



Tiwi Islands Regional Council

Second Revised Budget

Financial Year 2025-26

Tiwi Islands Regional council
2nd Revised Annual Budget for Year ending 30 June 2026



Table 1 Annual Budget Income and Expenditure

2nd Revised Annual Budget Income and Expenditure	FY 2024-25	YTD Actual Mar 26	Original Budget FY 25-26	1st Revised Budget_ FY 25-26	2nd Revised Budget_ FY 25-26	Variance \$	%	Note
	Audited	A	B	C	D	E = (D-C)	E=(D/C)	
OPERATING INCOME								
Rates	2,995,323	3,202,314	3,137,312	3,202,314	3,202,314	(0)	(0%)	R.1
Charges	735,872	793,923	769,184	794,972	793,923	(1,049)	(0%)	
Fees and Charges	1,399,155	1,082,024	1,353,972	1,357,258	1,364,193	6,935	1%	R.2
Operating Grants and Subsidies	11,861,311	5,847,418	10,036,718	10,691,111	9,789,298	(901,813)	(9%)	R.3
Interest / Investment Income	190,925	122,624	140,000	120,000	161,278	41,278	26%	R.4
Commercial and Other Income	1,051,495	784,861	960,288	1,021,339	1,064,781	43,442	4%	R.5
TOTAL OPERATING INCOME	18,234,082	11,833,164	16,397,474	17,186,994	16,375,787	(811,208)	(5%)	Z
OPERATING EXPENDITURE								
Employee Expenses	6,629,563	4,445,167	7,561,836	7,459,853	6,737,082	(722,771)	(11%)	E.1
Materials and Contracts	6,447,143	2,397,220	4,506,181	5,186,626	4,770,164	(416,462)	(9%)	E.2
Elected Member Allowances	440,271	321,247	422,998	422,998	432,096			
Elected Member Expenses	79,590	34,762	133,000	121,000	75,712	(37,874)	(7%)	E.3
Council Committee & LA Allowances	51,419	21,815	42,000	43,600	41,617			
Council Committee & LA Expenses	10,914	3,902	17,600	8,000	8,299			
Depreciation, Amortisation and Impairment	2,168,446	1,393,330	2,221,505	2,221,505	1,872,175			
Depreciation on Assets Revaluation	6,034,037	2,250,000	0	3,000,000	3,000,000	(349,330)	(7%)	E.4
Interest Expenses	121,397	0	111,090	0	0	0	NA	
Other Expenses	2,540,840	1,265,216	2,151,300	2,154,615	2,438,150	283,535	(12%)	E.5
TOTAL OPERATING EXPENDITURE	24,523,621	12,132,659	17,167,510	20,618,197	19,375,295	(1,242,902)	(6%)	C
BUDGETED OPERATING SURPLUS / (DEFICIT)	(6,289,539)	(299,495)	(770,036)	(3,431,203)	(2,999,508)	431,695		

Estimated Capital & Non Cash Adjustments :

2nd Revised Annual Budget Income and Expenditure_Continued	FY 2024-25	YTD Actual Mar 26	Original Budget FY 25-26	Revised Budget_ FY 25-26	2nd Revised Budget_ FY 25-26	Variance	%	Note
	Audited	A	B	C	C	D = (B-C)	E=(D/C)	
BUDGETED OPERATING SURPLUS / (DEFICIT)	(6,289,539)	(299,495)	(770,036)	(3,431,203)	(2,999,508)	431,695		CC.1
Remove NON-CASH ITEMS								
<i>Less</i> Non-Cash Income								
<i>Add Back</i> Non-Cash Expenses	8,202,483	3,643,330	2,221,505	5,221,505	4,872,175	(349,330)		CC.2
TOTAL NON-CASH ITEMS	8,202,483	3,643,330	2,221,505	5,221,505	4,872,175	82,365		
Less ADDITIONAL OUTFLOWS								
Capital Expenditure	1,714,127	525,058	1,436,428	1,619,231	1,808,610	189,379		
Borrowing Repayments (Principal Only)	10,000	10,000	10,000	10,000	10,000	0		
Transfer to Reserves								
Other Outflows								
TOTAL ADDITIONAL OUTFLOWS	(1,724,127)	(535,058)	(1,446,428)	(1,629,231)	(1,818,610)	(189,379)		CC.3
Add ADDITIONAL INFLOWS								
Capital Grants Income	-	-	-	-	-	0		
Prior Year Carry Forward Tied Funding						-		
Other Inflow of Funds			0	0				
Transfers from Reserves			0	0				
TOTAL ADDITIONAL INFLOWS	0	0	-	-	0	0		
NET BUDGETED OPERATING POSITION	188,817	2,808,777	5,041	161,071	54,057	(107,014)		RB

Tiwi Islands Regional council

Table 6.1 _ 2nd Revised Annual Budget Local Authority Area wise_for Year ending 30 June 2026



LOCAL AUTHORITY 2nd REVISED BUDGET FOR THE YEAR ENDING 30 JUNE 2026	Regional		Wurrumiyanga		Pirlangimpi		Milikapiti		Total Annual Budget	
	R1_FY25-26	R2_FY25-26	R1_FY25-26	R2_FY25-26	R1_FY25-26	R2_FY25-26	R1_FY25-26	R2_FY25-26	R1_FY25-26	R2_FY25-26
OPERATING INCOME										
Rates	59,627	59,627	2,068,900	2,068,900	497,489	497,489	576,298	576,298	3,202,314	3,202,315
Charges	24,800	23,751	470,102	470,102	143,157	143,157	156,913	156,913	794,972	793,922
Fees and Charges	80,085	51,948	678,963	764,949	292,935	267,540	305,275	279,756	1,357,258	1,364,193
Operating Grants and Subsidies	8,492,942	7,826,928	1,158,055	838,391	63,000	74,751	977,114	1,049,227	10,691,111	9,789,298
Interest / Investment Income	120,000	161,278	-	-	-	-	-	-	120,000	161,278
Commercial and Other Income	73,267	52,475	124,642	150,252	229,234	237,648	594,196	624,406	1,021,339	1,064,781
TOTAL OPERATING INCOME	8,850,720	8,176,006	4,500,662	4,292,595	1,225,815	1,220,585	2,609,797	2,686,601	17,186,994	16,375,787
OPERATING EXPENDITURE										
Employee Expenses	2,897,629	2,913,507	2,463,161	1,866,462	1,026,971	904,228	1,072,093	1,052,885	7,459,853	6,737,082
Materials and Contracts	2,116,750	1,705,301	1,660,731	1,970,431	468,658	407,865	940,487	686,567	5,186,626	4,770,164
Elected Member Allowances	66,758	7,722	105,000	147,565	50,000	71,181	201,240	205,628	422,998	432,096
Elected Member Expenses	118,000	75,488	1,000	224	1,000	-	1,000	-	121,000	75,712
Council Committee & LA Allowances	10,600	11,417	12,600	13,050	9,000	9,200	11,400	7,950	43,600	41,617
Council Committee & LA Expenses	-	-	4,000	4,191	2,000	2,182	2,000	1,925	8,000	8,299
Depreciation, Amortisation and Impairment	2,221,505	1,872,175	-	-	-	-	-	-	2,221,505	1,872,175
Depreciation on Assets Revaluation	3,000,000	3,000,000	-	-	-	-	-	-	3,000,000	3,000,000
Interest Expenses	-	-	-	-	-	-	-	-	-	-
Other Expenses	1,761,469	1,803,512	241,429	433,467	25,200	53,890	126,517	147,282	2,154,615	2,438,151
TOTAL OPERATING EXPENDITURE	12,192,711	11,389,123	4,487,921	4,435,390	1,582,829	1,448,546	2,354,737	2,102,236	20,618,197	19,375,295
BUDGETED OPERATING SURPLUS / DEFICIT	(3,341,991)	(3,213,116)	12,742	(142,796)	(357,014)	(227,961)	255,060	584,364	(3,431,203)	(2,999,508)

LOCAL AUTHORITY 2nd REVISED BUDGET FOR THE YEAR ENDING 30 JUNE 2026 Continued ..	Regional		Wurrumiyanga		Pirlangimpi		Milikapiti		Total Annual Budget	
	R1_FY25-26	R2_FY25-26	R1_FY25-26	R2_FY25-26	R1_FY25-26	R2_FY25-26	R1_FY25-26	R2_FY25-26	R1_FY25-26	R2_FY25-26
BUDGETED OPERATING SURPLUS / DEFICIT	(3,341,991)	(3,213,116)	12,742	(142,796)	(357,014)	(227,961)	255,060	584,364	(3,431,203)	(2,999,508)
Remove NON-CASH ITEMS										
Less Non-Cash Income										
Add Back Non-Cash Expenses	5,221,505	4,872,175	-	-	-	-	-	-	5,221,505	4,872,175
TOTAL NON-CASH ITEMS	5,221,505	4,872,175	-	-	-	-	-	-	5,221,505	4,872,175
Less ADDITIONAL OUTFLOWS										
Capital Expenditure	1,619,231	1,808,610	-	-	-	-	-	-	1,619,231	1,808,610
Borrowing Repayments (Principal Only)	10,000	10,000	-	-	-	-	-	-	10,000	10,000
Transfer to Reserves										
Other Outflows										
TOTAL ADDITIONAL OUTFLOWS	(1,629,231)	(1,818,610)	0	0	0	0	0	0	(1,629,231)	(1,818,610)
Add ADDITIONAL INFLOWS										
Capital Grants Income	-								-	-
Prior Year Carry Forward Tied Funding										
Other Inflow of Funds										
Transfers from Reserves										
TOTAL ADDITIONAL INFLOWS	-	-	-	-	-	-	-	-	-	-
NET BUDGETED OPERATING POSITION	250,283	(159,551)	12,742	(142,796)	(357,014)	(227,961)	255,060	584,364	161,071	54,057

Notes on Revenue Variances :- Comparing First Revised Budget Against Second Revised Budget_ FY2025-26.

Note	Revenue Area		Line Item	Totals	Remarks
	Favourable Variance				
R2	Fees and Charges		6,935		Net increase in Fees and Charges with revised estimates FY25-26
R4	Interest / Investment Income		41,278		Forecasted numbers aligned to reflect external money market environment of Higher Interest rate .
R5	Commercial and Other Income		43,442		Major Movement in Increase in commercial Income reflecting Insurance Claims - Unbudgeted non operational Income Offset with DIPL Airport Invoicing in pipeline .
X	Total Favourable Variance	X =[R2+R4+R5]		91,655	
	Unfavourable Variance				
R1	Rates	(0)			Minor updates in Rate & Charges section.
	Charges	(1,049)			
	Net Decrease		(1,049)		
R3	Operating Grants and Subsidies		(901,813)		Early Release of Projected Roads & General Purpose Grants of FY 26-27 to be recognized in Financial Year 26-27.
Y	Total Unfavourable Variance	Y = [R1+R3]		(902,862)	
Z	Net Variance On Total Revenue	Z =[X - Y]		(811,208)	Status :- Net UN Favourable Revenue Variance

Notes on Expenditure Variances :- Comparing First Revised Budget Against Second Revised Budget_FY2025-26.

Note	Expense Area		Line Item	Totals	Remarks
	Favourable Variance				
E1	Employee Expenses		722,771		Employee expenses are aligned with updated projections.
E3	Total Council & LA Committee Expenses		37,874		Governance expenses are aligned with updated projections.
E2	Materials and Contracts		416,462		Reduction in Expenditure majorly due revision in Tied Funding program expenditure in revised budget estimates.
E4	Depreciation		349,330		Aligning Depreciation estimates to the match the projections.
A	Total Favourable Variance	A =[E1]		1,526,437	
	Unfavourable Variance				
E5	Total Other Expenses		283,535		Revision in estimates reflecting the updated changes in the 2nd revised Budget FY 2025-26
B	Total Unfavourable Variance	B =[E2+E3+E4]		283,535	
C	Variance On Total Expenses	C =[A- B]		1,242,902	Statuts :- Net Favourable Expense Variance

Notes on Cash& Capax Variances :- Comparing First Revised Budget Against Second Revised Budget_FY2025-26.

Note	Revenue Area		Line Item	Totals	Remarks
	UN Favourable Total Revenue Variance	Z	(811,208)		Refer :- Variance Commentary-Revenue (UN Favourable)
	Favourable Total Expense Variance	C	1,242,902		Refer :- Variance Commentary-Expenditure (Favourable)
CC.1	Net Variance of Income & Expenditure	(i) = [Z+C]	431,695	431,695	Total Net Favourable Variance
CC.2	Depreciation Movement	Unfavourable	(349,330)		Add Back Depreciation Increased Variance
CC.3	Capital Expenditure	Unfavourable	(189,379)		Less :- Increased Capital Expenditure as per plans.
	Net Variance of Depreciation & Capax Movement	(ii)	(538,709)	(538,709)	Net UN Favourable Variance
	Net UN Favourable Variance	(iii) = [(i) + (ii)]	(107,014)	(107,014)	Comparing 1st Revised Budget with 2nd Revised Budget_TIRC FY 25-26.
	Alternative Reconciliation of Reported Surplus				
	Reported Surplus as per Revised 1st Budget_FY25-26	R1	161,071		
+	Net UN Favourable Variance	VR	(107,014)		
R2	Total	R2 = [R1+VR]	54,057	54,057	Surplus as per Second Revised Budget_FY25-26

Capital Expenditure and Funding

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



CAPITAL EXPENDITURE **	Actual			Budgets	
	Opening Capital Work In Progress	YTD Actual March 26	Total Capital Work In Progress	First Revised Budget FY 25-26	Second Revised Budget FY 25-26
Infrastructure	549,557	34,519	584,076	1,379,231	1,438,610
Plant and Equipment	107,230	490,539	597,768	-	300,000
Motor Vehicle	-	-	0	240,000	70,000
TOTAL CAPITAL EXPENDITURE*	656,787	525,058	1,181,845	1,619,231	1,808,610
TOTAL CAPITAL EXPENDITURE FUNDED BY: **					
Tied Funding	656,787	525,058	1,181,845	1,379,231	1,438,610
Untied Funding	-	-	-	240,000	370,000
TOTAL CAPITAL EXPENDITURE FUNDING	656,787	525,058	1,181,845	1,619,231	1,808,610

Table 3.1 Budget by Planned Major Capital Works

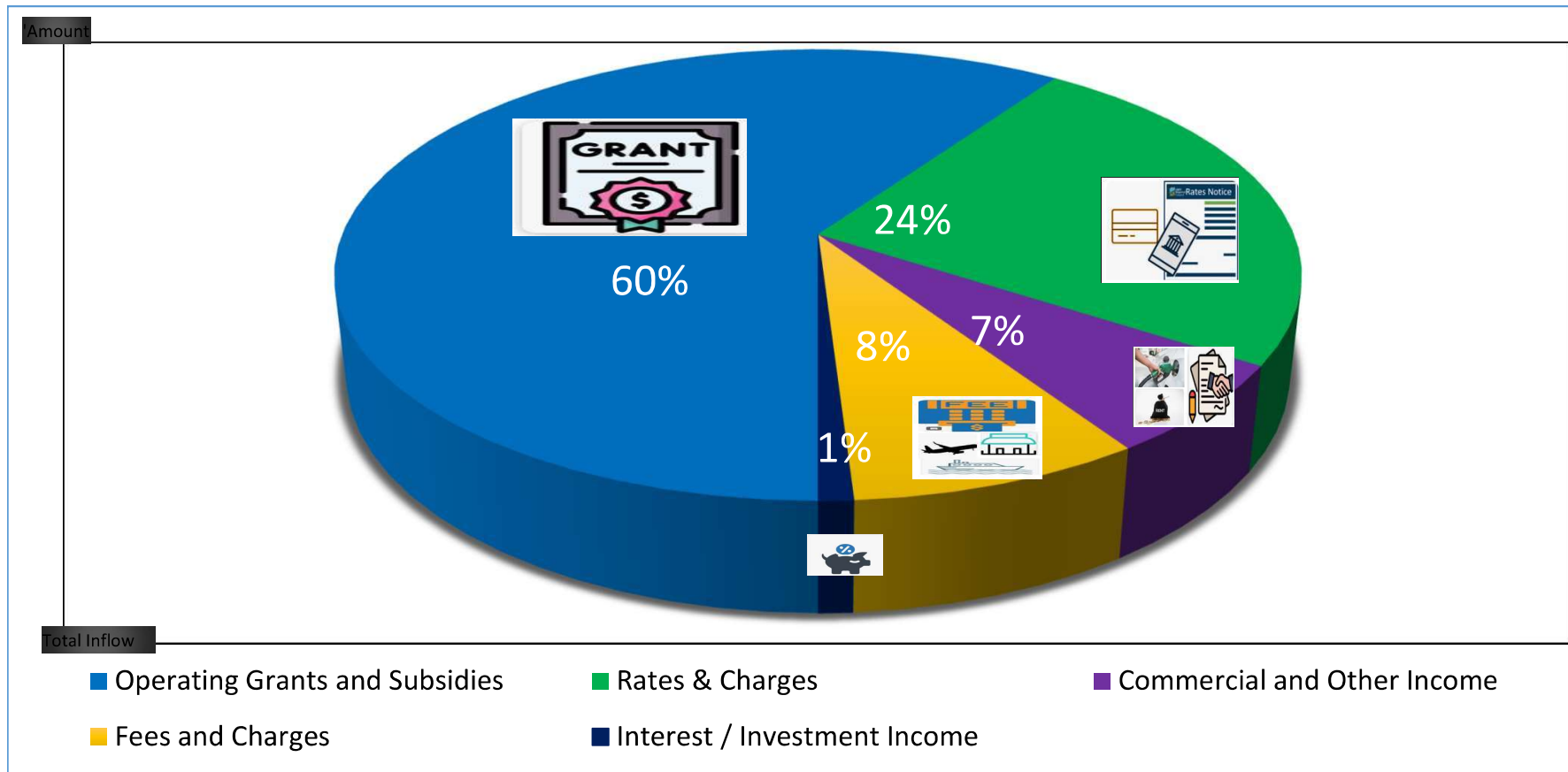


Class of Assets	By Major Capital Project*	Total Prior Year(s) Actuals \$	2nd Revised Budget FY25-26 \$	Total Planned Budget \$	Expected Project Completion Date
Infrastructure	Milikapiti Water Park	382,089	999,425	1,381,514	30/06/2026
Infrastructure	Wurrumiyanga Multipurpose Hall	136,989	15,000	1,500,000	31/12/2027
	TOTAL	519,078	1,014,425	2,881,514	

SECOND REVISED BUDGET FY25-26 INFLOW WITH CATEGORY OF REVENUE %

R2_Budgeted Inflow_FY25-26	'Amount	%
Operating Grants and Subsidies	9,754,298	60%
Rates & Charges	3,996,237	24%
Commercial and Other Income	1,064,781	7%
Fees and Charges	1,364,193	8%
Interest / Investment Income	161,278	1%
Total Inflow	16,340,787	100%

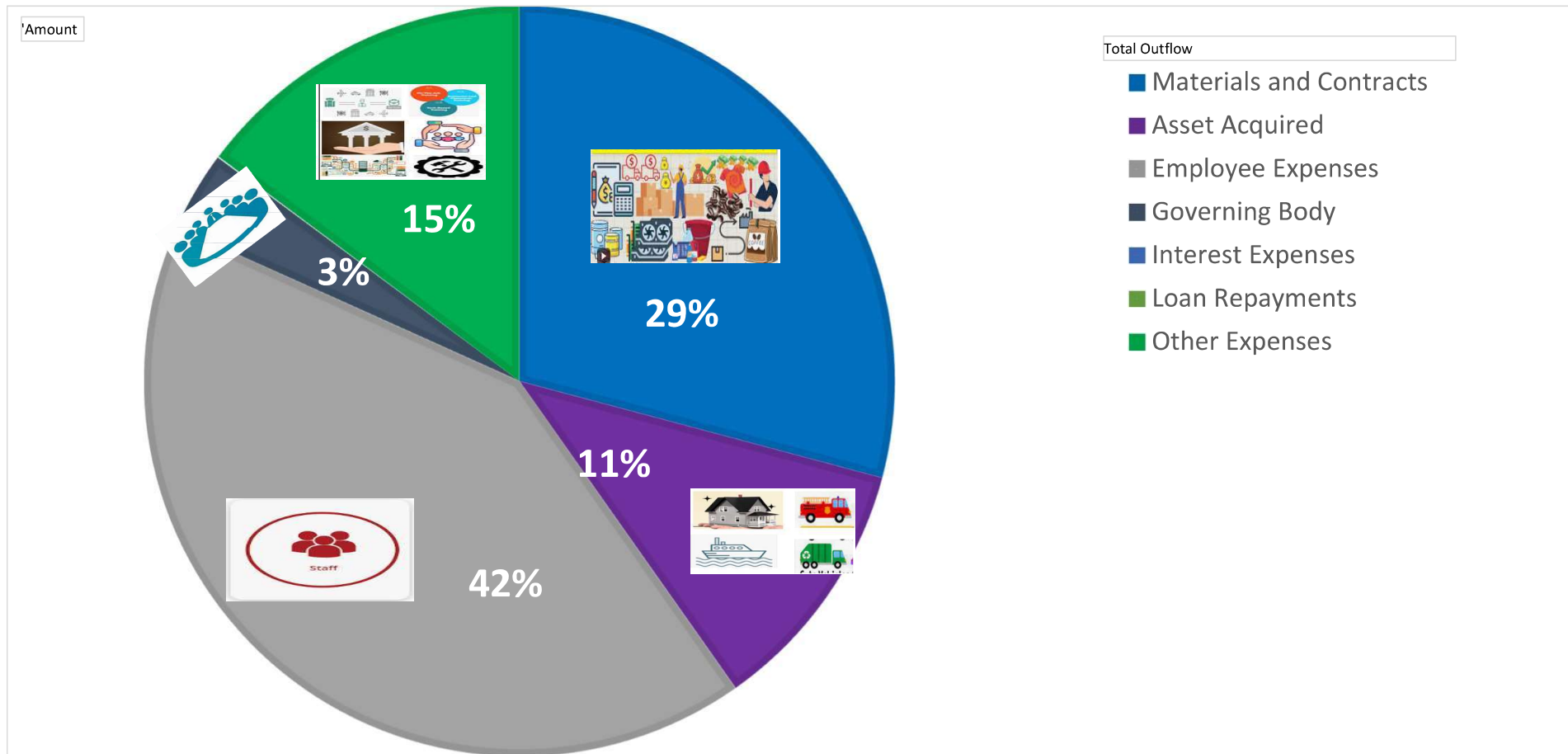
FROM WHERE THE
MONEY WILL
COME



SECOND REVISED BUDGET FY25-26 OUTFLOW WITH CATEGORY OF EXPENDITURE %

R2_Budgeted Outflow_FY25-26	'Amount	%
Materials and Contracts	4,735,164	29%
Asset Acquired	1,802,600	11%
Employee Expenses	6,737,082	42%
Governing Body	557,724	3%
Interest Expenses	-	0%
Loan Repayments	10,000	0%
Other Expenses	2,401,350	15%
Total Outflow	16,243,920	100%

**TO WHERE
THE MONEY
WILL GO**



Second Revised Budget 2025–26

Underlying Assumptions and Basis of Preparation

- 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.
- The revised estimates incorporate actual results for the nine months to March 2026 and forecast projections for the remaining quarter of the 2025–26 Financial Year.

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 project completion forecast for December 2027.

- Council's total operating income is projected to decrease by approximately \$811K compared to the First Revised Budget 2025–26. This reduction is primarily attributable to the deferral of revenue recognition for the early release of Roads and General Purpose Grants, which will be recognised in the 2026–27 financial year.
- Forecasts for Council wages and operational expenditure across both tied and untied funding have been updated to reflect the latest information.