kawaw Ya

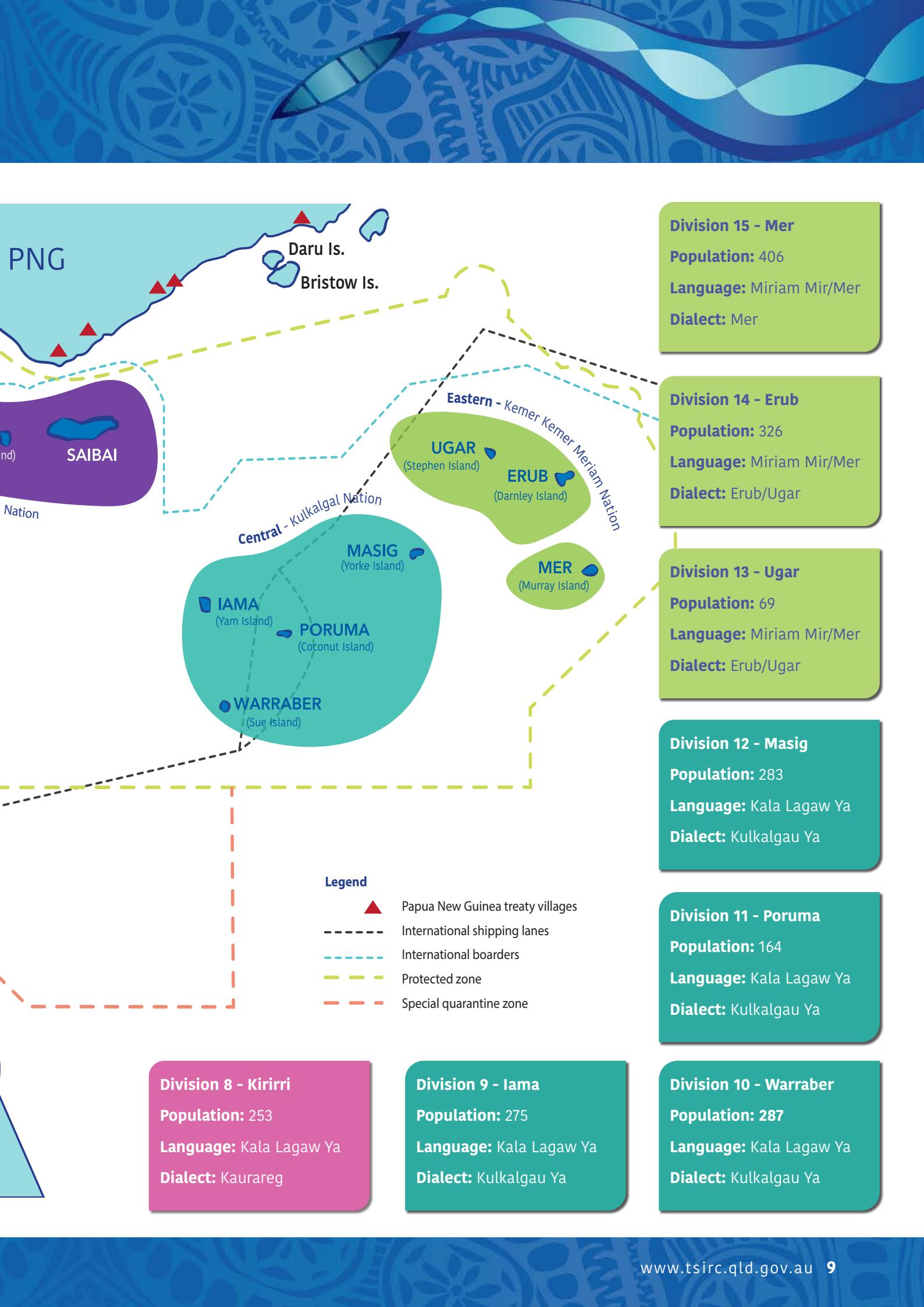
Division 4 - Mabuiag
Population: 253
Language: Kala Lagaw Ya
Dialect: Mabuyag

Division 5 - Badu
Population: 704
Language: Kala Lagaw Ya
Dialect: Mabuyag

Division 6 - Arkai
Population: 151
Language: Kala Lagaw Ya
Dialect: Mabuyag

Division 7 - Wug
Population: 242
Language: Kala Lagaw Ya
Dialect: Mabuyag





Mayor's Message

Kapu Goeyga nithamunka mura, kulay kidh ngay koeyma eso a apapudhi ngoelmun koey Awgadh inab kayne goeyga gasaman a ngay lak gudoeydhika mura Zenadth Kes baradhawraw mabaygal, kukuy mabaygal, a koey mabaygal, kaypapya kulay, kayb goeyga a soey ngapa bungal.

I acknowledge Papa God, Traditional Owners, Elders, Community Leaders and all members of the five nations across Zenadth Kes, from Mer in the East to Boigu in the West. I honour all First Nations people throughout Australia, recognising our shared cultural heritage spanning thousands of years.

I am pleased to present the Torres Strait Island Regional Council's Annual Report for 2024-2025. This report reflects not just the work of Council, but the shared efforts of our communities, Councillors, and staff in building an autonomous, prosperous and sustainable future for Council and our communities.

The Malungu Yangu Wakay is a cornerstone of our region's strategic agenda. Council has supported the development of the Malungu Yangu Wakay report, which outlines a clear action plan and commits our team to delivering key priorities over the coming year.

Over the past year, we have continued to deliver essential services, progress critical infrastructure projects and advocate strongly on behalf of our communities. From housing, water security, health and wellbeing, jobs and accessibility by air and sea, our focus has remained on the issues that matter most to our people.

We continue to face many challenges; some unique to our region, others shared by remote and regional councils across Australia. Together we have responded with resilience, innovation and determination. I am proud of the way Council has worked alongside our communities, traditional owners and key stakeholders to ensure the voices of our islands are heard and respected.

As we look ahead, our priorities are clear: to secure the resources and investment needed for long-term sustainability, to protect our islands from the impacts of climate change, and to create opportunities that allow our young people to thrive in the Torres Strait.

On behalf of Council, I thank our community members for their trust, our CEO and staff for their dedication and my fellow Councillors for their leadership. This Annual Report is a testament to what we can achieve together and a reminder of the strength and unity that defines our region.

Koeyma Eso, Au Eso

Mayor Phillemon Mosby



CEO's Message

I acknowledge and pay my respects to the people of Zenadth Kes, particularly our Traditional Owners and Elders, past, present and emerging. This includes the people of the the Gudaw Maluligal, Maluligal, Kemer Kemer Meriam, Kulkalgal and Kaiwalagal Kaurareg Nations.

The 2024-2025 Annual Report highlights our achievements in constructing or repairing schools, roads, seawalls, jetties, along with coastal defence, flood prevention and water infrastructure. More than \$135 million has been spent on these projects.

However, as Mayor Mosby pointed out, we continue to face challenges, particularly in achieving financial sustainability. With a projected \$2.6 million deficit next financial year, we will need to focus on increasing revenue and diversifying our revenue streams.

Under Queensland's *Local Government Act 2009*, we are obliged to produce and implement a five-year corporate plan. The creation of our 2025-2030 Corporate Plan lays out a strategic blueprint for what we aim to achieve over this time period. From an operational perspective, we are responsible for Focus Areas 1, 2 and 4. These cover infrastructure, stronger and healthier communities, and the need to protect our natural environment.

We continue to face specific challenges around the significant housing deficit and the looming threat of our communities being displaced through climate change. In the past year, we have developed the TSIRC Social Housing Strategy 2024. The strategy outlines housing issues and forecasts what we will need to

do over the next decade until we reduce the housing stress community members face. This strategy is due for review at the end of 2025.

I want to reiterate the Mayor's request for Council to be supported by TSIRC to achieve its strategic, governance and regional goals. We must all remember that we serve Council, and that we do so while complying with Queensland local government laws.

Last, I note that Mayor Mosby has highlighted Council's desire to take a more innovative approach to finding solutions to the housing deficit, climate challenges and issues of regional security. Such an approach includes meetings with senior members of the state and federal government.

I look forward to working with you all to serving Council and delivering on their policies.

James William
Chief Executive Officer





Elected Members

Elected members of the 5th Torres Strait Island Regional Council took their declaration of office in April 2024.



Mayor Phillemon Mosby
Poruma Office



Councillor Dimas Toby
Boigu, Division 1



Councillor Torenzo Elisala
Dauan, Division 2



Councillor Chelsea Aniba
Saibai, Division 3



Councillor Keith Fell
Mabuiag, Division 4



Councillor Ranetta Wosomo
Deputy Mayor
Badu, Division 5



Councillor Iona Manas
Arkai (Kubin Community)
on Mua, Division 6



Councillor John Levi
Wug (St Pauls Community)
on Mua, Division 7



Councillor Seriako Dorante
Kirirri, Division 8



Councillor Aggie Hankin
Iama, Division 9



Councillor Kabay Tamu
Warraber, Division 10



Councillor Francis Pearson
Poruma, Division 11



Councillor Ted Mosby
Masig, Division 12



Councillor Rocky Stephen
Ugar, Division 13



Councillor Nixon Mye
Erub, Division 14



Councillor Bob Kaigey
Mer, Division 15

Corporate Structure

Office of the Chief Executive Officer: The core functions of Executive Services include management of the Office of the Mayor and Office of the CEO, facilitation of Council and Committee meetings, execution of strategy, executive administration and internal audit.

Financial Services: Provides professional financial management and advisory services to Council. The core functions include financial accounting, management accounting, procurement and strategic asset management services.

Engineering Services: Provides a high level of services in integrated infrastructure management which ensures environmental protection and meets community expectations. The outcomes achieved by Engineering Services are linked with Council's commitment to public health, transport, water and wastewater infrastructure. The core functions include water services, wastewater services, civil works services and waste services and disaster management.

Building Services: The objective of the Building Services function is to provide repairs and maintenance on social housing and new construction on behalf of the state and federal government.

Community Services: The objective of the Community Services function is to develop, manage and deliver community and public health services that meet the needs of all sectors of the community. The core functions includes community services, housing services, environmental health services, health and wellbeing services, events, childcare, aged care and divisional administrative services.

Corporate Services: Is responsible for the provision of Council-wide services. The core functions include legal services, governance, strategic (corporate) planning, human resources, WH&S, information technology services, corporate risk and insurance, fuel and fleet, media, engagement and advocacy and administration of community grants.

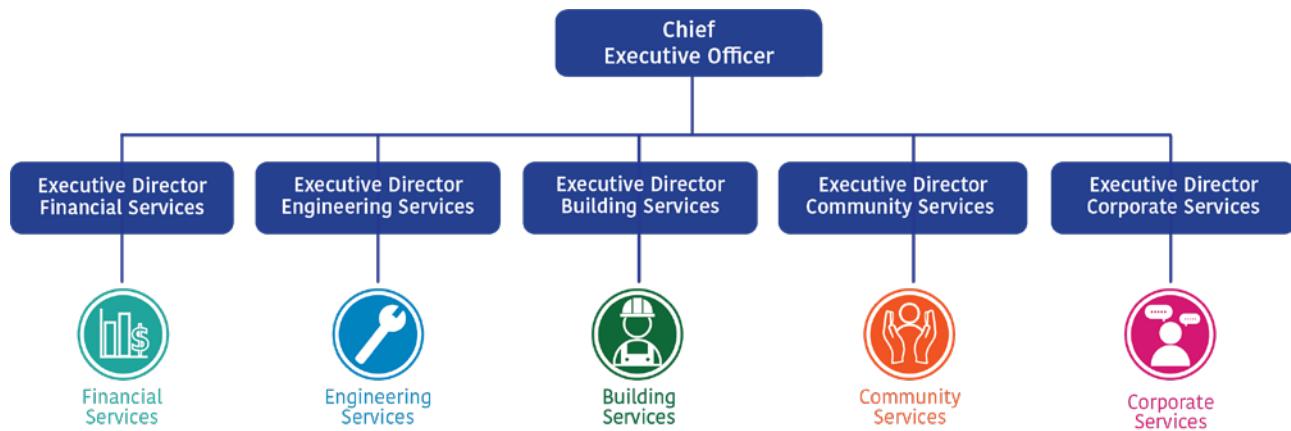
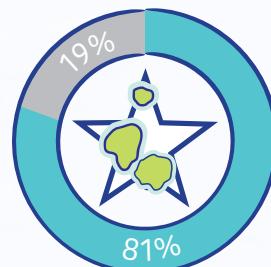


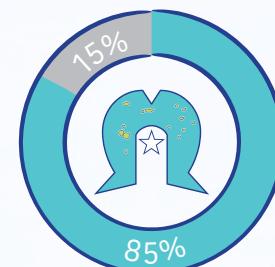
Figure 1: Council's Corporate Structure

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

371
Total Employees



Based in local
communities



ATSI & non ATSI
Employees

Figure 2: Council's Employees

Zenadth Kes Coastal Hazard Adaptation Strategy

Building Resilience: TSIRC Adopts the Groundbreaking 'Zenadth Kes Coastal Adaptation Strategy'.

For thousands of years, since Bipotaim, Torres Strait Islanders have shown incredible resilience and adaptability, thriving in a constantly changing environment. Guided by Ailan Kastom, Lore, and Law, their deep connection to the land, sea, and sky - Zenadth Kes - has allowed them to sustainably manage and protect the region's rich cultural and ecological heritage.

Today, the Torres Strait is facing new and significant challenges from coastal hazards like erosion, storm tide inundation and rising sea levels. To tackle these issues, the Zenadth Kes Coastal Hazard Adaptation Strategy (CHAS) was created to help Torres Strait Island communities continue to thrive in harmony with their environment. This strategy combines cultural knowledge with western science, drawing on the best available research, management expertise, and insights from local communities and their leaders. It's a thoughtful approach to addressing coastal hazards while preserving the unique cultural and ecological values of the region.

In December 2024, the TSIRC elected members unanimously adopted the CHAS, marking an important



step forward in building coastal resilience. The strategy has been made possible through funding from the Queensland Government, in partnership with the Local Government Association of Queensland. It builds on the efforts of local, state, commonwealth, and international initiatives, empowering local communities to take part in decision-making and collaborate with a wide range of partners, including local, regional and national stakeholders, to address coastal risks. By integrating Indigenous aspirations, knowledge, and perspectives with contemporary science, the strategy takes a holistic and inclusive approach to coastal adaptation and management.





40 Year Anniversary Torres Strait Treaty

On Saturday, February 15, 2025, the Torres Strait Island Regional Council (TSIRC) marked the 40th anniversary of the historic 'Torres Strait Treaty' with a special celebration at the Community Hall on Saibai Island.

This significant milestone commemorated four decades of strong partnership between the traditional inhabitants of the Torres Strait Islands and the Papua New Guinea Treaty Villages. Signed in 1985, the Torres Strait Treaty established key maritime boundaries, affirming the sovereignty of both communities and shaping their shared cultural and geopolitical relationship.

The anniversary event was a vibrant celebration of this enduring bond, featuring a variety of cultural performances that showcased the richness and diversity of the Torres Strait region. The highlight of the day was a spectacular performance by Saibai Island's 'Muyngu Koekaper Dance Team', renowned across the nation for their traditional dances. Additionally, neighbouring treaty villages, united to share in this historic occasion, presented performances that reflected the deep cultural connections within the community.

As we reflect on the past 40 years, the Torres Strait Treaty remains a symbol of cooperation, respect, and a continued commitment to preserving the sovereignty of both communities. The anniversary served as a powerful reminder of the treaty's importance in fostering

peaceful and respectful relations between Australia and Papua New Guinea.

This special celebration not only honoured the past but also looked toward the future, reaffirming the commitment to maintaining these strong relationships for generations to come. TSIRC extends its gratitude to everyone who attended and contributed to making this momentous occasion a success.





COMMUNITY Engagement





IKCs Across the Torres Strait

IKCs Across the Torres Strait Get Tech Upgrade to Power Culture and Creativity

Our Indigenous Knowledge Centers (IKCs) across our region are getting exciting new equipment through the Digital and You program, bringing powerful tools and opportunities right into our communities.

Each IKC is receiving a different set of materials, tailored to support digital workshops and community needs. Equipment ranges from iPads, laptops and digital cameras to podcasting kits, sublimation printers, interactive TVs and even Xbox consoles for E-Sports activities.

Some devices will feature creative design software like Procreate (on iPads) and Photoshop (on laptops), giving local artists a way to draw, design, and even print artwork onto t-shirts using the sublimation kits, right in their own communities.

Other IKCs will receive tools to support language preservation and cultural storytelling. Programs like Miromaa – software created by Aboriginal people for Aboriginal people – help communities document, preserve and teach their own languages. Another software, Keeping Culture, provides a safe and respectful way to store and manage traditional knowledge such as stories, historical sites, songs, people, etc.

Managed by Ella Kris, and with the support of State

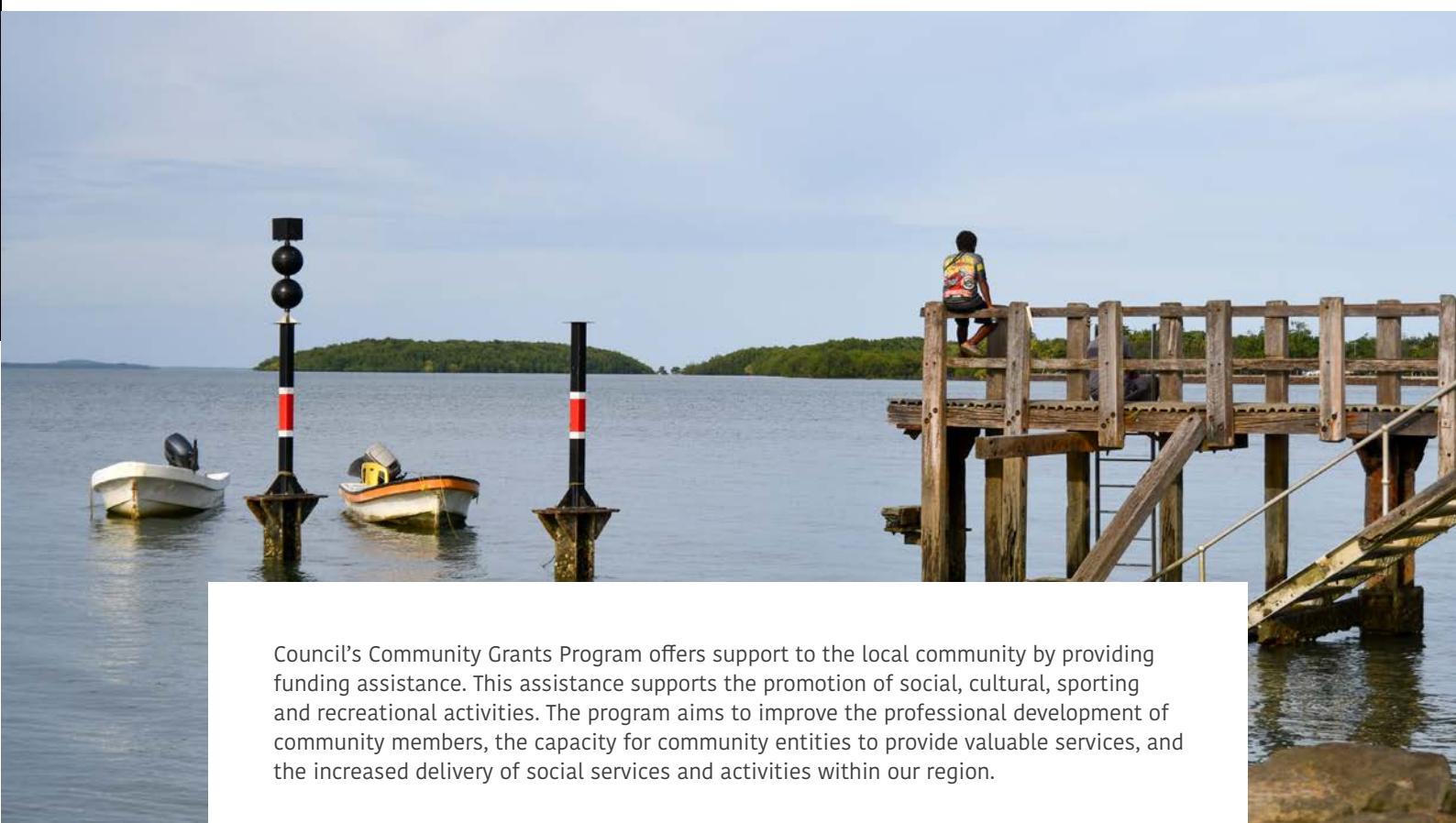
Library of Queensland, the Digital and You workshops offer hands-on training in Digital Storytelling, Pocket Cinema, Podcasting, E-Sports, Digital Arts, Digital Fashion, and more. These workshops are about more than just learning technology – they're about strengthening identity, celebrating culture and connecting generations.

All of this has been made possible thanks to the support of the State Library of Queensland, who are also working hard to secure funding for IKCs in divisions that don't yet have one.

Want to get involved? Download the Digital and You app and sign up for free workshops in your area. **Let's connect, create and keep culture strong!**



Community Grants



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

Decision-making for grant and donation funding is guided by Council's Community Grants Policy and Procedure.

Grant applications are competitively assessed against the criteria fairly and equitably and allocated by Council.

There are four funding types available:

- Community Grants - in kind
- Community Grants
- Funeral travel assistance
- Funeral donations

Each community is allocated \$25,000 per year for the Community Grants Program. Unspent funds are not rolled over to the next financial year.

The tables following list all applications approved by Council as of 30 June 2025, including committed funds. Note that committed amounts may differ from actual payments.

DIVISION 1 - BOIGU

Applicant	Purpose of Grant or Donation	Amount
Ugul Malu Women's Rugby League Team	All Stars Women's Carnival in Cairns	\$4,476
Malu Kiwai Rugby League Club	Gordonvale Indigenous Rugby League Football Carnival	\$7,000
Stanley Marama - Keoy Poeypiyam Dance Team	First Nations 2024 Dance Rites in Sydney	\$5,137
Boigu Funeral Donation	Contribution towards Badu Island's funeral related costs	\$250
Church of The Rock Ministry	United Pentecostal Church's Easter Weekend Conference on Iama Island	\$3,000
Lilla Marama	International Women's Day on Boigu Island	\$1,000
Boigu Funeral Donation	Contribution towards Mabuiag Island's funeral related costs	\$500
Runners Touch Football Team	Battle of the Islands Touch Championship on Thursday Island	\$1,500
Clytie Banu	Saint Saviour Church Day on Boigu Island	\$500
Clytie Banu	Coming of The Light Celebration on Boigu Island	\$500
Pabai Pabai	Funeral related costs to support the Maitie Family of Boigu Island	\$1,136
		Total \$25,000

Table 1: Boigu Community Grants



DIVISION 2 - DAUAN

Applicant	Purpose of Grant or Donation	Amount
Lincoln Mau	All Blacks Rugby League Carnival in Townsville	\$1,214
Dauan Funeral Donation	Contribution towards Badu Island's funeral related costs	\$1,000
Tiannie Nona	Travel related costs to attend a funeral on Badu Island	\$1,968
Wrench Mau	Travel related costs to attend a funeral on Badu Island	\$2,760
Mabel Mau	Travel related costs to attend a funeral on Warraber Island	\$746
Dauan Funeral Donation	Contribution towards Badu Island's funeral related costs	\$500
Dauan Funeral Donation	Contribution towards Badu Island's funeral related costs	\$500
Dauan Donation	Warraber's participation in the Battle of the Islands Touch Championship on Thursday Island	\$1,000
Dauan Funeral Donation	Contribution towards Badu Island's funeral related costs	\$450
Dauan Funeral Donation	Contribution towards Mabuiag Island's funeral related costs	\$1,000
Dauan Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$1,000
Dauan Donation	Iama's participation in the Laurie Spina Sheild in Townsville	\$524
Dauan Donation	Warraber's participation in the Laurie Spina Sheild in Townsville	\$744
Dauan Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$2,000
Dauan Donation	Mabuiag's participation in the Laurie Spina Sheild in Townsville	\$133
	Total	\$15,539

Table 2: Dauan Community Grants

DIVISION 3 - SAIBAI

Organisation/Individual	Purpose of Grant or Donation	Amount
Alison Wosomo	2024 North Queensland Sistas Sydney Trip	\$1,000
Mabel Walit	2024 Annexation Day Celebration on Saibai Island	\$1,489
Restoration Revival Australia	Musical instruments and equipment for Community Church services	\$979
Saibai Staggs Rugby League Football Club	2025 Gordonvale Indigenous Rugby League Football Carnival	\$3828
Ivy Waigana	Travel related costs to attend a funeral in Townsville	\$995
Saibai Funeral Donation	Contribution towards Badu Island's funeral related costs	\$1,000
Gidina Waia	Travel related costs to attend a funeral on Badu Island	\$2,000
Marcus Warusam	2024 Year 6 Graduation Celebration on Saibai Island	\$2,500
White Dove Ministry	White Dove Ministry Church Outreach Shirts	\$1,639
Cr Chelsea Aniba	2025 40th Annexation Day Celebration on Saibai Island	\$2,318
Samuel Aniba	Saibai Island's Mura Buway Seven Clan Shirts	\$1,500
Saibai Funeral Donation	Contribution towards Mabuag Island's funeral related costs	\$500
Saibai Junior Rugby League Participants	2025 Junior Rugby League Development Camp on Badu Island	\$2,396
Dorothy Dau	Funeral related costs to support the Dau Family of Saibai Island	\$1,206
Cyenna Kabai	Funeral related costs to support the Kabai Family of Saibai Island	\$650
Total		\$24,000

Table 3: Saibai Community Grants

DIVISION 4 - MABUIAG

Applicant	Purpose of Grant or Donation	Amount
Anakin Fell	National Youth Under 18 Touch Championship in Coffs Harbour	\$2,464
Goemu Bau Raiders Rugby League Football Team	2024 Gordonvale Indigenous Rugby League Football Carnival	\$4,080
Malama Hankin	Travel related costs to attend a funeral in Cairns	\$939
Tigi Bani	Travel related costs to attend a funeral in Cairns	\$310
Sania Whap	Funeral related costs to support the Misi family of Mabuiag Island	\$1,497
Mabuiag Funeral Donation	Contribution towards Badu Island's funeral related costs	\$500
Mabuiag P&C Association	2025 Mabuiag Island School Uniforms	\$2,000
Mabuiag P&C Association	Parenting Workshop & Wakaywiyan on Mabuiag Island	\$2,000
Mabuiag Land & Sea Management Agency	Mabuiag Island 2024 Recycling Program	\$1,484
Mabuiag Events Committee	St Mary's Church Day celebration	\$1,000
Mabuiag Funeral Donation	Contribution towards Badu Island's funeral related costs	\$500
Zenadth Kes Juniors Mabuiag	2025 Junior Development Camp on Badu Island	\$1,000
Mabuiag Funeral Donation	Contribution towards Badu Island's funeral related costs	\$500
Bessie Whap	Funeral related costs to support the Whap family of Mabuiag Island	\$3,430
Norma Whap	Funeral related costs to support the Yellub family of Mabuiag Island	\$1,500
Mabuiag Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$796
Zenadth Kes Juniors Mabuiag	Laurie Spina Shield in Townsville	\$1,000
	Total	\$25,000

Table 4: Mabuiag Community Grants

DIVISION 5 - BADU

Applicant	Purpose of Grant or Donation	Amount
Urapun Thayak Football Team	2024 Gordonvale Indigenous Rugby League Football Carnival	\$1,000
Aragun Warriors	2024 Gordonvale Indigenous Rugby League Football Carnival	\$2,000
Mulga Tigers Rugby League Football Club	2024 KRL Season on Badu Island	\$2,000
Gawathaw Kaagul Rugby League Football Team	Survival Knockout Reconciliation Carnival in Cairns	\$500
Ana Ahmat	2024 North Queensland Sistas Rugby League trip to Sydney	\$500
Fiona Gagai	2024 North Queensland Sistas Rugby League trip to Sydney	\$500
Jusaray Maka Nona	2024 North Queensland Sistas Rugby League trip to Sydney	\$500
Laurie Nona & Louisa Ahmat	The Australian Air Force Graduation in Sydney	\$2,000
Taumatini Tipoti	Funeral related costs to support the Tamwoy family of Badu Island	\$2,824
Clara Bowie	Year 6 Transition Ceremony on Badu Island	\$990
Edmund Tamwoy	Funeral related costs to support the Kusu family of Badu Island	\$2,000
Lily Marie Nona	Funeral related costs to support the Yorkston family of Badu Island	\$2,000
Kimberley Yorkston	Funeral related costs to support the Baira family of Badu Island	\$2,000
Zenadth Kes Juniors Badu	2025 Junior Development Camp on Badu Island	\$1,000
Taumatini Tipoti	Funeral related costs to support the Nona family of Badu Island	\$2,000
Badu Funeral Donation	Contribution towards Iama Island's funeral related costs	\$500
Badu Funeral Donation	Contribution towards Iama Island's funeral related costs	\$500
Jermaine Reuben	Funeral related costs to support the Reuben family of Badu Island	\$1,371
Total		\$24,185

Table 5: Badu Community Grants

DIVISION 6 - ARKAI

Applicant	Purpose of Grant or Donation	Amount
Kubin Seventh-Day Adventist Church	35th Church Anniversary	\$4,473
Kubin Lighthouse Community Church	New Church building dedication & conference	\$5,000
Rotannah Joe-Gela	2024 North Queensland Sistas Rugby League trip to Sydney	\$2,000
Flora Joe	Travel related costs to attend a funeral on Erub Island	\$4,025
Kubin Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$500
Helen Joy Tomsana	Travel related costs to attend a funeral on Boigu Island	\$5,000
Kubin Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$500
Total		\$21,497.97

Table 6: Arkai Community Grants

DIVISION 7 - WUG

Applicant	Purpose of Grant or Donation	Amount
Wallis Mene	Funeral related costs to support the Kawane family of St Pauls Community	\$1,452
Eunice Hosea	Funeral related costs to support the Kawane family of St Pauls Community	\$1,020
Bana Sailor	Travel related costs to attend a funeral in Townsville	\$355
Eunice Hosea	Travel related costs to attend a funeral on Thursday Island	\$2,845
Kailang Ware	2024 North Queensland Sistas Rugby League trip to Sydney	\$2,000
Lykira Nona	2024 North Queensland Sistas Rugby League trip to Sydney	\$2,000
Mairesha Ronsen-Tomsana	2024 North Queensland Sistas Rugby League trip to Sydney	\$2,000
Tenapau Naawi	2024 North Queensland Sistas Rugby League trip to Sydney	\$2,000
Peli Ware	Travel related costs to attend a funeral in Cairns	\$3,511
Michelle Ware	Funeral related costs to support the Ware family of St Pauls Community	\$2,085
Kiwat Lui	Travel related costs to attend a funeral in Townsville	\$5,000
St Pauls Funeral Donation	Contribution towards Badu Island's funeral related costs	\$250
Total		\$24,517

Table 7: Wug Community Grants

DIVISION 8 - KIRIRRI

Applicant	Purpose of Grant or Donation	Amount
Annie Dorante	Travel related costs to attend a funeral in Cairns	\$4,500
Louis Dorante	Travel related costs to attend a funeral in Mackay	\$2,265
Raphaela Pearson	Travel related costs to attend a funeral on Warraber Island	\$2,208
Orepa Pearson	Travel related costs to attend a funeral on Warraber Island	\$3,410
Hammond Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$1,000
Hammond Donation	Mabuiag's participation in the Laurie Spina Shield in Townsville	\$5,000
	Total	\$18,383

Table 8: Kirirri Community Grants

DIVISION 9 - IAMA

Applicant	Purpose of Grant or Donation	Amount
Josepine David	Year 6 Graduation celebration on Iama Island	\$2,500
Iama Funeral Donation	Contribution towards Warraber Island's funeral related costs	\$1,500
Iama Funeral Donation	Contribution towards Badu Island's funeral related costs	\$500
Nellie Lui	Travel related costs to attend a funeral on Badu Island	\$3,000
Nellie Lui	Travel related costs to attend a funeral in Cairns	\$5,000
Iama Funeral Donation	Contribution towards Badu Island's funeral related costs	\$1,000
Iama Funeral Donation	Contribution towards Mabuiag Island's funeral related costs	\$1,000
Bob Larry	Funeral related costs to support the Larry family of Iama Island	\$3,000
Kuzzi Kurrs Tuch Football Team	Battle of the Island Touch Championship on Thursday Island	\$2,500
Iama Junior Rugby League	2025 Junior Development Camp on Badu Island	\$4,684
Basana Gimini	Laurie Spina Shield in Townsville	\$315
	Total	\$25,000

Table 9: Iama Community Grants

DIVISION 10 - WARRABER

Applicant	Purpose of Grant or Donation	Amount
Shekinah Fellowship	Power of The Spirit District Gathering on Badu Island	\$2,500
Helena David	Travel related costs to attend a funeral on Warraber Island	\$2,251
Trudy Lui	Year 6 School Graduation celebration on Warraber Island	\$2,500
Catherine Enosa	Travel related costs to attend a funeral on Saibai Island	\$5,000
Pele Lui	2024 North Queensland Sistas Rugby League trip to Sydney	\$2,500
Maka Mari	Funeral related costs to support the Mari family of Warraber Island	\$2,000
Surumau Gladiators	Survival Knockout Reconciliation Carnival in Cairns	\$5,000
Helena David	Travel related costs to attend a funeral in Cairns	\$1,452
Kimiorah Ladies Touch Team	Battle of the Island Touch Championship on Thursday Island	\$500
Rusanti Misick	2025 Metropolitan North Under 17-18 Rugby League Representation Team	\$700
Clara Ethel Lui	Laurie Spina Shield in Townsville	\$598
	Total	\$25,000

Table 10: Warraber Community Grants



DIVISION 11 - PORUMA

Applicant	Purpose of Grant or Donation	Amount
Tehilla Fellowship	Power of The Spirit District Gathering on Badu Island	\$5,114
Poruma Mens Basketball Team	Zenadth Kes Basketball Carnival on Thursday Island	\$5,000
Gertie Lowatta	Travel related costs to attend a funeral in Townsville	\$1,464
Olandi Asai	Travel related costs to attend a funeral in Townsville	\$1,464
Diane Pearson	Travel related costs to attend a funeral on Thursday Island	\$916
Poruma Funeral Donation	Contribution towards Warraber Island's funeral related costs	\$1,500
Mokathani Lui	2024 Christmas Lights competition on Poruma Island	\$400
Diane Pearson	Travel related costs to attend a funeral in Ayr	\$1,968
Diane Pearson	Travel related costs to attend a funeral in Cairns	\$614
Zageth Matha Ulayke Choir Group	Zageth Matha Ulayke music project	\$1,529
Poruma Donation	Warraber's participation in the Battle of the Island Touch Championship on Thursday Island	\$1,000
Poruma Junior Rugby League	2025 Junior Development Camp on Badu Island	\$627
Bethalia Naawi	Laurie Spina Shield in Townsville	\$1,887
Poruma Donation	Iama's participation in the Laurie Spina Shield in Townsville	\$523
Poruma Donation	Warraber's participation in the Laurie Spina Shield in Townsville	\$744
Total		\$24,750

Table 11: Poruma Community Grants

DIVISION 12 - MASIG

Applicant	Purpose of Grant or Donation	Amount
Yuriko Gela	Travel related costs to attend a funeral on Masig Island	\$1,660
June Messa	Funeral related costs to support the Gela family of Masig Island	\$1,501
Collin Messa	Travel related costs to attend a funeral in Townsville	\$5,000
Aquila Gela	Funeral related costs to support the Gela family of Masig Island	\$1,420
Loice Naawi	Funeral related costs to support the Gela family of Masig Island	\$1,420
Loice Naawi	Travel related costs to attend a funeral in Townsville	\$955
Zaleah Mosby-Nona	2024 North Queensland Sistas Rugby League trip to Sydney	\$2,500
Simon Naawi	Office furniture to facilitate tertiary studies	\$842
Percy Misi	Travel related costs to attend a funeral on Mabuiag Island	\$524
Masig Funeral Donation	Contribution towards Badu Island's funeral related costs	\$200
Elma Mosby	Travel related costs to attend a funeral on Thursday Island	\$1,340
Gavin Mosby	Travel related costs to attend a funeral on Thursday Island	\$670
Petranella Samuel	Travel related costs to attend a funeral in Cairns	\$1,551
Collin Messa	Travel related costs to attend a funeral on Mer Island	\$396
Masig Funeral Donation	Contribution towards Iama Island's funeral related costs	\$200
Masig Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$200
Gikana Mosby	Laurie Spina Shield in Townsville	\$2,366
Masig Funeral Donation	Contribution towards Boigu Island's funeral related costs	\$200
Masig NAIDOC Committee	Masig NAIDOC celebrations	\$500
Julohn Wigness	Laurie Spina Shield in Townsville	\$1,500
Total		\$24,946

Table 12: Masig Community Grants

DIVISION 13 - UGAR

Applicant	Purpose of Grant or Donation	Amount
Bob Modee	The Ark of Transfiguration Church Day celebration on Ugar Island	\$1,998
The Ark of Transfiguration Church	Priest Ordination Ceremony on Ugar Island	\$10,000
Ugar P&C Association	Ugar Year 6 & Kindergarten Transition celebration	\$2,499
Telly Gela	Travel related costs to attend a funeral on Masig Island	\$296
Zenadth Kes Junior Ugar	2025 Junior Development Camp on Badu Island	\$1,750
Karen Sagigi	Laurie Spina Shield in Townsville	\$2,3669
Ugar Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$1,000
Ann Pau	Laurie Spina Shield in Townsville	\$1,500
Total		\$21,409

Table 13: Ugar Community Grants



DIVISION 14 - ERUB

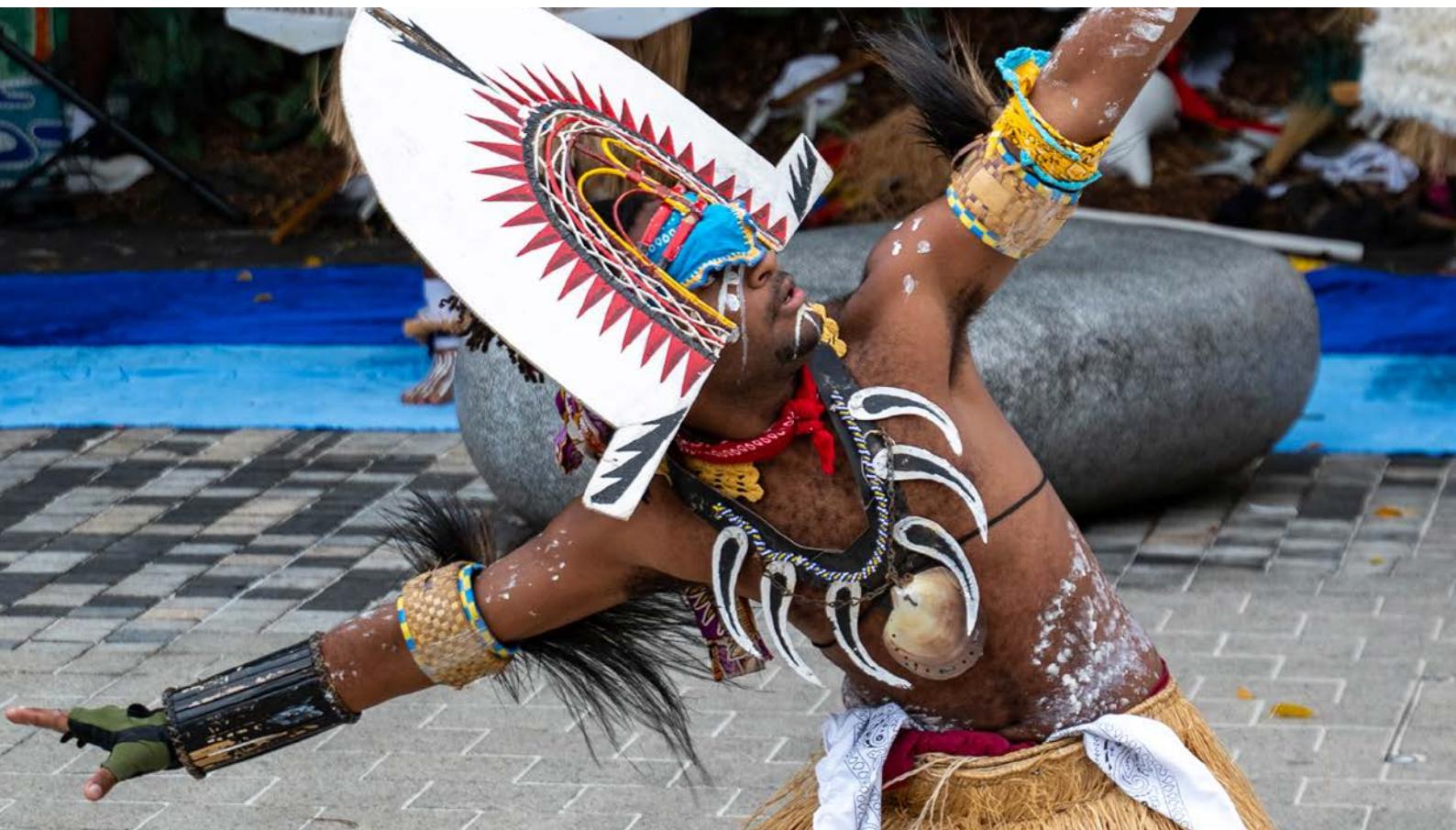
Applicant	Purpose of Grant or Donation	Amount
Sarah Gela	Travel related costs to attend a funeral on Masig Island	\$1,500
Nazareth Thaiday	Travel related costs to attend a funeral on Mer Island	\$518
All Saints Church	Anglican Church Day celebration on Erub Island	\$1,000
Amina Ghee	Travel related costs to attend a funeral on Mabuiag Island	\$1,686
Gladys Doolah	Funeral related costs to support the Pensio family of Erub Island	\$2,699
Erub Funeral Donation	Contribution towards Badu Island's funeral related costs	\$200
Louisa Kiwat	Travel related costs to attend a funeral on Thursday Island	\$1,895
Walter Lui	Travel related costs to attend a funeral in Innisfail	\$2,000
Arthur Naawi	ANZAC Day celebrations on Erub Island	\$722
Goshen Ministry International Outreach Erub	Youth Confirmation Conference on Mer Island	\$4,000
Erub Funeral Donation	Contribution towards Badu Island's funeral related costs	\$250
Erub Funeral Donation	Contribution towards Saibai Island's funeral related costs	\$564
Pelista Ketchell	Laurie Spina Shield in Townsville	\$2,366
Erub Donation	Iama's participation in the Laurie Spina Shield in Townsville	\$524
Erub Donation	Warraber's participation in the Laurie Spina Shield in Townsville	\$744
Nelson Thaiday	Coming of The Light celebration on Erub Island	\$1,500
Pamela Pilot	Laurie Spina Shield in Townsville	\$1,500
Erub Donation	Mabuiag's participation in the Laurie Spina Shield in Townsville	\$1,000
Total		\$24,668

Table 14: Erub Community Grants

DIVISION 15 - MER

Applicant	Purpose of Grant or Donation	Amount
Kay Noah	Funeral related costs to support the Noah family of Mer Island	\$5,000
Fallen Passi	Funeral related costs to support the Akee family of Mer Island	\$4,434
Patricia Kaigey	Funeral related costs to support the Sambo family of Mer Island	\$1,791
Goshen Ministry International Outreach Mer	Youth Confirmation Conference on Mer Island	\$4,000
Susan Tapau	Funeral related costs to support the Tapau family of Mer Island	\$4,415
Lorna Barsa	Funeral related costs to support the Barsa family of Mer Island	\$4,165
Annie Mabo	Laurie Spina Shield in Townsville	\$300
Les Salee	Funeral related costs to support the Salee family of Mer Island	\$700
	Total	\$24,805

Table 15: Mer Community Grants



MAYOR		
Applicant	Purpose of Grant or Donation	Amount
Mayor Mosby Funeral Donation	Funeral travel costs to assist the Kusu funeral on Badu Island	\$1,000
Mayor Mosby Donation	Mayor Mosby's contribution towards Divisional Council Meeting of 2024/2025	\$1,0000
Mayor Mosby Donation	Contribution towards the Memorial Plaque Ceremony of the Late Mr Warusam of Saibai Island	\$1,000
Mayor Mosby Donation	Mer's participation in the 2025 Junior Development Camp on Badu Island	\$4,346
Mayor Mosby Donation	Saibai's participation in the 2025 Junior Development Camp on Badu Island	\$1,000
Mayor Mosby Funeral Donation	Funeral travel costs to assist the Reuben funeral on Badu Island	\$849
		Total \$18,195

Table 16: Mayor's Community Grants

COMMUNITY GIFTS - CEO		
Applicant	Purpose of Grant or Donation	Amount
CEO Gifts	Contribution towards Poruma's Divisional Council meeting	\$5,000
CEO Gifts	Contribution towards Dauan's Divisional Council meeting	\$5,000
		Total \$10,000

Table 17: Community Gifts - CEO



CORPORATE *Plan*





Economic development

In April 2025, we launched the Economic Development Community Engagement (Phase 1)—an important first step toward a long-term strategy for job creation, business growth and sustainability. Funded by the TSRA and delivered with Emver Partners, the initiative invites input from all 15 TSIRC communities through upcoming sessions, and an online survey to shape a 10-year Community-Based Economic Development (CBED) Action Plan.

Mayor Phillemon Mosby said empowerment through community-led economic development is critical to the future of the Torres Strait, “By placing culture and community aspirations at the centre of this strategy, we ensure a sustainable and prosperous future for generations to come.”

Meanwhile, local innovation is already underway through Health and Wellbeing Queensland’s Gather + Grow strategy, which supports sustainable, community-driven solutions across the region. As part of this initiative, two women—Nikki Mackie (Poruma) and Sylvia Harry (Warraber)—attended the Millennia of Ag-Innovation workshop in March, where they completed training in farming Barron River red claw and freshwater barramundi, alongside growing plants and herbs using floating plant pot systems within the same aquatic environment.

The training, which combines aquaculture and hydroponics techniques in a low-impact, water-efficient setup tailored to remote island conditions, forms part of a broader project led by Ella Kris, TSIRC’s Manager of Health and Wellbeing, to roll out aquaponics systems region-wide—promoting food security, skills development and sustainable living.

Whether it’s shaping long-term economic policy or building practical skills in sustainable farming, these initiatives reflect a shared commitment to self-determination, resilience, and a thriving future grounded in culture, innovation and local leadership.

Our 2025 - 2030 Focus Areas



Our vision for our Community and Council to be Autonomous, Prosperous and Sustainable and our mission to improve our Community's liveability in all we do, provides a robust framework for consulting with our communities about this plan.



STRENGTHENING OUR COMMUNITIES

Supporting healthy lifestyles, engaged communities, and celebrating cultural heritage.



MAINTAINING AND RENEWING OUR INFRASTRUCTURE

Building reliable infrastructure, connected communities, and responsible asset management.



A PROACTIVE AND RESPONSIBLE COUNCIL

A community-focused Council, committed to accountability, transparency and ethical decision making.



PROTECTING OUR NATURAL ENVIRONMENT

Creating a sustainable future for generations to come.

Integrated Planning

The Council's Strategic Planning Framework serves as a guiding structure that supports both Council and community in planning for the future. It is an ongoing, structured process that outlines how Council engages with the community to identify desired future outcomes, track progress and report on achievements.



Figure 3: Council's integrated planning framework



Strengthening our communities

Supporting healthy lifestyles, engaged communities and celebrating cultural heritage.

Provide suitable public housing

Provide accessible support services
for vulnerable and elderly residents

Create a healthy, happy and
supportive environment

Celebrate and promote our art,
culture and heritage



Provide suitable public housing

Work with the State and Federal Governments and community to ensure that all Torres Strait Island communities have access to safe, secure and culturally appropriate housing.

Advocate for increased funding to accelerate the delivery of new social housing to address homeless, child safety, health, disability and domestic violence.

Work with communities and relevant stakeholders secure and develop more land to meet the growing housing needs of Torres Strait Islander communities.

Provide accessible support services for vulnerable and elderly residents

Collaborate with communities and relevant stakeholders to expand accessible aged care services that cater to the needs of our elderly population, ensuring their health, safety, and active participation in the community, with a focus on supporting vulnerable residents.

Advocate for greater access to healthcare services, programs and treatments to enhance the health, well-being, and quality of life for all residents, with a focus on equitable care across the region.

Create a healthy, happy and supportive environment

Develop programs and initiatives to promote healthy and active lifestyles and active participation in the community to enhance overall well-being, strengthen social connections, and improve physical and mental health outcomes.

Work with communities and relevant stakeholders to diversify childcare support models across the region to improve accessibility, support working families, foster early childhood development, and ensure culturally appropriate care that meets community needs.

Evolve and strengthen the Indigenous Knowledge Centre (IKC) Program to enhance education, and support language, arts, and digital access for future generations.

Enhance community awareness and preparedness to mitigate risks, respond effectively, and build resilience against major weather events and disasters.

Celebrate and promote our art, culture and heritage

Take a strategic approach to ensuring that Ailan Kastom (Island Custom) and cultural practices are preserved, celebrated, and passed on to future generations.

Support community-led initiatives and projects to enhance social, sporting, cultural and economic outcomes across the region.

Table 18: Strengthening our communities

Maintaining and renewing our infrastructure

Building reliable infrastructure, connected communities and responsible asset management.

Provide safe and reliable drinking water

Provide reliable and sustainable infrastructure and assets

Keep our communities connected by road, sea and air

Provide safe and reliable drinking water

Advocate for priority funding to enhance and maintain water infrastructure, ensuring a safe and reliable water supply for all communities.

Develop and implement a comprehensive strategy to secure a safe, reliable, and sustainable water supply for all communities, addressing current critical needs, challenges and anticipating future needs.

Provide reliable and sustainable infrastructure and assets

Plan and deliver capital works projects that address current and future infrastructure needs, promoting community development and resilience.

Actively involve community members in the planning and decision-making processes for infrastructure projects to ensure they meet local needs and preferences.

Ensure the provision of safe, accessible, and well-maintained community assets that promote active lifestyles, social engagement, and inclusive participation for all residents.

Advocate for continued funding to support infrastructure projects that enhance the liveability of residents in our communities.

Ensure adequate lighting in public areas, including streets and recreational spaces, to enhance community safety and accessibility.

Keep our communities connected by road, sea and air

Ensure safe, reliable and accessible transport infrastructure across the region prioritising the development, maintenance and expansion of road, marine and air transport networks.

Advocate for funding to support the development of road, marine and air transport infrastructure.

Table 19: Maintaining and renewing our infrastructure

A proactive and responsible Council

A community-focused Council, committed to accountability, transparency and ethical decision making.

Provide good governance and leadership

Advocate on behalf of our communities

Foster a high-performing, supportive and inclusive work environment

Support and grow our local economy and employment opportunities

Provide good governance and leadership

Deliver the Corporate Plan, Operational Plans, Strategies and budget that reflect the needs of community.

Ensure responsible financial management and sustainability.

Advance the Masig Statement and progress towards regional autonomy and self-determination by strengthening governance and leading the pathway to a Torres Strait Regional Assembly.

Ensure compliance with legislative requirements and regulations, uphold the Council's legal obligations, and make ethical decisions in the best interest of the community.

Prioritise and manage risks effectively.

Ensure responsible land and trustee management by upholding cultural, environmental, and legal obligations.

Support sustainable land use, protect traditional ownership rights, and enhance community-driven decision-making to preserve and maximize land benefits for future generations.



Advocate on behalf of our communities

Proactively advocate on behalf of our people for vital Federal and State Government funding consistent with community needs and Council priorities.

Strengthen regional governance by engaging with State and Federal leaders, advocating for a legal framework that respects both State law and Traditional Lore.

Build strong relationships with the state and federal government and key stakeholders.

Plan and implement with a strong focus on community consultation and engagement.

Foster a high-performing, supportive and inclusive work environment

Strengthen Council's reputation as an employer of choice by promoting values-based professional leadership, building trust through transparency with effective and timely decision making.

Develop a strong customer focus throughout Council both for internal and external stakeholders.

Build capability by supporting staff development and fostering a collaborative and engaged workforce.

Demonstrate a clear commitment to the safety and wellbeing of staff and Councillors, with a focus on both physical and mental wellbeing.

Improve business processes and systems, with a strong focus on community outcomes.

Celebrate achievements and cultural events to promote diversity, collaboration, and a positive workplace culture.

Support and grow our local economy and employment opportunities

Collaborate with peak bodies and representative groups to drive initiatives that support businesses and investment opportunities.

Support Indigenous businesses through local procurement.

Support and promote local employment opportunities by fostering skills development, workforce participation and sustainable job creation.

Build a greater local presence through the employment of more staff in the region.

Table 20: A proactive and responsible Council

Protecting our natural environment

Creating a sustainable future for generations to come.

Respond to climate change and environmental impacts

Provide reliable and efficient waste management services for all communities

Reduce our carbon footprint

Provide effective biosecurity management

4.1 Respond to climate change and environmental impacts

Actively mitigating risks, adapting to challenges, and strengthening resilience to climate change.

Advocate for funding to strengthen community resilience against coastal erosion and climate change impacts through strategic infrastructure investments.

4.2 Reduce our carbon footprint

Promoting the adoption of renewable energy sources to reduce greenhouse gas emissions and reliance on non-renewable energy.

Identify and promote sustainable projects to reduce environmental impacts, enhance resilience, and support a greener future.

4.3 Provide reliable and efficient waste management services for all communities

Diversify waste management services in all communities.

Ensure the effective and efficient treatment of wastewater to safeguard public health and protect the environment through reliable and sustainable processes.

4.4 Provide effective biosecurity management

Strengthen and implement effective biosecurity management strategies to protect local ecosystems, agriculture and community health.

Strengthen partnerships with key stakeholders and communities to enhance compliance with biosecurity regulations and best practices.

Table 21: Protecting our natural environment



COMPLIANCE

An aerial photograph of a coastal town. In the foreground, there is a large industrial building with a long, flat, grey roof. To the left of the building, there is a dirt road and some smaller buildings. The town is surrounded by lush green vegetation, including many palm trees. In the background, the town meets a large body of water, likely the ocean. The sky is clear and blue.



Role of Council

This section of the report contains information which is prescribed by the *Local Government Act 2009* and *Local Government Regulation 2012* to be disclosed in Council's Annual Report for the period.

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

Local government plays an important role in community governance. As a forum for local decision-making, it helps deliver the Queensland Government priorities locally and regionally

A local government provides a wide range of services and activities, and for our Council this is even wider and more important than most.

The powers of local governments in Queensland are defined in the *Local Government Act 2009* and the *Local Government Regulation 2012*.



The services Torres Strait Island Regional Council provides include the following:

- Maintenance and construction of local roads and infrastructure
- Provision of water and sewerage
- Provision of waste collection
- Provision of animal management
- Provision of planning services
- Management of local laws
- Provision of community facilities such as community halls and Indigenous Knowledge Centres (IKC)
- Provision of child and aged care
- Provision of postal services
- Provision of Centrelink services
- Provision of fuel and gas
- Social housing management including repairs, maintenance and new builds

Some of these services differ from other local governments in mainland due to the nature of our location. Often, TSIRC is the only organisation in the region able to provide these services.



Role of Elected Members

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

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

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

The Mayor and Elected Members are elected democratically by the community to represent the current and future interests of the entire local government area. Each division elects a Councillor, and the Mayor is elected for the region. One Councillor is elected Deputy Mayor by their fellow Councillors.

The Elected Council conduct monthly Ordinary Meetings to consider and decide on strategic matters regarding Council's local government area and operation. In addition to Ordinary Meetings, Special Meetings are held when required to discuss and decide upon urgent strategic matters.

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



Elected Member Meeting Attendance

Meeting type	Number of meetings
Ordinary meetings	12
Trustee meetings	12
Special meetings	1
Strategic Advisory Reference Group Standing Committee	5
Culture, Arts, Land and Heritage Advisory Committee	N/A
Economic Growth Advisory Committee	N/A
Governance and Leadership Advisory Committee	N/A
Housing, Families and Safe & Health Communities Advisory Committee	N/A
Environment and Climate Change Adaptation Advisory Committee	N/A

Table 22: Number of Council meetings by meeting type

LEGEND

 Meeting attended  Meeting not attended



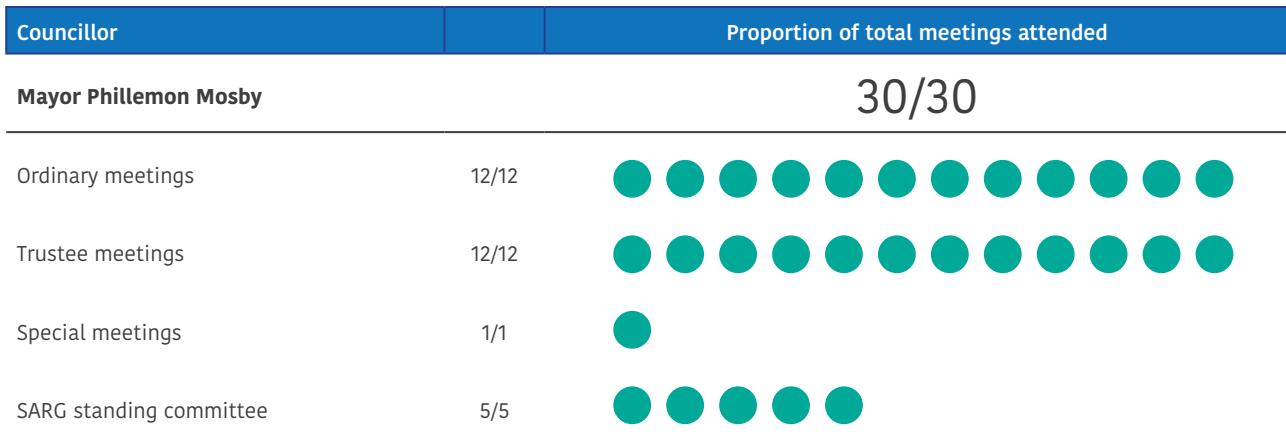


Figure 23: Mayor Mosby Council meeting attendance

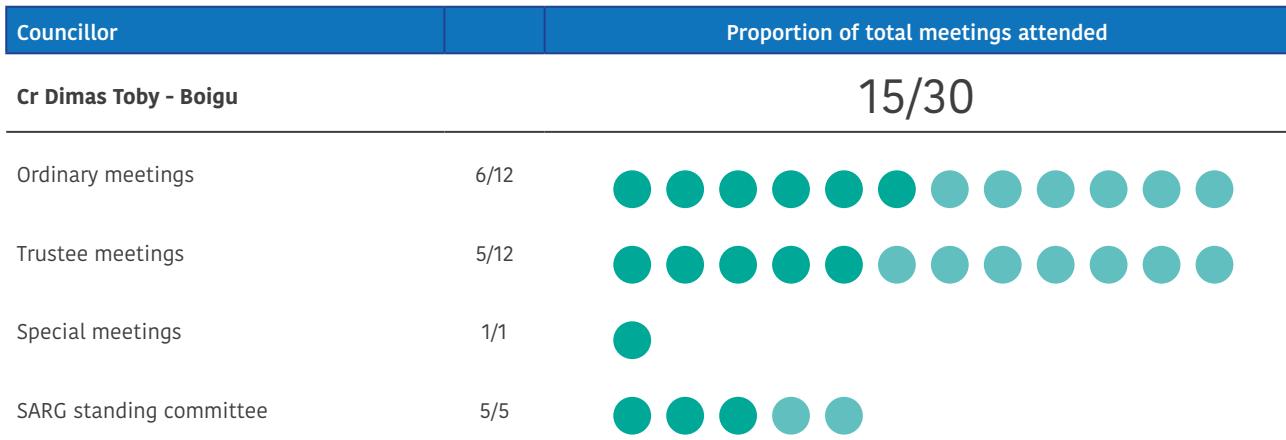


Figure 24: Councillor Toby Council meeting attendance

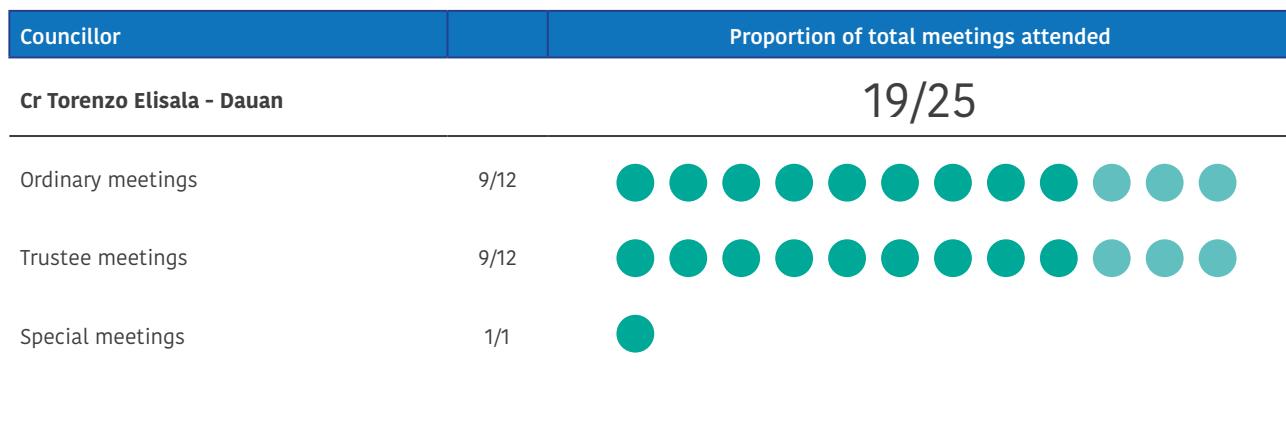


Figure 25: Councillor Elisala Council meeting attendance

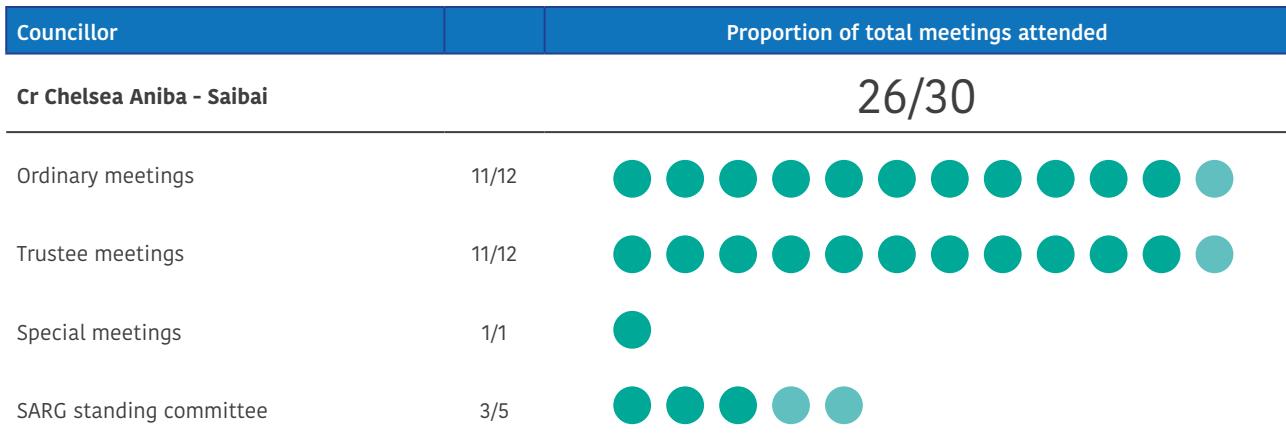


Figure 26: Councillor Aniba Council meeting attendance

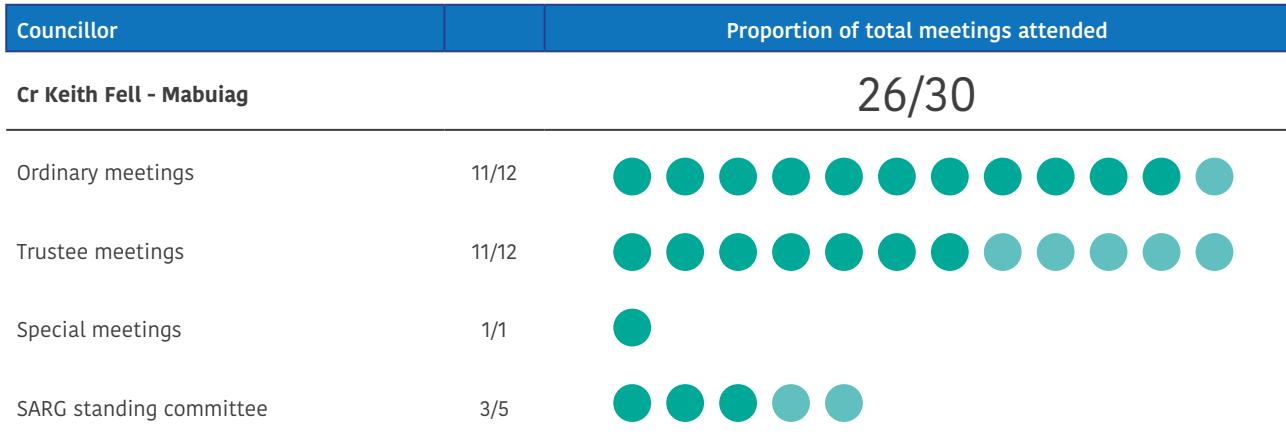


Figure 27: Councillor Fell Council meeting attendance

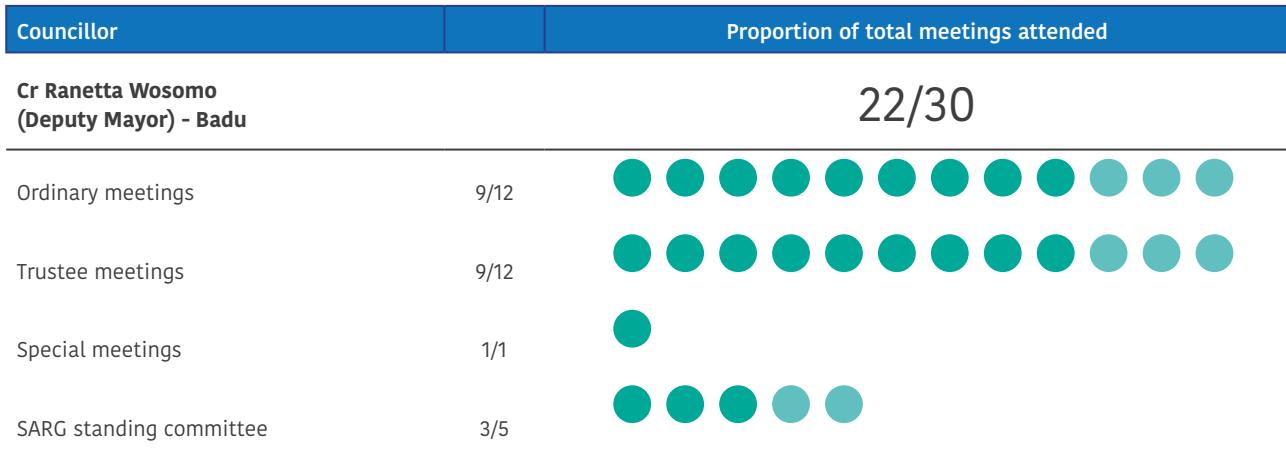


Figure 28: Councillor Wosomo Council meeting attendance

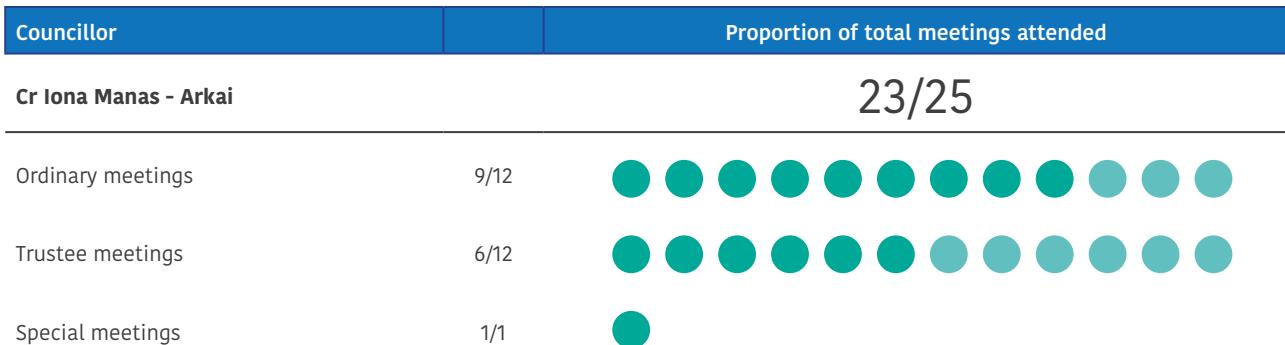


Figure 29: Councillor Manas Council meeting attendance

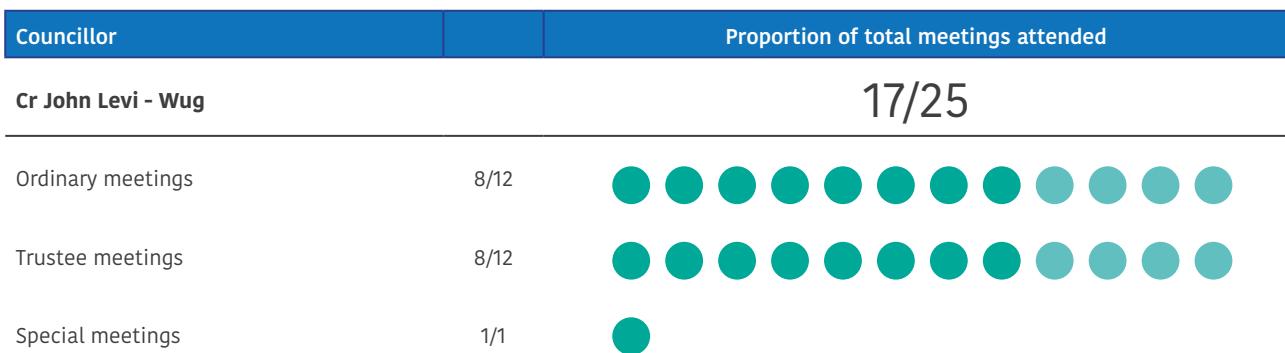


Figure 30: Councillor Levi Council meeting attendance

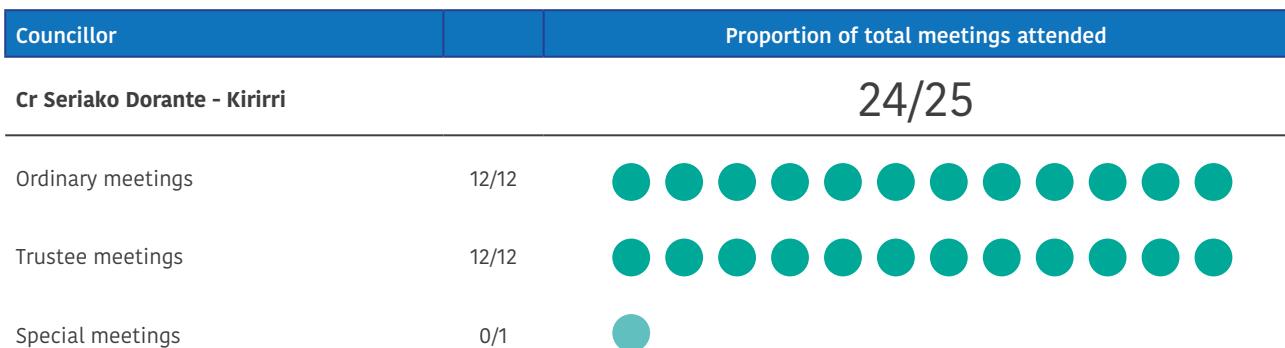


Figure 31: Councillor Dorante Council meeting attendance

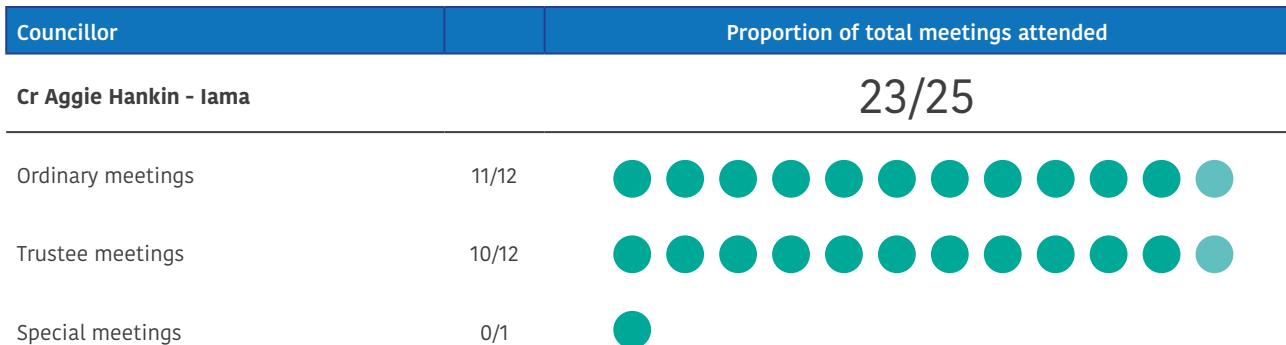


Figure 32: Councillor Hankin Council meeting attendance

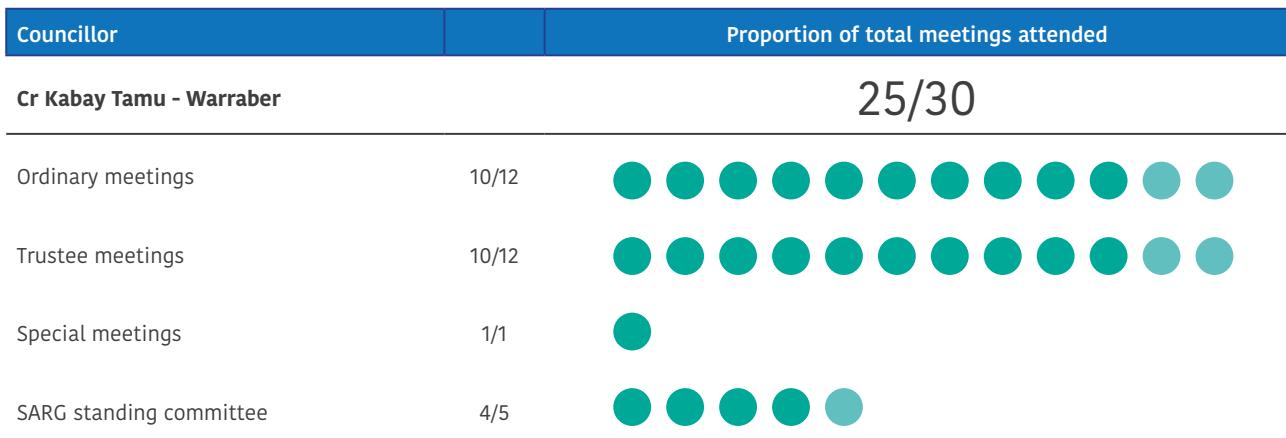


Figure 33: Councillor Tamu Council meeting attendance

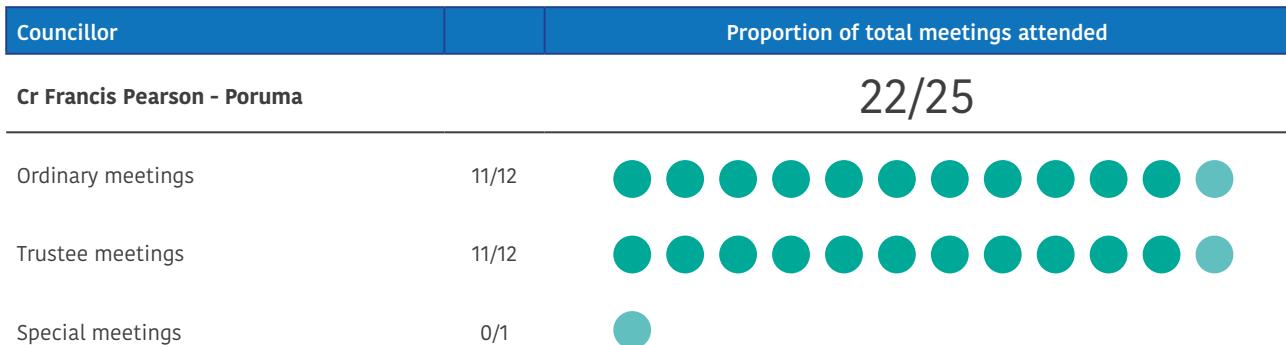


Figure 34: Councillor Pearson Council meeting attendance

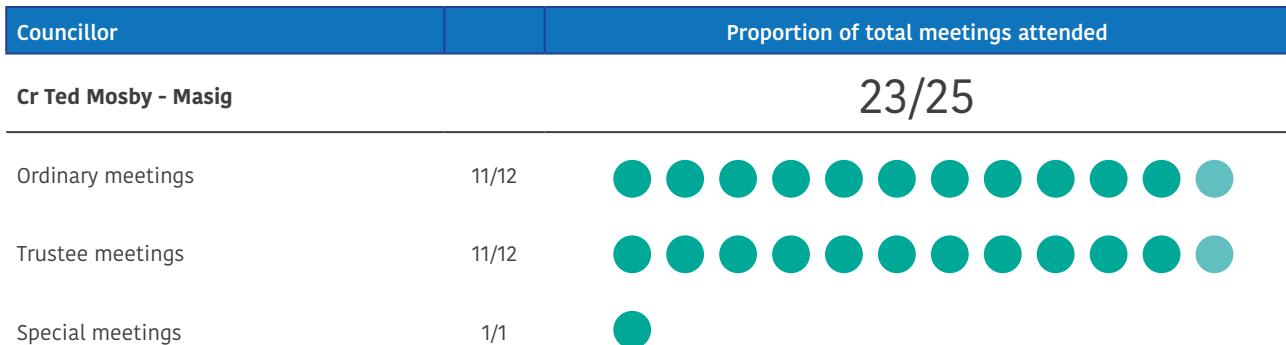


Figure 35: Councillor Mosby Council meeting attendance

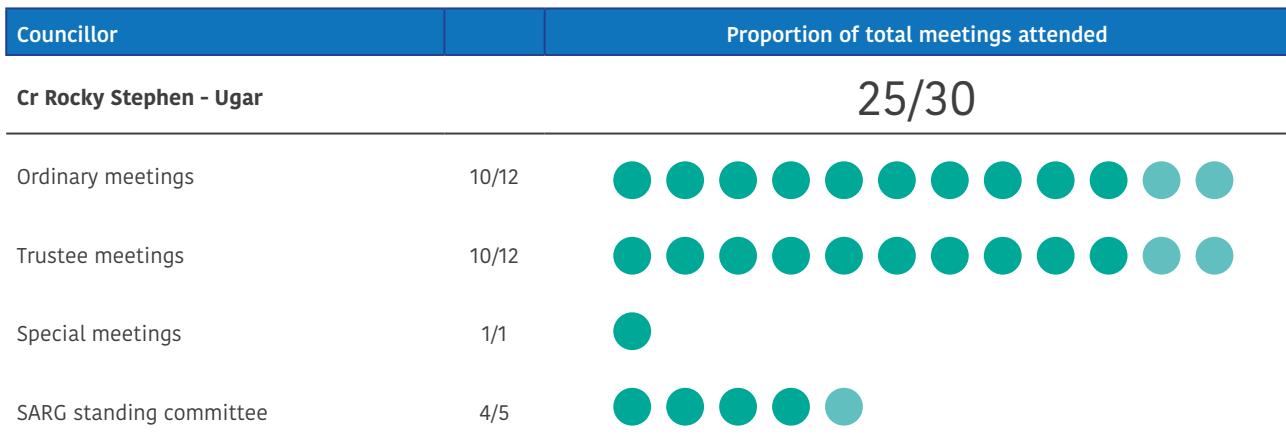


Figure 36: Councillor Stephen Council meeting attendance

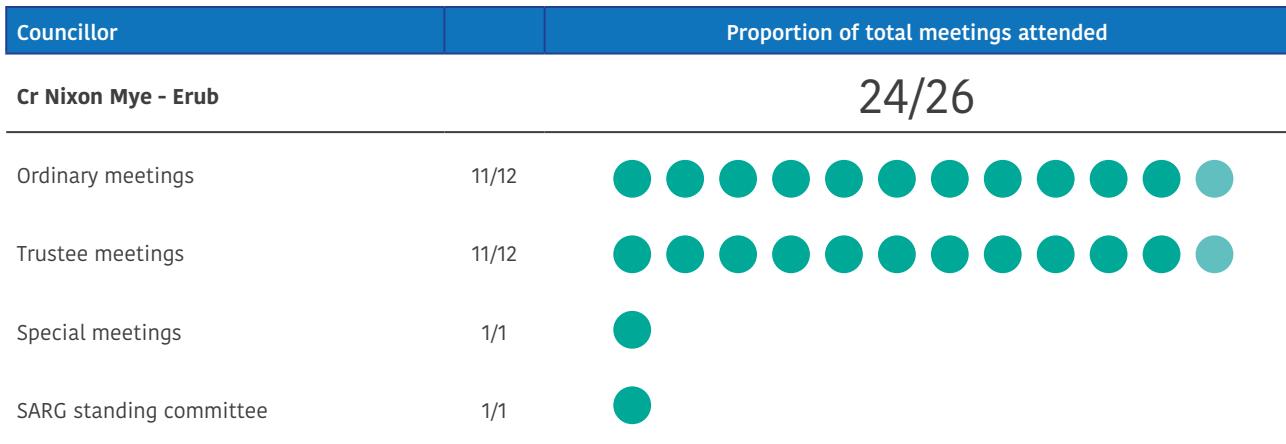


Figure 37: Councillor Mye Council meeting attendance

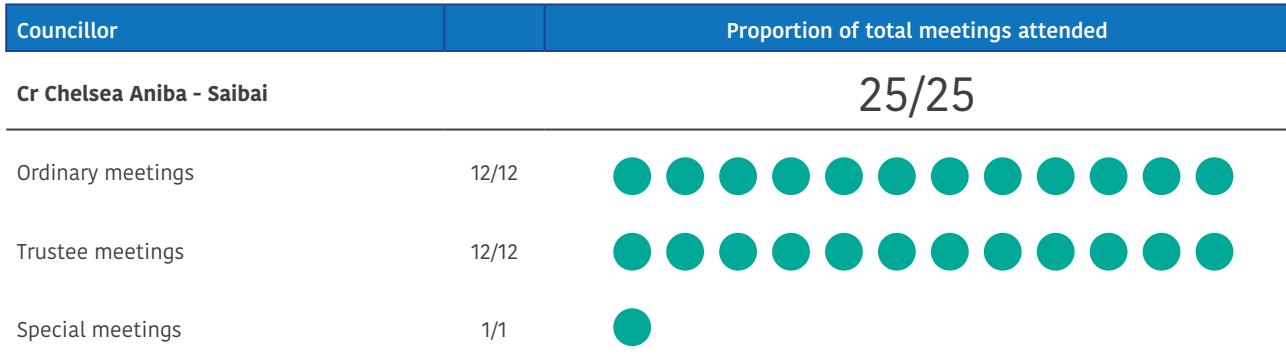


Figure 38: Councillor Aniba Council meeting attendance



Standing and Advisory Committees

Standing Committees and Advisory Committees give Councillors the opportunity to work closely on matters of special interest or specialised skill.

Standing Committee

Council has one Standing Committee, the Strategic Action Reference Group (SARG), established in July 2025.

Members of the Standing Committee include:

- Mayor Phillemon Mosby (Chair)
- Deputy Mayor Councillor Ranetta Wosomo
- Chairpersons of Council's five specialist Advisory Committees
 - » Councillor Kabay Tamu
 - » Councillor Chelsea Aniba
 - » Councillor Rocky Stephen
 - » Councillor Dimas Toby
 - » Councillor Keith Fell
- Chief Executive Officer and all Executive Directors

The SARG Standing Committee meets bi-monthly to progress matters raised by the Advisory Committees, review draft policies, and provide recommendations on key strategic issues. It sets Council's overall strategic direction and advises on how it can effectively achieve the outcomes aligned within the four focus areas of the Corporate Plan 2025–30. The Committee also identifies and advises on emerging issues and opportunities, and reviews policies and strategies to be considered by Council.

During the 2024–25 financial year, the Standing Committee worked on Council's strategic direction, advocacy priorities, and other matters referred by the five specialist Advisory Committees. Meetings were held on 14 August 2024, 25 October 2024, 4 December 2024, 3 March 2025 and 9 May 2025.



Advisory Committee

Council has five Advisory Committees which meet quarterly (unless otherwise scheduled) and report quarterly.

Housing, and Safe and Healthy Communities

This committee has a portfolio including:

- Housing
- Water and Wastewater Planning
- Asset Management Strategy
- Health (including related transportation issues)
- General Community Safety Concerns and Treaty movements
- Local Disaster Management
- Family Wellbeing (elders, youth, young people, men, women, cultural groups and other minority groups)
- Disability Support initiatives
- Sport (including sporting facilities) and Recreation
- Animal Management initiatives
- Connectivity and Telecommunications

Members: Councillor Keith Fell (Chair), Councillor John Levi, Councillor Francis Pearson

Executive: Executive Director Community Services

Advisory Committee meetings were held on 2 September 2024 and 17 March 2025.

Economic Growth

This committee has a portfolio including:

- Divestment Policy
- Industry and Small Business Development
- Renewable Energy Project
- Economic Development Strategy
- Fuel Options
- Employment Opportunities
- Transport

Members: Councillor Rocky Stephen (Chair), Councillor Torenzo Elisala, Councillor Iona Manas

Executive: Executive Director Corporate Services

Advisory Committee meetings were held on 26 September 2024, 3 February 2025 and 13 June 2025.

Environment and Climate Change Adaptation

This committee has a portfolio including:

- Torres Strait Climate Change and Adaptation Strategy
- Torres Strait Sea Wall Program
- Torres Strait and North Peninsula Area Biosecurity Plan
- Renewable Energy
- Waste Management (including Wastewater)
- Water Management
- Land & Sea Management
- Zenadh Kes Coastal Hazard Adaptation Strategy (and Implementation Action Plan)
- Asbestos Removal

Members: Councillor Kabay Tamu (Chair), Councillor Ted Mosby, Councillor Seriako Dorante

Executive: Executive Director Engineering Services

No formal Advisory Committee meetings were held in 2024-25.

Governance and Leadership

This committee has a portfolio including:

- Regional Assembly
- Malungu Yangu Wakay
- Regional Partnerships
- Transition Action Plan (TAP)
- Torres Strait Treaty
- Local Government Boundaries
- Reconciliation Action Plan (RAP)
- Media and Broadcasting
- Leadership Capacity Building
- Policy oversight and Corporate Documents (such as Corporate Plans, Operational Plans, Annual Reports, etc.)

Members: Councillor Dimas Toby (Chair), Councillor Ranetta Wosomo, Councillor Nixon Mye

Executive: Chief Executive Officer

Advisory Committee meetings were held on 20 February 2025 and 30 April 2025.

Cultural, Arts, Land and Heritage

This committee has a portfolio including:

- Alian Kastom
- Language Revitalisation
- Repatriation of Sacred Artefacts and Human Remains
- Cultural Villages
- Torres Strait Islander Flag (including copyright)
- Native Title
- Deeds of Grant in Trust (DOGIT)
- Land transfer
- Master Planning

Members: Councillor Chelsea Aniba (Chair), Councillor Aggie Hankin, Councillor Bob Kaigey

Executive: Executive Director Corporate Services

Advisory Committee meetings were held on 9 December 2024, 11 January 2025 and 23 January 2025.



Councillor Remuneration

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

The remuneration for Elected Members of the Torres Strait Island Regional Council in the 2024-25 financial year was:

- Mayor \$120,541
- Deputy Mayor: \$69,543
- Councillor: \$60,270

The remuneration for Councillors consists of two apportionments: the base rate and a meeting fee.

In 2024-25 the annual base payment was \$38,266.67 and the meeting fee was \$1,594.44 per calendar month (or fortnightly equivalent). The meeting fee is payable for attendance and participation at scheduled meetings of the Council, subject to certification by the Mayor and/or the Chief Executive Officer.



The table below shows Councillor allowance (remuneration), travel allowance and provision of a car for the 2024-25 financial year.

Councillor	Allowance (Remuneration)	Travel allowance	Provision of Car	Total
Mayor Phillemos Mosby	\$119,540.94	\$33,726.45	\$12,060.96	\$165,328.35
Div 1 - Councillor Dimas Toby	\$60,270.08	\$17,304.20	\$12,060.96	\$89,635.24
Div 2 - Councillor Torenzo Elisala	\$60,270.08	\$5,539.55	\$12,060.96	\$77,870.59
Div 3 - Councillor Chelsea Aniba	\$60,270.08	\$9,438.85	\$12,060.96	\$81,769.89
Div 4 - Councillor Keith Fell	\$60,270.08	\$18,301.75	\$12,060.96	\$90,632.79
Div 5 - Councillor Ranetta Wosomo Deputy Mayor	\$69,542.98	\$10,244.80	\$-	\$79,787.78
Div 6 - Councillor Iona Manas	\$60,270.08	\$4,690.05	\$-	\$64,960.13
Div 7 - Councillor John Levi	\$60,270.08	\$3,691.80	\$12,060.96	\$76,022.84
Div 8 - Councillor Seriako Dorante	\$60,270.08	\$4,552.90	\$12,060.96	\$76,883.94
Div 9 - Councillor Aggie Hankin	\$60,270.08	\$7,639.35	\$12,060.96	\$79,970.39
Div 10 - Councillor Kabay Tamu	\$60,270.08	\$8,560.95	\$10,964.04	\$79,795.07
Div 11 - Councillor Francis Pearson	\$60,270.08	\$5,231.70	\$12,060.96	\$77,562.74
Div 12 - Councillor Ted Mosby	\$60,270.08	\$12,216.30	\$-	\$72,486.38
Div 13 - Councillor Rocky Stephen	\$60,270.08	\$21,344.10	\$-	\$81,614.18
Div 14 - Councillor Nixon Mye	\$60,270.08	\$5,357.35	\$10,964.04	\$76,592.19
Div 15 - Councillor Bob Kaigey	\$60,270.08	\$4,912.80	\$12,060.96	\$77,243.84

Table 39: Councillor remuneration by category

NOTE: An additional \$79,137.57 of executive support costs were provided to the Mayor.

Councillor Expenses

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

In accordance with the Policy, Elected Members are provided with an office in their respective division, a laptop, a mobile phone for Council use, and meeting and administrative support as required.

Elected Members can hire a car from Council, which can be used for Council and personal business, at a rate of \$25 per week. Councillors are also provided travel and accommodation when travelling for Council business, including travel to attend conferences, workshops, forums, and other relevant meetings. Councillors are covered by Council's insurance policies.



The table below shows Councillor expenses incurred for travel for Council business including accommodation, airfares and car hire during the 2024-25 financial year.

Councillor	Accommodation	Airfares	Ground Transport Travel Other	Total
Mayor Phillemon Mosby	\$66,994.61	\$75,246.16	\$17,964.87	\$160,205.64
Div 1 - Councillor Dimas Toby	\$-	\$11,827.46	\$3,876.59	\$15,704.05
Div 2 - Councillor Torenzo Elisala	\$3,120.45	\$19,199.09	\$2,564.73	\$24,884.27
Div 3 - Councillor Chelsea Aniba	\$10,729.76	\$22,415.83	\$4,981.97	\$38,127.56
Div 4 - Councillor Keith Fell	\$-	\$17,748.46	\$6,331.54	\$24,080.00
Div 5 - Councillor Ranetta Wosomo Deputy Mayor	\$8,822.00	\$24,077.91	\$5,181.97	\$38,081.88
Div 6 - Councillor Iona Manas	\$2,593.65	\$2,379.81	\$2,743.27	\$7,716.73
Div 7 - Councillor John Levi	\$2,420.74	\$9,218.93	\$1,378.37	\$13,018.04
Div 8 - Councillor Seriako Dorante	\$2,897.73	\$3,704.01	\$972.73	\$7,574.47
Div 9 - Councillor Aggie Hankin	\$2,820.00	\$8,699.66	\$3,059.03	\$14,578.69
Div 10 - Councillor Kabay Tamu	\$3,005.85	\$14,685.92	\$4,396.55	\$22,088.32
Div 11 - Councillor Francis Pearson	\$2,420.74	\$16,442.08	\$2,523.82	\$21,386.64
Div 12 - Councillor Ted Mosby	\$-	\$11,311.24	\$1,470.45	\$12,781.69
Div 13 - Councillor Rocky Stephen	\$11,078.68	\$24,058.10	\$8,314.74	\$43,451.51
Div 14 - Councillor Nixon Mye	\$2,847.56	\$13,225.72	\$3,073.82	\$19,147.10
Div 15 - Councillor Bob Kaigey	\$2,420.74	\$16,172.56	\$3,151.98	\$21,745.28

Table 40: Councillor expenses by category

Councillor Conduct Matters

The *Local Government Act 2009* sets out the roles, responsibilities, and obligations of Councillors. Complaints about the conduct of Councillors are to be made, or referred, to the Independent Assessor for investigation.

In accordance with the Councillor conduct framework provided for under Chapter 5A of the *Local Government Act 2009* and Section 186(1)(d) to (f) of the *Local Government Regulation 2012* there were no Councillor conduct matters recorded in the 2024-25 financial year.

Regulation	Description	Number	Details
	The number of decisions made by the local government under section 150AG(1) of the LGA during the financial year	0	

Table 41: Councillor Conduct Matters

Administrative Action Complaints

Council is committed to dealing fairly with every administrative action complaint.

An administrative action complaint is a complaint about action taken or failed to be taken by Council (as defined in section 268 of the *Local Government Act 2009*).

Council has a clear process in place for resolving administrative action complaints. The process is managed under Council's Complaint Management Policy and Procedure, and Council's Housing Complaint Management Policy.

Regulation	Description	Number
s187(1)(6)	Administrative action complaints carried over from the previous financial year	3
s187(2)(a)i	Administrative action complaints made during 2024-25	40
s187(2)(a)ii	Administrative action complaints resolved during 2024-25	20
s187(2)(a)iii	Administrative action complaints not resolved at close of the financial 2024-25 year	20
s187(2)(b)i	Administrative action complaints not resolved at close of the financial year 2024-25 which were lodged during the previous financial year 2023-24	3

Table 42: Record of administrative action complaints

Audit Report

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

Audit Committee

Council's Audit Committee meets to monitor, review, and make recommendations for action or improvement to Council.

Council's Audit Committee in 2024-25 consisted of:

- Chairperson: Cam Charlton
- Deputy Chair: Darryl Bell

Elected Members:

- Mayor Phillemon Mosby
- Councillor Keith Fell
- Councillor Chelsea Aniba
- Councillor Bob Kaigey (Proxy)
- Councillor Rocky Stephen (Proxy)
- Councillor Lama Trinkoon (Proxy)
- Councillor Kabay Tamu (Proxy)

The Audit Committee continued to focus on policies and procedures, financial sustainability, and risk and governance.

Internal Audit

Council's internal audit function provides independent and objective assurance of organisational operations. It brings a systematic and disciplined approach to the evaluation and management of our risk management controls and governance processes. The internal audit function works collaboratively with Council's executive leadership team and management to recommend improvements to systems, processes, work practices, compliance, and business effectiveness. The internal audit function is outsourced to Pacifica Chartered Accountants.

The Internal Audit Plan sets out the objectives for the financial year. The Plan is reviewed annually by Council's executive leadership team and Audit Committee to ensure it continues to align with organisational needs and our Corporate Risk Register.

Council's 2024-25 Internal Audit Plan included the following components:

- Divisional Management Process Review
- Community Grants Review - Process Redesign to minimise cost of CSO (decentralised vs centralised) and Compliance
- Audit issues register review

The commencement and finalisation of some projects was delayed due to internal resourcing.

Compliance Activities

Council's compliance activities for the 2024-25 financial year in accordance with the legislative requirements set out in the *Local Government Act 2009* and *Local Government Regulation 2012*.

Compliance with section 23

Public Sector Ethics Act 1994

Council's commitment to Queensland's public sector ethical principles and the local government principles are reflected in our policies and procedures. Our administrative procedures and management practices are drafted in line with the ethical principles, local government principles, and Council's Code of Conduct.

Council's Code of Conduct applies to all employees, Councillors, contractors, consultants and agents of Council, and sets out the expected rights, duties, and obligations of all who are subject to it.

All employees appointed to positions with Council are informed of their rights, duties, and obligations under the Code of Conduct via our induction program.

The induction of new employees includes training on the local government principles set out in section 4(2) of the *Local Government Act 2009* and the ethical principles set out in section 4(2) of the *Public Sector Ethics Act 1994*. Council employees can also access the Code of Conduct on Council's corporate intranet.

Business activities

Council conducted the following business activities during the 2024-25 financial year: accommodation, building services, childcare services, commercial property rentals and the sale of fuel and gas.

Significant business activities

During the 2024-25 financial year, Council did not undertake any significant business activities.

Registers kept by Council

Council's registers provide a source of truth for various subject matters, and help ensure efficient, effective and transparent governance processes.

Council kept the following registers during the 2024-25 financial year:

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

Overseas travel

Mayor Mosby travelled to France for 2025 United Nations Ocean Conference on Council business in the 2024-25 financial year.

Staff remuneration

Section 201 of the Local Government Act 2009 requires that a local government's annual report state the total remuneration packages payable to senior management. The following table shows the senior management remuneration packages for the 12-month period from 1 July 2024 to 30 June 2025. The total remuneration payable in 2023/24 to senior management was \$1,683,183.

Remuneration Package Band	In band
\$50,001 - \$150,000	
\$150,001 - \$250,000	
\$250,001 - \$350,000	4
\$350,001 - \$450,000	
\$450,001 - \$550,000	1

Table 43: Executive remuneration package bands

Particular resolutions

Section 206(2)

No resolutions were made by Council under section 206(2) of the Local Government regulation in the 2024-25 financial year.

Section 250(1)

Council's Councillor Remuneration, Reimbursement and Facilities Provision Policy was adopted in June 2025 under section 250(1) of the Local Government regulation.

Beneficial enterprises

During the 2024-25 financial year, Council conducted no beneficial enterprises.

Discretionary funds

During the 2024-25 financial year Councillors were not provided with a budget for discretionary funds.

Commercial business units

During the 2024-25 financial year Council did not maintain any commercial business units.

Joint local government activity

During the 2024-25 financial year Council did not undertake any joint local government activity.

Special rates and charges

During the 2024-25 financial year Council did not take any levy, any special rates or charges.

Invitation to change tender

During the 2024-25 financial year, there was five invitation to change tender under section 228(8) of the *Local Government Regulation 2012*.

Concessions for rates and charges

During the 2024-25 financial year, Council did not grant any concessions for rates and charges.

Summary of investigation notices

During the 2024-25 financial year, Council did not receive any Queensland Competition Authority notices of investigation.

Competitive neutrality complaints

During the 2024-25 financial year, Council did not receive any Queensland Competition Authority recommendations on any competitive neutrality complaints.



COMMUNITY Financial Report



Community Financial Report

The Community Financial Report is a summary of the information contained in Council's General Purpose Financial Statements for the period 1 July 2024 to 30 June 2025 and has been provided to enable community members to obtain an improved understanding of Council's financial performance over the last financial year.

The report summarises the following:

- **Statement of Comprehensive Income:** Measures how Council performed in relation to income and expenditure from operations to give a net result.
- **Statement of Financial Position:** Is a snapshot of what Council owns (assets) and owe (liabilities) as at the end of the Financial Year, with the difference (equity) reflecting our net worth.
- **Statement of Changes in Equity:** Summarises changes in Council net worth during the year, including the movements in our retained earnings, reserves and asset revaluation surplus.
- **Statement of Cash Flows:** Shows cash movements that have occurred during the Financial Year. The closing balance reflects how much cash Council had at the end of the Financial Year.
- **Measures of Financial Sustainability:** Provides an indication of our relative sustainability based on the prior year's performance. The nine sustainability indicators have been established by the Department of State Development, Infrastructure, Local Government and Planning to help monitor the long-term sustainability of all Councils across Queensland.

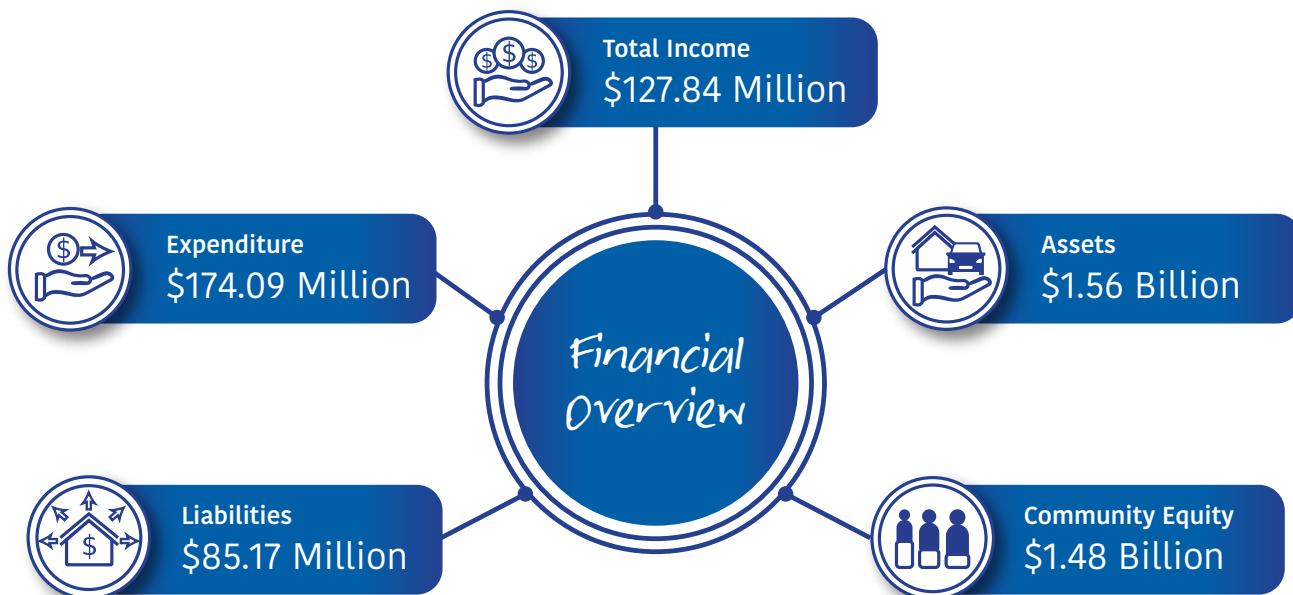


Figure 4: Council's Financial

Statement of Comprehensive Income

The Statement of Comprehensive Income (often referred to as the Profit and Loss Statement) shows the details of Council's operating and capital income and expenses for a specified reporting period. Income minus expenses result in either a profit or loss amount known as the net result.

A Summarised Statement of Comprehensive Income for the year ended 30 June 2025 is shown in the tables below.

Operating Income	\$93,848,655
Less: Operating Expenses	\$149,296,944
Operating Position	(\$55,448,289)
Plus: Capital Income	\$33,986,495
Less: Capital Expenses	\$24,795,883
Net Result	\$46,257,677

Table 44: Statement of Comprehensive Income



Operating Income

Total operating revenue for the financial year was **\$93.85 million** and it derives from various sources. The significant majority of Council's revenue is Grants and Contributions that account for **54.58%** of total operating revenue. The following table and graph provide a breakdown of operating revenue categories and the relevant percentage of total revenue for the financial year.

Community levies, rates and charges	\$1,839,583
Fees and charges	\$5,974,090
Sales revenue	\$28,102,471
Grant, subsidies, contributions & donations	\$51,219,524
Interest received	\$1,263,636
Other income	\$924,243
Rental income	\$4,525,108
Total Operating Income	\$93,848,655

Table 45: Operating Income

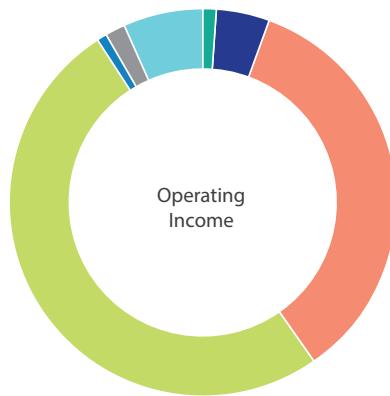


Figure 5: Operating Income

Operational Expenditure

Total operating expenses of **\$149.30 million** were incurred during the 2024-25 financial year. The largest portion of funds was spent on materials and services and totalled **\$53.52 million or 35.85%** of total operating expenditure. Materials and services expenditure typically includes but is not limited to, administration, project delivery, repairs and maintenance of Council's roads, drainage network, water and wastewater services, social housing and community buildings and various community services.

Employee benefits	\$29,918,697
Materials and services	\$53,516,324
Finance costs	\$588,045
Depreciation and amortisation	\$65,273,878
Total Operating Expenditure	\$149,296,944

Table 46: Operating Expenditure

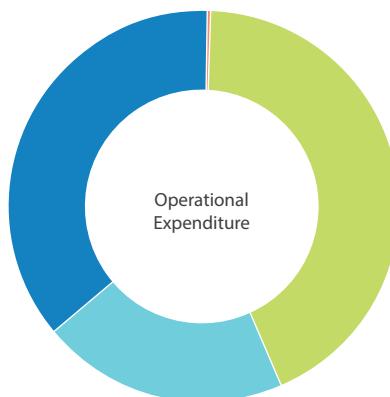


Figure 6: Operational Expenditure

Operating Result

Council's operating position reflects the organisation's ability to meet its everyday running costs from operating revenue. The net operating position is calculated by taking total operating expenses from total operating revenue and does not include revenue or expenditure amounts for capital projects.



Capital Works Program

Council manages a very diverse range of infrastructure assets with a total value in excess of **\$1.47 billion**. These assets cover land, buildings, plant and equipment, and a network of roads, bridges, marine, drainage, waste, water, and sewerage assets. The Council is responsible for the construction, upgrade, and renewal of these assets through its capital works program.

Council's Capital Works Program for 2024-2025 totals **\$33.9 million**. The Council will use a combination of Council-sourced funding and grants to fund this program. The following chart provides a breakdown of the proposed capital works by program for the 2024-2025 financial year by asset class.

Water	\$2,893,185
Sewerage	\$47,231
Transport	\$10,537,308
CBD's	\$14,572,231
Other Capital Works	\$5,871,366
Total Capital Expenditure	\$33,921,321

Table 47: Capital Works Program

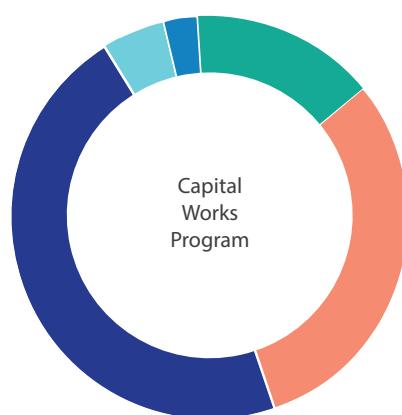


Figure 7: Capital Works Program

Statement of Financial Position

The Statement of Financial Position (formerly known as the Balance Sheet) provides a ‘snapshot’ of Council’s assets and liabilities at a specified reporting date.

It measures what Council owns (assets) and what Council owes (liabilities). The difference between these two components represents the net wealth (equity) of Council and our community, referred to as Community Equity.

Assets (What Council owns)	
Property, plant and equipment	\$1,470,086,522
Cash and cash equivalents	\$60,093,448
Lease Receivables	\$11,481,347
Receivables	\$9,637,828
Contract assets	\$4,403,850
Inventories	\$393,964
Right of use assets	\$2,724,979
Intangible Assets	\$524,938
Total Assets	\$1,559,346,874
Less: Liabilities (What Council owes)	
Payables	\$13,541,979
Provisions	\$32,776,224
Contract liabilities	\$36,817,584
Lease liabilities	\$2,038,005
Total Liabilities	\$85,173,792
Net community assets – What Council is worth	\$1,474,173,082

Table 48: Statement of Financial Position



Statement of Changes in Equity

The equity in Council's operation, which is commonly referred to as Community Equity, is its net assets derived from the difference between total assets and total liabilities at the end of the financial year. The change in equity reflects the variance in Council's net assets between the start of the financial year (1 July) to the end of the financial year (30 June).

As of 30 June 2025, Community Equity was **\$1.47 billion** representing an increase of **\$341.01 million** from the start of the financial year. Community Equity comprises of the following components:

	2025	2024
Asset revaluation surplus	1,212,968,795	825,699,268
Retained surplus	261,204,287	307,461,964
Total Community Equity	1,474,173,082	\$1,133,161,232

Table 49: Statement of Changes in Equity

Statement of Cash Flows

The Statement of Cash Flows measures the inflow and outflow of cash during the reporting period. The statement is categorised into three groups:

- **Net cash from operating activities:** These are normal day-to-day functions of Council. This would include receipts such as rates, fees and charges, interest received on investments and payments of employee wages, materials and services.
- **Net cash from investing activities:** Including capital grants for the purchase and construction of property, plant and equipment and proceeds from the sale of assets.
- **Net cash from financing activities:** These are repayments of loans, as well as the inflows from new loans drawn down in the year (if any).

Cash and cash equivalent beginning balances	\$23,044,959
Net cash from operating activities	\$12,323,977
Net cash from investing activities	\$25,279,316
Net cash from financing activities:	\$627,800
Cash and cash equivalent closing balances	\$60,020,451

Table 50: Statement of Cash Flows

Measures of Financial Sustainability

Financial sustainability measures indicate whether Council is operating in a financially sustainable manner. In accordance with section 178 of the Local Government Regulation 2012, and the new Financial Sustainability Framework effective for the financial year ending 30 June 2025, Councils are required to publish the relevant financial sustainability measures.

The target range for the financial ratios is set in accordance with Department of Housing, Local Government, Planning and Public Works, Financial Management (Sustainability) Guideline 2024 Version 1.

Type	Ratio	Rationale	Benchmark	2024-2025	5yr average	Within limits
Financial Capacity	Council Controlled Revenue Ratio	Capacity to generate revenue internally	Contextual	8%	10%	n/a
	Population Growth Ratio	Population growth / decline pressures on council	Contextual	0%	0%	n/a
Operating Performance	Operating Surplus Ratio *	Holistic overview of council operating performance	Contextual	-59%	-87%	n/a
	Operating Cash Ratio *	Cash operating performance (less depreciation and other non-cash items)	> 0%	9%	-5%	No
Liquidity	Unrestricted Cash Expense Cover Ratio **	Unrestrained liquidity available to council	> 4 months	3	3	No
Asset Management	Asset Sustainability Ratio *	Capital renewals program performance	> 90%	40%	29%	No
	Asset Consumption Ratio *	Extent to which assets are being consumed	> 60%	47%	49%	No
	Asset Renewal Funding Ratio **	Asset replacement program performance	Commencing 2027/28			
Debt Servicing Capacity	Leverage Ratio *	Ability to pay existing debt	0 – 3 times	0	0	No

Table 51: Measures of Financial Sustainability

* The target bands for this measure apply to the five-year average result

** The target bands for this measure apply only to the single year result

Compliance Checklist

This checklist is for Queensland Councils governed by the Local Government Act 2009 (LGA) and Local Government Regulation 2012 (LGR).

Requirement	Reference	Page
The annual report must:		
• Contain a list of all the beneficial enterprises that the local government conducted during the financial year	LGA s41	70
• Contain a list of all the business activities that the local government conducted during the financial year	LGA s45(a)	70
• Identify the business activities that are significant business activities	LGA s45(b)	70
• State whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied	LGA s45(c)	71
• State whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there are any new significant business activities.	LGA s45(d)	71
The annual report must state:		
• The total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government	LGA s201(1)(a)&(c)	71
• If the local government has resolved to allow a councillor to appoint councillor advisors, for each councillor:		
• The number of councillor advisors appointed by the councillor for the year; and		
• The total remuneration payable to all councillor advisors appointed by the councillor for the year.		
• The senior management, of a local government, consists of the chief executive officer and all senior executive employees of the local government.		
• The number of employees in senior management who are being paid each band of remuneration		
Each band of remuneration is an increment of \$100,000.	LGA s201(1)(b)	
• There is no requirement to disclose the exact salary of any employee in senior management separately in the annual report		
The annual report must contain:		
• The general-purpose financial statement for the financial year, audited by the auditor-general	LGR s183(a)	Appendix 1
• The current-year financial sustainability statement for the financial year, audited by the auditor-general	LGR s183(b)	Appendix 1

• The long-term financial sustainability statement for the financial year	LGR s183(c)	Appendix 1
• The auditor-general's audit reports about the general-purpose financial statement and the current year financial sustainability statement	LGR s183(d)	Appendix 1
• The community financial report for the financial year	LGR s184	74 - 78
• A copy of the resolutions made during the financial year under s250(1) of the LGR (adoption of an expenses reimbursement policy); and	LGR s185(a)	71
• A list of any resolutions made during the financial year under s206(2) of the LGR (threshold for non-current physical asset to be treated as an expense)	LGR s185(b)	71
In relation to councillors, the annual report must contain:		
• The total remuneration, including superannuation contributions, paid to each councillor during the financial year	LGR s186(a)	64 - 65
• The expenses incurred by, and the facilities provided to, each councillor during the financial year under the local government's expenses reimbursement policy	LGR s186(b)	66 - 67
• The number of local government meetings that each councillor attended during the financial year	LGR s186(c)	53 - 59
• The total number of the following during the financial year:	LGR s186(d)	N/A
a) orders made under section 150I(2) of the LGA	LGR s186(d)(i)	
b) orders made under section 150IA(2)(b) of the LGA	LGR s186(d)(ii)	
c) orders made under section 150AH(1) of the LGA	LGR s186(d)(iii)	
d) decisions, orders, and recommendations made under section 150AR(1) of the LGA	LGR s186(d)(iv)	
• Each of the following during the financial year:	LGR s186(e)	N/A
a) the name of each councillor for whom a decision, order, or recommendation under section 150I(2), 150IA(2)(b), 150AH(1) or 150 AR(1) of the LGA was made	LGR s186(e)(i)	N/A
b) a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the councillors	LGR s186(e)(ii)	N/A
c) a summary of the decision, order or recommendation made for each councillor	LGR s186(e)(iii)	N/A
For councillors, the annual report must also contain the number of each of the following during the financial year:		
• Complaints referred to the assessor under section 150P(2)(a) of the LGA by the local government, a councillor of the local government or the chief executive officer of the local government	LGR s186(1)(f)(i)	68
• Matters, mentioned in section 150P(3) of the LGA, notified to the Crime and Corruption Commission	LGR s186(1)(f)(ii)	
• Notices given under section 150R(2) of the LGA	LGR s186(1)(f)(iii)	

Requirement	Reference	Page
• Notices given under section 150S(2)(a) of the LGA	LGR s186(1)(f)(iv)	68
• Ocasions information was given under section 150AF(3)(a) of the LGA	LGR s186(1)(f)(v)	
• Ocasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the LGA for the local government, the suspected conduct breach of a councillor	LGR s186(1)(f)(vi)	
• Applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the Act about whether a councillor engaged in misconduct or a conduct breach	LGR s186(1)(f)(vii)	
• The total number of referral notices given to the local government under section 150AC(1) of the LGA during the financial year	LGR s186(1)(g)	
• For suspected conduct breaches the subject of a referral notice mentioned in paragraph (g) above <ul style="list-style-type: none"> • The total number of suspected conduct breaches; and • The total number of suspected conduct breaches for which an investigation was not started or was discontinued under section 150AEA of the LGA 	LGR s186(1)(h)	
• The number of decisions made by the local government under section 150AG(1) of the LGA during the financial year	LGR s186(1)(i)	
• The number of matters not decided by the end of the financial year under section 150AG(1) of the LGA	LGR s186(1)(j)	
• The average time taken by the local government in making a decision under section 150AG(1) of the LGA	LGR s186(1)(k)	
In relation to administrative action complaints, the annual report for a financial year must contain:		
• A statement about the local government's commitment to dealing fairly with administrative action complaints; and	LGR s187(1)(a)	68
• A statement about how the local government has implemented its complaints management process, including an assessment of the local government's performance in resolving complaints under the process	LGR s187(1)(b)	
• The number of the following during the financial year	LGR s187(2)(a)	
a) administrative action complaints made to the local government;	LGR s187(2)(a)(i)	
b) administrative action complaints resolved by the local government under the complaints management process;	LGR s187(2)(a)(ii)	
c) administrative action complaints not resolved by the local government under the complaints management process; and	LGR s187(2)(a)(iii)	
• The number of administrative action complaints not resolved by the local government under the complaints management process that were made in a previous financial year	LGR s187(2)(b)	

The annual report for a financial year must contain the following information about any overseas travel made by a councillor or local government employee in an official capacity during the financial year:

• For a councillor - the name of the councillor	LGR s188(1)(a)	70
• For a local government employee – that person's name and position held	LGR s188(1)(b)	
• The destination of the overseas travel	LGR s188(1)(c)	
• The purpose of the overseas travel	LGR s188(1)(d)	
• The cost of the overseas travel	LGR s188(1)(e)	
• The annual report may also contain any other information about the overseas travel the local government considers relevant.	LGR s188(2)	

The annual report for a financial year must contain:

• A summary of the local government's expenditure for the financial year on grants to community organisations	LGR s189(1)	21 - 35
• The following information about the local government's discretionary funds	LGR s189(2)	
a) The total amount budgeted for the financial year as the local government's discretionary funds;	LGR s189(2)(a)	
b) The prescribed amount (0.1% of the local government's revenue from general rates for the previous financial year) for the local government for the financial year;	LGR s189(2)(b) LGR s201B(5)	
c) The total amount of discretionary funds budgeted for the financial year for councillors to allocate for each of the following purposes:	LGR s189(2)(c)	
i. capital works of the local government that are for a community purpose	LGR s189(2)(c)(i)	
ii. other community purposes;	LGR s189(2)(c)(ii)	
d) The amount of discretionary funds budgeted for use by each councillor for the financial year;	LGR s189(2)(d)	N/A - see page 71
e) If a councillor allocates discretionary funds in the financial year:	LGR s189(2)(e)	
i. the amount allocated; and	LGR s189(2)(e)(i)	
ii. the date the amount was allocated; and	LGR s189(2)(e)(ii)	
iii. the way mentioned in section 202(1) in which the amount was allocated; and	LGR s189(2)(e)(iii)	
iv. if the amount was allocated to a person or organisation—the name of the person or organisation to whom the allocation was made; and	LGR s189(2)(e)(iv)	
v. the purpose for which the amount was allocated, including sufficient details to identify how the funds were, or are to be, spent.	LGR s189(2)(e)(v)	

Requirement	Reference	Page
The annual report for a financial year must also contain the following information:		
• The chief executive officer's assessment of the local government's progress towards implementing its 5-year corporate plan and annual operational plan	LGR s190(1)(a)	11
• Particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year	LGR s190(1)(b)	39 - 46 81
• An annual operations report for each commercial business unit, which means a document that contains the following information for the previous financial year:	LGR s190(1)(c)	
• Information that allows an informed assessment of the unit's operations, including a comparison with the unit's annual performance plan	LGR s190(2)(a)	N/A - see page 71
• Particulars of any changes made to the unit's annual performance plan for the previous financial year, including the impact the changes had on the unit's financial position, operating surplus or deficit and prospects	LGR s190(2)(b)&(c)	
• Particulars of any directions the local government gave the unit	LGR s190(2)(d)	
• Details of any action taken for, and expenditure on, a service, facility, or activity:	LGR s190(1)(d)	
• Supplied by another local government under an agreement for conducting a joint government activity	LGR s190(1)(d)(i)	N/A - see page 71
• For which the local government levied special rates or charges for the financial year	LGR s190(1)(d)(ii)	
• The number of invitations to change tenders under section 228(8) of the LGR during the financial year	LGR s190(1)(e)	71
• A list of the registers kept by the local government	LGR s190(1)(f)	70
• A summary of all concessions for rates and charges granted by the local government	LGR s190(1)(g)	71
• The report on the internal audit for the financial year	LGR s190(1)(h)	69
• A summary of investigation notices given in the financial year under S49 of the LGR for competitive neutrality complaints	LGR s190(1)(i)	71
• The local government's responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under S52(3) of the LGR.	LGR s190(1)(j)	71

Table 52: Compliance Checklist



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APPENDIX A

Financial statements



Torres Strait Island Regional Council

Financial Statements

For the year ended 30 June 2025



Torres Strait Island Regional Council

Financial statements

For the year ended 30 June 2025

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Torres Strait Island Regional Council
Statement of Comprehensive Income
For the year ended 30 June 2025

	Note	2025	2024
		\$	\$
Income			
Recurrent revenue			
Community levies, rates and charges	3(a)	1,839,583	1,661,595
Fees and charges	3(b)	5,974,090	5,439,538
Sales revenue	3(c)	28,102,471	25,192,420
Grants, subsidies, contributions and donations	3(d)	51,219,524	32,112,697
Total recurrent revenue		<u>87,135,668</u>	<u>64,406,250</u>
Interest received	4(a)	1,263,636	1,041,836
Other income	4(b)	924,243	1,197,411
Rental income	4(c)	4,525,108	4,679,623
Total operating revenue		<u>93,848,655</u>	<u>71,325,120</u>
Capital income			
Grants, subsidies, contributions and donations	3(d)	33,986,495	29,215,320
Total capital income		<u>33,986,495</u>	<u>29,215,320</u>
Total income		<u>127,835,150</u>	<u>100,540,440</u>
Expenses			
Recurrent expenses			
Employee benefits	6	(29,918,697)	(29,034,204)
Materials and services	7	(53,516,324)	(51,954,569)
Finance costs	8	(588,045)	(500,980)
Depreciation and amortisation			
Property, plant and equipment	11	(64,207,137)	(60,318,428)
Intangible assets	12	(37,496)	-
Right of use assets	14	(1,029,245)	(602,574)
Total recurrent expenses		<u>(149,296,944)</u>	<u>(142,410,754)</u>
Capital expenses	5	(24,795,883)	(4,368,329)
Total expenses		<u>(174,092,827)</u>	<u>(146,779,083)</u>
Net result		<u>(46,257,677)</u>	<u>(46,238,643)</u>
Other comprehensive income			
Increase in asset revaluation surplus	11	387,269,527	82,786,371
Total other comprehensive income for the year		<u>387,269,527</u>	<u>82,786,371</u>
Total comprehensive income for the year		<u>341,011,850</u>	<u>36,547,728</u>

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

Torres Strait Island Regional Council

Statement of Financial Position

as at 30 June 2025

	Note	2025 \$	2024 \$
Current assets			
Cash and cash equivalents	9	60,020,451	23,044,959
Short term deposit		72,997	69,720
Receivables	10	9,637,828	9,103,178
Inventories		393,964	415,117
Contract assets	13	4,403,850	8,017,999
Lease receivables	14	513,785	500,482
Total current assets		<u>75,042,874</u>	<u>41,151,456</u>
Non-current assets			
Lease receivables	14	10,967,562	11,220,749
Property, plant and equipment	11	1,470,086,522	1,117,707,797
Intangible assets	12	524,938	562,433
Right of use assets	14	2,724,979	578,406
Total non-current assets		<u>1,484,304,000</u>	<u>1,130,069,385</u>
Total assets		<u>1,559,346,874</u>	<u>1,171,220,841</u>
Current liabilities			
Payables	15	13,541,979	11,387,962
Provisions	16	6,748,344	4,020,294
Contract liabilities	13	36,817,584	13,635,431
Lease liabilities	14	621,039	621,246
Total current liabilities		<u>57,728,946</u>	<u>29,664,933</u>
Non-current liabilities			
Provisions	16	26,027,880	8,394,676
Lease liabilities	14	1,416,966	-
Total non-current liabilities		<u>27,444,846</u>	<u>8,394,676</u>
Total liabilities		<u>85,173,792</u>	<u>38,059,609</u>
Net community assets		<u>1,474,173,082</u>	<u>1,133,161,232</u>
Community equity			
Asset revaluation surplus	11	1,212,968,795	825,699,268
Retained surplus		261,204,287	307,461,964
Total community equity		<u>1,474,173,082</u>	<u>1,133,161,232</u>

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

Torres Strait Island Regional Council
Statement of Changes in Equity
For the year ended 30 June 2025

	Asset revaluation surplus	Retained surplus	Total
Balance as at 1 July 2024	\$ 825,699,268	\$ 307,461,964	\$ 1,133,161,232
Net result	-	(46,257,677)	(46,257,677)
Other comprehensive income for the year			
Increase in asset revaluation surplus	387,269,527	-	387,269,527
Total comprehensive income for the year	387,269,527	(46,257,677)	341,011,850
Balance as at 30 June 2025	1,212,968,795	261,204,287	1,474,173,082
Balance as at 1 July 2023	735,386,497	353,700,607	1,089,087,104
Adjustment for assets found not on asset register	7,526,400	-	7,526,400
Restated Balance as at 1 July 2023	742,912,897	353,700,607	1,096,613,504
Net result	-	(46,238,643)	(46,238,643)
Other comprehensive income for the year			
Increase in asset revaluation surplus	82,786,371	-	82,786,371
Total comprehensive income for the year	82,786,371	(46,238,643)	36,547,728
Balance as at 30 June 2024	825,699,268	307,461,964	1,133,161,232

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

Torres Strait Island Regional Council

Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025	2024
		\$	\$
Cash flows from operating activities			
Receipts from customers		40,759,130	34,198,434
Payments to suppliers and employees		(83,132,410)	(76,951,472)
		(42,373,280)	(42,753,038)
Interest received		1,181,055	1,003,496
Recurrent grants and contributions		53,516,202	27,737,958
Net cash inflow (outflow) from operating activities	20	12,323,977	(14,011,584)
Cash flows from investing activities			
Payments for property, plant and equipment		(32,030,575)	(30,846,805)
Proceeds from sale of property, plant and equipment		46,885	41,114
Finance lease receipts		500,482	534,849
Capital grants, subsidies, contributions and donations		56,762,524	31,708,068
Net cash inflow (outflow) from investing activities		25,279,316	1,437,226
Cash flows from financing activities			
Repayments made on leases (principal only)		(627,800)	(634,947)
Net cash inflow (outflow) from financing activities		(627,800)	(634,947)
Net increase (decrease) in cash and cash equivalents held		36,975,492	(13,209,306)
Cash and cash equivalents at the beginning of the financial year		23,044,959	36,254,265
Cash and cash equivalents at the end of the financial year	9	60,020,451	23,044,959

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

Torres Strait Island Regional Council

Notes to the financial statements For the year ended 30 June 2025

1 Information about the financial statements

1.A Basis of preparation

The Torres Strait Island Regional Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

These general purpose financial statements are for the period 1 July 2024 to 30 June 2025 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment. The Council uses the Australian dollar as its functional currency, its presentation currency and rounds to the nearest dollar.

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

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

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

1.B Date of authorisation

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

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

Council has adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2024. The standards did not have a material impact on reported position, performance and cash flows of Council.

The relevant standards were:

- AASB 101 *Presentation of Financial Statements* (amended by AASB 2020-1, AASB 2020-6, AASB 2022-6, AASB 2023-3) relating to current / non-current classification of liabilities.
- AASB 13 *Fair Value Measurement* (amended by AASB 2022-10).

1.D 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 2025. These standards have not been adopted by Council and will be included in the financial statements on their effective date.

No standard issued by the AASB which are not yet mandatorily effective are expected to have a material impact on the reported financial position or performance for Council.

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

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

- Revenue recognition - Note 3
- Expected credit losses (ECL) - Note 10
- Valuation and depreciation of property, plant and equipment - Note 11
- Finance leases - Note 14
- Provisions - Note 16
- Contingent liabilities - Note 18



Torres Strait Island Regional Council

Notes to the financial statements **For the year ended 30 June 2025**

2 Analysis of results by function

(a) Components of Council functions

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

Executive Services

The core functions of Executive Services include management of the Office of the Mayor and Office of the CEO, facilitation of Council and Committee meetings, executive administration and internal audit.

Health and Community Services

The objective of the Health and Community Services function is to develop, manage and deliver community and public health services that meet the needs of all sectors of the community. The core functions includes community services, housing services, environmental health services, health and wellbeing services and divisional administrative services.

Engineering Services

Engineering Services provides a high level of services in integrated infrastructure management which ensures environmental protection and meets community expectations. The outcomes achieved by Engineering Services are linked with Council's commitment to public health, transport, water and wastewater infrastructure. The core functions include water services, wastewater services, civil works services, and waste services.

Building Services

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

Corporate Services

Corporate Services is responsible for the provision of Council-wide services. The core functions include legal services, governance, strategic (corporate) planning, human resources, WH&S, information technology services, corporate risk and insurance, media, engagement and advocacy, enterprise development and fuel and fleet.

Financial Services

Financial Services provides professional financial management and advisory services to Council. The core functions include financial accounting, management accounting, procurement and strategic asset management

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

2 Analysis of results by function (continued)

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

Year ended 30 June 2025			Gross program income				Total income				Gross program expenses		Total expenses		Elimination of inter-function transactions		Net result from recurrent operations		Net result		Assets	
Functions			Recurrent		Capital		Recurrent		Capital		\$		\$		\$		\$		\$		\$	
	Grants	Other	Grants	Other	Grants		Grants	Other	Grants	Other												
Executive Services	9,362,800	9,684,950	11,472,108	26,519,858	47,984,168		1,650,030		6,423,764		167,405		4,401,710		(4,233,713)		(4,401,118)		3,817,849			
Health and Community Services	5,895,758	6,745,340	15,495,753	27,136,851	75,643,491		5,034,392		5,034,392		80,677,883		(32,936,418)		(29,538,104)		504,024,489		935,527,090			
Engineering Services	-	24,264,019	3,000,967	27,284,985	21,722,049		277,621		1,126,483		23,156,153		2,511,970		4,108,832		-		4,108,832			
Building Services	460,234	36,395	(140,044)	356,585	7,008,531		(4,136,066)		2,872,466		(6,571,903)		(2,515,881)		4,712,490		31,011,192		39,629,627		111,264,956	
Corporate Services	40,500,733	1,897,335	4,157,712	46,556,280	11,387,376		4,155,256		(8,615,979)		6,928,653		(3,629,363)		7,653,351		8,326,056		160,482,561			
Financial Services	51,219,524	42,629,131	33,986,496	127,835,150	168,009,921		6,082,907		-		174,092,828		(74,161,266)		(46,257,677)		1,559,346,874					
Total Council																						

Year ended 30 June 2024			Gross program income				Total income				Gross program expenses		Total expenses		Elimination of inter-function transactions		Net result from recurrent operations		Net result		Assets	
Functions			Recurrent		Capital		Recurrent		Capital		\$		\$		\$		\$		\$		\$	
	Grants	Other	Grants	Other	Grants		Grants	Other	Grants	Other												
Executive Services	90,000	-	-	90,000	3,713,127		44,487,159		-	212,112		3,925,238		(3,623,127)		(3,835,238)		3,242,977				
Health and Community Services	5,975,825	9,432,027	8,778,793	24,186,645	57,749,431		(41,114)		4,061,363		48,548,522		(29,079,307)		(24,361,876)		363,323,458					
Engineering Services	9,574,482	5,982,243	17,756,514	33,313,240	23,015,800		19,702,608		(1,561,879)		58,721,863		(42,192,705)		(25,408,624)		641,030,469					
Building Services	-	21,946,221	1,059,579	140,044	175,347		6,105,158		-	(95,778)	18,140,729		2,243,613		4,875,071		-		3,141,375			
Corporate Services	(13,116)	48,420	1,470,390	19,759,407	10,653,271		4,409,443		(3,629,363)		6,009,380		(6,059,855)		(5,834,033)		8,326,056		160,482,561			
Financial Services	16,485,506	1,903,511	29,212,422	100,540,439	142,410,754		4,358,329		-	146,779,083		(71,055,635)		(46,238,644)		1,171,220,841						
Total Council																						

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

3 Revenue

(a) Community levies, rates and charges

Community levies, rates and annual charges are recognised as revenue when Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

	2025 \$	2024 \$
Water charges commercial	409,428	365,291
Sewerage charges commercial	1,097,853	1,007,678
Garbage charges commercial	248,113	207,220
Rates from 40 year leases	84,188	81,406
	<hr/> <u>1,839,583</u>	<hr/> <u>1,661,595</u>

(b) Fees and charges

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

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

	2025 \$	2024 \$
Airport landing fees	551,779	466,867
Commercial property lease and licence fees	2,851,252	2,762,693
Maritime fees	2,262,546	2,050,141
Hire of Council buildings	225,397	116,392
Other fees and charges	83,115	43,445
	<hr/> <u>5,974,090</u>	<hr/> <u>5,439,538</u>

Timing of revenue recognition for fees and charges

	2025	2024		
	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time
Fees and charges	2,851,252	3,122,838	2,762,693	2,676,845
	<hr/> <u>2,851,252</u>	<hr/> <u>3,122,838</u>	<hr/> <u>2,762,693</u>	<hr/> <u>2,676,845</u>

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

3 Revenue (continued)

(c) Sales revenue

Revenue from contract and recoverable works generally comprises a recoupment of material costs together with an hourly charge for the use of equipment and employees. Contract revenue from repairs and maintenance is recognised at the point in time when works are signed off as completed and only recorded as a contract asset once this performance obligation is met.

Contract revenue and associated costs in relation to upgrades, are recognised by reference to the stage of completion of the contract and the total revenue budget. Where consideration is received for the service in advance it is included in contract liabilities and is recognised as revenue in the period when the service is performed.

	2025 \$	2024 \$
Contract and recoverable works	24,238,169	21,834,745
Plant and equipment hire	156,434	128,591
Childcare services	117,228	106,675
Accommodation	1,356,650	1,067,710
Sale of fuel and gas	1,965,601	1,758,663
Sale of powercards	268,390	296,035
	<u>28,102,471</u>	<u>25,192,420</u>

Timing of revenue recognition for sales

	2025		2024
	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Sales revenue	25,868,481	2,233,990	23,137,721
	<u>25,868,481</u>	<u>2,233,990</u>	<u>23,137,721</u>
			2,054,698
			<u>2,054,698</u>

(d) Grants, subsidies, contributions and donations

Grant income under AASB 15

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

The performance obligations vary in each agreement and can include items such as travel and positions for specific purposes. Payment terms vary depending on the terms of the grant. Cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

Torres Strait Island Regional Council

Notes to the financial statements **For the year ended 30 June 2025**

3 Revenue (continued)

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

Grant income under AASB 1058

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

Capital grants

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

Donations and contributions

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

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

	2025	2024
	\$	\$
Operating		
General purpose grants	24,327,947	16,496,863
State Government subsidies and grants	24,579,206	11,897,886
Commonwealth Government subsidies and grants	<u>2,312,371</u>	<u>3,717,948</u>
	<u>51,219,524</u>	<u>32,112,697</u>

In June 2025, Council received an amount of \$8,546,281 equating to 50% of the 2025-26 Commonwealth Financial Assistance Grant allocation. As these grants are considered untied grants, they were recognised upon receipt in the 2024-25 financial year.

Capital income

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

State Government subsidies and grants	26,784,016	21,420,296
Commonwealth Government subsidies and grants	5,724,563	7,735,024
Contributed assets	1,477,917	60,000
	<u>33,986,495</u>	<u>29,215,320</u>

Torres Strait Island Regional Council
Notes to the financial statements
For the year ended 30 June 2025

3(d) Revenue (continued)

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

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

	2025		2024	
	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time
	\$	\$	\$	\$
Grants and subsidies	42,766,425	40,961,677	42,874,945	18,393,072
Contributions	-	1,477,917	-	60,000
	<u>42,766,425</u>	<u>42,439,594</u>	<u>42,874,945</u>	<u>18,453,072</u>

4 Interest and other income

Note **2025** **2024**
\$ **\$**

(a) Interest income

Interest from financial institutions	<u>1,263,636</u>	<u>1,041,836</u>
	<u>1,263,636</u>	<u>1,041,836</u>

(b) Other income

Other income is recognised on receipt. Gains on the revaluation of finance leases and refuse restoration are non-cash adjustments.

Insurance claims received	49,558	119,348
Gain on revaluation of finance leases	260,597	487,985
Commission income	511,444	527,282
Other revenue	102,644	62,796
	<u>924,243</u>	<u>1,197,411</u>

(c) Rental income

Rental income from community housing is recognised as income periodically in advance each fortnight.

Residential property rental income	<u>4,525,108</u>	<u>4,679,623</u>
	<u>4,525,108</u>	<u>4,679,623</u>

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

As the buildings held by Council do not meet the definition of investment property, these buildings are accounted for in accordance with AASB 116 *Property, Plant and Equipment*.

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

5 Capital expenses	Note	2025 \$	2024 \$
Loss on disposal of non-current assets			
Book value of property, plant and equipment disposed		5,727,983	4,409,443
Less: Proceeds from the sale of property, plant and equipment		(46,885)	(41,114)
		<u>5,681,098</u>	<u>4,368,329</u>
Loss on disposal of registered <i>Land Holding Act</i> leases			
Book value of property, plant and equipment		354,923	-
		<u>354,923</u>	<u>-</u>
Provision for restoration of landfill			
Discount rate adjustment to refuse restoration provision		819,033	-
Change due to reassessment and recognition of additional provisions		17,940,829	-
		<u>18,759,862</u>	<u>-</u>
		<u>24,795,883</u>	<u>4,368,329</u>
6 Employee benefits			
Staff wages and salaries		21,435,347	21,044,991
Councillors' remuneration		1,206,619	1,143,867
Annual, sick and long service leave entitlements		4,441,607	4,096,589
Superannuation	19	2,845,648	2,650,677
		<u>29,929,220</u>	<u>28,936,123</u>
Other employee related expenses		514,379	422,098
		<u>30,443,599</u>	<u>29,358,221</u>
Less: Capitalised employee expenses		(524,902)	(324,018)
		<u>29,918,697</u>	<u>29,034,204</u>

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

	2025 Number	2024 Number
Total Council employees at the reporting date:		
Elected members	16	16
Administration staff	325	318
Total full time equivalent employees	<u>341</u>	<u>334</u>

Torres Strait Island Regional Council
Notes to the financial statements
For the year ended 30 June 2025

7 Materials and services	Note	2025	2024
		\$	\$
Advertising and marketing		49,335	73,236
Audit services		240,607	170,582
Communications and IT		2,720,211	2,346,356
Consultants		3,051,085	2,297,963
Contractors		5,957,439	8,123,747
Contracts - Infrastructure		4,828,794	6,700,206
Donations paid		347,603	345,852
Freight		1,435,597	1,350,159
Insurance		5,830,090	5,691,262
Legal fees		599,182	687,273
Materials - carpentry, plumbing, electrical		996,726	1,061,843
Motor vehicle expenses		2,345,764	2,581,133
Other materials and services		2,073,796	1,826,319
Power		1,592,371	1,535,783
Powercards, fuel and gas for resale		2,131,085	2,239,728
Rent paid		216,562	120,554
Repairs and maintenance		9,879,448	6,914,018
Repairs and maintenance - electrical		3,801,649	3,009,766
Subscriptions and registrations		129,939	151,080
Supplies and consumables		399,973	390,080
Temporary staff costs		1,604,817	1,259,748
Travel		3,506,281	3,177,112
Less: Expenses capitalised		(222,031)	(99,228)
		<u>53,516,324</u>	<u>51,954,569</u>

* Total audit fees quoted by the Queensland Audit Office relating to the 2024/25 financial statements are \$205,500 (2023/24: \$186,089)

8 Finance costs

Bank charges		82,741	77,552
Impairment of receivables		269,256	246,623
Refuse restoration	16	158,705	158,324
Interest on leases	14	77,342	18,481
		<u>588,045</u>	<u>500,980</u>

Torres Strait Island Regional Council

Notes to the financial statements For the year ended 30 June 2025

9 Cash and cash equivalents

	Note	2025	2024
		\$	\$
Cash at bank		28,445,551	13,673,942
Deposits at call		31,574,901	9,371,017
Balance per Statement of Cash Flows		<u>60,020,451</u>	<u>23,044,959</u>
Less: Externally imposed restrictions on cash		37,071,539	13,929,357
Unrestricted cash		<u>22,948,913</u>	<u>9,115,602</u>

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

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 relate to the following cash assets:

Unspent government grants and subsidies	37,059,792	13,929,357
Total externally imposed restrictions on cash assets	<u>37,059,792</u>	<u>13,929,357</u>

(ii) Internal allocations of cash at the reporting date:

Funds set aside and held in reserves for DOGIT land	4,064,282	3,421,487
Total internally allocated cash assets	<u>4,064,282</u>	<u>3,421,487</u>

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds relating to island funeral funds, church funds and other community funds. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities:		
Island funeral funds	203,306	209,630
Church funds	10,480	10,177
Other community funds	<u>56,379</u>	<u>54,469</u>
	<u>270,165</u>	<u>274,276</u>

Some funds belonging to Council are held in the trust funds of third parties.

Funds held in trust by outside parties

DFK Kidsons holding funds for the Major Infrastructure and Other Program	17,227,623	23,878,720
	<u>17,227,623</u>	<u>23,878,720</u>

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

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

10 Receivables

Settlement of receivables is required within 30 days after the invoice is issued.

Receivables are measured at amortised cost which approximates fair value at reporting date.

	2025 \$	2024 \$
Current		
Receivable - Housing	12,597,574	12,988,154
Less impairment	(12,272,090)	(12,655,302)
Receivable - Rates	1,032,249	1,083,009
Less impairment	(606,303)	(315,701)
Receivable - Other	4,434,730	4,243,717
Less impairment	(253,058)	(243,153)
	4,933,102	5,100,724
Accrued revenue	3,948,458	3,513,135
Prepayments	299,605	348,545
GST receivable	456,663	140,774
	<u>9,637,828</u>	<u>9,103,178</u>

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

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

When Council has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

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

Housing charges	12,459,281	12,869,555
Government entities	3,304,602	2,808,311
Utility charges	1,032,249	1,083,009
Other	1,268,421	869,689
Total	<u>18,064,553</u>	<u>17,630,564</u>

Movement in accumulated impairment losses is as follows:

Opening balance at 1 July	13,214,155	13,118,370
Less: Debts written off during the year	(351,961)	(152,324)
Additional impairments recognised	766,830	810,753
Less: Impairments reversed	(497,574)	(562,644)
Closing balance at 30 June	<u>13,131,450</u>	<u>13,214,155</u>

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

10 Receivables (continued)

Expected credit loss assessment

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

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

For housing receivables this rate ranges from 11% - 98% depending on the aging of the debt (2023/24: 15% - 98%). In relation to other receivables, this rate ranges from 1% - 49% depending on the aging of the debt (2023/24: 1% - 33%).

2025

Aging

Closing balance 30 June 2025 \$	Historical probability of default	Loss given default	Lifetime expected credit loss \$
101,376	11.00%	100%	11,151
38,962	95.00%	100%	37,014
39,989	95.00%	100%	37,989
12,417,247	98.14%	100%	12,185,936
<u>12,597,574</u>			<u>12,272,091</u>

Other debtors

Current
1-30 days
31-60 days
61+ days

2,917,359	0.53%	100%	15,399
526,968	1.46%	100%	7,708
335,327	3.23%	100%	10,815
1,687,324	48.92%	100%	825,439
<u>5,466,979</u>			<u>859,361</u>

2024

Aging

Closing balance 30 June 2024 \$	Historical probability of default	Loss given default	Lifetime expected credit loss \$
---------------------------------	-----------------------------------	--------------------	----------------------------------

Housing

Current
1-30 days
31-60 days
61+ days

118,109	15.0%	100%	17,716
59,034	96.0%	100%	56,673
49,072	96.0%	100%	47,109
12,761,939	98.2%	100%	12,533,804
<u>12,988,155</u>			<u>12,655,302</u>

Other debtors

Current
1-30 days
31-60 days
61+ days

2,785,757	0.3%	100%	8,100
958,276	4.5%	100%	43,274
36,540	12.7%	100%	4,658
1,546,152	32.5%	100%	502,822
<u>5,326,726</u>			<u>558,854</u>

Torres Strait Island Regional Council

Notes to the financial statements
For the year ended 30 June 2025

11 Property, plant and equipment

Council - 30 June 2025										
	Buildings (Communities)	Buildings (Corporate)	Buildings (Churches)	Recreational facilities	Transport network	Stormwater drainage network	Foot mitigation network	Water	Wastewater	Marine infrastructure
	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Land
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset values										
Opening gross value as at 1 July 2024	845,742,593	163,460,577	25,591,831	42,008,404	372,256,168	18,698,538	68,023,447	336,148,129	355,440,803	63,906,444
Additions	-	-	-	-	-	-	-	-	-	3,242,977
Capital contributions	-	-	-	-	-	-	-	-	-	10,020,188
Assets capitalised from work in progress	-	-	-	-	-	-	-	-	-	33,200,675
Disposals	14,080,370	1,480,169	-	1,684,305	10,656,978	21,986	8,240,352	3,079,304	1,237,916	1,237,916
Revaluation adjustment to asset revaluation surplus	(10,618,050)	(249,073)	-	(785,920)	(6,431,037)	-	(3,264,193)	(131,146)	4,110,314	4,110,314
Closing gross value as at 30 June 2025	1,012,817,840	19,314,818	1,099,270	5,750,784	232,007,004	934,927	19,534,750	142,107,359	88,334,280	86,536,152
	607,977,113	48,598,273	607,977,113	19,845,451	93,888,549	47,607,076	444,423,628	154,802,356	4,506,949	3,817,849
Accumulated depreciation and impairment										
Opening balance as at 1 July 2024	490,017,181	103,241,809	17,993,783	28,486,731	168,058,281	8,360,352	14,555,970	77,886,124	172,573,307	2,580,444
Depreciation provided in period	27,592,251	5,931,182	680,993	1,317,218	5,617,717	373,371	1,647,112	9,802,188	9,251,284	1,442,653
Depreciation adjustment to asset revaluation surplus	104,122,102	(2,441,428)	271,124	(338,689)	47,224,222	471,401	3,322,056	96,525,198	65,462,215	874,418
Depreciation/impairment on disposals	(7,002,196)	(184,055)	-	(418,480)	(4,880,218)	-	(2,617,390)	(125,580)	57,717,386	(63,893)
Transfers between classes	-	-	-	-	-	-	-	(57,884)	-	(63,893)
Accumulated depreciation as at 30 June 2025	613,629,338	111,547,508	18,945,900	28,966,271	216,620,002	9,205,724	19,525,138	283,576,359	239,156,387	95,708,220
Book value as at 30 June 2025	399,188,502	77,458,984	7,745,202	19,631,002	391,251,113	10,639,726	74,272,410	194,494,536	204,907,262	59,094,216
Range of estimated useful life in years	5 - 15	5 - 60	5 - 50	10 - 100	50	10 - 50	5 - 60	5 - 100	10 - 50	8 - 25
Additions comprise:										
Renewals	8,332,495	-	-	817,701	9,245,834	-	2,383,000	-	4,110,134	\$ -
Other additions	5,447,965	1,480,169	-	786,804	805,144	211,986	8,240,352	686,304	1,237,916	-
Total additions	14,080,370	1,480,169	-	1,684,305	10,656,978	211,986	8,240,352	3,079,304	179,681	5,348,550
Asset revaluation surplus										
Opening balance as at 1 July 2024	286,087,323	46,572,256	8,217,132	12,029,207	177,272,434	6,098,097	12,229,532	106,512,363	145,171,462	815,794
Movements - Revaluation	59,560,825	21,758,246	6,881,46	6,089,322	184,827,762	46,576	16,212,895	45,562,177	31,116,924	574,372
Closing balance as at 30 June 2025	345,515,146	66,328,502	16,045,278	16,181,989	361,155,216	6,551,023	26,342,227	152,094,865	176,385,386	44,886,551

Additions comprise:

	Renewals	Other additions	Total additions
Asset revaluation surplus			
Opening balance as at 1 July 2024	286,087,323	46,572,256	815,794
Movements - Revaluation	59,560,825	21,758,246	574,372
Closing balance as at 30 June 2025	345,515,146	66,328,502	44,886,551

Torres Strait Island Regional Council

Notes to the financial statements
For the year ended 30 June 2025

11 Property, plant and equipment (continued)

Council - 30 June 2024

	Buildings (Communities)	Buildings (Corporate)	Buildings (Charters)	Recreational facilities	Transport network	Stormwater drainage network	Flood mitigation network	Water	Wastewater	Marine infrastructure	Land	Plant and equipment	Work in progress	Total
Basis of measurement														
Asset Values														
Opening gross value as at 1 July 2023	788,771,551	153,167,895	23,295,300	37,814,119	344,335,804	17,297,444	60,890,453	310,060,362	332,101,469	59,117,987	3,811,217	2,870,804	10,143,261	25,513,776
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	2,489,942
Capital contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	30,552,089
Assets capitalised from work in progress	7,145,858	678,353	-	525,119	28,163	-	-	4,019,699	9,383,297	105,531	-	-	-	60,000
Disposals	(6,10,883)	(566,904)	-	(162,719)	-	-	-	(2,544,509)	(4,667,718)	(12,430)	-	-	-	(562,436)
Revaluation adjustment to asset revaluation surplus	78,236,067	15,253,111	2,326,530	3,771,244	27,891,200	1,401,033	3,947,804	21,372,988	23,246,233	4,788,557	381,122	372,173	-	(15,026,909)
Transfer between classes	-	-	-	-	-	-	-	-	-	-	-	-	-	180,987,722
Transfer between classes	845,742,593	(68,480,577)	25,591,831	42,008,804	372,256,168	18,698,538	685,023,447	335,148,429	355,440,803	63,906,544	4,192,339	3,242,977	10,020,188	33,208,675
Closing gross value as at 30 June 2024														2,344,941,509
Accumulated depreciation and impairment														
Opening balance as at 1 July 2023	424,631,246	93,405,531	15,738,900	24,628,258	149,809,634	7,387,957	13,768,787	162,292,944	152,603,836	25,982,311	2,301,364	-	6,781,530	-
Depreciation provided in period	25,322,289	5,476,839	619,085	1,276,869	5,655,935	345,449	1,641,021	9,217,008	8,765,516	1,319,18	155,403	-	613,197	-
Revaluation adjustment to asset revaluation surplus	44,447,016	9,840,164	1,655,798	2,587,885	12,992,711	623,446	98,785	11,764,477	2,139,365	243,677	-	-	-	98,200,451
Depreciation impairment on disposals	(4,699,370)	(479,557)	-	(26,980)	-	-	(1,760,622)	(3,408,404)	(152,450)	-	-	-	(56,982)	(10,617,766)
Transfers between classes	480,017,181	108,241,809	17,903,783	28,486,731	188,058,281	8,380,152	14,555,970	17,896,124	17,273,307	2,680,444	-	-	-	1,148
Accumulated depreciation as at 30 June 2024														6,878,895
Book value as at 30 June 2024	355,725,412	60,218,768	7,598,048	13,542,673	204,197,887	10,338,184	51,487,476	156,282,304	182,767,486	34,465,308	1,511,894	3,242,977	3,141,282	33,208,675
Range of estimated useful life in years	15-50	10-50	15-50	5-50	10-100	47-53	10-50	3-60	5-100	10-50	15-25	Land: Not	1-25	
												Depreciated		WMP: Not Depreciated

Additions comprise:

Renewals	\$ 5,551,198	\$ -	\$ 289,317	\$ -	\$ 101,724	\$ 9,383,297	\$ 105,531	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,441,068
Other additions	1,594,659	678,353	-	225,802	28,163	-	4,019,699	9,383,297	105,531	-	-	-	-	6,913,886
Total additions	7,145,858	678,353	-	525,119	28,163	-	-	-	-	-	-	-	-	22,354,754
Asset revaluation surplus														
Opening balance as at 1 July 2023	254,389,273	41,159,309	526,400	10,845,946	161,973,945	5,323,450	9,308,512	96,904,655	133,227,614	21,143,371	6,787,349	4,288,570	-	742,912,986
Movements - Revaluation	31,059,040	5,412,947	690,732	1,183,359	15,398,469	77,647	3,021,020	9,667,511	11,949,846	2,649,350	137,445	32,7173	-	6,913,886
Movements - Impairments	-	-	-	-	-	-	-	-	-	-	-	-	-	82,765,377
Closing balance as at 30 June 2024	286,087,323	46,572,256	8,217,132	12,039,207	177,272,434	6,036,097	12,329,532	105,512,363	145,171,462	23,752,321	815,794	800,943	-	825,619,268



Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

11 Property, plant and equipment (continued)

(a) Recognition

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

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

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

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

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

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

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

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



Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

11 Property, plant and equipment (continued)

(a) Recognition (continued)

The relevant leased assets are still reported as assets of the Council; land is not reported. Nominal rental is paid for the majority of essential service buildings. These buildings have not been classified as leases, as prior to change in land agreements the assets were originally constructed by Council. No lease liability has been recognised in the financial statements as the two properties occupied by Council do not have a lease that transfer the right of use. Negotiations are underway to obtain a licence over the properties until long-term leases can be negotiated.

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

(b) Measurement

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

(c) Depreciation

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

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

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

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

Depreciation methods and estimated useful lives of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the 5 yearly full valuation process for assets measured at written down current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in the tables earlier in this note.

(d) Impairment

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



Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

11 Property, plant and equipment (continued)

(e) Valuation

(i) Valuation processes

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

All asset classes carried at fair value were comprehensively valued in the current year. The last comprehensive valuation prior to the current year was the financial year ended 30 June 2020.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of assets does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment measured at fair value at least once every 5 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council engages independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, disposals and changes in methodology such as useful life and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes. These indices are then reviewed by Asset Class Managers and Executives to ensure accuracy of these indices for Council.

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

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

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

All of Council's property, plant and equipment measured at fair value at reporting date is categorised at level 2 or 3. Council does not have any assets measured at fair value which meet the criteria for categorisation as level 1. There were no transfers between levels during the year.

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

Torres Strait Island Regional Council

Notes to the financial statements
For the year ended 30 June 2025

11 Property, plant and equipment (continued)

(e) Valuation (continued)

(ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation approach	FV hierarchy	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Current year fair value assessment
Buildings (Communities)	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	Current replacement cost Unit rates developed from building projects completed in the Torres Strait and supplemented by published cost guides including the Rawlinsons Construction Cost Guide and Cordell Cost Guide. Allowances are made for the remote locality of the assets. Accumulated depreciation Components - Structure, Site Improvements, Roof, and Fixtures and Fittings Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity.	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$59,490,825
Buildings (Corporate) 2025: \$1,846,000 2024: \$2,154,054	Market approach	Level 2	30/06/2025	Jones Lang Lasalle	Fair value is based on market approach using comparable sales evidence from Thursday Island and Cairns market, adjusted for all differences in key attributes such as size of improvements, functionality and condition.	Comprehensive valuation performed as at 30 June 2025 resulted in decreasing fair value of asset class by \$62,354
Buildings (Corporate) 2025: \$7,512,864 2024: \$5,054,714	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	Current replacement cost Unit rates developed from building projects completed in the Torres Strait and benchmarked against cost estimate publication. Allowances are made for the remote locality of the assets. Accumulated depreciation Components - Substructure, superstructure, roof, internal fabric, internal service, external services, site improvements, and furniture and fittings. Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity.	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$22,679,500
Buildings (Churches)	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	Current replacement cost Unit rates developed from building projects completed in the Torres Strait and benchmarked against cost estimate publication. Allowances are made for the remote locality of the assets. Accumulated depreciation Components - Substructure, superstructure, roof, internal fabric, internal service, external services, site improvements, and furniture and fittings. Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity.	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$628,146
Recreational facilities	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	Current replacement cost Unit rates developed from building projects completed in the Torres Strait and benchmarked against cost estimate publication. Allowances are made for the remote locality of the assets. Accumulated depreciation Components - Substructure, superstructure, roof, internal fabric, internal service, external services, site improvements, and furniture and fittings. Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity.	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$6,089,782

Torres Strait Island Regional Council
 Notes to the financial statements
 For the year ended 30 June 2025

11 Property, plant and equipment (continued)

(e) Valuation (continued)

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

Asset class and fair value hierarchy	Valuation approach	FV hierarchy	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Current year fair value assessment
Transport network	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	<p>Current Replacement cost</p> <ul style="list-style-type: none"> Rates have been developed based on recent transport network projects contracted in the Torres Strait in recent years. Rates are based on a realistic project scale that could be feasibly procured and delivered on the islands, rather than large-scale mainland projects that benefit from economies of scale not available in the Torres Strait. This assumption is supported by historical capital works analysis and validated by Council's engineering staff. Allowances are included for the substantial costs of remote delivery, including freight and logistics, labour mobilisation, site establishment, and sourcing of materials and plant. <p>Formation fill has been estimated at 0.15 m³ per m², based on JLL professional judgement of the prevailing ground conditions across the islands and confirmed by Council's engineering staff. This is a change in the previously applied assumption of Formation fill has been estimated at 0.15 m³ per m² which has resulted in an increase in replacement costs for road assets.</p> <p>Formation fill has been estimated at 0.15 m³ per m² based on JLL professional judgement of the prevailing ground conditions across the islands and confirmed by Council's engineering staff. This is a change in the previously applied assumption of Formation fill has been estimated at 0.15 m³ per m² which has resulted in an increase in replacement costs for road assets.</p> <p>Segmentation = high level between intersections.</p> <p>Componentisation is applied as follows: Formation, pavement, seal and kerb and channel. Earthworks and pavements are apportioned on an 80%/20% split (Formation/ sub-grade, Pavement/ sub-base) in line with the direct costs and construction elements making up each component.</p> <p>Condition assessments and remaining useful lives are assigned to comparable mainland assets due to the impact of intense rainfall, high UV exposure, and tropical climatic conditions.</p> <p>Condition assessments and remaining useful life estimates are applied using a standardised consumption profile, each condition score equates to a defined percentage of useful life consumed, ensuring a consistent correlation between observed condition and depreciation applied.</p> <p>Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity.</p>	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$184,482,782
Stormwater drainage network	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	<p>Current Replacement cost</p> <ul style="list-style-type: none"> The extent of the stormwater network in each Division has been estimated using available asset data and visual inspection of above-ground structures. Unit rates have been developed from published cost guides (RavMinsons, Cordell), with adjustments applied for Torres Strait locality factors such as freight and logistics. Where no project evidence exists for an asset type, prior rates have been escalated by 5% in line with regional construction cost indices. <p>Accumulated depreciation</p> <p>Condition assessments and remaining useful life estimates are applied using a standardised consumption profile, each condition score equates to a defined percentage of useful life consumed, ensuring a consistent correlation between observed condition and depreciation applied.</p> <p>Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity.</p>	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$465,326

Torres Strait Island Regional Council

Notes to the financial statements
For the year ended 30 June 2025

11 Property, plant and equipment (continued)

(e) Valuation (continued)

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

Asset class and fair value hierarchy	Valuation approach	FV hierarchy	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Current year fair value assessment
Flood mitigation network	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	<p>Current Replacement cost</p> <ul style="list-style-type: none"> - Unit rates are developed from recent flood mitigation projects delivered in the Torres Strait. Where no project evidence exists for an asset type, prior rates have been rescaled by 5% in line with regional construction cost indices. - Rates are based on realistic project sizes that could feasibly be procured and delivered on the Islands, rather than large-scale mainland projects that benefit from economies of scale not available in the Torres Strait. This approach is supported by historical capital works analysis and validated by Council's engineering staff. - Allowances are included for the substantial costs of remote delivery, including freight and logistics, labour mobilisation, site establishment, and sourcing of materials and plant. <p>Accumulated depreciation</p> <ul style="list-style-type: none"> - Allowances are shorter than comparable mainland assets due to exposure to extreme coastal conditions, including storm surges, intense rainfall, high UV levels and saline environments. - Condition assessments and remaining useful life estimates are applied using a standardised consumption profile, each condition score equates to a defined percentage of useful life consumed, ensuring a consistent correlation between observed condition and depreciation applied. - Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity. 	<p>Comprehensive valuation performed as at 30 June 2025, resulted in increasing fair value of asset class by \$16,212,695</p>
Water	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	<p>Current Replacement cost</p> <ul style="list-style-type: none"> - Unit rates are developed from recent water infrastructure projects delivered in the Torres Strait. Where no direct project evidence exists for an asset type, prior unit rates have been rescaled by 5% using regional construction cost indices. - Rates are based on project sizes that could realistically be procured and delivered on the Islands, rather than large-scale mainland projects which benefit from economies of scale not achievable in the Torres Strait. This approach is supported by historical capital works analysis and validated by Council's engineering staff. - Allowances are included for the substantial costs of operating in the Torres Strait, including freight and logistics, labour mobilisation, site establishment, and sourcing of materials and plant. <p>Accumulated depreciation</p> <ul style="list-style-type: none"> - Condition assessments and remaining useful life estimates are applied using a standardised consumption profile, each condition score equates to a defined percentage of useful life consumed, ensuring a consistent correlation between observed condition and depreciation applied. - Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity. 	<p>Comprehensive valuation performed as at 30 June 2025, resulted in increasing fair value of asset class by \$45,582,317</p>

Torres Strait Island Regional Council
Notes to the financial statements
For the year ended 30 June 2025

11 Property, plant and equipment (continued)

(e) Valuation (continued)

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

Asset class and fair value hierarchy	Valuation approach	FV hierarchy	Last comprehensive valuation date	Value engaged	Key assumptions and estimates	Current year fair value assessment
Wastewater	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	<p>Current Replacement cost</p> <ul style="list-style-type: none"> - Unit rates are developed from recent water infrastructure projects delivered in the Torres Strait. Where no direct project evidence exists for an asset type, prior unit rates have been escalated by 5% using regional construction cost indices. - Rates are based on project sizes that could realistically be procured and delivered on the Islands, rather than large-scale mainland projects which benefit from economies of scale not achievable in the Torres Strait. This approach is supported by historical capital works analysis and validated by Council's engineering staff. - Allowances are included for the substantial costs of establishing, and sourcing of materials and plant. <p>Accumulated depreciation</p> <ul style="list-style-type: none"> - Condition assessments and remaining useful life estimates are applied using a standardised consumption profile, each condition score equates to a defined percentage of useful life consumed, ensuring a consistent correlation between observed condition and depreciation applied. - Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity. 	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$31,216,924
Marine infrastructure	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	<p>Current Replacement cost</p> <ul style="list-style-type: none"> - Unit rates are developed from recent marine infrastructure projects delivered in the Torres Strait. Where no direct project evidence exists for an asset type, prior unit rates have been escalated by 5% using regional construction cost indices. - Rates are based on project sizes that could realistically be procured and delivered on the Islands, rather than large-scale mainland projects which benefit from economies of scale not achievable in the Torres Strait. This approach is supported by historical capital works analysis and validated by Council's engineering staff. - Allowances are included for the substantial costs of establishing, and sourcing of materials and plant. <p>Accumulated depreciation</p> <ul style="list-style-type: none"> - Condition assessments and remaining useful life estimates are applied using a standardised consumption profile, each condition score equates to a defined percentage of useful life consumed, ensuring a consistent correlation between observed condition and depreciation applied. - Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity. 	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$21,073,536
Waste	Current replacement cost	Level 3	30/06/2025	Jones Lang Lasalle	<p>Current Replacement cost</p> <ul style="list-style-type: none"> - Unit rates have been developed based on recent landfill and bund projects and supplemented by fencing and bund replacement projects contracted in the Torres Strait in recent years. Where no project evidence exists for an asset type, prior rates have been escalated by 5% in line with regional construction cost indices. <p>Accumulated depreciation</p> <ul style="list-style-type: none"> - Depreciation is based on estimated useful lives by component, adjusted for asset condition and expected service capacity. 	Comprehensive valuation performed as at 30 June 2025 resulted in decreasing fair value of asset class by \$502,124
Land assets	Market approach	Level 2	30/06/2025	Jones Lang Lasalle	<p>Fair value is based on market approach, using comparable sales evidence from Thursday Island and Cairns market, adjusted for differences in key attributes such as size, topography and location.</p>	Comprehensive valuation performed as at 30 June 2025 resulted in increasing fair value of asset class by \$574,872

Torres Strait Island Regional Council

Notes to the financial statements For the year ended 30 June 2025

12 Intangible assets

	Note	2025	2024
		\$	\$
Software			
Opening gross carrying value		562,433	1,457,686
Additions		-	562,433
Disposals		-	(1,457,686)
		<u>562,433</u>	<u>562,433</u>
Accumulated amortisation			
Opening balance		-	1,457,686
Amortisation in the period		37,496	-
Amortisation on disposals		-	(1,457,686)
		<u>37,496</u>	<u>-</u>
Net carrying value		<u>524,938</u>	<u>562,433</u>

The software is amortised on a straight line basis over an estimated useful life of 15 years.

13 Contract balances

	Note	2025	2024
		\$	\$
Contract assets			
Contracts with customers		2,119,727	2,048,937
Contracts to construct Council owned assets		2,284,123	5,969,061
		<u>4,403,850</u>	<u>8,017,999</u>
Contract liabilities			
Funds received upfront to construct Council controlled assets		33,233,116	12,998,451
Non-capital performance obligations not yet satisfied		3,584,468	636,980
		<u>36,817,584</u>	<u>13,635,431</u>
Revenue recognised that was included in the contract liability balance at the beginning of the year:			
Funds to construct Council controlled assets		2,947,399	3,044,463
Non-capital performance obligations (including deposits received in advance)		568,217	3,326,947
		<u>3,515,616</u>	<u>6,371,410</u>

Funds received upfront to construct Council controlled assets in 2025 include funding to replace marine infrastructure, new social housing assets and repair and upgrades to road and airport assets.

Satisfaction of contract liabilities

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

Torres Strait Island Regional Council

Notes to the financial statements For the year ended 30 June 2025

14 Leases

Council as a lessee

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

The right-of-use asset is measured using the cost model and is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

Exceptions to lease accounting:

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

Terms and conditions of leases:

Buildings

Council leases one building used for offices. This lease period is three years with no options to renew at the lease expiration date 30 June 2025. Negotiations are underway for the current lease and 2 leases that expired during the year.

Right of use assets	Note	2025	2024
		\$	\$
Balance at 1 July		578,406	1,180,980
Additions to right of use assets		3,183,371	-
Adjustments to right-of-use assets due to re-measurement of lease liability		(7,553)	-
Amortisation charge		(1,029,245)	(602,574)
Closing balance		2,724,979	578,406
Lease liabilities			
Balance at 1 July		621,245	1,237,712
Additions to lease liabilities		1,974,843	-
Re-measurement of lease liability		(7,626)	-
Lease payments		(627,800)	(634,947)
Interest expense		77,343	18,481
Closing balance		2,038,005	621,245

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

2025	< 1 year	1-5 years	> 5 years	Total	Total per statement of financial position
	\$	\$	\$	\$	\$
Buildings	621,039	1,416,966	-	2,038,005	2,038,005
2024	< 1 year	1-5 years	> 5 years	Total	Total per statement of financial position
Buildings	\$	\$	\$	\$	\$
	627,800	-	-	627,800	621,246

Torres Strait Island Regional Council

Notes to the financial statements For the year ended 30 June 2025

14 Leases (continued)

Amounts included in the statement of comprehensive income related to leases

	Note	2025	2024
		\$	\$
Interest on lease liabilities		77,342	18,481
Amortisation of right of use assets		1,029,245	602,574
Expenses relating to short-term leases		56,272	27,375
		<u>1,162,860</u>	<u>648,430</u>
Total cash outflows for leases		684,072	662,322

Leases at significantly below market value - Concessionary/peppercorn leases

Council has a number of leases at significantly below market value for land.

The leases are on 99 year arrangements and require the payment of \$1 per annum. The use of the right of use asset is restricted by the lessors to specified community uses which Council must provide.

Council does not believe that any of the leases in place are individually material.

Council as a lessor

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

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

The total lease payment per dwelling in the current year was \$2,980 (2023/24: \$2,903). These lease payments are required to be adjusted each year by the change in the Consumer Price Index (All Groups). As the gross lease payments are insufficient to cover the fair value (current replacement cost) of the leased properties, there is no interest rate implicit in the leases and therefore no finance income will arise from the leases. Consequently, the leases are recognised at the present value of the expected future lease payments receivable (fair value). Gains or losses on revaluation of finance lease assets are recognised as other income annually.

The Queensland Government has the right to surrender any part of the lease at any time by giving Council three months' written notice. Per the lease agreement any improvements to the property transfer to Council when the lease terminates. No leases were surrendered between 1 July 2024 and 30 June 2025 (2023/24: nil).

Current

Lease receivable

513,785	500,482
<u>513,785</u>	<u>500,482</u>

Non-current

Lease receivable

10,967,562	11,220,749
<u>10,967,562</u>	<u>11,220,749</u>

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

14 Leases (continued)

	Note	2025	2024
		\$	\$
A reconciliation between the gross investment in the lease and the fair value of lease payments is as follows:			
Gross minimum lease payments receivable:			
Not later than one year		513,785	500,482
Later than one year but not later than five years		2,055,139	2,001,927
Later than five years		<u>13,157,812</u>	<u>13,317,272</u>
		15,726,736	15,819,680
Add: Estimated contingent rent		7,528,893	7,899,894
Less: Present value adjustment		<u>(11,774,281)</u>	<u>(11,998,342)</u>
Fair value of lease payments		<u>11,481,348</u>	<u>11,721,232</u>
The fair value of lease payments is receivable as follows:			
Not later than one year		513,785	500,482
Later than one year but not later than five years		1,943,224	1,901,465
Later than five years		<u>9,024,339</u>	<u>9,319,285</u>
		<u>11,481,348</u>	<u>11,721,232</u>
Movements in finance leases were as follows:			
Opening balance		11,721,231	11,768,095
Less: Lease receipts		(500,482)	(534,849)
Add/less: Gain/(loss) on revaluation	4(b)	<u>260,597</u>	<u>487,985</u>
Closing balance		<u>11,481,346</u>	<u>11,721,231</u>

The calculation of fair value has included an estimate of average annual CPI increases of 2.5% (2023-24: 2.5%) and a discount rate of 4.84% (2023/24: 4.64%).

15 Payables

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

	2025	2024
	\$	\$
Current		
Creditors		
Accrued wages and salaries	4,751,759	4,602,286
Refundable bonds	1,637,023	454,109
Accrued expenses	2,000	2,000
Retention	6,964,280	5,874,746
Revenue in advance	<u>-</u>	<u>436,552</u>
	<u>13,541,979</u>	<u>18,269</u>
	<u>13,541,979</u>	<u>11,387,962</u>

Torres Strait Island Regional Council

Notes to the financial statements For the year ended 30 June 2025

16 Provisions

Long service leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in 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 provision is discounted using the Commonwealth Bond yield rates.

Landfill restoration and rehabilitation

A provision is recognised for the estimated costs of rehabilitating assets and other future restoration activities where it is probable that Council will be liable or required to incur such costs upon the cessation of use of these facilities. This provision reflects the present value of anticipated future costs associated with the closure and aftercare management of landfill sites.

The calculation of this provision involves a number of key assumptions, including estimated site closure dates, potential regulatory changes, available technologies, and engineering cost estimates. Due to the long-term nature of the liability, actual future expenditures may differ from the amounts currently provided. The most significant uncertainty in estimating the provision relates to the costs that will ultimately be incurred.

Changes in assumptions made during this financial year has caused a significant movement in the provision. Previously, Council had anticipated that raw materials such as soil would be sourced locally from each division and rock from Badu Quarry. Unfortunately, neither of these assumptions is no longer viable due to changes in availability/quality of materials on divisions, and the quarry being no longer operational. As a result, these materials must now be sourced from Cairns, which has led to increased freight and transfer costs and impacted the overall provision.

Management currently estimates that the 15 landfill sites will reach closure between 2026 and 2036. The timing of restoration and rehabilitation works is dependent on the availability of external funding, and future funding constraints may affect when these activities can be carried out.

Council periodically engages external subject matter experts to provide independent advice on the anticipated design, associated costs, closure dates and aftercare management of the landfills. Between external assessments, the provision is reviewed and updated annually based on the best available information and prevailing circumstances. Council is currently undertaking an external review funded by the State for Erub and expects to receive the external advice during the 2026 financial year.

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

	Current		Non-Current	
	2025	2024	2025	2024
Current				
Annual leave	2,735,858	2,655,576	-	-
Long service leave	1,406,116	1,364,718	661,729	549,254
Provision for landfill restoration	2,606,370	-	24,157,622	7,845,422
Provision for make-good	-	-	1,208,528	-
	6,748,344	4,020,294	26,027,880	8,394,676

	2025	2024
	\$	\$
Landfill restoration		
Balance at beginning of financial year	7,845,425	7,687,102
Increase due to unwinding of discount	158,705	310,866
Change due to reassessment and recognition of additional provisions	17,940,829	-
Increase/(decrease) due to changes in inflation and discount rate	819,033	(152,542)
Balance at end of financial year	26,763,992	7,845,425

Torres Strait Island Regional Council

Notes to the financial statements **For the year ended 30 June 2025**

17 Commitments for expenditure

Contractual commitments

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

	2025	2024
	\$	\$
Consultancy	4,191,929	809,647
Other	1,457,597	623,971
Contractors	1,427,522	405,670
Recoverable work contractors	5,802,493	6,785,030
Freight	540,833	262,333
Contract employees	96,741	67,136
	<hr/> <u>13,517,115</u>	<hr/> <u>8,953,786</u>

Capital commitments

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

Capital assets	2025	2024
Buildings	9,145,091	4,560,847
Seawalls	838,190	912,205
Other	988,743	853,314
	<hr/> <u>10,972,025</u>	<hr/> <u>6,326,367</u>

18 Contingent liabilities and assets

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

Contingent liabilities

Local Government Mutual

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

As at 30 June 2025, the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there were insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$416,451.

Torres Strait Island Regional Council

Notes to the financial statements **For the year ended 30 June 2025**

18 Contingent liabilities and assets (continued)

Contingent liabilities (continued)

Native Title Compensation Liability

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

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

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

Land Holding Act Leases

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

The perpetual leases were not all granted in the 1980s with only 61 being granted by 2013. For the 61 leases originally granted, in some cases only the land was leased while the house on the land remained a Council social housing asset. Council and the State are working together to transfer ownership of remaining 22 social houses to the respective Land Holding Act leaseholders for \$1 each. When the ownership of any of these houses is transferred, the asset will be removed from Council's asset register and social housing register. The fair value as at 30 June 2025 relating to the potential divestment of these 22 social houses currently under 'land only' leases totals \$10,445,900 (2023/24: \$8,333,511). As at 30 June 2025, 1 house was divested and it is unclear whether the remaining 21 houses will be divested because a lease entitlement may be surrendered or partially surrendered with the result that the house remains a Council asset.

Council and the State are working together to grant all remaining valid lease entitlements either to the original applicant or to the applicant's beneficiaries. Where there is a valid lease entitlement, the lease can be granted without the consent of the native title party because the lease entitlement is a legal right that pre-existed the recognition of native title rights in Australia. This was confirmed by the Supreme Court of Queensland in February 2018. Between then and 30 June 2025, 195 LHA leases have been registered in Torres Strait communities and 16 lease entitlements have been surrendered, with 27 valid lease entitlements remaining to be resolved.

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

18 Contingent liabilities and assets (continued)

Contingent liabilities (continued)

Land Holding Act Leases (continued)

The purpose of the lease under the Land Holding Act was to provide home ownership. If each of the outstanding 27 lease entitlements becomes a registered lease, Council will divest the social housing asset (if applicable) to the perpetual leaseholder for \$1.00. The fair value as at 30 June 2025 for social housing assets relating to the outstanding 27 lease entitlements totals \$11,025,000 (2023/24: \$9,700,807). However, at this time, it is uncertain whether all of the outstanding 27 lease entitlements will be granted and all of the associated social housing assets divested (a lease entitlement may be surrendered or partially surrendered with the result that the house remains a Council asset). On registration of any of the leases, the asset will be removed from Council's asset register and social housing register.

Contingent assets

Fees and charges revenue

Council initiated legal proceedings against a supplier in a prior period. At 30 June 2025 the matter was ongoing. Refer to Note 21 Events after the reporting period

19 Superannuation

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

	Note	2025	2024
		\$	\$
Superannuation contributions made to Brighter Super Regional Defined Benefits Fund		2,250,783	2,199,655
Other superannuation contributions for employees		594,865	451,022
Total superannuation contributions paid by Council for employees:	6	<u>2,845,648</u>	<u>2,650,677</u>

Torres Strait Island Regional Council

Notes to the financial statements For the year ended 30 June 2025

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

	2025	2024
	\$	\$
Net result	<u>(46,257,677)</u>	<u>(46,238,643)</u>
Non-cash items:		
Depreciation and amortisation	65,273,878	60,921,003
Asset contributions in capital income	(1,477,917)	-
(Gain)/Loss on revaluation of finance lease	<u>(260,597)</u>	<u>(487,985)</u>
	<u>63,535,364</u>	<u>60,433,018</u>
Investing and development activities:		
Loss on disposal of non-current assets	6,036,021	4,368,329
Capital grants and contributions	<u>(32,508,578)</u>	<u>(29,215,320)</u>
	<u>(26,472,557)</u>	<u>(24,846,991)</u>
Financing activities:		
Interest expense on finance leases	<u>74,065</u>	<u>15,535</u>
	<u>74,065</u>	<u>15,535</u>
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(1,103,180)	(2,802,954)
(Increase)/decrease in inventory	21,151	(3,365)
(Increase)/decrease in contract assets	163,400	(1,485,200)
Increase/(decrease) in payables	263,272	3,915,562
Increase/(decrease) in other provisions	19,152,651	487,282
Increase/(decrease) in contract liabilities	<u>2,947,489</u>	<u>(3,485,826)</u>
	<u>21,444,782</u>	<u>(3,374,502)</u>
Net cash inflow/(outflow) from operating activities	<u>12,323,977</u>	<u>(14,011,584)</u>

Torres Strait Island Regional Council

Notes to the financial statements **For the year ended 30 June 2025**

21 Events after the reporting period

On 31 October 2025, Council reached a settlement in relation to ongoing litigation. The settlement was finalised after the reporting period ended on 30 June 2025.

Due to confidentiality obligations, Council is unable to disclose the specific terms of the settlement. However, management confirms that the settlement does not provide evidence of conditions that existed at the reporting date and therefore no adjustments have been made to the financial statements for the year ended 30 June 2025.

22 Financial instruments and financial risk management

Financial risk management

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies. Council's management approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

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

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

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

Credit risk

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

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

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

No collateral is held as security relating to the financial assets held by Torres Strait Island Regional Council.

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



Torres Strait Island Regional Council

Notes to the financial statements **For the year ended 30 June 2025**

22 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.

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 9.

Market risk

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

Interest rate risk

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

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

Fair value

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

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

23 Transactions with related parties

(a) Transactions with key management personnel (KMP)

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly.

KMPs include the Mayor, Councillors, Council's Chief Executive Officer and the Executive Management team.

The compensation paid to KMPs comprises:

	2025	2024
	\$	\$
Short-term employee benefits	2,754,399	2,455,162
Post-employment benefits	139,986	114,100
Long-term employee benefits	70,721	9,278
	<hr/> <u>2,965,106</u>	<hr/> <u>2,578,540</u>

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

During the year an Executive Director was engaged through a Queensland government-owned corporation on a two year contract. The total value paid for services was \$303,369 (2023/24: \$269,082).

(b) Transactions with other related parties

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

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

Details of transactions

Employee expenses for close family members of KMPs	(i)	270,690	177,739
Purchase of materials and services from entities controlled by KMPs	(ii)	4,844	8,100
Grants and donations for entities controlled by KMPs	(iii)	19,299	17,345

(i) All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with Council's Certified Agreement for the job they perform. Council employs 373 staff (325 full time equivalent staff) of which 2 (2023/24: 3) are close family members of key management personnel.

Torres Strait Island Regional Council

Notes to the financial statements **For the year ended 30 June 2025**

23 Transactions with related parties (continued)

(b) Transactions with other related parties (continued)

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

Accommodation	-	8,100
Consumables	3,783	-
Car Hire	1,061	-
	<u>4,844</u>	<u>8,100</u>

(iii) Grants and donations totalling \$19,299 (2023/24: \$17,345) were made during the reporting period to related parties of KMPs as community members under Council's Grants and Donations Procedure.

(iv) The fees and charges charged to entities controlled by KMPs was nil (2023/24: nil).

(c) Commitments to/from related parties

Council does not have any commitments for the provision of goods and services for related party entities.

(d) Loans and guarantees to/from related parties

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

(e) Outstanding balances

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

Receivables	Current	Over 30 Days	Over 60 Days	Over 90 Days	Total
	\$	\$	\$	\$	\$
2025					
Rates and charges	292	-	-	5,981	6,274
Social housing	43	68	156	100,379	100,645
Other fees and charges	352	-	-	4,739	5,091
Total	687	68	156	111,099	112,010
2024					
Rates and charges	1,611	-	-	4,855	6,466
Social housing	1,091	830	590	105,647	108,158
Other fees and charges	1,128	557	-	4,884	6,569
Total	3,829	1,387	590	115,386	121,193

\$102,505 has been recognised in the current year (2023/24: \$58,905) for the allowance for bad or doubtful debts owed by related parties.

Torres Strait Island Regional Council

Notes to the financial statements

For the year ended 30 June 2025

23 Transactions with related parties (continued)

(e) Outstanding balances (continued)

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

2025		Relationship	Related Party	Nature of transactions	Over 90 Days
KMP					\$
Bob Kaigey	Councillor	Bob Kaigey		Social housing	16,926
Torenzo Elisala	Father	Tenny Elisala		Social housing	30,415
Rocky Stephen	Director	Kos & Abob Fisheries (TSI)		Rates and charges	4,180
Rocky Stephen	Councillor	Rocky Stephen		Social housing	1,278
Aggie Hankin	Councillor	Aggie Hankin		Social housing	39,808
Dimas Toby	Councillor	Dimas Toby		Social housing	1,063
Chelsea Aniba	Councillor	Chelsea Aniba		Social housing	9,453
Seriako Dorante	Councillor	Seriako Dorante		Rates and charges	1,420
Kabay Tamu	Councillor	Kabay Tamu		Vehicle Deduction	3,550
Amounts less than \$1,000					3,006
					<u>111,099</u>

2024		Relationship	Related Party	Nature of transactions	Over 90 Days
KMP					\$
Bob Kaigey	Councillor	Bob Kaigey		Social housing	15,343
Torenzo Elisala	Father	Tenny Elisala		Social housing	34,687
Ted Mosby	Councillor	Ted Mosby		Social Housing	1,218
Rocky Stephen	Director	Kos & Abob Fisheries (TSI)		Rates and charges	4,180
Nixon Mye	Councillor	Nixon Mye		Social Housing	1,396
Rocky Stephen	Councillor	Rocky Stephen		Social housing	1,358
Aggie Hankin	Councillor	Aggie Hankin		Social housing	39,958
Dimas Toby	Councillor	Dimas Toby		Social housing	1,063
Chelsea Aniba	Councillor	Chelsea Aniba		Social housing	9,168
Kabay Tamu	Councillor	Kabay Tamu		Vehicle Deduction	4,250
Amounts less than \$1,000					2,765
					<u>115,386</u>

Torres Strait Island Regional Council

Notes to the financial statements For the year ended 30 June 2025

23 Transactions with related parties (continued)

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

Statute barred debt, is debt older than 6 years of age and pursuant to the *Limitation of Actions Act 1974* (Qld) and cannot be legally enforced in a Court of competent jurisdiction. No debts have been written off for the last two financial years.

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

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

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

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

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

Most of the entities and people that are related parties of council live and operate within the Torres Strait Island Region. Therefore, on a regular basis ordinary citizen transactions occur between council and its related parties. Some examples include:

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

**Torres Strait Island Regional Council
Financial statements
For the year ended 30 June 2025**

**Management Certificate
For the year ended 30 June 2025**

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

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

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 40 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
Phillemos Mosby**

Date: 28 /11 /2025



**Chief Executive Officer
James William**

Date: 28 /11 /2025

INDEPENDENT AUDITOR'S REPORT

To the councillors of Torres Strait Island Regional Council

Report on the audit of the financial report

Opinion

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

The financial report comprises the statement of financial position as at 30 June 2025, 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 my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2025, and of its financial performance for the year then ended; and
- b) 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 councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

At the date of this auditor's report, the available other information in Torres Strait Island Regional Council's annual report for the year ended 30 June 2025 was the current year financial sustainability statement - audited ratios, current year financial sustainability statement (contextual ratios) - unaudited and the 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 councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2025:

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



Prescribed requirements scope

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

A handwritten signature in black ink, appearing to read 'William Cunningham'.

1 December 2025

William Cunningham
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Torres Strait Island Regional Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2025

Measures of Financial Sustainability

Type	Measure	Target (Tier 8)	Actual Current Year	5-Year Average	Council Narrative
Audited ratios					
Liquidity	Unrestricted Cash Expenses Cover Ratio	Greater than 4 months	3		During the 2024/25 financial year, Council received its full allocation of the 2024/25 Financial Assistance Grant, along with an advance payment of 50% of the 2025/26 allocation. This early receipt has positively impacted Council's liquidity position. The Department of Local Government, Water and Volunteers has confirmed that the increased allocation under the Indigenous Councils Funding Program (ICFP) will continue for an additional year, further supporting Council's financial stability. Council remains committed to advocating for the continuation of this increased funding allocation in the State Budget beyond 2025/26. In parallel, Council is actively pursuing strategies to strengthen its cash operating performance and financial position through the work of their internal Sustainability and Organisational Improvement Committee (SOIC).
Operating Performance	Operating Surplus Ratio	N/A	-59%	-87%	Council relies predominantly on grant funding to meet both its operational and capital requirements, with limited capacity to generate own-source revenue. This reliance is reflected in the outcome of this ratio.
Asset Management	Asset Sustainability Ratio	Greater than 0%	9%	-5%	During the 2024/25 financial year, Council received its full allocation of the 2024/25 Financial Assistance Grant, along with an advance payment of 50% of the 2025/26 allocation. This early receipt has positively impacted Council's operating cash ratio. The Department of Local Government, Water and Volunteers has confirmed that the increased allocation under the Indigenous Councils Funding Program (ICFP) will continue for an additional year, further supporting Council's financial stability. Council remains committed to advocating for the continuation of this increased funding allocation in the State Budget beyond 2025/26. In parallel, Council is actively pursuing strategies to strengthen its cash operating performance and financial position through the work of their internal Sustainability and Organisational Improvement Committee (SOIC).
Debt Servicing Capacity	Leverage Ratio	0 - 3 times	-	-	Council relies on grant funding to support the renewal of its assets. In December 2024, it adopted a five-year Strategic Investment Plan (SIP), which identifies funding requirements for the renewal of extreme and high-risk assets over the next five years. QTC loan fully repaid in 2021/22.

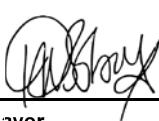
The current year financial sustainability statement is prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2024*. The amounts used to calculate the six reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2025.

Torres Strait Island Regional Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2025

Certificate of Accuracy
For the year ended 30 June 2025

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

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



Mayor
Phillemon Mosby
Date: 28 / 11 / 2025



Chief Executive Officer
James William
Date: 28 / 11 / 2025

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Torres Strait Island Regional Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Torres Strait Island Regional Council for the year ended 30 June 2025, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Torres Strait Island Regional Council for the year ended 30 June 2025 has been accurately calculated.

Basis of opinion

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

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants (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 councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2025, but does not include the financial sustainability statement and our auditor's report thereon.

At the date of this auditor's report, the available other information in Torres Strait Island Regional Council's annual report for the year ended 30 June 2025 was the general-purpose financial statements, current year financial sustainability statement – audited ratios, current-year financial sustainability statement (contextual ratios) - unaudited, and the unaudited long-term financial sustainability statement.



● **Queensland**
● ● **Audit Office**

Better public services

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 councillors for the current year financial sustainability statement

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

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

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

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

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

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



● **Queensland**
● ● **Audit Office**

Better public services

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.



William Cunningham
as delegate of the Auditor-General

1 December 2025

Queensland Audit Office
Brisbane

Torres Strait Island Regional Council
Unaudited Current-year Financial Sustainability Statement - Contextual Ratios
For the year ended 30 June 2025

Measures of Financial Sustainability

Type	Measure	Target (Tier 8)	Actual Current Year	5-Year Average	Council Narrative
Contextual Ratios (unaudited)					
Financial Capacity	Council Controlled Revenue Ratio	N/A	8%	10%	Council is heavily reliant on grant funding to support both its operational and capital activities, with limited capacity to generate own-source revenue. This financial structure is evident in the result of this ratio
	Population Growth Ratio	N/A	0%	0%	N/A

The current year financial sustainability statement - Contextual Ratios are 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 measurements are prepared on an accrual basis and drawn from the Council's audited general purpose financial statements for the year ended 30 June 2025.

Torres Strait Island Regional Council
Unaudited Current-year Financial Sustainability Statement - Contextual Ratios
For the year ended 30 June 2025

Certificate of Accuracy
For the year ended 30 June 2025

This current-year financial sustainability statement - contextual ratios, 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 - contextual ratios, has been accurately calculated.



Mayor
Phillemon Mosby

Date: 28 / 11 / 2025



Chief Executive Officer
James William

Date: 28 / 11 / 2025

Torres Strait Island Regional Council
Unaudited Long-Term Financial Sustainability Statement
 Prepared as at 30 June 2025

Measures of Financial Sustainability

Type	Measure	Target (Tier 6)	Actuals as at 30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033	30 June 2034	30 June 2035
Financial Capacity	Council-Controlled Revenue	N/A	8.33%	10.21%	11.07%	11.17%	11.25%	11.31%	11.38%	11.45%	11.51%	11.58%	11.65%
	Population Growth	N/A	0.00%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%	-0.04%
Operating Performance	Operating Surplus Ratio	N/A	-59.08%	-88.95%	-96.75%	-91.40%	-86.11%	-78.32%	-73.24%	-68.47%	-66.39%	-57.91%	-55.92%
	Operating Cash Ratio	Greater than 0%	9.37%	-3.33%	-9.03%	-9.26%	-9.49%	-9.39%	-9.73%	-10.28%	-10.85%	-11.07%	-11.64%
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%	39.51%	36.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Asset Consumption Ratio	Greater than 60%	46.73%	47.00%	45.05%	41.73%	38.66%	35.87%	33.52%	31.21%	29.10%	27.24%
Debt Servicing Capacity	Leverage Ratio	0 to 3 times											Not required - Council does not currently have any external debt

Council's Financial Management Strategy

Council monitors revenue and expenditure trends over time to inform future planning and guide the efficient allocation of resources, ensuring the effective delivery of services. It is committed to maintaining a prudent financial management strategy, with a long-term financial forecast that demonstrates a sound financial position while meeting the current and future needs of the community.

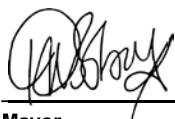
The above ratios have been calculated using Council's most recently adopted original budget. Council determines its asset sustainability ratio on confirmed renewal program funding. Council's forecasting ability has a dependency on donor program lifecycles.

Torres Strait Island Regional Council
Unaudited Long-Term Financial Sustainability Statement
Prepared as at 30 June 2025

Certificate of Accuracy
For the long-term financial sustainability statement prepared as at 30 June 2025

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

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



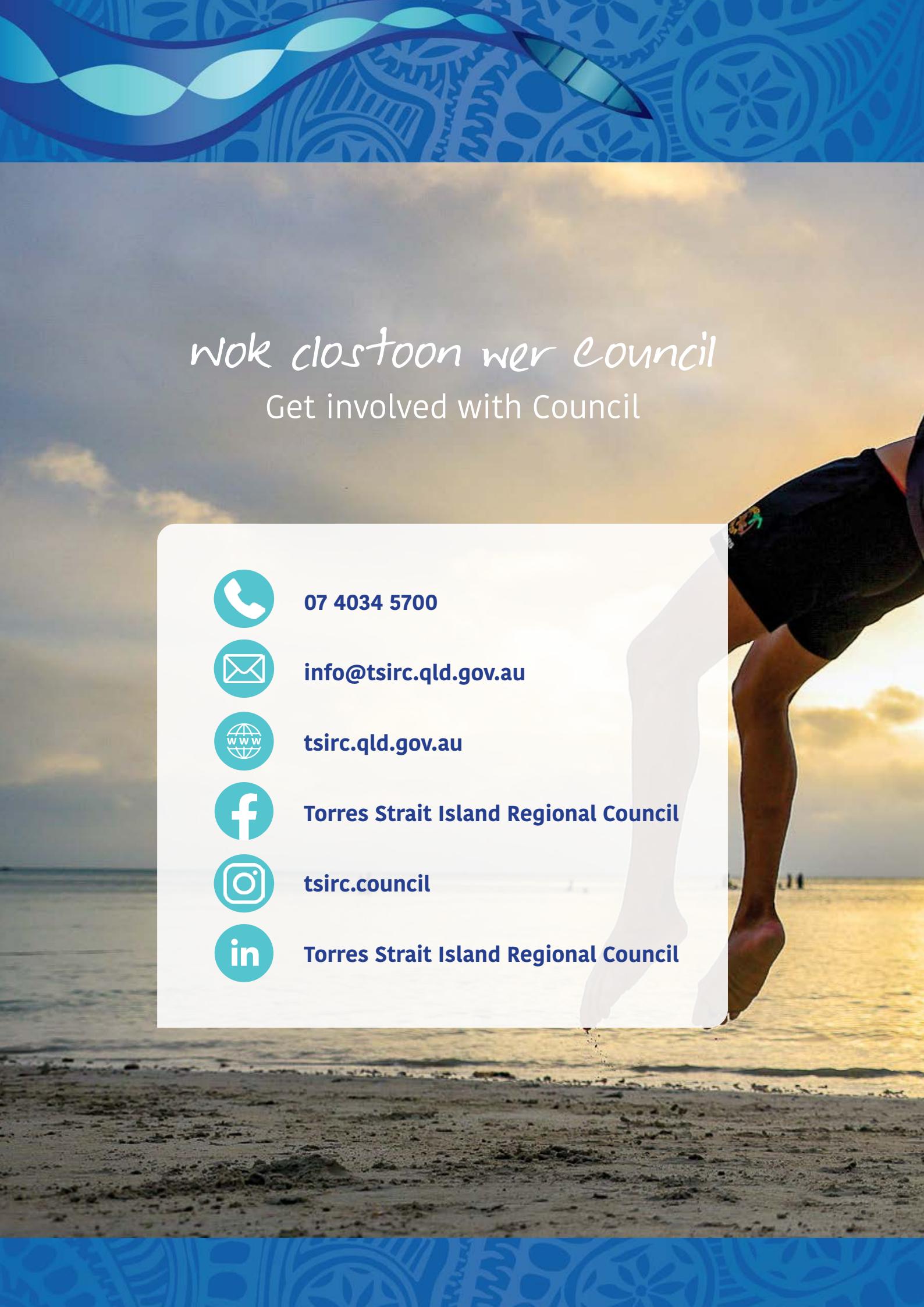
Mayor
Phillemon Mosby

Date: 28 / 11 / 2025



Chief Executive Officer
James William

Date: 28 / 11 / 2025

A photograph of a person's legs in dark swim trunks walking on a sandy beach. The sky is a warm, golden sunset. The top of the image features a blue decorative border with traditional Polynesian or Torres Strait Islander patterns.

wok clostoon wer council

Get involved with Council



07 4034 5700



info@tsirc.qld.gov.au



tsirc.qld.gov.au



Torres Strait Island Regional Council



tsirc.council



Torres Strait Island Regional Council





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