



# Tiwi Islands Regional Council

## First Revised Budget

### Financial Year 2025-26

# Tiwi Islands Regional council

## Revised Annual Budget for Year ending 30 June 2026



Table 1 Annual Budget Income and Expenditure

Revised Annual Budget Income and Expenditure	YTD Actual Oct 25	Original Budget FY 25-26	Revised Budget_FY 25-26	Variance	%	Note
	A	B	C	D = ( B-C)	E=(D/C)	
<b>OPERATING INCOME</b>						
Rates	3,202,314	3,137,312	3,202,314	65,002	2%	R.1
Charges	793,923	769,184	794,972	25,788	3%	
Fees and Charges	524,103	1,353,972	1,357,258	3,286	0%	R.2
Operating Grants and Subsidies	2,110,912	10,036,718	10,691,111	654,393	6%	R.3
Interest / Investment Income	36,976	140,000	120,000	(20,000)	(17%)	R.4
Commercial and Other Income	358,110	960,288	1,021,339	61,051	6%	R.5
<b>TOTAL OPERATING INCOME</b>	<b>7,026,337</b>	<b>16,397,474</b>	<b>17,186,994</b>	<b>789,520</b>	<b>5%</b>	<b>Z</b>
<b>OPERATING EXPENDITURE</b>						
Employee Expenses	1,958,753	7,561,836	7,459,853	(101,983)	1%	E.1
Materials and Contracts	779,017	4,506,181	5,186,626	680,445	(13%)	E.2
Elected Member Allowances	125,670	422,998	422,998	0		
Elected Member Expenses	6,640	133,000	121,000	(12,000)		
Council Committee & LA Allowances	23,414	42,000	43,600	1,600		
Council Committee & LA Expenses	2,018	17,600	8,000	(9,600)	3%	E.3
Depreciation, Amortisation and Impairment	627,195	2,221,505	2,221,505	0	0%	
Depreciation on Assets Revaluation	0	0	3,000,000	3,000,000	NA	
Interest Expenses	0	111,090	0	(111,090)	NA	
Other Expenses	536,295	2,151,300	2,154,615	3,315	(0%)	
<b>TOTAL OPERATING EXPENDITURE</b>	<b>4,059,002</b>	<b>17,167,510</b>	<b>20,618,197</b>	<b>3,450,687</b>	<b>(17%)</b>	<b>C</b>
<b>BUDGETED OPERATING SURPLUS / (DEFICIT)</b>	<b>2,967,336</b>	<b>(770,036)</b>	<b>(3,431,203)</b>	<b>(2,661,167)</b>		

Estimated Capital & Non Cash Adjustments :

Revised Annual Budget Income and Expenditure_Continued	YTD Actual Oct 25	Original Budget FY 25-26	Revised Budget_ FY 25-26	Variance	%	Note
	A	B	C	D = ( B-C)	E=(D/C)	
<b>BUDGETED OPERATING SURPLUS / (DEFICIT)</b>	<b>2,967,336</b>	<b>(770,036)</b>	<b>(3,431,203)</b>	<b>(2,661,167)</b>		<b>CC.1</b>
<b>Remove NON-CASH ITEMS</b>						
Less Non-Cash Income						
Add Back Non-Cash Expenses	627,195	2,221,505	5,221,505	3,000,000		CC.2
<b>TOTAL NON-CASH ITEMS</b>	<b>627,195</b>	<b>2,221,505</b>	<b>5,221,505</b>	<b>338,833</b>		
<b>Less ADDITIONAL OUTFLOWS</b>						
Capital Expenditure	445,006	1,436,428	1,619,231	182,803		
Borrowing Repayments (Principal Only)	-	10,000	10,000	0		
Transfer to Reserves						
Other Outflows						
<b>TOTAL ADDITIONAL OUTFLOWS</b>	<b>(445,006)</b>	<b>(1,446,428)</b>	<b>(1,629,231)</b>	<b>(182,803)</b>		<b>CC.3</b>
<b>Add ADDITIONAL INFLOWS</b>						
Capital Grants Income	-	-	-	0		
Prior Year Carry Forward Tied Funding						
Other Inflow of Funds		0				
Transfers from Reserves		0				
<b>TOTAL ADDITIONAL INFLOWS</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>		
<b>NET BUDGETED OPERATING POSITION</b>	<b>3,149,525</b>	<b>5,041</b>	<b>161,071</b>	<b>156,030</b>		<b>RB</b>

**Notes on Revenue Variances :- Comparing Revised Budget Against Original Budget\_FY2025-26.**

Note	Revenue Area		Line Item	Totals	Remarks
	<b>Favourable Variance</b>				
R1	Rates	65,002			
	Charges	25,788			
	<b>Net Increase</b>			90,790	Increase income of 91K represents the correction in rates & Interest component on Outstanding Rates Arrears till June 2025.
R2	Fees and Charges			3,286	Net increase in Fees and Charges with revised estimates FY25-26
R3	Operating Grants and Subsidies			654,393	Increase in Revenue primarily forecasting in Tied Funding approx ~ \$ 650K - Sport & Rec. Program
R4	Commercial and Other Income			61,051	Increase in commercial Income reflecting Insurance Claims - Unbudgeted non operational Income .
<b>X</b>	<b>Total Favourable Variance</b>	<b>X =[R1+R2+R3]</b>		<b>809,520</b>	
	<b>Unfavourable Variance</b>				
R4	Interest / Investment Income		20,000		Forecasted numbers aligned to reflect external money market environment of Lower Interest rate regime.
<b>Y</b>	<b>Total Unfavourable Variance</b>	<b>Y = [ R4+R5 ]</b>		<b>20,000</b>	
<b>Z</b>	<b>Net Variance On Total Revenue</b>	<b>Z =[ X - Y ]</b>		<b>789,520</b>	<b>Status :- Net Favourable Revenue Variance</b>

**Notes on Expense Variances : - Comparing Revised Budget Against Original Budget\_FY2025-26.**

Note	Expense Area	Line Item	Totals	Remarks
	<b>Favourable Variance</b>			
E1	Employee Expenses	101,983		Employee expenses are aligned with updated projections.
E2	Total Council & LA Committee Expenses	20,000		Governance expenses are aligned with updated projections.
E3	Interest Expenses	111,090		Interest apportioned on OTL Leases Rentals payment to is consolidated in Material & Contracts.
<b>A</b>	<b>Total Favourable Variance</b>	<b>A =[E1]</b>	<b>233,073</b>	
	<b>Unfavourable Variance</b>			
E4	Materials and Contracts	680,445		Increase in Expenditure majorly due Tied Funding program expenditure in revised budget estimates.
E5	Total Other Expenses	3,315		Minor updates to reflecting the intrahead changes in the revised Budget FY 2025-26
E6	Depreciation	3,000,000		As recommended better practice Depreciation on Asset Revaluation - incorporated in budget .
<b>B</b>	<b>Total Unfavourable Variance</b>	<b>B =[E2+E3+E4]</b>	<b>3,683,760</b>	
<b>C</b>	<b>Variance On Total Expenses</b>	<b>C =[ B - A ]</b>	<b>3,450,687</b>	<b>Statuts :- Net Unfavourable Expense Variance</b>

**Notes on Cash & Capex Variances :- Comparing Revised Budget Against Original Budget\_FY2025-26.**

Note	Revenue Area		Line Item	Totals	Remarks
	Net Favourable Revenue Variance	Z	789,520		Refer :- Variance Commentary-Revenue ( Favourable)
	Net Unfavourable Expense Variance	C	(3,450,687)		Refer :- Variance Commentary-Expenditure ( Un Favourable)
CC.1	<b>Net Variance of Income &amp; Expenditure</b>	<b>( i ) = [ Z+C ]</b>	<b>(2,661,167)</b>	<b>(2,661,167)</b>	<b>Net Un Favourable Variance</b>
CC.2	Depreciation Movement	Favourable	3,000,000		Add Back Depreciation Variance
CC.3	Capital Expenditure	Unfavourable	(182,803)		Less :- Variance on Capital Expenditure during the year.
	<b>Net Variance of Depreciation &amp; Capax Movement</b>	<b>(ii)</b>	<b>2,817,197</b>	<b>2,817,197</b>	<b>Net Favourable Variance</b>
	<b>Net Favourable Variance</b>	<b>(iii) = [ (i) + (ii) ]</b>	<b>156,030</b>	<b>156,030</b>	<b>Comparing Revised Budget with Original Budget_TIRC FY 25-26.</b>
	Alternative Reconciliation of Reported Surplus				
	Reported Surplus as per Original Budget_FY24-25	OB	5,041		
+	Net Favourable Variance	VR	156,030		
RB	<b>Total</b>	<b>RB =[ OB + VR ]</b>	<b>161,071</b>	<b>161,071</b>	<b>Surplus as per Revised Budget_FY25-26</b>

Tiwi Islands Regional council

Table 6.1 Revised Annual Budget Local Authority Area wise\_for Year ending 30 June 2026



LOCAL AUTHORITY REVISED BUDGETS FOR THE YEAR ENDING 30 JUNE 2026	Regional		Wurumiyanga		Pirlangimpi		Milikapiti		Total Annual Budget	
	Original	Revised	Original	Revised	Original	Revised	Original	Revised	Original	Revised
<b>OPERATING INCOME</b>										
Rates	-	59,627	2,457,826	2,068,900	105,144	497,489	574,342	576,298	3,137,312	3,202,314
Charges	-	24,800	563,404	470,102	49,855	143,157	155,925	156,913	769,184	794,972
Fees and Charges	80,000	80,085	709,225	678,963	302,395	292,935	262,352	305,275	1,353,972	1,357,258
Operating Grants and Subsidies	8,010,465	8,492,942	1,020,353	1,158,055	120,600	63,000	885,300	977,114	10,036,718	10,691,111
Interest / Investment Income	140,000	120,000	-	-	-	-	-	-	140,000	120,000
Commercial and Other Income	10,000	73,267	122,120	124,642	230,720	229,234	597,448	594,196	960,288	1,021,339
<b>TOTAL OPERATING INCOME</b>	<b>8,240,465</b>	<b>8,850,720</b>	<b>4,872,928</b>	<b>4,500,662</b>	<b>808,714</b>	<b>1,225,815</b>	<b>2,475,367</b>	<b>2,609,797</b>	<b>16,397,474</b>	<b>17,186,994</b>
<b>OPERATING EXPENDITURE</b>										
Employee Expenses	3,082,900	2,897,629	2,403,837	2,463,161	1,129,286	1,026,971	945,813	1,072,093	7,561,836	7,459,853
Materials and Contracts	1,932,220	2,116,750	1,440,249	1,660,731	391,705	468,658	742,007	940,487	4,506,181	5,186,626
Elected Member Allowances	66,758	66,758	105,000	105,000	50,000	50,000	201,240	201,240	422,998	422,998
Elected Member Expenses	130,000	118,000	1,000	1,000	1,000	1,000	1,000	1,000	133,000	121,000
Council Committee & LA Allowances	9,000	10,600	12,600	12,600	9,000	9,000	11,400	11,400	42,000	43,600
Council Committee & LA Expenses	9,600	-	4,000	4,000	2,000	2,000	2,000	2,000	17,600	8,000
Depreciation, Amortisation and Impairment	2,221,505	2,221,505	-	-	-	-	-	-	2,221,505	2,221,505
Depreciation on Assets Revaluation		3,000,000		-	-	-	-	-	-	3,000,000
Interest Expenses	111,090		-	-	-	-	-	-	111,090	-
Other Expenses	1,425,831	1,761,469	321,350	241,429	80,100	25,200	324,019	126,517	2,151,300	2,154,615
<b>TOTAL OPERATING EXPENDITURE</b>	<b>8,988,904</b>	<b>12,192,711</b>	<b>4,288,035</b>	<b>4,487,921</b>	<b>1,663,091</b>	<b>1,582,829</b>	<b>2,227,479</b>	<b>2,354,737</b>	<b>17,167,510</b>	<b>20,618,197</b>
<b>BUDGETED OPERATING SURPLUS / DEFICIT</b>	<b>(748,439)</b>	<b>(3,341,991)</b>	<b>584,893</b>	<b>12,742</b>	<b>(854,377)</b>	<b>(357,014)</b>	<b>247,888</b>	<b>255,060</b>	<b>(770,036)</b>	<b>(3,431,203)</b>

LOCAL AUTHORITY REVISED BUDGETS FOR THE YEAR ENDING 30 JUNE 2026	Regional		Wurrumiyanga		Pirlangimpi		Milikapiti		Total Annual Budget		
	Continued ..	Original	Revised	Original	Revised	Original	Revised	Original	Revised	Original	Revised
<b>BUDGETED OPERATING SURPLUS / DEFICIT</b>		(748,439)	(3,341,991)	584,893	12,742	(854,377)	(357,014)	247,888	255,060	(770,036)	(3,431,203)
<i>Remove NON-CASH ITEMS</i>											
Less Non-Cash Income											
Add Back Non-Cash Expenses		2,221,505	5,221,505	-	-	-	-	-	-	2,221,505	5,221,505
<b>TOTAL NON-CASH ITEMS</b>		<b>2,221,505</b>	<b>5,221,505</b>	-	-	-	-	-	-	<b>2,221,505</b>	<b>5,221,505</b>
<i>Less ADDITIONAL OUTFLOWS</i>											
Capital Expenditure		1,436,428	1,619,231	-	-	-	-	-	-	1,436,428	1,619,231
Borrowing Repayments (Principal Only)		10,000	10,000	-	-	-	-	-	-	10,000	10,000
Transfer to Reserves											
Other Outflows											
<b>TOTAL ADDITIONAL OUTFLOWS</b>		<b>(1,446,428)</b>	<b>(1,629,231)</b>	0	0	0	0	0	0	<b>(1,446,428)</b>	<b>(1,629,231)</b>
<i>Add ADDITIONAL INFLOWS</i>											
Capital Grants Income		-								-	-
Prior Year Carry Forward Tied Funding											
Other Inflow of Funds											
Transfers from Reserves											
<b>TOTAL ADDITIONAL INFLOWS</b>		<b>-</b>	<b>-</b>							<b>-</b>	<b>-</b>
<b>NET BUDGETED OPERATING POSITION</b>		<b>26,638</b>	<b>250,283</b>	<b>584,893</b>	<b>12,742</b>	<b>(854,377)</b>	<b>(357,014)</b>	<b>247,888</b>	<b>255,060</b>	<b>5,041</b>	<b>161,071</b>

## Capital Expenditure and Funding

Table 2.1 By class of infrastructure, property, plant and equipment



CAPITAL EXPENDITURE **	YTD Actual Oct 25	Original Budget FY 25-26	Revised Budget FY 25-26
	A	B	C
Infrastructure	445,006	1,196,428	1,379,231
Plant and Equipment	-	-	-
Motor Vehicle	-	240,000	240,000
<b>TOTAL CAPITAL EXPENDITURE*</b>	<b>445,006</b>	<b>1,436,428</b>	<b>1,619,231</b>
<b>TOTAL CAPITAL EXPENDITURE FUNDED BY: **</b>			
Tied Funding	445,006	1,196,428	1,379,231
Untied Funding	-	240,000	240,000
<b>TOTAL CAPITAL EXPENDITURE FUNDING</b>	<b>445,006</b>	<b>1,436,428</b>	<b>1,619,231</b>

**Table 3.1 Budget by Planned Major Capital Works**

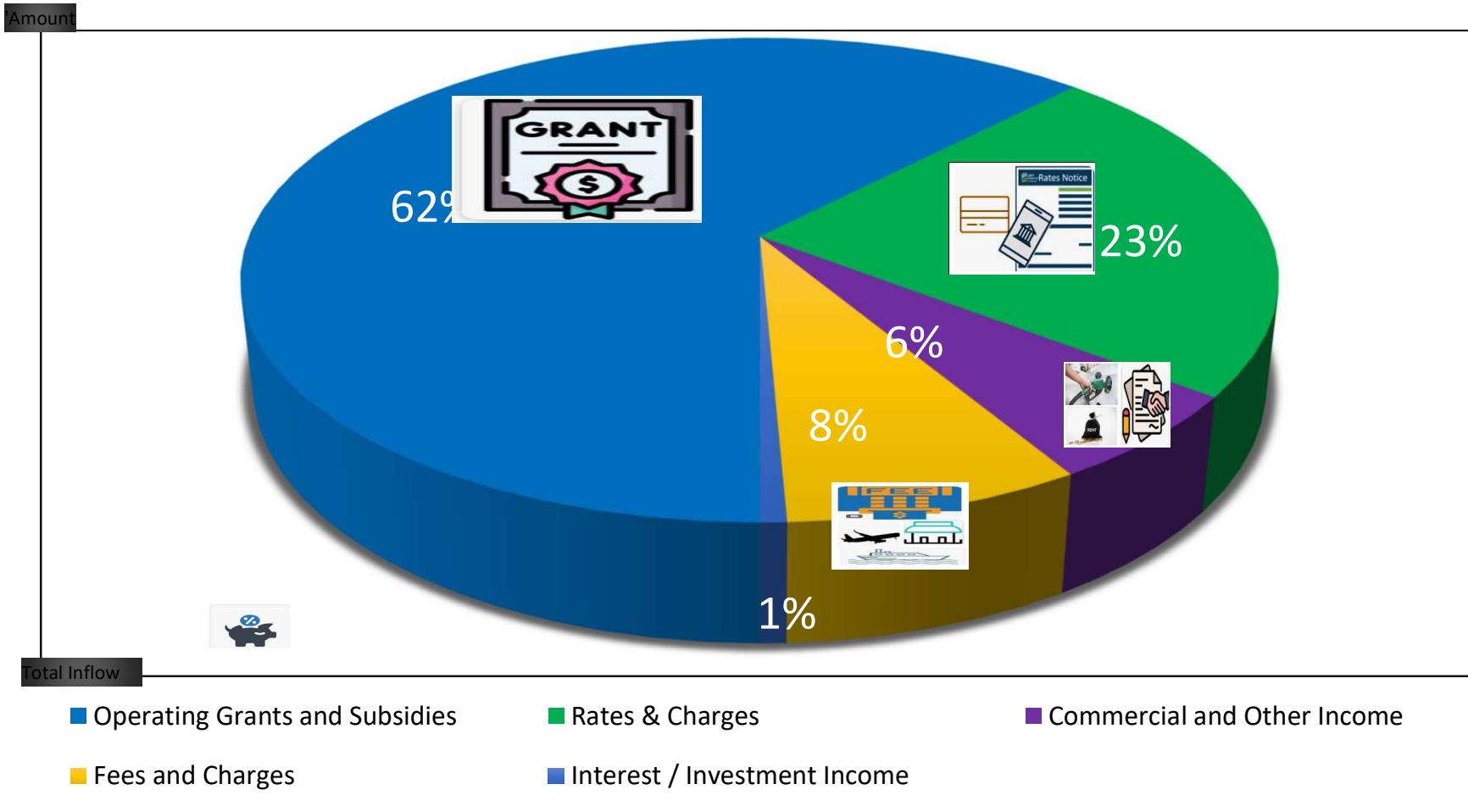


Class of Assets	By Major Capital Project*	Total Prior Year(s) Actuals \$	Revised FY25-26 Budget \$	Total Planned Budget \$	Expected Project Completion Date
Infrastructure	Milikapiti Water Park	382,089	694,000	1,200,000	30/06/2026
Infrastructure	Wurrumiyanga Multipurpose Hall	136,989	300,000	1,500,000	30/06/2027
	<b>TOTAL</b>	<b>519,078</b>	<b>994,000</b>	<b>2,700,000</b>	

## FIRST REVISED BUDGET FY25-26 INFLOW WITH CATEGORY OF REVENUE %

R1_Budgeted Inflow_FY25-26	'Amount	%
Operating Grants and Subsidies	10,691,111	62%
Rates & Charges	3,997,286	23%
Commercial and Other Income	1,021,339	6%
Fees and Charges	1,357,258	8%
Interest / Investment Income	120,000	1%
<b>Total Inflow</b>	<b>17,186,994</b>	<b>100%</b>

## FROM WHERE THE MONEY WILL COME



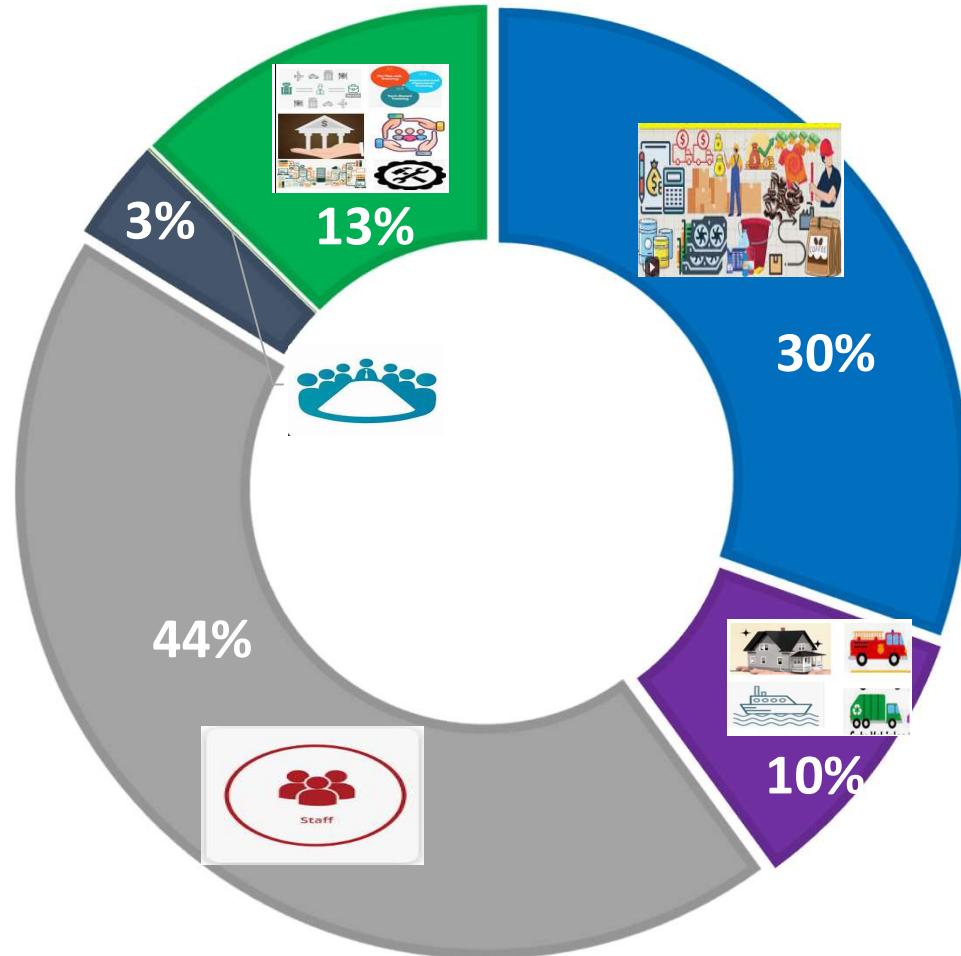
## 1ST REVISED BUDGET FY25-26 OUTFLOW WITH CATEGORY OF EXPENDITURE %

R1_Budgeted Outflow_FY25-26	'Amount	%
Materials and Contracts	5,186,626	30%
Asset Acquired	1,619,231	10%
Employee Expenses	7,459,853	44%
Governing Body	595,598	3%
Interest Expenses	-	0%
Loan Repayments	10,000	0%
Other Expenses	2,154,615	13%
<b>Total Outflow</b>	<b>17,025,923</b>	<b>100%</b>

TO WHERE  
THE MONEY  
WILL GO



'Amount



Total Outflow

- Materials and Contracts
- Asset Acquired
- Employee Expenses
- Governing Body
- Interest Expenses
- Loan Repayments
- Other Expenses

## **First Revised Budget 2025-26 Basis of Workings**

- All current core services will continue to be provided by the Council.
- Due to the small rates base council is heavily reliant on territory government and commonwealth grants
- It is anticipated that the repairs, maintenance, management and development of infrastructure continue at the same level as outlined in the budget. TIRC will continue to apply for additional funding to rectify identified deficiencies in infrastructure.
- TIRC's current Financial Position does not have untied funds available for significant new initiatives. With these circumstances in mind any new major community initiatives would be entirely reliant upon the provision of additional Special Purpose Grant Funding.
- Opening Grant Balances are updated as per the FY 2024-25 statutory audit concluded.

## **Key Highlights**

- The Milikapiti Water Play Area is expected to move into its final delivery stage in H2 FY25–26, with completion targeted for June 2026.
- Upgrade works for the Wurrumiyanga Recreation Hall are anticipated to gain momentum in H2 FY25–26, with project completion forecast for June 2027.
- Council has successfully secured approximately \$650K in funding for the Youth Engagement Program.
- Forecasts for Council wages and operational expenditure across both tied and untied funding have been updated to reflect the latest information.