



# AGENDA

## Special Council Meeting

### 11<sup>th</sup> Council of Litchfield

### TUESDAY 9/11/2021

Meeting to be held commencing 6:00pm  
in Council Chambers at 7 Bees Creek Road, Freds Pass  
[https://www.youtube.com/channel/UCdM3M5gfh6-wQ0KiL89\\_2eg/live](https://www.youtube.com/channel/UCdM3M5gfh6-wQ0KiL89_2eg/live)

**Daniel Fletcher**  
**Chief Executive Officer**

#### **COVID-19 Statement of Commitment**

The Ordinary Meeting of Council will be open to the public and holds a Statement of Commitment to adhere to:

- Physical distancing measures
- Health and hygiene principles



## SPECIAL COUNCIL AGENDA

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# COUNCIL AGENDA

## LITCHFIELD SPECIAL COUNCIL MEETING

Tuesday 9 November 2021

### 1. Acknowledgement of Traditional Ownership

Council would like to acknowledge the traditional custodians of this land on which we meet tonight. We pay our respects to the Elders past, present and future for their continuing custodianship of the land and the children of this land across generations.

### 2. Opening of Meeting

An audio & visual recording of this meeting is live streamed to Council's YouTube channel and will remain online for public viewing in accordance with Council's Recording of Council Meetings Policy. By attending this meeting, you confirm you have read and agree to comply by Council's Recording of Council Meetings Policy.

### 3. Electronic Attendance / Apologies and Leave of Absence

- 3.01 Electronic Attendance
- 3.02 Apologies
- 3.03 Leave of Absence Previously Granted
- 3.04 Leave of Absence Request

### 4. Declaration of Interest

Any member of Council who may have a conflict of interest, or a possible conflict of interest regarding any item of business to be discussed at a Council meeting or a Committee meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same.

- 4.01 Elected Members
- 4.02 Staff

### 5. Public Questions (Written Submissions)



## COUNCIL AGENDA

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### LITCHFIELD SPECIAL COUNCIL MEETING

Tuesday 9 November 2021

#### **6 Officers Reports**

6.01 Draft Litchfield Council Annual Report 2020-21





## COUNCIL REPORT

<b>Agenda Item Number:</b>	<b>6.01</b>
<b>Report Title:</b>	<b>Draft Litchfield Council Annual Report 2020-21</b>
<b>Author:</b>	<b>Nicky McMaster, Manager Communications and Engagement</b>
<b>Recommending Officer:</b>	<b>Daniel Fletcher, Chief Executive Officer</b>
<b>Meeting Date:</b>	<b>9/11/2021</b>
<b>Attachments:</b>	<b>A: Draft Litchfield Council Annual Report 2020-21</b>

### Executive Summary

The Annual Report 2020-21 is a statutory document reporting on Council's financial and non-financial performance and describes priorities, activities, program achievements and governance arrangements for the 2020-21 period.

### Recommendation

THAT Council:

1. receive and endorse the Draft Litchfield Council Annual Report 2020-21;
2. forward a copy of the Litchfield Council Annual Report 2020-21 to the Minister Local Government;
3. publish the Litchfield Council Annual Report 2020-21 on Council's website;
4. publish a notice in the NT News informing the public that copies of the report may be downloaded from Council's website or obtained from Council's Office, Bees Creek Road, Freds Pass; and
5. authorise the Chief Executive Officer to make minor amendments.

### Background

Subject to Section 199, part 14.1 of the *Local Government Act* a Council must, on or before 15 November of each year, report to the Minister on its work during the financial year ending on the preceding 30 June. The report must include a copy of the Council's audited financial statement for the relevant financial year.

Council's Annual Report 2020-21 complies with Section 199 of the *Local Government Act* and includes an assessment of the Council's performance against the objectives, as set out in Council's Municipal Plan 2020-21.

The Annual Report is a key element of Council's planning and reporting framework, reporting back to the community about how Council went against what it said it would do.

Following endorsement Council will forward the Lichfield Council Annual Report 2020-21 to the Minister for Local Government, in accordance with the requirements of the *NT Local Government Act*.

### Links with Strategic Plan

A Well-Run Council - Good Governance

### Legislative and Policy Implications

The Litchfield Council Annual Report 2020-21 meets the legislative requirements of Section 199 of the *Local Government Act*.

### Risks



No risks identified.

### Community Engagement

As per Section 199 of the *Local Government Act*, Council will publish the Litchfield Council Annual Report 2020-21 on Council's website and publish a notice in the NT News informing the public that copies of the report may be downloaded from Council's website or obtained from Council's public office.

# DRAFT

1  
Cemetery

1  
Library

8,365  
Rateable  
assessments

1,903  
Local  
businesses

2  
Waste  
transfer  
stations

## LITCHFIELD COUNCIL Annual Report 2020-2021

8  
Recreation  
reserves

5  
Playgrounds

5,379  
Registered  
dogs

112kms  
Shared paths  
including bike  
paths

631km  
Sealed  
roads

85kms  
Unsealed  
roads

14,964  
Local jobs



# Acknowledgement of traditional owners

*Litchfield Council respectfully acknowledges the traditional owners of the land that we live and work on and pay our respect to their elders, past, present and future.*







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# About us

25,566  
Population

1  
Library

1  
Cemetery

8,365  
Rateable  
assessments

3  
Waste  
transfer  
stations

1,903  
Local  
businesses

5  
Playgrounds

8  
Recreation  
reserves

112kms  
Shared paths  
including bike  
paths

631km  
Sealed  
roads

5,379  
Registered  
dogs

85kms  
Unsealed  
roads

14,964  
Local jobs

# Messages from the Mayors



I am pleased to have the opportunity to provide a message in the Litchfield Council's Annual Report for 2020-21.

This Annual Report provides an opportunity to reflect on the last full financial year of the 10th Council of Litchfield, before the August local government election.

A key focus in 2020-21 has remained on maintaining our \$517 million of assets and progressing critical new projects. The Strategic Mango Roads Project is almost fully complete, except for Kentish Road which is on-track to be complete by the end 2021. The \$21 million jointly funded project focussed on improving connectivity, road safety and freight efficiency across some of the major mango production roads.

The relevant indicators of Council's financial sustainability remain strong. The outstanding rates debt ratio is slightly higher than we would prefer, however, Council has activated stronger measures against long-term and high value rates arrears. As always, the ongoing challenge is the ability to replace and renew existing assets in a timely manner and to an acceptable standard.

In recognition of the difficult times our community has faced during the COVID-19 pandemic, Council resolved to waive the rate increase for the year due to the challenges and constraints that COVID-19 put forward.

Council has continued to provide information across a range of channels and platforms, both traditional and digital. The 'Connecting our Community' newsletter was launched, providing news on Council's services, activities and events.

Advocacy to the Northern Territory Government and the Australian Government to seek funding opportunities for a range of significant projects that will benefit the Litchfield community has been a focus. Freds Pass Sport and Recreation Reserve has been on top of the list as we work to ensure a consistent and comparable investment in the area, improvements to existing facilities and exploration of new opportunities to include sporting activities that are currently not represented. Additionally, the relocation of Council's community library to a location that is more accessible and centrally located has been a priority and is progressing.

I would like to take this opportunity to thank my fellow councillors for working with me to make Litchfield the best place to live in the Top End. I also congratulate the Council elected at the August 2021 local government elections.

Finally, I would like to thank the Chief Executive Officer and staff for their commitment and support to Council and the community.

**Maree Bredhauer**  
Former Mayor



# Messages from the Mayors



It gives me pleasure to present the Annual Report 2020-21 as the new Mayor of Litchfield Council. The Annual Report demonstrates the work undertaken by the 10th Council of Litchfield against its Municipal Plan 2020-21 and outlines some future directions of Council.

Over the past 12 months, Council has delivered its largest capital works program on record, which included upgrades to recreation reserves, playgrounds, and road networks to help make Litchfield the best place to live in the Top End. These achievements are outlined throughout this report.

The Strategic Mango Roads Project was an important project for the economy of Litchfield and our key export of mangoes. The \$21 million dollar project is jointly funded by the Australian and Northern Territory Governments and Litchfield Council and will have a noticeable improvement on the mango production industry this year, especially when the remaining road is complete by year's end. I am proud of my involvement in securing this project for the economic prosperity of our region and the safety of our mango industry.

In July 2020, Litchfield Council redeveloped its website to improve online functionality, usability and to be mobile friendly. The redevelopment project has improved Council's communication and information sharing regarding services, facilities and events and activities.

The Taminmin Library has had a big year adjusting to the challenges of COVID-19, continuing its 'click and collect' service and creating great opportunities for kids during school holidays with fun and free programs. In August 2020, the library held an open day, attracting a huge crowd and enhancing recognition of this important service to our community.

Significant work has been done in preparation for the implementation of the new Local Government Act 2019, including a complete governance and policy review to ensure that all Council policies and processes are in line with the new Act.

In 2021-22 we will continue to deliver key programs and projects that contribute to achieving our vision for Litchfield to be the best place to live in the Top End.

I thank the outgoing Council for their passion and commitment over the past four years and look forward to working with my fellow Elected Members and the staff.

**Doug Barden**  
Mayor



# Message from the CEO



Welcome to the Litchfield Council Annual Report for the 2020-21 financial year.

The 2020-21 year has been characterised by looking beyond our boundaries and leveraging strong partnerships with other levels of government and throughout the local government sector.

For example, Litchfield Council activated the myLitchfield platform injecting over \$1 million into the Litchfield economy and reinvigorating small businesses. The first ever Mango Madness festival was held with Litchfield Council as main sponsor to the value of \$20,000. Many Special Community Assistance and Local Employment (SCALE) projects were completed, providing an additional boost to local businesses. The Strategic Mango Road project officially commenced with three of the four roads complete in this financial year.

The big wet season tested our road network. Staff responded to a large number of both small and large damage reports to prioritise and rectify these as quickly as possible. We rely on our community to continue to report these issues to Council and we thank them for this. In the three months of summer, repaired 656 potholes putting incredible pressure on resources and operational expenditure.

The 2021 Australia Day event was a great success. It was a pleasure having the Honourable Vicki O'Halloran AO, Administrator of the Northern Territory as our guest. Over 350 people came along to witness our new award recipients, Citizen of the Year, Young Citizen of the Year and Community Event of the Year.

The Litchfield Art Exhibition saw a total of 70 pieces of art on display for the weekend in March, from 39 local artists including four Indigenous artists. The exhibition was complemented with art and craft markets and cultural workshops.

Regulatory services had a busy year, closing it out with a dog registration amnesty program. This was well received with 369 dog registrations processed during this time. The rangers continue with their education in the community not only for dog behaviour with school children but the whole community in understanding that registration is a requirement in responsible dog ownership along with secure fencing, de-sexing and appropriate training.

COVID-19 lockdowns impacted the greater Darwin area, including the Litchfield municipality. Council has been preparing in the event that something like a lockdown was going to occur. Our staff were tested and were exemplary in their continued commitment to ensuring our community was supported and safe.

The \$10.9 million capital works program was almost 100% complete with the delays associated to weather challenges and sourcing contractors to complete the work.

I would like to take this opportunity to thank the Mayor and Councillors for their dedication to the community, commitment to the progression of Council and to the staff for their ongoing support and loyalty to delivering quality services.

**Daniel Fletcher**  
Chief Executive Officer

# COVID-19

## how we were affected, how we responded

While the Northern Territory enjoyed minimal community transmission of COVID-19, the pandemic's impact continued to affect Council operations and services and challenge the way we worked - particularly during periods of lockdown.



**As part of our response to the ongoing impacts of COVID-19 and support for residents and ratepayers, Litchfield Council:**

### **established a dedicated Crisis Response Team (CRT)**

to ensure business continuity and manage communication with the community around the closure of Council facilities

### **committed to fund**

both residential and commercial rate increases for 2020-21 from its cash reserves

### **in partnership with**

the Northern Territory Government, provided an additional 25% rates concession on the 2020-21 rates to commercial ratepayers experiencing financial hardship and an extension of time to pay rates (up to January 2021, instead of the usual instalments due in September and November)

### **implemented QR codes**

at Taminmin Community Library and for public events such as Australia Day

### **effectively planned**

for the rollout of QR codes across all recreation reserves consistent with government guidelines

### **successfully delivered**

the Northern Territory Government funded Special Community Assistance and Local Employment (SCALE) program, which consisted of various projects aimed at creating jobs, reviving the local economy, and supporting much needed community assets and initiatives, including the:

- Humpty Doo Village Green and Livingstone Recreation Reserve playgrounds
- Berry Springs Reserve community hall upgrades
- Freds Pass Rural Show talent quest
- McMinn's Lagoon Reserve signage
- Mira Square development
- Litchfield Council entrance signs

### **partnered with**

the Northern Territory Government to implement the myLitchfield buy local incentive program, providing funds in the form of subsidised digital discounts to encourage economic stimulus in support of both community and its local businesses – over \$1 million was injected into the Litchfield economy.

# Our Council

## Elected members

On 26 August 2017, a local government general election was held. The following elected members represented the Litchfield community from 4 September 2017 to 12 September 2021.

### Maree Bredhauer

#### Mayor

Maree is a long-term resident of the Litchfield area since 1982.

Her qualifications include master's degrees in early childhood education and international business management.

Maree is committed to ensuring the municipality grows in an orderly, planned and sustainable way and that it continues supporting its proud tradition of a friendly approach to rural living.

#### Council representatives and Council committee appointments

- Howard East Water Advisory Committee – chair/ Council representative
- CEO Performance Appraisal and Remuneration Review Committee - member
- Litchfield Australia Day Awards Selection Panel - chair
- Local Government Association – principal representative/voting member
- Howard Springs Community Advisory Committee - member
- Coolalinga Community Advisory Committee - member
- Litchfield Women in Business Network Steering Committee - chair
- Community Grants Committee – ex-officio
- Humpty Doo Rural Activity Centre Area Plan Community Advisory Group – Council representative



# Christine Simpson

## Deputy Mayor and Central Ward Councillor

Christine moved to the Territory in 1972 and has called it home ever since, living in Bees Creek for over 20 years.

Christine has been previously employed in teaching, retail, childcare, and office administration.

Christine is fully supportive of consultative, well planned development considerations for Litchfield along with improved community options, services, and safety for older citizens. She would like to see youth in the community involved in their own advancement and recreational decision making.

Council representatives and Council committee appointments

- Freds Pass Rural Show Committee – nominated observer
- CEO Performance Appraisal and Remuneration Review Committee – member
- Litchfield Australia Day Awards Selection Panel – member
- Development Consent Authority – Litchfield community member
- Howard Springs Community Advisory Committee – member
- Coolalinga Community Advisory Committee – member
- Litchfield Women in Business Network Steering Committee – member
- Administrative Review Committee - member



# Doug Barden

## South Ward Councillor

Territory born and bred; Doug's family has had property in the rural area since the 1920s.

As a local business owner and operator, Doug is encouraged by the development and progress of the Litchfield Council since its creation in 1983 and remembers when there were very few services such as electricity or roads in the municipality.

Doug recognizes that a challenge for Council is to continue improving services in all areas including local roads, waste management, reserves and planning whilst being accountable, fiscally, and socially responsible.

Council representatives and Council committee appointments

- Freds Pass Upgrade Reference Group – Council representative
- Risk Management and Audit Committee – member
- Litchfield Australia Day Awards Selection Panel – member
- Development Consent Authority – Litchfield representative – alternate Litchfield community member
- Litchfield Women in Business Network Steering Committee – member
- Humpty Doo Rural Activity Centre Area Plan Community Advisory Group - member





# Kirsty Sayers-Hunt

## East Ward Councillor

Kirsty moved to the Northern Territory in 2002 and has lived in the rural area for the past 14 years.

She enjoys working closely with the community to address their concerns and provide assistance on a range of matters related to the Australian Government.

As a local parent, with experience in small business and government, Kirsty believes aspirational policies and strategies, along with good long-term planning, will provide strong foundations for Council to advocate for funding and support and enable it to take action on Council's priorities.

Council representatives and Council committee appointments

- Freds Pass Sport and Recreation Reserve Governance Arrangements Review Reference Group- Council representative
- Risk Management and Audit Committee – member
- CEO Performance Appraisal and Remuneration Review Committee – member
- Litchfield Australia Day Award Selection Panel – member
- Local Government Association – voting member
- Litchfield Women in Business Network Steering Committee – member
- Community Grants Committee - member



# Mathew Salter

## North Ward Councillor

Mathew is a long-term Territorian, who has lived in Litchfield with his family for over 20 years.

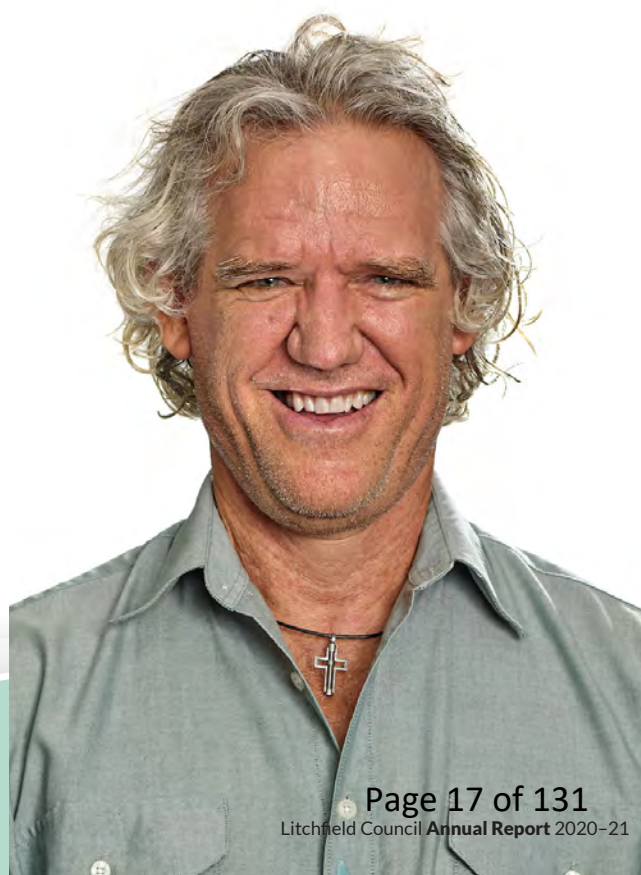
Employed in the education sector, Mathew is actively involved in the local community and a keen supporter and once coach of Southern Districts Cricket and Litchfield Soccer clubs.

He strongly supports Council investigating tourism opportunities in the municipality and promoting sustainable development.

As a passionate environmentalist, Mathew is keen to increase areas of conservation zoned land, with an eye for eco-tourism in the municipality.

Council representatives and Council committee appointments

- Howard Park Reserve Committee – chair/ Council representative
- Knuckey Lagoon Reserve Committee – chair/Council representative
- Litchfield Australia Day Award Selection Panel – member
- Howard Springs Community Advisory Committee – member
- Litchfield Women in Business Network Steering Committee – member
- Community Grants Committee – member
- Administrative Review Committee - member



## Council meeting attendance

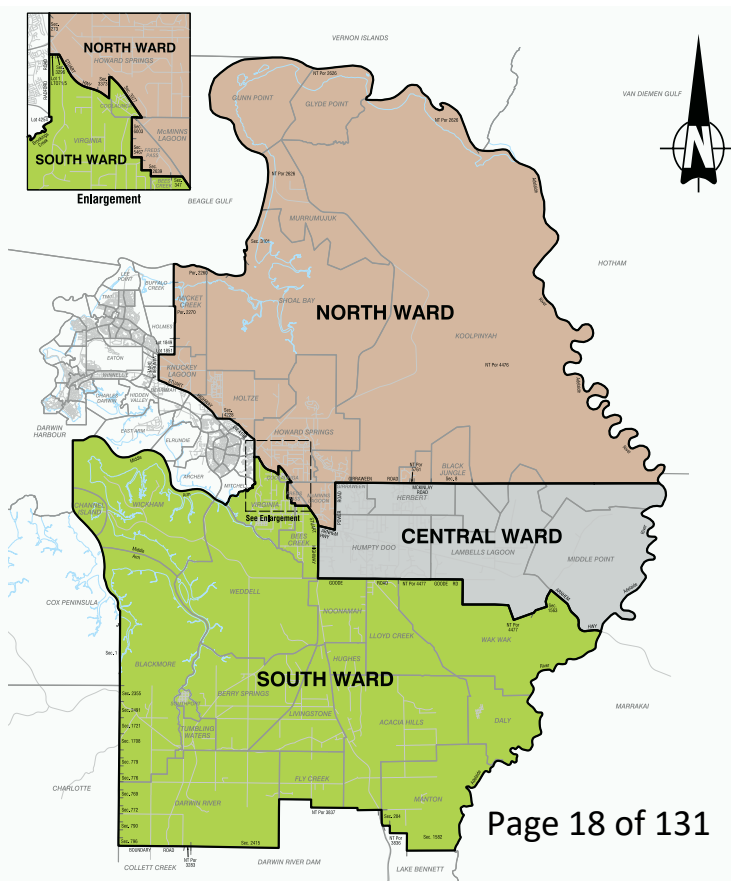
Elected members	Meeting attendance
Mayor Maree Bredhauer	17
Deputy Mayor Christine Simpson	18
Doug Barden	15
Kirsty Sayers-Hunt	16
Mathew Salter	16
Total Ordinary Meetings held in 2020/21	12
Total Special Council Meetings held in 2020/21	6



## Elected member allowance

	Base	Electoral	Extra Meeting	Internet Access	Total	Professional Development
Maree Bredhauer	\$75,116.61	\$19,771.29		\$600.00	\$95,487.90	\$2,300.00
Christine Simpson	\$27,776.15	\$4,943.75		\$600.00	\$33,319.90	\$3,105.84
Doug Barden	\$13,509.96	\$4,943.75	\$6,472.20	\$600.00	\$25,525.91	\$2,117.34
Kirsty Sayers-Hunt	\$13,509.96	\$4,943.75	\$7,738.50	\$600.00	\$26,792.21	\$1,239.00
Mathew Salter	\$13,509.96	\$4,943.75	\$5,768.00	\$600.00	\$24,821.71	-

In December 2020, Minister for Local Government, the Hon. Chanston Paech formally announced changes to the Litchfield Council area to commence at the August 2021 Local Government election. The changes included Ward structure changes from four Wards to three Wards with a representative of two Elected Members per Ward.






# Our staff

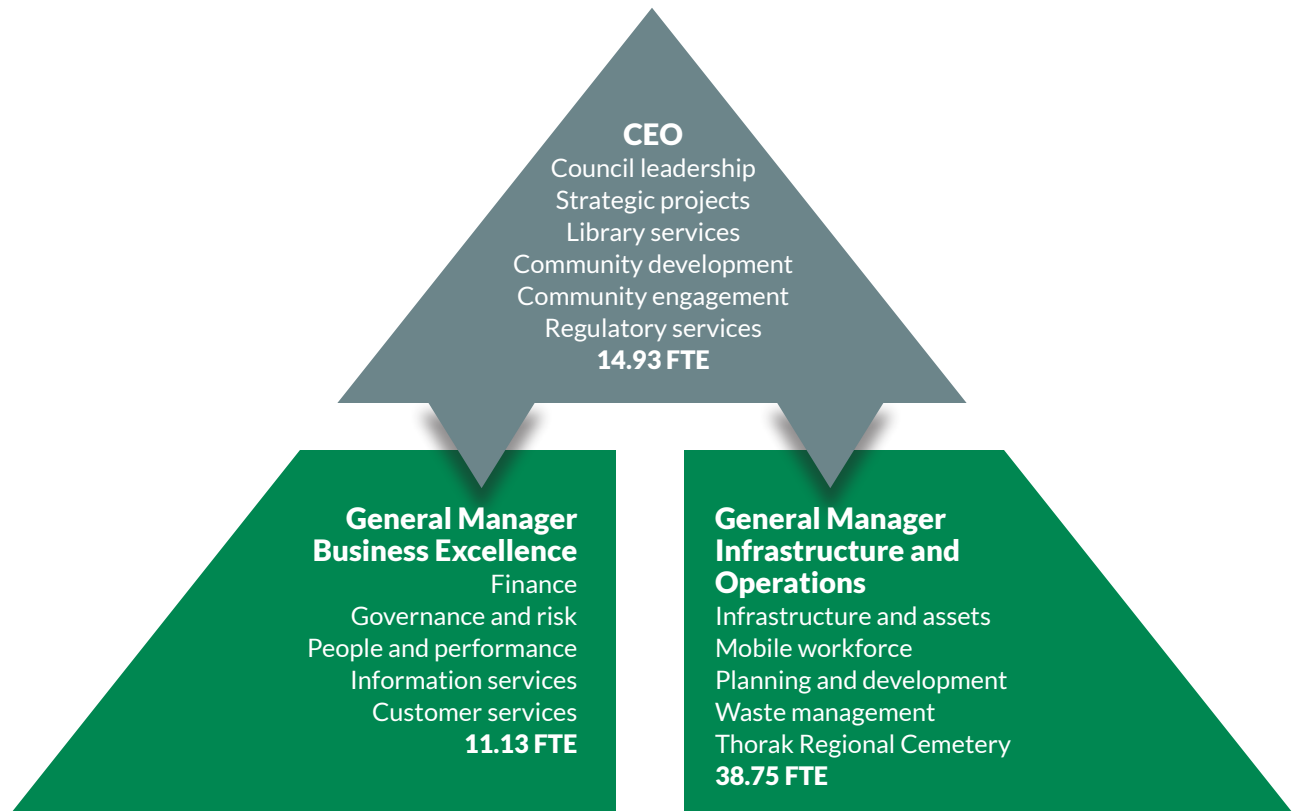
Council operations and staff are led by the Chief Executive Officer, who is accountable to the Elected Council.

Litchfield Council has three departments, Infrastructure and Operations and Business Excellence, each led by a General Manager, and Council Leadership and Community, led by the Chief Executive Officer.

## Executive Leadership Team

<b>Daniel Fletcher</b>	Chief Executive Officer	<ul style="list-style-type: none"><li>• Governance</li><li>• Advocacy</li><li>• Communications &amp; engagement</li><li>• Inter government relations</li><li>• Community services</li><li>• Libraries</li><li>• Recreation reserves</li><li>• Regulatory services</li></ul>	
<b>Kylie Hogan</b>	Strategic Projects Advisor	<ul style="list-style-type: none"><li>• Strategic advice</li><li>• New initiatives</li><li>• Advocacy &amp; future planning</li><li>• Relationship management</li></ul>	
<b>Arun Dias</b>	General Manager Business Excellence	<ul style="list-style-type: none"><li>• ICT</li><li>• Governance</li><li>• Risk management &amp; audit</li><li>• Human resources</li><li>• Workplace health &amp; safety</li><li>• Finance</li><li>• Customer service</li></ul>	
<b>Leon Kruger</b>	General Manager Infrastructure and Operations	<ul style="list-style-type: none"><li>• Mobile workforce</li><li>• Thorak Regional Cemetery</li><li>• Waste management</li><li>• Planning &amp; development</li><li>• Roads &amp; infrastructure</li><li>• Community facilities</li><li>• Asset management</li></ul>	

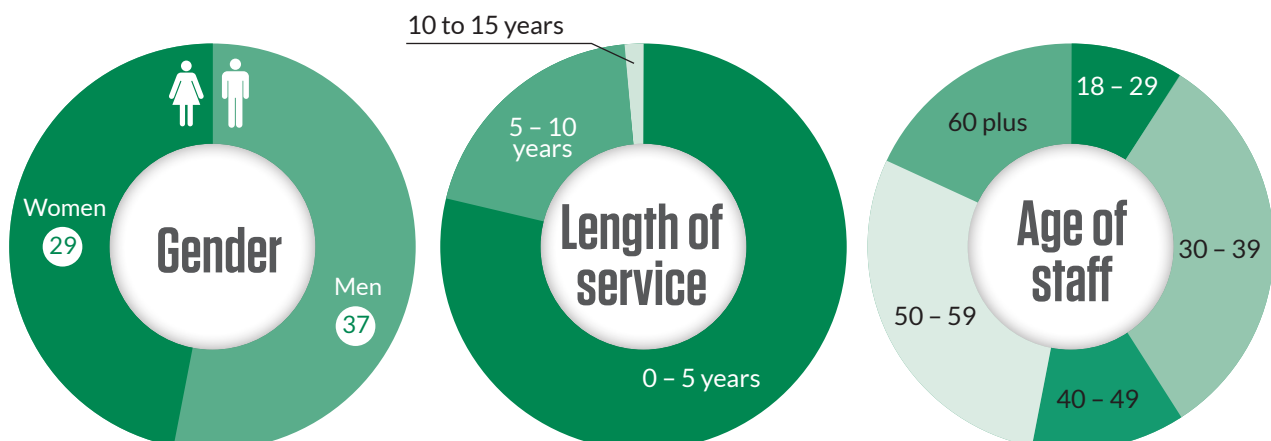
# Organisational structure



## Employment data (total, gender, years)

	Approved	Actual	Difference
Full time equivalent	49	48	-1
Part-time	5.81	5.5	-0.31
Contract	10	10	0
<b>Total</b>	<b>64.81</b>	<b>63.5</b>	<b>-1.31</b>

Following an organisational restructure in December 2020, Council approved a revised full time equivalent allocation of 64.81.





# Staff celebrations of days of national significance

Litchfield Council staff are passionate, dedicated and committed to supporting worthy causes. Over the past 12-months, staff took the time to celebrate some days of national significance and acknowledge the community that these days represent.

## IDAHOBIT Day

On Monday 17 May, staff acknowledged and celebrated IDAHOBIT Day. In the address to staff, the Chief Executive Officer Daniel Fletcher said “IDAHOBIT Day is a great opportunity to raise awareness of the Lesbian, Gay, Bisexual, Transgender, Queer and Intersex Life community and the steps that still need to be taken to eliminate discrimination. Litchfield Council continues to take important steps to reflect the broader community that we serve. We are fully committed to supporting all our people and to creating a safe, respectful and welcoming environment.”



## Wear Orange Wednesday

Wear Orange Wednesday or WOW Day - on this day, staff acknowledged and thanked all NT Emergency Services volunteers, who generously give their time to help communities during flood and storm emergencies.

Litchfield Council recognises the importance of volunteers and the contribution they make to the community, working all year round to protect us at our most vulnerable. WOW day thanks these volunteers for saving lives and protecting communities.



## Harmony Week

Litchfield Council staff were proud to celebrate Harmony Week 2021, with a breakfast. Chief Executive Officer Daniel Fletcher said, “Harmony Week provides us with an opportunity for staff across the organisation to acknowledge and celebrate the organisation’s rich cultural fabric.”



## White Ribbon Day and National Road Safety Week

In recognition of White Ribbon Day and National Road Safety Week, Litchfield Council, in partnership with our Employee Assistance Program provider, held an event for our staff aimed at raising awareness about both campaigns and the history behind them.



# Strategic framework

## Litchfield Council's Planning and Reporting Framework

### LONG TERM PLANS

- 10 Year Long Term Financial Plan
- 10 Year Asset Management Plans
- 10 Year Fire Management Plan
- 5 Year Waste Management Strategy
- 5 Year ICT Improvement Plan
- 4 Year Community Engagement Strategy
- 4 Year Animal Management Plan
- Thorak Regional Cemetery Masterplan

### STRATEGIC PLAN 2018-2022

- Vision
- Priorities
- Outcomes
- Success Measures

### MUNICIPAL PLAN Annual Action Plan

- Strategies
- Operational Programs and Indicators
- New Initiatives
- Capital Works Program and Maintenance Program
- Annual Budget

### PERFORMANCE MANAGEMENT FRAMEWORK

- Operational Work Plan including KPIs
- Individual Work Plans including KPIs
- Monthly Financial Report
- Quarterly Performance Report

## Annual Report

Governance  
and Risk  
Framework

Policy  
Framework

Management  
Plans

# Year in highlight



## July 2020

Council launched 'Get Active in Litchfield' an eight-week program of free or low-cost activities for everyone, funded by the Northern Territory Government's Special Community Assistance and Local Employment (SCALE) funding.

Council approved the 2020/21 Municipal Plan which includes a \$6.6m capital works program and the COVID-19 relief for ratepayers, waiving the \$60 rates increase.



## August 2020

The annual community survey was conducted with 56% of respondents rating Council's overall performance as very good or good.



## September 2020

myLitchfield called for businesses to register.



## October 2020

myLitchfield was open to the public to register. myLitchfield vouchers generated a total of \$1.1m into the Litchfield economy.

Connecting our Community – Council newsletter volume #3 released.

Council was proud supporters of the 2020 Mango Madness Festival held at the Waterfront and attended by over 3,500 people.



## NOVEMBER

Council celebrated White Ribbon Day with a BBQ breakfast and presentation for staff.



## December 2020

A new playground created by feedback from the community and funded by the Northern Territory Government's SCALE opened.

Entries for the 2021 Litchfield Council Art Exhibition opened.

Minister for Local Government, Hon. Chanston Paech announced changes to the Litchfield Council area that will commence at the August 2021 election.





## January 2021

New entrance signs to the Litchfield municipality were unveiled on the Stuart Highway and Cox Peninsula Road, funded by the Northern Territory Government's Special Community Assistance and Local Employment (SCALE) funding.



## February 2021

Connecting our Community – Council newsletter volume #4 released.

Council hosted the first ever Local Government Professional Development Conference with 52 staff attending from Councils across the Top End and Katherine.



## March 2021

The 2021 Litchfield Council Art Exhibition was held on the weekend of 6 and 7 March. This year attracts 70 entries of original artwork by 40 artists.



## April 2021

Council announced a dog registration amnesty, offering free dog registration from April to June and including a free microchip.



## May 2021

Consultation opened for the Municipal Plan and Budget 2021/22

Consultation opened for the Long-Term Financial Plan 2021-22 to 2030-31



## June 2021

The 2021 annual community survey was conducted.

Taminmin Library school holiday program was revealed with lots of free, fun activities.

# Opportunities and challenges

Litchfield is a unique municipality with unique opportunities and challenges to match.

It is the fastest growing municipality in the Top End, with a rural lifestyle that lends itself to an incredibly family friendly and connected community. While the largest population group is parents and homebuilders, over a quarter of Litchfield's population is over 50 years.

This interesting demographic presents both challenges and opportunities, to effectively cater to the distinct needs of a young and ageing population.

## Council will embrace opportunities to:

- engage the community meaningfully and conduct its business in an honest, timely and transparent manner
- protect its natural environment
- maintain Litchfield's position as the best place to live in the Top End
- listen to and hear what the community's expectations, hopes and aspirations for the future are, to support growth and meet demand on local infrastructure
- develop positive and productive working relationships with stakeholders, old and new!
- acknowledge and respect cultural diversity and inclusion for all
- promote Litchfield as 'Heart of the Top End'; gateway to Darwin, Kakadu, Litchfield National Park and Katherine, to optimise tourism events, showcase local attractions and encourage people to visit the municipality

## In 2019-20, in Council's annual Community Survey, the community identified the following challenges:

- Decrease in satisfaction of Council's community support
- Decrease in satisfaction of Council's advocacy
- Animal management satisfaction levels low
- Weed management satisfaction levels low

Council acknowledges these challenges and has a range of plans in place to address them. Litchfield Council's Advocacy Strategy, Animal Management and Weed Management Plans are being implemented with clear actions and directions to improve the survey ratings in the next year.



# New initiatives and future directions

Over 2020-21 Council was committed to the following new initiatives, which it considers an important part of its future directions:

New Initiative	Budget	Status	Actual Cost	Comments
<b>Weed Management Plan – Weed Management Plan developed, support by community education</b>	60,000.00	Completed	28,027.00	Weed Management Plan complete and on Litchfield Council's website
<b>Management software for Council's assets on recreation reserves – software and training provided to recreation reserve management committees</b>	7,000.00	Completed	7,010.00	Asset trac implemented across reserves and Council continue to work with committees on its use.
<b>Recreation Reserves Master Plan – 10-year strategic plan for recreation reserves developed</b>	50,000.00	Completed	50,055.18	Complete and on Litchfield Council's website. Renamed 2021-2031 Sport, Recreation and Open Space Strategy
<b>Stage 2 - 320 Arnhem Highway Masterplan – Broader community consultation on potential development of Council's property</b>	35,000.00	Project underway and carried over to 2021-22	29,320.00	18 June contract awarded. Consultation commenced July 2021 with delays due to caretaker period for the 2021 local government elections. Final report to be presented to Council at the January 2022 meeting.
<b>Berry Springs Waste Transfer Station Review – Berry Springs Waste Transfer Station licensing opportunities reviewed</b>	5,000.00	Complete	Paid through the waste consultancy budget as part of the Acting Director of Infrastructure's duties	This project was conducted by the Acting Director of Infrastructure.
<b>Climate Action Plan – Development of Plan</b>	40,000.00	Not Started	-	Project discontinued – funding reallocated to myLitchfield program
<b>Private Roads – Draft agreements to address the Private Roads Policy developed</b>	20,000.00	Not Started	-	Project discontinued – funding reallocated to myLitchfield program
Total	217,000.00		114,412.18	



# Future Directions

## Reconciliation

In the Litchfield Municipality, there is an Aboriginal and Torres Strait Islander population of over 2,000 people (9.7%). [Source, ABS 2016].

Council is committed to a positive future for its Aboriginal community and to strengthening relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples and with Aboriginal and Torres Strait Islander organisations and businesses alike.

There is an opportunity for Council to reflect on how it can contribute to building these relationships and contribute to the national reconciliation movement.

In 2021-22, Council will develop a stage 1 REFLECT Reconciliation Action Plan (RAP) for implementation, which will provide a strategic framework to drive its contribution to reconciliation and create a culturally safe and welcoming workplace.

## Protecting Litchfield's natural environment

Our natural environment is a source of pride for Litchfield and one that Council is committed to protecting.

Although a planned climate action plan initiative in this financial year did not go ahead due to COVID-19 disruption Council remains committed to supporting environmental sustainability and reducing the impacts of climate change. To formalise this commitment, Council will be developing a Climate Adaptation Strategy and Action Plan in the next financial year. The issue of climate change is complex, but in essence, refers to a change in the usual weather of a place or in the Earth's climate (i.e., all the climates around the world combined). [Source, *What Is Climate Change?* | NASA]

Impacts of climate change include extreme heat events, changes in rainfall, higher intensity tropical cyclones and longer bushfire seasons.





# Everything you need

## Litchfield Women in Business

The Litchfield Women in Business Network is a network of professional women living or working in the Litchfield municipality or with a close association to the Litchfield municipality.

Litchfield Council recognises the importance of supporting, making connections, promoting businesses, and gaining new skills to business success. It has facilitated the establishment of this Network to support women to be successful in business.

A strong and successful business sector contributes to the liveability of the Litchfield municipality to be the best place to live in the Top End.

On the **second Tuesday of every month**, the Litchfield Women in Business Network hosted morning teas. The morning teas were very successful with businesswomen catching up for a coffee, networking and sharing of business knowledge.





# Each year the Litchfield Women in Business Network Committee hosts events to showcase businesses, boost skills and provide networking opportunities.

In **November 2020** the Litchfield Women in Business Network hosted **November Business Week**, an event in which businesses provided 'bonuses' for the community who engage their businesses. Eight businesses participated in this successful event for boosting 'buying local'.



**February 2021** a **Welcome to 2021 Network Dinner** was held at the Humpty Doo Pub. This was a dinner and drinks networking evening with guest speaker Eileen Breen, Head of Region for Many Rivers.

In **March 2021** and in celebration of International Women's Day, the Litchfield Women in Business Network hosted the **Business Showcase and Dinner**. A \$2,000 Northern Territory Government grant was received to assist with the organisation of the event. The focus of the event was on choosing to challenge gender equity with business owner partners sharing insight in how they manage all aspects of business and family life and overcoming the challenges working together presents. The event also included a business showcase opportunity which celebrated the diversity of businesses ranging from experienced to newly started. There was a wide range of business types showcased at the event including but not limited to a dancing school, community, engineering and trade services, business and relationship consultants, real estate, and a jeweller, all run by female managers and/or owners or in partnerships arrangements.

In **June 2021** a successful networking event called Stepping Up, The Perfect Pitch Speed Networking event was held at the Humpty Doo Village Green with guest speakers Ute Coyne-Pollig from ASAP Coaching and Rana Everett from Everett Consulting.



# Tourism

In August 2020, Council endorsed the Litchfield Council Tourism and Events Strategy 2021 – 2024.

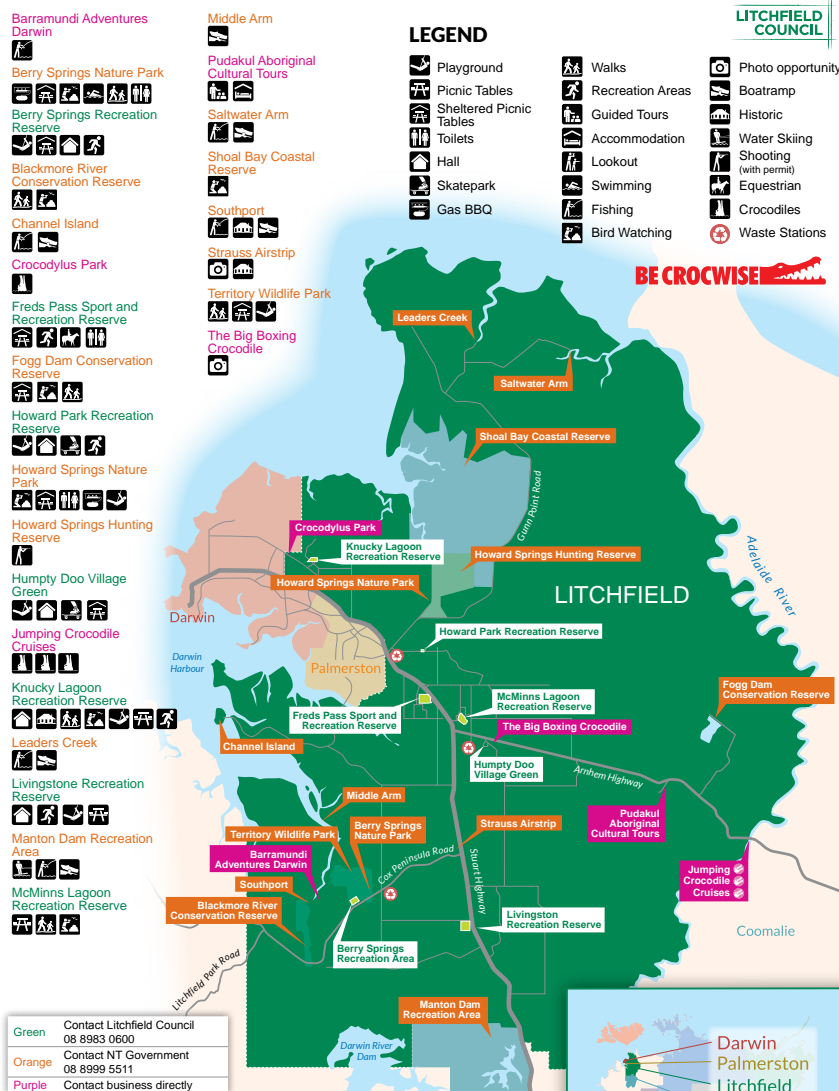
The Strategy guides Council on how it will support the tourism industry to optimise tourism and events opportunities in Litchfield.

Year one of the Tourism and Events Strategy Action Plan has progressed with the following actions taking place:

- Development of a 'Tourism Trail' document showcasing destinations in Litchfield
- Membership with Litchfield Regional Tourism Association
- Improvement of visitor information services – signs under development
- Continued support of the Freds Pass Rural Show – 2021 event cancelled due to resignation of Committee

In January 2021, Litchfield Council finalised and unveiled two new entrance signs to the municipality. These signs were funded by the Northern Territory Government's Special Community Assistance and Local Employment (SCALE) grants for a total of \$40,000.

## TOURISM IN LITCHFIELD





# Community grants

Litchfield Council Community Grant Scheme comprises three types of community grants:

**Annual community grants (up to \$5,000)**

**Community initiative grants (up to \$500)**

**Youth development grants (up to \$500)**

Money for these grants is generated by Litchfield residents, who work hard year-round to recycle through the container deposit scheme (10c recyclables) and car batteries.

**The 2020-21 Annual Community Grants totalled \$27,414 with the following successful applicants:**

- \$4,000** to Darwin Community Arts for Cuppa – Rural Women Making and Sharing Art.
- \$3,000** to Darwin Pride for Drag Queen Bingo and Cabaret.
- \$2,800** to Ellas Titans Sports Club for 3x3 Coolalinga Blast.
- \$2,000** to Humpty Doo Golf Club for International Women's Day 2021.
- \$1,977** to McMinns Lagoon Recreation Reserve for Equipment Modification Project.
- \$1,000** to Smile a Mile Fun Bus and Toy Library for the purchase of resources.
- \$3,689** to Southern Districts Football Club for the purchase of BBQ and cooker.
- \$2,000** to Top End Gem and Mineral Club to improve members' access to lapidary machinery.
- \$5,000** to Veterans Australia NT for equipment purchases to support veterans; and
- \$1,948** for Wildcare Inc. for building possum boxes.

## Youth Development Grants

Through the delegation of the Chief Executive Officer, seven Youth Development Grants were awarded to assist with the costs associated with sending young people away to represent the Northern Territory, and Litchfield in their sporting fields.

## Community Initiative Grants

A total of eight Community Initiative Grants were awarded to the value of \$500 each.





# Infrastructure

The 2020-21 capital works program was one of the largest programs on record for Litchfield Council. The program was completed during challenging times of COVID-19, with minimal resourcing impacts and a minimal increase in rates (which Council waived due to identifying the challenges and constraints of COVID-19).

## Highlights of the 2020-21 capital works program include:

The **\$21 million jointly funded Strategic Mango Roads Project** is almost complete, except for Kentish Road. Contract commences in November 2021 with completion scheduled for mid-2022.

**Phase two of the reseal program complete** including line marking. This has seen a total of 20km of roads sealed for the 2020-21 financial year. A further 22km of road has been resealed as part of the Local Roads and Community Infrastructure (LRCI) funded program.

**Freds Pass Road footpath extension and refuge crossing completed**, providing an unhindered connection of Councils shared path network to the Northern Territory Government's network. With the combination of the shared path works completed under the Special Community Assistance and Local Employment (SCALE) funding, the shared path plan continues to achieve its goals of improving connectivity to path users.

**Whitewood Road Stage two footpath renewals completed**, with the program now having renewed 1.2km of shared pathways in stage one and two.

The upgraded resheeting program with the 'rip and reshape' program has seen **10km of unsealed roads, reformed and recompactd**, improving the wearing course life of the roads. The success of the road inspection regime has allowed for programs like this to be developed to improve Council's efficiencies in providing better value and extended lifespans of assets.

The **Freds Pass main arena lighting project** completed with user groups enjoying the improved lighting and the Freds Pass Sport and Recreation Reserve enjoying the benefits of energy efficient lighting.



# Waste

Litchfield Council provides waste management and recycling services to ratepayers, residents, and commercial users through its three waste transfer stations.

## The 2020-21 financial year has seen some highlights at the waste transfer stations.

The **entry signs** at all three waste transfer stations have been upgraded, which provides the community with hours and days of operation, contact details and emergency information.



The waste transfer stations **remained open during COVID-19 lockdowns** for essential rubbish and contractors. All transfer stations were transitioned to cashless which contributes to reducing the risk to staff and the community during these challenging COVID-19 times. Staff have been professional in handling the gate house and operations during difficult times.

**Environmental Management Plans** have been updated for all waste transfer stations. These plans are a requirement for the Environmental Protection Licenses.

A **new mini loader** for the pit at the Humpty Doo Transfer Station was purchased in the 2020-21 financial year. The new machine provides greater visibility for the operator, improving the overall work health and safety at the site.

In an effort to reduce the amount of waste going to landfill at the Council office, **recycling bins and signage have been installed**. Staff have been contributing to the reduction of general waste by recycling and contributing to the cash for container deposit scheme.

A **dedicated website page** has been developed to provide the community with real time data on waste to landfill and recycling rates, reported on a monthly basis.



# A great place to live

## Australia Day

This year the Australia Day event was attended by just over 250 people.

Litchfield Council had the pleasure of welcoming Her Honour the Honourable Vicki O'Halloran AO, Administrator of the Northern Territory and Mr O'Halloran to the Australia Day event. Her Honour started the popular fun run, followed by joining in some of the morning's events.

Council was successful in receiving a \$21,000 grant from the National Australia Day Council to ensure the Australia Day event proceeded in a COVID safe manner in line with the message of Respect, Reflect, Celebrate – We're all part of the Story.

Through this grant Council's event was boosted with Litchfield Council branded banners, a marquee, and iPads for COVID registration.

In addition, this grant and event supported local businesses Chris' Coffee, Giggling Gecko, Party Animals, Yenz Entertainment, a Rainbow of Balloons for the children's entertainment, plus local small businesses through the prizes for the Citizen of the Year awards.

### Citizen of the Year Therese Balanzategui

Therese was selected by the Committee for the Citizen of the Year award as she has shown great dedication to her community as a teacher, volunteer bushfire brigade member and passionate environmentalist, who is dedicated to ensuring the beautiful country we live in remains so for us to share with our friends and family.

### Young Citizen of the Year Kiara-Jean Baker

Kiara-Jean Baker holds volunteering roles with the Elizabeth Valley Bushfire Brigade, is a coach for Southern Districts Crocs and at the Humpty Doo Primary School. Kiara-Jean believes the more you do for your community, the stronger and safer it will become.

### Community Event of the Year The Freds Pass Rural Online Show Hall

The Freds Pass Rural Online Show Hall was created to ensure creatives of the Litchfield community still had an avenue to enter and display their pieces after the cancellation of the 2020 Freds Pass Rural Show due to COVID-19.



# Art exhibition



On the weekend of 6 and 7 March 2021, Litchfield Council held its third annual art exhibition.

This year's exhibition attracted 70 entries of original artwork from 40 different artists. The theme was water and, although optional, several artists used this theme to guide their work.

Litchfield Council supports a creative community and understands how this contributes to a strong community. A community vibrant and diverse with arts and culture is an important ingredient to ensuring a healthy and connected community.

Over 320 people attended the weekend of events which included opening night, the art exhibition, kid's art workshops and the art inspired markets.

Great feedback from all the artists was received, with many appreciating the support Council is providing for local artists.

## At the 2021 art exhibition there were eight awards with the winners listed below:

### Mayor's Award

Moonlight on the Billabong by **Jo Harvey**

### Female Artist Award

Raindrops in Gamba Grass by **Nicky Clark**

### Three-Dimensional Award

Petrified by **Kelly Richardson**

### Youth Award

Dundee Rocks by **Paige-Laker Baker**

### Kids Award

Big Rock and Small Rock Turtle by **Lucy**

### Visual Arts Award

Shapes of the Rain by **Jacqueline Gribbin**

**Community Choice Award** (as voted by the community)

Uneasy Mother on a Dry Season Floodplain by **Liz Ellis**

### Textile Award

Tribute by **Bianca Butler**



# Australian citizenship ceremonies



Council held two Australian citizenship ceremonies welcoming 39 new citizens from 22 different countries.

Date	Number of new citizens	Number of countries
26 January 2021	19	14
18 March 2021	20	13



# Recreation reserves

In 2020-21 Litchfield Council allocated significant resources and funding towards the management and operations for each of Council's eight recreation reserves. Funding is also included for tree management and playground audits on Council reserves, and these continue to be managed by Council. Operations across the 2020-21 year have again been impacted by the challenges of COVID-19.

Recreation Reserve	Budget	Actual
Berry Springs Recreation Reserve	67,430.00	75,598.80
Freds Pass Recreation Reserve	706,387.00	668,595.01
Howard Park Recreation Reserve	127,600.00	130,678.61
Knuckey Lagoon Recreation Reserve	35,000.00	36,028.96
Livingstone Recreation Reserve	60,196.00	71,383.56
McMinns Lagoon Recreation Reserve	25,499.00	18,093.93
Humpty Doo Village Green	106,360.00	103,915.47
Mira Square Recreation Reserve	0	0
Reserve Asset Maintenance	30,000.00	11,139.30
<b>Total</b>	<b>1,058,472.00</b>	<b>1,015,433.64</b>

## Berry Springs Recreation Reserve



Berry Springs Recreation Reserve is managed by the Reserve Management Board committee of volunteers. This space continues to support the community in being able to participate in recreational activities including sport, markets, and BBQs. Home to several sports facilities, the reserve also has a community hall, which is frequently used for both community and private events. Like many groups COVID-19 impacted the delivery of some regular activities such as the local markets, hall hire bookings and the cancellation of the Annual Territory Day celebrations event.

### Across the 2020-21 year several key projects were undertaken, these include:

- Major electrical works in the community hall to improve functionality (funded through Council from a Northern Territory Government grant).
- Solar panels installed on top of the hall providing energy back into the main grid.
- Community meeting room re-tiled, and
- New locks installed on all areas of the hall.

Howard Park Recreation Reserve is a Council managed reserve that is also supported by a community advisory committee. This reserve is home to regular activities such as cricket, baseball, dance lessons, orchid club meetings and boot camps while the skate park continues to be popular with the youth. It is a regular stopping point for community members as it is perfectly located in the heart of Howard Springs. Howard Park Recreation Reserve is home to two Council owned and operated community halls, a Scout Hall and the local fire and emergency services building. This means that there is always something happening at this buzzing little reserve.

**Highlights for the 2020-21 year include:**

- Playground upgrade (funded by the Northern Territory Government's Special Community Assistance and Local Employment program)
- Tree planting (funded and organised by former MLA Mr Gerry Wood)

## Howard Park Recreation Reserve



Livingstone Recreation Reserve Management Board is a highly active group, who consistently work towards improving the Livingstone Reserve's public space for increased community amenity. The Committee has developed a masterplan for the reserve which will be presented to Litchfield Council later in the 2021 year. The Litchfield Horse and Pony Club has also developed a masterplan for its space on the reserve. This plan aligns with both the reserve's and Litchfield Council's plans and was approved by Council in June 2021.

While COVID-19 impacted some operations, Livingstone Reserve has been able to continue with a significant number of projects over the 2020-21 year.

**Some of the main projects include:**

- Security upgrade to cameras and lighting (Northern Territory Government's Special Community Assistance and Local Employment grant funded)
- Purchase new kitchen appliances
- Playground upgrade (funded by the Northern Territory Government's Special Community Assistance and Local Employment program)
- Volleyball court upgrade – sand replenishment and new lighting
- Road signage for the reserve has been installed
- Oval light has been moved and repositioned.

## Livingstone Recreation Reserve



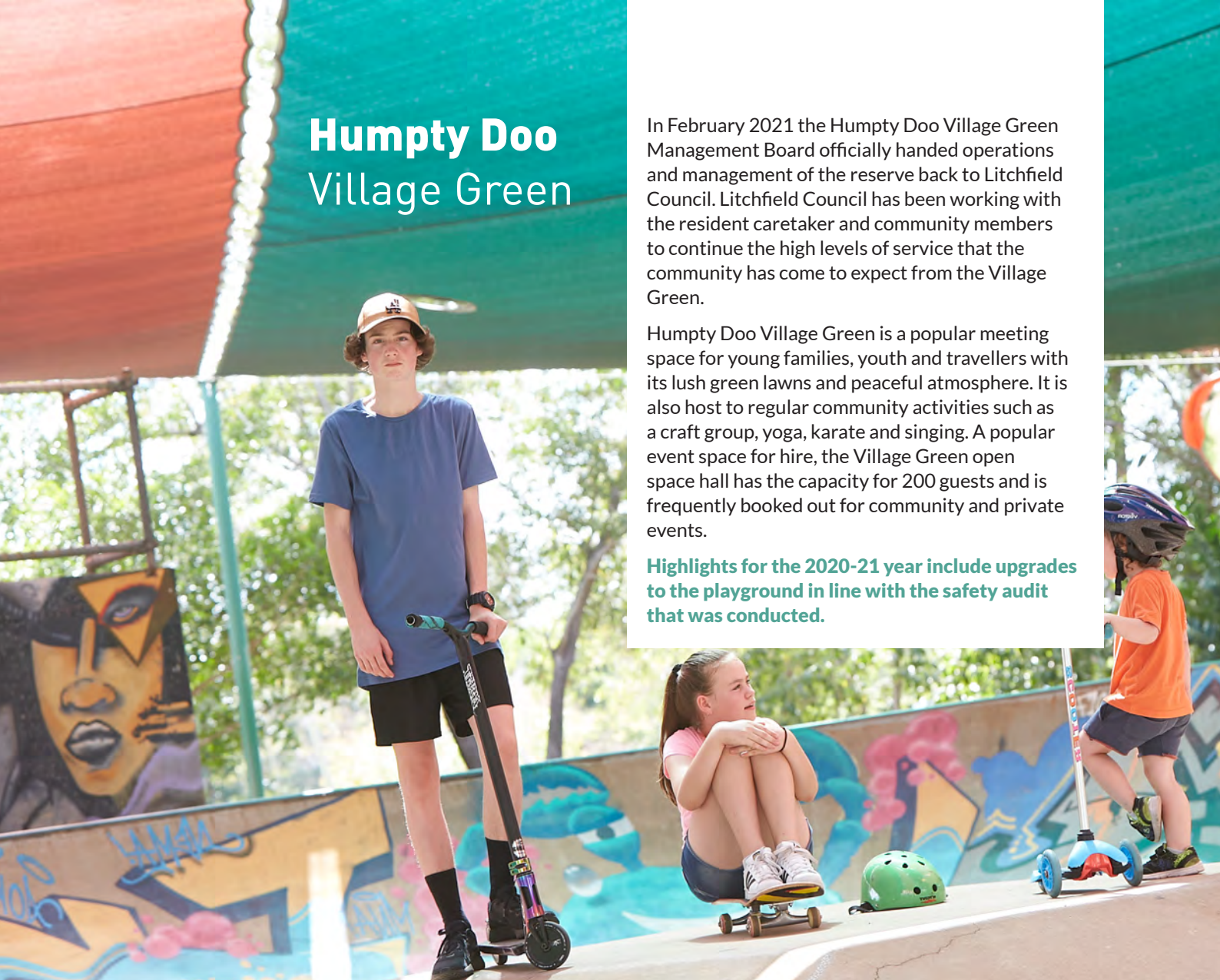


## Humpty Doo Village Green

In February 2021 the Humpty Doo Village Green Management Board officially handed operations and management of the reserve back to Litchfield Council. Litchfield Council has been working with the resident caretaker and community members to continue the high levels of service that the community has come to expect from the Village Green.

Humpty Doo Village Green is a popular meeting space for young families, youth and travellers with its lush green lawns and peaceful atmosphere. It is also host to regular community activities such as a craft group, yoga, karate and singing. A popular event space for hire, the Village Green open space hall has the capacity for 200 guests and is frequently booked out for community and private events.

**Highlights for the 2020-21 year include upgrades to the playground in line with the safety audit that was conducted.**



## Knuckey Lagoon Recreation Reserve

Knuckey Lagoon Recreation Reserve is characterised as a nature reserve and is also a place of WWII historical significance. It is one of the three Litchfield Council operated reserves and is home to a number of active community groups including the 1st Berrimah Scout Group, Top End Gem and Mineral Club, Darwin Amateur Radio Club and the Thai Association. Litchfield Council works closely with its community advisory committee to gather insights into community needs at the reserve. This year Litchfield Council worked with the advisory group on the development and planning of a new three bay storage shed. Knuckey Lagoon Recreation Reserve is a popular reserve that attracts a diverse range of community members, including bush walkers, bird watchers and native animal enthusiasts. Knuckey Lagoon Recreation Reserve is a popular space for hosting community and private functions with its open hall and kitchen.





After years of negotiation with the Northern Territory Crown Land Estate, Litchfield Council was successful in securing the land lease to Mira Square in early 2021. Mira Square covers an area of over 3.2 hectares in Southport. Australian Government funding has been secured and works have commenced for the site to be used to provide a community hall, lawn and BBQ area, seating and shade, a playground and formal carparking. This has been a long-awaited win for the Litchfield community and for the residents of Southport. In June 2021, the Southport Progress Association was awarded \$5,000 to go towards the development of their 150+1 Birthday Bash event.

## Mira Square



McMinns Lagoon Recreation Reserve is 41 hectares of untouched wetlands and home to a wide array of wildlife. In the 2020-21 year the McMinns Lagoon management committee worked with Litchfield Council to develop and install new interpretative signage around the lagoon, fully funded by the Northern Territory Government's Special Community Assistance and Local Employment program. This year saw an increase in volunteers who have assisted the committee members in completing maintenance works.

## McMinns Lagoon Recreation Reserve

### Highlights of the 2020-21 financial year include:

- A new mower and tip trailer purchased
- Security cameras installed
- Additional lighting around the shed and carpark area
- A counter installed at the entrance of the Reserve to assist the committee in quantifying the number of visitors to the Reserve each year.





The Freds Pass Sport and Recreation Reserve is a regional sporting and recreation facility home to more than 20 sport and community groups. The Reserve incorporates walking paths, picnic grounds with barbecue facilities, a large open sided hall to hire and beautiful palm gardens nestled alongside a picturesque ornamental lake inhabited by native birdlife. The Reserve is also the home to the Freds Pass Rural Markets and the annual Freds Pass Rural Show.

In 2019-20 Council and the Freds Pass Sport and Recreation Reserve Management Board continued with the capital works from the \$2 Million grant from the Northern Territory Government. The project components of the grant were selected by the Northern Territory Government based on the Freds Pass Sport and Recreation Reserve's Master Plan.

Due to further funding of \$300,000 being allocated by the Northern Territory Government for the capital works, the completion of key priorities across the Reserve was made possible. The complete list of projects is outlined below.

## Freds Pass Sport and Recreation Reserve



Project	Budget	Description of Works
Building Certification	\$115,000	Ensure compliance of high-risk buildings and buildings with permits but no occupancy permit, identify any works required to achieve compliance
Maintenance Shed	\$135,000	Construction of maintenance shed
Cricket Club Changerooms	\$500,000	Construction of changerooms as per confirmed scope.
Equine Facility Upgrade	\$380,000	Master Plan and delivery of works to available budget
Road Network	\$480,000	Safety and pedestrian movement
Carparks	\$280,000	Project has been combined with the above
Project Management	\$110,000	In house project coordinator
Equestrian Facilities upgrades	\$175,000	Upgrades to the main arena lighting.
Building Certification.	\$125,000	Construction of the Market Shed Fire Hydrant Certification.

The Reserve also offers numerous halls, pavilions and conference rooms for hire. These venues provide suitable and affordable opportunities for meetings and places to promote activities.



# A beautiful and safe natural environment

## Regulatory services

Dogs are a wonderful addition to any family, and it is important to Litchfield Council that the community understands their responsibilities as dog owners.

Litchfield Council's regulatory services team can provide advice on a range of dog related issues including containment, barking, aggression and general dog management.

Highlights for the 2020-21 financial year include:

### free 'aggressive dog seminar'

In May 2021, Council provided a free 'aggressive dog seminar' with Tracy Irons co-founder of Australian Veterinary Behaviour Services and behavioural consultant, at the Humpty Doo Village Green.

### 18 dog awareness education sessions

During the year, Litchfield Council rangers held 18 dog awareness education sessions at various schools and childcare centres across the municipality. At these sessions, rangers interacted with approximately 495 students and children, identifying dog behaviours and increasing the knowledge of dog management.

### dog registration amnesty

From 6 April to 30 June 2021, Council introduced a dog registration amnesty, where it was free to register and microchip your dog within this period. There were 369 dog registrations received and 137 microchips implanted.

### 281 dogs impounded

The total number of dogs impounded at Litchfield Council was 281. Of these impounded dogs:

- 179 dogs were released back to their owners
- 50 dogs were transferred to PAWS Darwin
- 36 dogs were transferred to the RSPCA
- 16 dogs were unsuitable for rehoming either through behaviour or illness and were subsequently euthanised





# Weed Management

## The biggest highlight is the completion of Council's Weed Management Plan 2021-2026

Feedback from Northern Territory Government's Weeds Branch management, Bushfires NT and NT Police, Fire and Emergency Services said the mobile workforce has made a visible difference over the last five to ten years.

Logging equipment has been purchased, as recommended in the plan, to attach to spray guns and GPS track the weed targets and measure the herbicide output. This will measure progress in real time as the spraying data will overlap the weed survey data.

Four prescribed burns were carried out on Council land as recommended in the Fire Management Plan; Controlled burns play a part in weed management. The burns were followed up with herbicide controls when re-growth had gained optimal height, as per recommended best practice.

In summary in 2020-21, two rounds of roadside spraying were completed, which includes spot spraying target weeds and pattern spray around roadside furniture, equating to 3200 lineal km of spraying.

Access is one the biggest challenges, as 30% of Council's land parcels are inaccessible for any kind of maintenance from late December until late in August the following year, particularly with a good wet season like that of 2020-21.

A new initiative, the development of the Weed Management Plan was identified from the community survey results saying weed management was recognised as an important service to the community however the satisfaction levels were poor. A qualified consultant was engaged, and stakeholder and community groups were part of a consultation process to ensure cross tenure management and community involvement was sought. A five-year planned approach to reduce weed spread and eradicate weeds through chemical and mechanical means was developed in the Weed Management Plan.

Council land weed management responsibilities are made up off the following.

**31 land parcels under 5 acres**

**43 land parcels over 5 acres**

**17 un-maintained road reserves**

**800km of road network**

Council applied an estimated 250,000 litres of mixed herbicide in achieving the weed management for Council land outlined above.



# Powerful and effective advocacy

## Advocacy Strategy

Council continued to advocate to the Northern Territory Government and Australian Government on behalf of the Litchfield community, to ensure local infrastructure and service needs are met.

Litchfield Council is undergoing an exciting and challenging time, our population is growing; our community is becoming increasingly engaged and Council has plans and projects underway.

**The key focus areas for advocacy in 2020-21 were the Freds Pass Sport and Recreation Reserve funding and improving library services.**

Litchfield Council is asking the Northern Territory Government to invest in facility upgrades and new sporting facilities equal to that of our neighbouring councils. There are currently sports that are not represented at Freds Pass Sport and Recreation Reserve that have a strong local following such as tennis, netball, and basketball.

The library service has been identified to not cater appropriately or adequately for all residents of Litchfield due to the space and access restrictions. Litchfield Council is asking the Australian and Northern Territory Governments to invest in a short-term (up to 10 years) relocation of the library to Coolalinga to increase foot traffic for local traders and provide a safe community space for youth and seniors.

**Both of these projects have progressed well and remain a priority into 2021-22.**



# Engaging our community

## Our commitment to engage

**13** media requests and releases

**133,108** unique page views to the Council website

**3,903** followers on Council's Facebook

## Improving Council's website

In 2019, it was identified that Litchfield Council's current website was in need of a redevelopment. Due to the age of the website, the design was dated with very limited functionality, the content management system was difficult to use and maintaining and developing new content was inadequate. The redevelopment of the website was identified as a new initiative and went live in July 2020.

This project identified improvements, has increased user satisfaction, and enabled more services to be completed online.



# Have Your Say Litchfield

Litchfield Council is committed to effective community engagement and is passionate about the future of the municipality.

Through effective and inclusive community engagement practices, Council looks to capture the vast knowledge, experience, and aspirations of our community.

In 2020-21, Council engaged with the community through a number of key projects.

- **Draft Municipal Plan and Budget 2021-22**

The Draft Municipal Plan and Budget was open for public submissions for three weeks.

- **Draft Long Term Financial Plan 2021-22 to 2030-31**

The Draft Long Term Financial Plan was open for public submission for three weeks.

- **320 Arnhem Highway**

Consultation commenced on the 320 Arnhem Highway project in June 2020 and is still ongoing. A report is expected to Council with the results of the consultation in January 2022.

- **Litchfield Sport, Recreation and Open Space Strategy**

The Litchfield Sport, Recreation and Open Space Strategy was open for public submission for four weeks in the development stage and then a further four weeks when the document was in draft.

The Strategy will guide the priorities for sustainable investment in facilities and provide a strategic framework for the planning and management of sport, recreation and open space.

- **Annual community survey**

The 2021 annual community survey was open for public submissions for a period of four weeks with 227 responses.

- **Livingstone Recreation Reserve Playground**



# 2021 community survey

Litchfield Council conducts the community survey annually to hear from residents in our community and to provide Council with information to better understand satisfaction in how Council manages its services and facilities.

The results of the survey are used in future planning for the municipality.

As an annual key performance indicator, the Community Survey is a strong engagement tool to assess:

- Community satisfaction with Council services.
- If Council is meeting community expectations.
- Areas for improvement.
- Understanding community needs.

The 2021 Community Survey results were generally positive especially in the area of satisfaction with Council's services and facilities.

The table below shows the satisfaction of services and facilities that are rated as very good or good in order from highest performance to lowest for 2021.



Services or facilities	2019	2020	2021	Variance in satisfaction	
Thorak Regional Cemetery	75%	76%	94%	18% increase	●
Community library	92%	78%	88%	10% increase	●
Waste transfer stations	81%	83%	85%	2% increase	●
Recreation reserves	83%	79%	82%	3% increase	●
Road drainage maintenance	62%	61%	66%	5% increase	●
Maintenance of local roads	66%	62%	64%	2% increase	●
Roadside maintenance	62%	62%	60%	2% decrease	●
Waste recycling opportunities	52%	52%	56%	4% increase	●
Animal management	52%	43%	44%	1% increase	●
Weed management on Council land	65%	35%	35%	No variance	●

Council's overall performance remained steady and had the same result as the 2020 Community Survey with 56 percent of respondents saying they were satisfied with Council's performance.

The below table shows some comparisons from last year's survey.

	2020	2021	Variance	
Council's overall performance – very good or good	56%	56%	No variance	●
How do you rate Council's performance of road drainage maintenance	61%	66%	5% increase	●
How proud are you of living in the Litchfield municipality – very proud or somewhat proud	80%	81%	1% increase	●
If you have contact Council in the past six months, how do you rate your service – very good or good	46%	60%	14% increase	●

The survey was moved from May due to the cancellation of the Freds Pass Rural Show where we use it as a valuable face to face engagement.

# Good governance

## Risk Management & Audit Committee

The Risk Management and Audit Committee (RMAC) is an advisory committee of Council responsible for monitoring Council's compliance with the proper standards of financial management, the Local Government Act and (General) Regulations and the Accounting Standards.

The RMAC comprises three members: independent chair Garry Lambert and two appointed councillors, Councillor Kirsty Sayers-Hunt and Councillor Doug Barden.

The RMAC met five times during the financial year. Matters presented to the RMAC were consistent with the agreed workplan and included:

- The 2019-20 annual report and financial statements
- Reviewing the management responses to audit findings
- Implementation and review of the risk register, including monitoring progress on treatments to reduce risk for Council in all areas of operation.
- Endorsing Council policies (FIN15 Purchasing Card Policy – Council Members and CEO, FIN12 Purchasing Card Policy – Council Staff, FIN10 Fraud Protection Plan).
- Monitoring implementation of actions from previous internal audits (ICT Security Audit).
- Reviewing Council's Procurement, Asset and Contract Management Committee (PACMan) minutes.





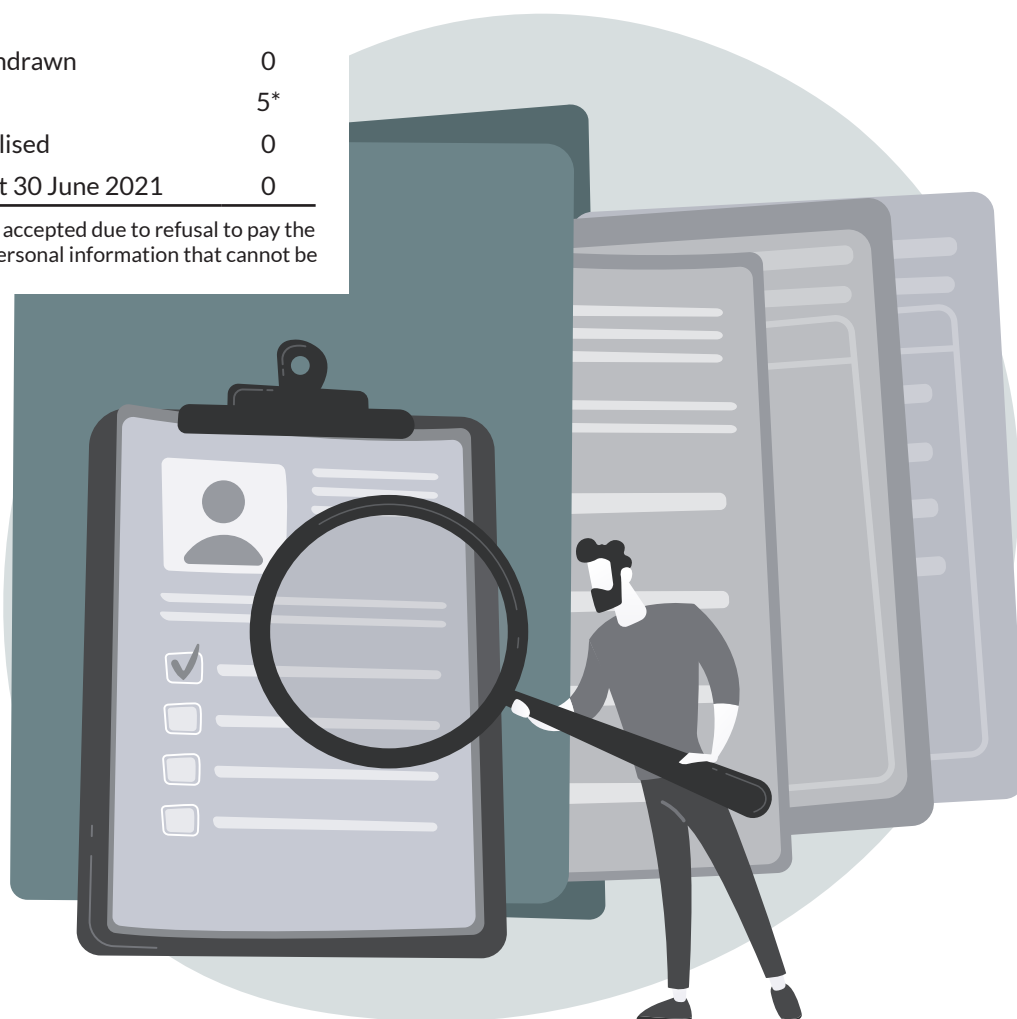
# Freedom of information

Litchfield Council is a public sector organization under the *Northern Territory Information Act*.

In the 2020-21 financial year, Council responded to the following freedom of information (FOI) requests:

FOI requests open as at July 2020	0
Applications to access personal information	0
Applications to access government information	0
Accepted applications withdrawn	0
Unaccepted applications	5*
Accepted applications finalised	0
Applications still open as at 30 June 2021	0

\* Applications received were not accepted due to refusal to pay the nominated fee or a request for personal information that cannot be released.

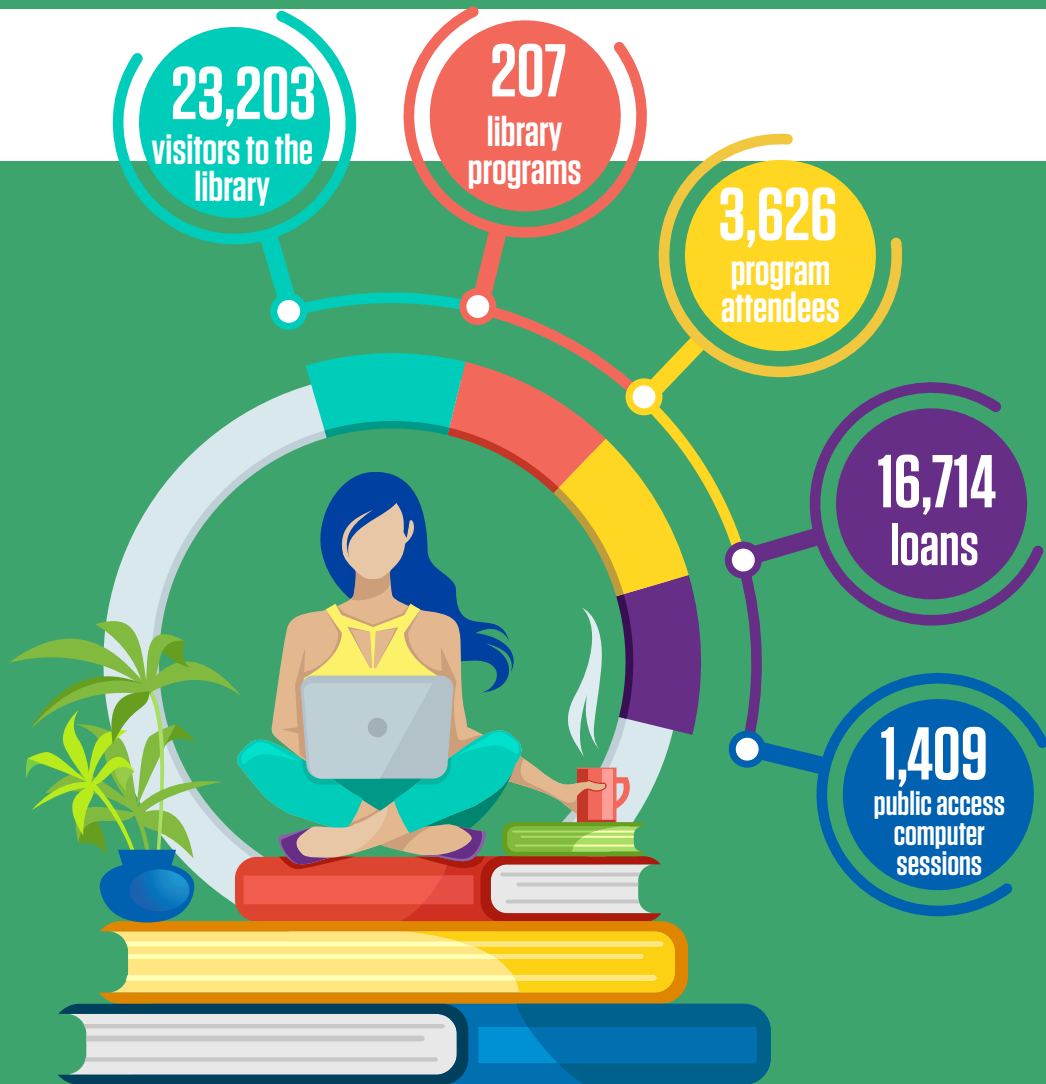


# Information and records management

Litchfield Council's records and archives management complies with the requirements of the *Local Government Act 2019*, the *Local Government (General) Regulations 2021* and the *Information Act 2002*

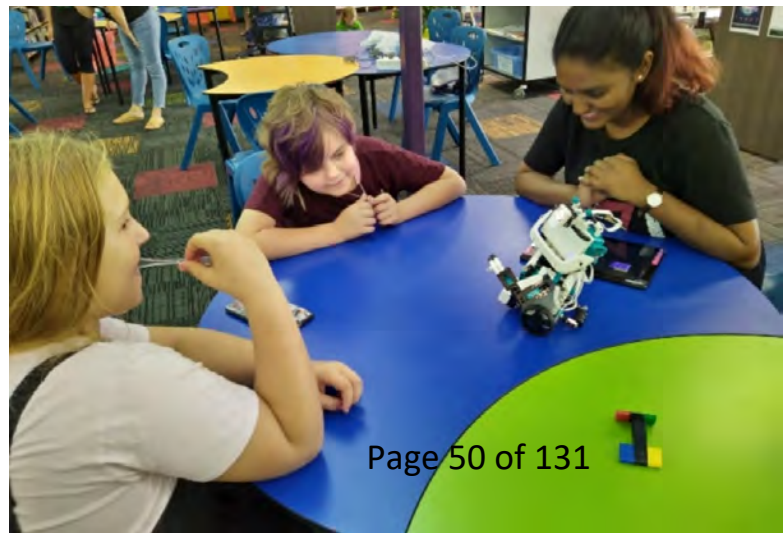
# Modern service delivery

## Library



## Lego League

Lego League is a regular weekly program that attracts a regular group. Lego is a play-based activity that encourages children to be social, be creative and to learn.





## Seniors' morning tea



The library holds a monthly seniors' morning tea, which showcases an activity or guest speaker. The seniors' morning teas are a valued program and through various activities are beneficial to seniors' social needs. Highlights include:

- Thai community promoting the Thai festival. A dance was performed for the seniors and cultural food was shared.
- Reconciliation Week guest speakers sharing stories and poetry
- Informative speakers such as Carers NT
- Art based activities with batik painting and plaster painting
- Territory Wildlife Park

## Storytime and nurserytime:



The library runs 2 storytime (1-5-year-olds) and 1 nurserytime (0-1-year-old) sessions a week. These are designed to introduce members of the community to reading and the library from a young age and to be a social outing for the children and new parents wanting to meet other new parents.

Nurserytimes and storytimes have had special guests attend the sessions, such as:

- Constable Tanith presenting for International Women's Day
- This year's Litchfield's Citizen of the Year playing the guitar for National Simultaneous Storytime
- Last year's Litchfield Citizen of the Year, Cameron Burrows, riding his volunteer fire truck as Santa for the Christmas storytime

## School holiday programs:



School holiday programs were run during each school holiday period and were well attended. In 2020-21, the library had to design the programs with attendance limits, due to COVID-19 restrictions, and often held multiple sessions so that the community still had an opportunity to attend.

Programs for 2020-21 were diverse and covered a range of interests. Highlights include:

- Build-it-up electronics STEAM activity
- First Nation Arts with Pudakul
- Marnie Jay art
- Slime party with NT Art Storms
- Nature Wands and Crowns and nature mobiles with Bush to Beach
- Paint and create "Minecraft" theme
- Gaming days

All school holidays included Friday midday movie sessions to give rural families a cinema like experience without the expense.

## Covid-19



COVID-19 has affected library programs and operations but not too greatly. Changes that have occurred due to COVID-19 include:

- QR and manual sign in on entry
- Mandatory mask wearing when under the direction of the government
- Library closures when under the direction of the government
- Extra cleaning, especially wiping down public computers and tables between uses
- Attendance limits for programs
- Ensuring extra resources in programs to discourage sharing
- Furniture removal and repositioning to encourage social distancing
- Additional hand sanitiser at entrances and throughout the library

## Collection



The collection has been going from strength to strength during the 2020-21 year. The Australian Library and Information Association's *Standards and guidelines for Australian public libraries* states that a library with the community the size of Litchfield has a standard of 40% of the collection published in the past 5 years. Taminmin Community Library now has 45% of the collection published within the last 5 years, an increase from 12% from before Litchfield first took over the library service.

Under the guidance of the Northern Territory Library, Taminmin conducted a diversity audit of the children's collection to ensure the collection represented all the people of Litchfield. The audit analysed the percentages of the collection that had protagonists who were Aboriginal/Torres Strait Islander; female; cultures other than Aboriginal, Torres Strait Islander or Western; part of the LGBTQIA+ community; or differently able bodied. The audit showed improvements needed to be made so special focus has been placed this year on increasing the diversity in the collection. An increase in diversity in collections improves representation and works towards building a more inclusive, open-minded community.



A photograph of the entrance to Thorak Regional Cemetery. A stone wall with the words 'THORAK REGIONAL CEMETERY' in large, light-colored letters is the focal point. Above the wall is a white metal fence. In the background, there are trees and a sign that reads 'LITCHFIELD COUNCIL'.

# Thorak Regional Cemetery

Thorak Regional Cemetery is situated amid natural bushland; the cemetery encompasses more than 26 hectares with over 10 hectares currently landscaped. Various sections of the cemetery allow for plaques, headstones, monuments, memorial trees, and memorial rocks to commemorate loved ones, with a special Garden of Angels for children.

Thorak Regional Cemetery is the only active cemetery serving the greater Darwin area. Built on the old Berrimah Experimental Farm, it was opened in 1988 and named after Klaus Thorak, a distinguished veterinarian who looked after the farm's dairy cows.

## Highlights of the 2020-21 financial year include:

- The internal road network and carpark was resealed and line marked for improved connectivity and safety
- Speed control devices were installed to further enhance community safety
- LPG tanks and gas lines upgraded to comply with the AS/NZS 1596 standard.
- Council was awarded \$178,009 from the Local Government Priority Infrastructure Fund Grant to upgrade the irrigation and to install solar panels
- Muslim cultural training for staff



# Summary of financials

With a good cash position and no debt, Council is well positioned to strike the right balance between continuing to deliver quality community services and enhance its long-term sustainability. Enhancing Council's revenue raising capabilities is necessary to ensure Community services and assets are sufficiently funded well in the future and we continue to deliver the quality lifestyle Litchfield Council is known for.

Council has demonstrated limited growth in operating costs in line with the adopted long-term financial plan. Employee costs, materials, services, and contractors, came in underbudget. Depreciation is over budget due to the additional grant funded capital works but remains in line with last financial year.

<b>Simplified income statement</b>	<b>Budget (\$)</b>	<b>Actuals (\$)</b>	<b>% of Budget</b>
Income raised through our ratepayers	10,796,659	10,939,000	101%
Income raised through our customers	1,636,033	2,029,957	124%
Income raised through external parties in form of grants and subsidies	3,668,423	6,280,141	171%
Income earned from bank investments and interest charges	523,201	428,526	82%
Other income	517,027	316,224	61%
<b>Total earnings</b>	<b>17,141,343</b>	<b>19,993,848</b>	<b>117%</b>
Expenditure on our staff providing community services	6,699,163	6,553,240	98%
Expenditure on contractors and consultants providing community services	8,434,467	7,596,730	90%
Cost of assets used in providing community services <sup>1</sup>	11,744,243	13,669,240	116%
<b>Total expenses</b>	<b>26,877,873</b>	<b>27,819,210</b>	<b>104%</b>
<b>Council's operating deficit</b>	<b>(9,736,530)</b>	<b>(7,825,362)</b>	<b>80%</b>
Expenditure incurred on asset sales and disposal	0	(1,207)	0%
Income raised through external parties in form of grants and subsidies – new and upgrade of assets	2,247,379	1,720,383 <sup>2</sup>	77%
<b>Council's total deficit</b>	<b>(7,489,151)</b>	<b>(6,106,186)</b>	<b>82%</b>

<sup>1</sup> Cost of assets used during the year does not represent cash payments and is a non-cash expense.

<sup>2</sup> All expected grant funding was received however, only the funding that has been spent is recognized as income. The remainder will be recognized as income in FY22 when it has been expended.

Simplified statement of financial position	2020-21 (\$)
What we own - cash <sup>3</sup>	23,823,460
What we own - unpaid rates and other receivables	2,953,342
What we own - assets	300,955,756
<b>Total assets</b>	<b>327,732,558</b>
What we owe to our suppliers	5,847,961
What we owe to our staff	994,299
<b>Total liabilities</b>	<b>6,842,260</b>
<b>Net community worth</b>	<b>320,890,298</b>

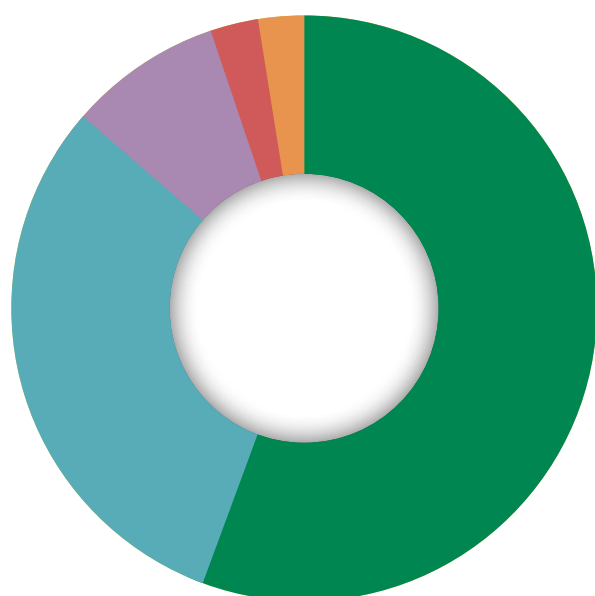
# Income in 2020-21

**Budget: \$17.1 million**

**Actuals: \$19.9 million**

The increase in income compared to budget relates mainly to grants received which comprises 31% of the total income (compared to 21% in 2019-20).

2020-21	2019-20	2018-19	2017-18	2016-17
\$19.9m	\$17.3m	\$18.1m	\$17.7m	\$19.8m



## Income by source

Rates

**55%**

Grants

**31%**

User charges

**10%**

Investment income

**2%**

Other income

**2%**

<sup>3</sup> Cash includes unspent grant funding received from the State and Federal governments.

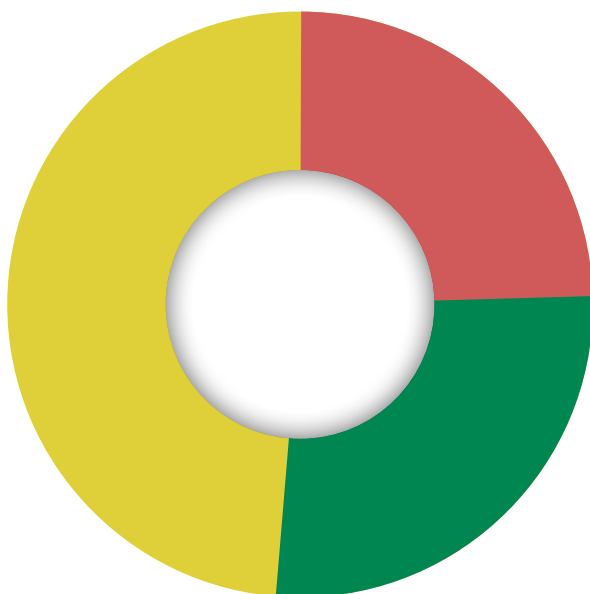
# Expenses in 2020-21

**Budget: \$26.9 million**

**Actuals: \$27.8 million**

The increase in total expenses relates to depreciation (non cash expenses). Employee costs, materials, contract, and other expenses all came in under budget.

2020-21	2019-20	2018-19	2017-18	2016-17
\$27.8m	\$27.0m	\$27.2m	\$29.5m	\$29.8m



## Expense by source

Employee costs

**24%**

Material contracts and other

**27%**

Depreciation

**49%**

## How does the net result compare with previous years?

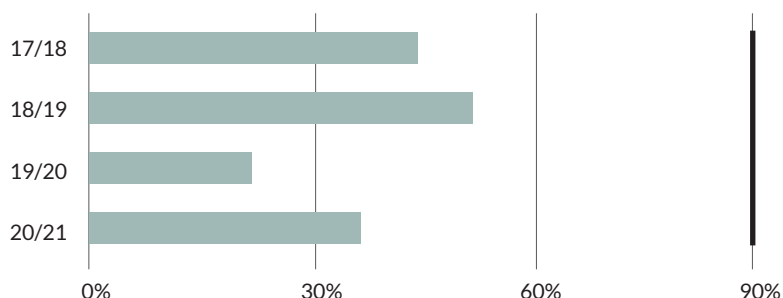
2020-21	2019-20	2018-19	2017-18	2016-17
\$7.8m	\$9.4m	\$4.1m	\$9.0m	\$8.8m

Council's net deficit for the year decrease compared to the prior year due to the large amount of grant funding received.



# Financial sustainability indicators

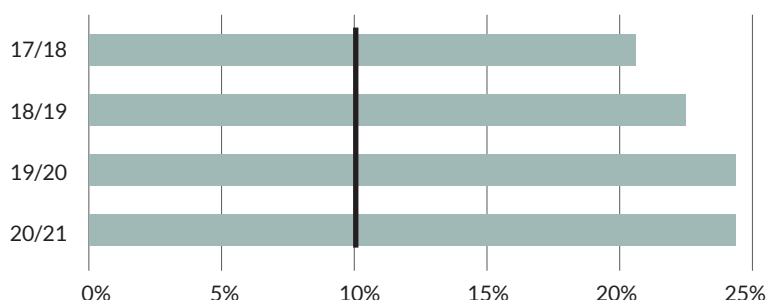
Indicates if Council is replacing or renewing existing assets in a timely manner as the assets are consumed.



**Asset sustainability ratio**

Actual  
Benchmark  
90% and above

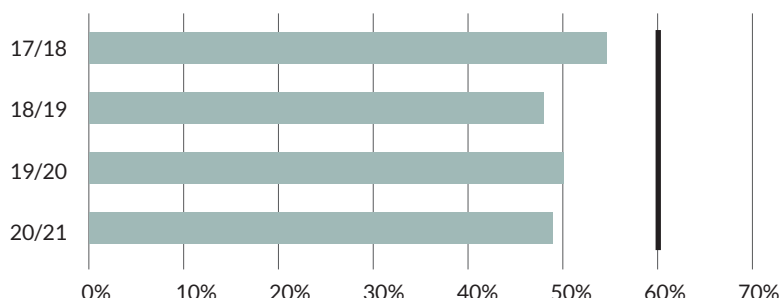
Identifies if Council is collecting rates and charges in a timely manner and the effectiveness of debt recovery efforts.



**Outstanding rates ratio**

Actual  
Benchmark  
10% or less

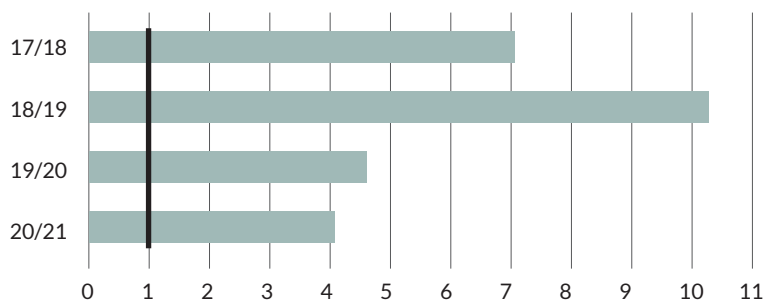
This ratio measures the degree to which Council relies on external funding to cover its operational expenses.



**Own source operating revenue coverage ratio**

Actual  
Benchmark  
minimum 60%

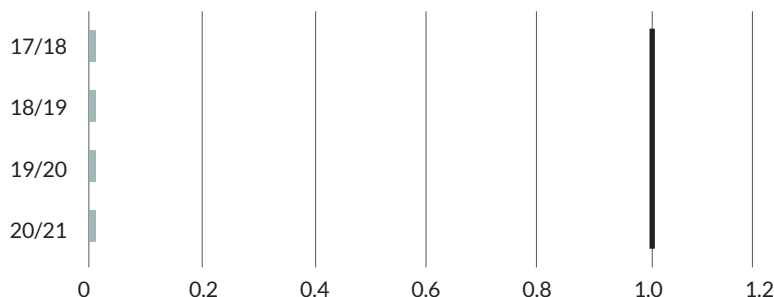
Identifies Council's ability to meet its short-term financial commitments as and when they fall due.



**Current ratio**  
(Liquidity ratio)

Actual  
Benchmark  
1 or more

Indicates Council's ability to repay loans.



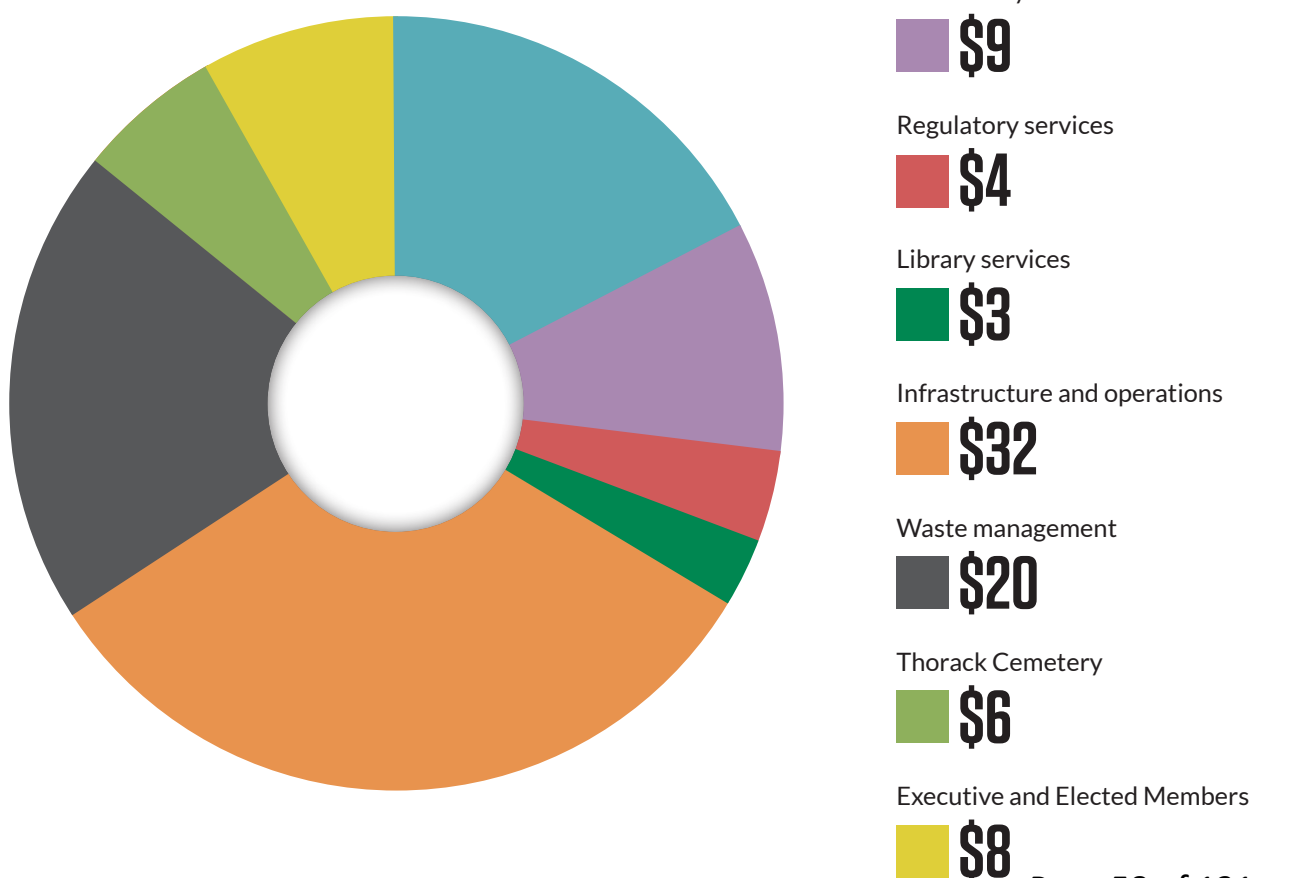
**Debt service ratio**

Actual  
Benchmark  
less than 1.0

# What do these ratios mean?

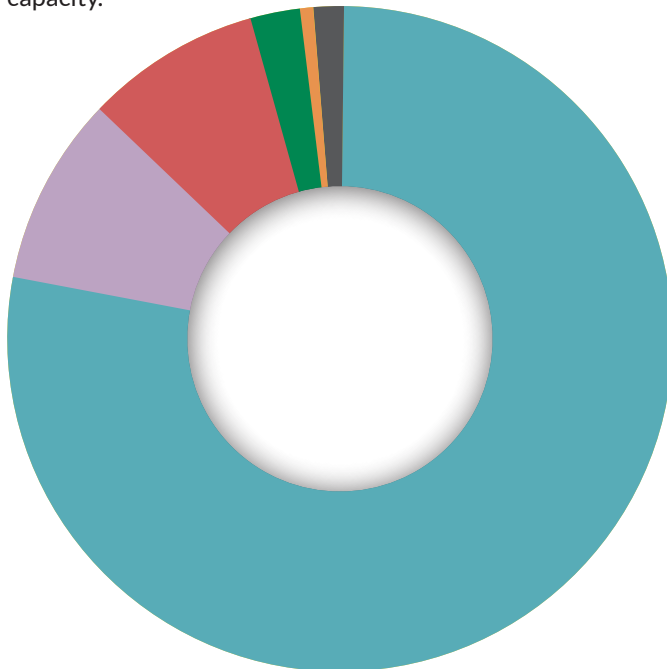
KPI	Explanation
<b>Asset sustainability ratio</b>	Council's Asset Sustainability ratio continues to remain well below the local government target of 90%. The strong current ratio combined with no debt, allows Council to fulfill its short-term obligations, however there are long-term challenges to fund asset replacement (renewal) needs. Council's total income falls short of raising enough funds for future capital replacement needs.
<b>Outstanding rates ratio</b>	In the absence of a standard industry benchmark, a target of 5% for City Councils and 10% for Regional Councils is considered best practice. Council's adopted municipal plan target is set at 18%.
<b>Own source revenue ratio</b>	<p>This ratio indicates Council's ability to pay for its operational expenditure through its own revenue sources. The higher the ratio, the more self-reliant a Council and less depended on grants. A ratio of 40% to 60% is considered as a base level, between 60% to 90% is considered intermediate level and more than 90% is considered advanced level.</p> <p>Council's Own Source Operating Revenue Coverage ratio falls in the intermediate level and meets Councils Municipal Plan KPI of greater than 60%.</p>
<b>Current ratio (liquidity ratio)</b>	<p>A ratio of greater than 1 is required to provide assurance that Council has enough funds to pay its short-term financial commitments.</p> <p>Council's Current Ratio sits favourably against the municipal target and local government benchmarks. This ratio indicates Council is well placed in the short term to fulfill its operating expenses (excluding depreciation expense).</p>
<b>Debt service ratio</b>	Council has no debt and therefore fully meets the Municipal Plan Target of less than 1.

For every \$100 of expenditure, Council delivers the following services:



# Assets

Council's majority of assets is made of Roads and related infrastructure, followed by Buildings and Culverts. Council's Road asset management plan (approved in 2018) estimated an annual funding shortfall of \$4.6 million on average over a ten-year period. The shortfall comprises the cost to renew and the cost to maintain assets at the lowest asset life cycle cost. This challenge is also evidenced as Council incurs annual operational deficits as current income levels fall short of funding the depreciation expense. Current income levels also fall short of funding annual required asset renewals. To achieve a sustainable position in the long-term, tradeoffs are required between the levels of service provided to the community and Council's income raising capacity.



Roads

**\$235m**

Buildings

**\$27m**

Land

**\$24m**

Driveways

**\$9m**

Plant and motor vehicles

**\$1.6m**

Footpaths and pathways

**\$4.4m**





# Our performance

## Program profiles

Office of the Chief Executive	
<b>Council Leadership</b>	Provides strategic leadership, good governance, advocacy and decision-making to achieve corporate outcomes.
<b>Corporate Communications</b>	Advises on and delivers community engagement activities, media management and corporate communications.
<b>Community Development</b>	Supports and resources recreation reserves management committees to provide fit-for-purpose sport and recreational facilities. Develops inspection regimes and maintenance programs for playgrounds and trees on recreation reserves. Manages Council's Community Grants Scheme and supports community events and programs.
<b>Library Services</b>	Provides public library services that promote lifelong learning, community connectedness and childhood development through collection development, program delivery and promotion of services.
Infrastructure and Operations	
<b>Infrastructure and Assets</b>	Plans, delivers and manages Council's road network and other infrastructure to ensure the social, cultural and economic success of the Litchfield municipality.
<b>Mobile Workforce</b>	Provides an effective and efficient maintenance service, including weed and bushfire management for Council's road verges, drainage easements, signs, reserves, excised lands and Council facilities.
<b>Planning and Development</b>	Reviews and provides comment on all regional plans, policies, development proposals, and planning applications relevant to the Litchfield municipality. Administers future Council assets, works permits, and proposals for road openings and closures.
<b>Regulatory Services</b>	Administers Council's Dog Management By-Laws. Promotes and supports responsible dog ownership through public education and initiatives. Provides information to help manage and control feral dogs. Manages abandoned vehicles.
<b>Thorak Regional Cemetery</b>	Operate the Thorak Regional Cemetery and Crematorium for the Top End efficiently and effectively in accordance with approved plans, the <i>Northern Territory Cemeteries Act 1952</i> , Cemeteries Regulations, Council policies and community expectations.
<b>Waste Management</b>	Provides an environmentally sustainable, safe and cost-effective waste management system through Council's waste transfer stations and recycling operations.
Business Excellence	
<b>Human Resources and Work Health Safety</b>	Manages the workplace health and safety system and a range of operational, advisory and strategic human resource services that meet statutory requirements and enables Council to attract, develop and retain great staff.
<b>Finance</b>	Provides financial services to help Council make informed decisions and allocate resources efficiently and effectively in the short and long term, while ensuring Council meets its objectives and all statutory and regulatory obligations. Provides timely and quality front counter customer services for residents and visitors and manages rates records in accordance with policy and legislative requirements.
<b>Governance and Risk</b>	Provides and supports best practice governance, statutory compliance, records and risk management for Council.
<b>Information Services</b>	Manages Council's information and communications systems to ensure alignment with business needs and excellent customer service.

# Budget by program profiles















	2020-21 Budget \$	2020-21 Actual \$
<b>Community</b>		
Operational Revenue	135,300.00	234,820.61
Operational Expenditure	1,589,264.00	1,537,154.44
Net Operating Surplus (Cost)	(1,453,964.00)	(1,302,333.83)
Capital revenue	390,471.00	287,100.00
Capital Expenditure	767,471.00	982,957.53
Net Capital Surplus ( Cost)	(377,000.00)	(695,857.53)
<b>Community - Library</b>		
Operational Revenue	419,854.00	332,949.27
Operational Expenditure	419,854.00	376,261.01
Net Operating Surplus (Cost)	-	(43,311.74)
Capital revenue	-	-
Capital Expenditure	-	-
Net Capital Surplus ( Cost)	-	-
<b>Corporate Services</b>		
Operational Revenue	150,003.00	140,268.40
Operational Expenditure	746,124.00	693,275.27
Net Operating Surplus (Cost)	(596,121.00)	(553,006.87)
Capital revenue	-	-
Capital Expenditure	-	-
Net Capital Surplus ( Cost)	-	-
<b>Council Leadership</b>		
Operational Revenue	3,000.00	73,762.90
Operational Expenditure	1,093,757.00	984,505.79
Net Operating Surplus (Cost)	(1,090,757.00)	(910,742.89)
Capital revenue	-	-
Capital Expenditure	-	-
Net Capital Surplus ( Cost)	-	-



















	2020-21 Budget \$	2020-21 Actual \$
<b>Finance &amp; Customer Service</b>		
Operational Revenue	8,930,417.00	9,049,582.52
Operational Expenditure	1,491,599.00	1,566,711.93
Net Operating Surplus (Cost)	7,438,818.00	7,482,870.59
Capital revenue	-	-
Capital Expenditure	-	-
Net Capital Surplus ( Cost)	-	-
<b>Information Services</b>		
Operational Revenue	27,300.00	27,300.00
Operational Expenditure	665,215.00	680,349.67
Net Operating Surplus (Cost)	(637,915.00)	(653,049.67)
Capital revenue	38,856.00	-
Capital Expenditure	38,856.00	24,184.49
Net Capital Surplus ( Cost)	-	(24,184.49)
<b>Infrastructure &amp; Assets</b>		
Operational Revenue	2,924,174.00	3,182,865.26
Operational Expenditure	3,065,900.00	2,591,596.83
Net Operating Surplus (cost)	(141,726.00)	591,268.43
Capital revenue	2,942,083.00	3,652,708.39
Capital Expenditure	9,641,925.00	7,830,743.99
Net Capital Surplus ( Cost)	(6,699,842.00)	(4,178,035.60)
<b>Mobile Workforce</b>		
Operational Revenue	-	6,134.98
Operational Expenditure	1,153,150.00	1,104,870.10
Net Operating Surplus (Cost)	(1,153,150.00)	(1,098,735.12)
Capital revenue	-	-
Capital Expenditure	-	-
Net Capital Surplus ( Cost)	-	-


























	2020-21 Budget \$	2020-21 Actual \$
<b>Regulatory Services</b>		
Operational Revenue	200,400.00	133,964.52
Operational Expenditure	560,580.00	485,655.00
Net Operating Surplus (Cost)	(60,180.00)	(351,690.48)
Capital revenue	-	-
Capital Expenditure	60,000.00	28,105.12
Net Capital Surplus ( Cost)	(60,000.00)	(28,105.12)
<b>Thorak Cemetery</b>		
Operational Revenue	1,023,150.00	1,389,123.97
Operational Expenditure	903,984.00	906,428.93
Net Operating Surplus (Cost)	119,166.00	482,695.04
Capital revenue	-	-
Capital Expenditure	80,000.00	69,503.00
Net Capital Surplus ( Cost)	(80,000.00)	(69,503.00)
<b>Waste Management</b>		
Operational Revenue	3,162,705.00	3,208,372.09
Operational Expenditure	2,898,634.00	3,062,203.24
Net Operating Surplus (Cost)	264,071.00	146,168.85
Capital revenue	-	47,186.97
Capital Expenditure	230,000.00	64,370.02
Net Capital Surplus ( Cost)	(230,000.00)	(17,183.05)
<b>Planning</b>		
Operational Revenue	165,040.00	234,297.24
Operational Expenditure	545,569.00	574,385.72
Net Operating Surplus (Cost)	(380,529.00)	(340,088.48)
Capital revenue	57,011.00	195,514.91
Capital Expenditure	132,011.00	60,617.31
Net Capital Surplus ( Cost)	(75,000.00)	134,897.60






















# Service delivery key performance indicators























KPI	Target	Actual	Results
<b>Council Leadership</b>			
Advocacy Submissions to government – community survey satisfaction with Council’s advocacy efforts	>60%	68%	
Represent Council on legislation and other reforms – community survey satisfaction with Council’s strategic direction	>55%	50%	
Elected members training and development:	>2 sessions	3 sessions complete	
Elected member support			
Business planning and performance reporting framework		1 session scheduled and cancelled due to COVID-19	
Council meetings and activities			
Executive leadership			
Reputation management – Number of professional development sessions			
Supporting local businesses - hold three Litchfield Women in Business Network Events per annum	100%	3 events held – 100%	
<b>Corporate Communications</b>			
Community Engagement - Community Engagement Strategy actions: Year 3 complete	90%	98%	
Annual community survey - community survey – overall satisfaction	>60%	56%	
Community survey – community engagement satisfaction	>60%	34%	
Social media management - Increased interaction on Council’s Facebook page – post engagement	>8,000	25,481	
Media monitoring and management – media response time	<24 hours	100%	
<b>Human resources and work health and safety</b>			
Human resources policies, procedures, checklists – reviewed and compliant	Complete	Complete	
An engaged and productive workforce – staff turnover rate	<20%	2%	
Staff survey satisfaction	>70%	72% (survey conducted in previous financial year)	
Workplace Health and Safety (WHS) Management System, including updated policies and procedures and WHS Manual – policies, procedures and manual	Complete	Complete	
- Workers compensation claims	<3	Nil claims	

KPI	Target	Actual	Results
<b>Planning and Development</b>			
Submissions to the Northern Territory Government – comments submitted on applications within required time frame	>90%	100%	
Participation in the Northern Territory planning working groups – attendance at meetings	>75%	100%	
Approval of plans, reports, and construction documentation –			
Plan reviews for building certification issued within 10 works days	>90%	100%	
Plan and report reviews for development and subdivision issues within 15 working days	>90%	90%	
Works permits issued within 5 days	>90%	100%	
Subdivision approvals and handover processes – delivered in accordance with standards	Achieved	Achieved	
New initiative – stage 2 – 320 Arnhem Highway Master Plan – Broader community consulted on potential development of Council's property	Completed	Ongoing	
<b>Infrastructure and Assets</b>			
Capital works program – affected resident and relevant stakeholders	100%	100%	
Road maintenance program – community survey: satisfaction with local road maintenance	>65%	62%	
Drainage maintenance program – customer survey: satisfaction with roadside drainage	>60%	61%	
Capital works program – programmed works completed within budget	>90%	92%	
Grant-funded projects – five-year program developed – including road safety and Roads to Recovery	Complete	Not Complete	
Asset management plans – building, drainage, driveway and fleet asset management plans, including 10-years replacement programs delivered	Complete	Not Complete	
Road maintenance program –			
Potholes patched and repaired customers requested	Reducing trend	Yes	
Gravel roads graded	>2 times	No	
Street lighting maintenance – percentage of network outage from annual night-time audit	<5%	8.8%	
Productive mango roads project –			
Horsnell Road, Mocatto Road, Chibnall Road	Complete	Complete	
Kentish Road	Commenced	Not Commenced	































KPI	Target	Actual	Results
<b>Mobile Workforce</b>			
Roadside maintenance – community survey: satisfaction with roadside maintenance	>60%	62%	
Weed management – community survey: satisfaction with weed management	>50%	35%	
Bushfire management –			
Council firebreaks maintained	Complete	Complete	
Firebreaks widened in accordance with Fire Management Plan	Complete	Complete	
Hazard burns undertaken in consultation with other authorities	Complete	Complete	
Road furniture maintenance – signs and guideposts repaired with target timeframes	>90% <24 hours urgent, 14 days standard	Complete	
New initiative - Weed Management Plan - Weed Management Plan developed, support by community education	Complete	Complete	
Other tasks – prompt response to various services	>90% <24 hours urgent, 7 days standard	Achieved	
<b>Waste Management</b>			
Efficient operation of waste transfer stations – community survey: satisfaction with waste transfer stations	>80%	83%	
Community survey: satisfaction with waste recycling	>55%	52%	
Community benefit fund income – income raised through recycling activities including cash for containers	5% annual increase	15% decrease	
Maximise diversion from landfill – residential waste tonnage transferred to Shoal Bay	<7000 tonnes	7258 tonnes	
Commercial waste tonnage transferred to Shoal Bay	<1000 tonnes	192 tonnes	
Cyclone season preparation – free residential green waste disposal in November	Complete	Complete	
Recycled materials – sale of processed materials (mulch, crushed concrete)	>80% sold within six months of processing	100%	
Volume of green and wood waste processed for resale	>3,500 cubic metres	2264 tonnes	
Volume of concrete crushed for resale	>500 cubic metres	0	
Maximise diversion from landfill – amount of total waste diverted from landfill	>35% >15%	38% 13%	 
Amount of total waste that is dry recyclables	>1,000 tonnes	1099 tonnes	
Quantity of scrap metal collected and recycled			
Quantity of cash for containers collected and recycled	>50 tonnes	32.7 tonnes	
Quantity of electronics collected for Techcollect	>40 tonnes	45.4 tonnes	
Quantity of tyres, batteries and oil collected for recycling	>100 tonnes	103 tonnes	

KPI	Target	Actual	Results
Waste Strategy Year 3 – Landfill closure plans for Howard Springs and Berry Springs waste transfer stations (extends to year 4)	Commenced	Commenced	
Waste education litter collection campaign and ongoing education relating to waste and recycling delivered	Complete	Complete	
Business case for dry recyclables received at transfer stations prepared	Complete	Complete	
Amenity upgrades at transfer stations (continues year 4 and 5) undertaken	Commenced	Commenced	
New initiative: Berry Springs waste transfer station review – licensing opportunities reviewed	Complete	Ongoing	
<b>Regulatory Services</b>			
Regulatory services – community survey: satisfaction with animal management	>50%	43%	
Responsible dog ownership – number of registered dogs increased	>10%	14%	
Number of impounded dogs reclaimed by owners	>70%	64%	
Number of registered dogs de-sexed	>70%	88%	
Animal Management Plan year 3 – Attendance at community events	>2 events attended	0 – cancelled due to COVID-19	
Dog awareness programs delivered at schools and childcare	>6 visits	20 visits	
Dogs Day Out event (or similar) delivered, targeting improved awareness, increase registration, general pet owner education	1 event	1 event attended	
Education marketing / education campaign delivered with neighbouring Council's	Complete	Complete	
Regulatory services – investigations completed within 14 working days	>90%	Not achieved	
Customer requests actioned in less than 2 working days	>90%	Achieved	
Abandoned vehicles – vehicles removed within 14 days of being reported	100%	99% - however one vehicle was unable to be recovered due to being in a wet area	
Animal Management Plan year 3 – dedicated dog management information provided on website and social media page	Ongoing	Achieved	
Number of de-sexing vouchers redeemed	>60 vouchers	21 vouchers issued	
Number of dogs microchipped through Council's low cost / free program	>200 dogs microchipped	219	
Dog training supported and incentivised through Good Dog initiative	In progress	In progress	
Signage developed for use in community	In progress	In progress	

KPI	Target	Actual	Results
<b>Community Development</b>			
Council partnership and support grants – number of partnerships supported	10	18	
Servicing community needs at reserves – funding provided to community reserves	Funding agreements established	Funding agreements are in development with Management Boards	
New initiative – management software for Council's assets on recreation reserves – software and training provided to recreation reserve management committees	Complete	Software complete, training ongoing	
Grant applications – grants received by Council acquitted with agreed timeframes	100%	100%	
Governance and support for Council's seven recreation reserves – community survey: satisfaction with recreation reserves	>65%	79%	
Annual community grants program initiative – Number of community events and programs supported	10	14	
Represent and advocate for the needs of young people in Litchfield – participate in Palmerston and Rural Youth Services meetings	Maintain an active membership	Achieved	
Australia Day event – community participation	>300	350	
Playground inspection program – playgrounds on Council owned land audited	100%	Completed mid-July	
Tree Management Plan – audits undertaken in line with Plan	100%	100%	
Annual Art Exhibition – level of community participation	>55 entries	69 entries	
New initiative – recreation reserve master plan – 10-year strategic plan for recreation reserves developed	Complete	Complete	
<b>Finance</b>			
Annual budget, Annual Report, Municipal Plan – compliance with management, statutory and regulatory budgeting and reporting	100%	100%	
Monthly and annual financial reporting, including annual audit and forecasting – unqualified audit	Complete	Complete	
Liquidity ratio	1:01	4.12:1	
Asset sustainability ratio	>60%	37%	
Current ratio	>1	4.12:1	
Debt service ratio	>1	0%	
Long term rating strategy - Own-source revenue ratio increased, to lower Council's dependency on government grants and other funding sources	>60%	59%	
Investments - Compliance with policy and statutory requirements, reported monthly	100%	100%	
Rates and accounts receivable collection - Volume of rates and annual charges outstanding	<15%	24%	
Front counter customer service – community survey: satisfaction in customer service	>60%	60%	



KPI	Target	Actual	Results
<b>Information Technology</b>			
Information and communications technology (ICT) managed service contract management - Percentage of Service Desk requested closed	90%	94%	
Corporate Enterprise Solution (CES) software - CES updated with the latest version (patch) available nationally	No more than 1 Patch behind latest version	Up to date	
Information and Communications Technology Improvement Plan - Annual actions completed	100%	85%	
Geographical Information System (GIS) - Age of GIS imagery of populated areas	<1 year	Achieved	
Age of NTG downloaded data	<1 week	Achieved	
<b>Governance and Risk</b>			
Local Government Act 2008 compliance - Compliance with legislative requirements of the Department of Local Government, Housing and Community Development Compliance Checklist	100%	100%	
Policy framework - Council policies reviewed before due date	>90%	100%	
Elected members support - Complaints upheld Breaches of the code of conduct by elected members	0	0	
Risk Management Audit Committee - Number of Risk Management Audit Committee (RMAC) meetings held	4	5	
Records managements review and improvements - Volume of records held in storage reduced	By 10%	Not achieved	
Annual Internal Audit Plan - Internal audits conducted in line with RMAC recommendations	100%	Not achieved	
<b>Library Services</b>			
Visitors to the library - Weekly door count	>400	446	
Promotion of services - Interaction with Library Facebook page	650 likes of Facebook page	823	
Shared Service Governance Framework - Governance framework developed	Complete	Commenced	
Collection Improvements - Number of Annual Returns	>15,800	16,714	
Age of collection % of collection published in the past five years	>40%	45%	
Program delivery - Program participation each year	>3200	3626	
Library events - Events delivered	>3	1	

KPI	Target	Actual	Results
<b>Thorak Regional Cemetery</b>			
Servicing community needs and regulatory obligations by keeping cemetery records and maintaining rights of burial - Compliance with legislative requirements	100%	100%	
Monthly reporting to the Thorak Cemetery Board - Achievement of operational budget	100%	100%	
Professional and cost-effective cremation and burial services - Increased income from cremation services	>10%	Decrease of 9%	
Awareness of cemetery profile and public awareness of Thorak services - Information leaflets distributed	Complete	Complete	
Freds Pass Show Display	Complete	Freds Pass Rural Show cancelled	
Community Survey satisfaction rating	>60%	90%	
Variety of memorial spaces for ash interments - Sales of memorial trees, rocks, plots and columbarium niches increased	>10%	15%	
Chapel hire and amenities - Income from chapel hires increased	>10%	Decrease of 2%	
Efficient maintenance of grounds and open spaces, including improved mowing, planting, weeding and irrigation regimes - Mowing regime reduced	<25%	Achieved	
Irrigation time reduced	<20%	Achieved	

# Litchfield Council General purpose

## Financial Statements

for the year ending 30 June 2021





## General Purpose Financial Statements

for the year ended 30 June 2021

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## General Purpose Financial Statements

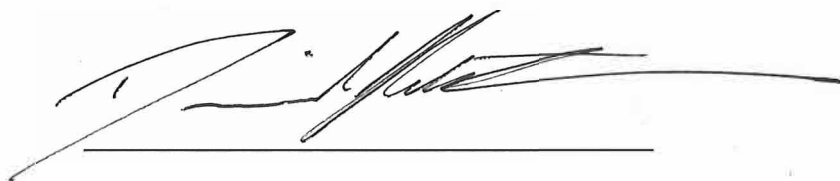
for the year ended 30 June 2021

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### Chief Executive Officer's Statement

I, Daniel Fletcher, the Chief Executive Officer of Litchfield Council, hereby certify that the Annual Financial Statements:

- have been drawn up in accordance with the applicable Australian Accounting Standards, the *Local Government Act* and the *Local Government (Accounting) Regulations* so as to present fairly the financial position of the Council and the results for the year ended 30 June 2021; and
- are in accordance with the accounting and other records of Council.

A handwritten signature in black ink, appearing to read 'Daniel Fletcher', is written over a horizontal line.

Daniel Fletcher  
Chief Executive Officer

26 October 2021

## Statement of Comprehensive Income

for the year ended 30 June 2021

\$	Notes	2021	2020
<b>Income</b>			
Rates	2a	10,939,000	10,685,294
Statutory Charges	2b	132,834	137,049
User Charges	2c	1,897,123	1,757,340
Grants, Subsidies and Contributions	2g	6,280,141	3,855,333
Investment Income	2d	428,526	689,533
Reimbursements	2e	1,766	543
Other income	2f	314,458	153,975
<b>Total Income</b>		<b>19,993,848</b>	<b>17,279,067</b>
<b>Expenses</b>			
Employee costs	3a	6,553,240	6,643,444
Materials, Contracts and Other Expenses	3b	7,596,730	7,218,993
Depreciation, Amortisation and Impairment	3c	13,669,240	13,166,270
<b>Total Expenses</b>		<b>27,819,210</b>	<b>27,028,707</b>
<b>Operating Surplus / (Deficit)</b>		<b>(7,825,362)</b>	<b>(9,749,640)</b>
Asset Disposal & Fair Value Adjustments	4	(1,207)	(31,186)
Amounts Received Specifically for New or Upgraded Assets	2g	1,720,383	408,072
<b>Net Surplus / (Deficit)</b>		<b>(6,106,186)</b>	<b>(9,372,754)</b>
<b>Other Comprehensive Income</b>			
<b>Amounts which will not be reclassified subsequently to operating result</b>			
Changes in Revaluation Surplus - I,PP&E	9a	—	(1,558,056)
<b>Total Amounts which will not be reclassified subsequently to operating result</b>		<b>—</b>	<b>(1,558,056)</b>
<b>Total Other Comprehensive Income</b>		<b>—</b>	<b>(1,558,056)</b>
<b>Total Comprehensive Income</b>		<b>(6,106,186)</b>	<b>(10,930,810)</b>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.



# Statement of Financial Position

as at 30 June 2021

\$	Notes	2021	2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash & Cash Equivalent Assets	5a	3,884,166	1,803,190
Trade & Other Receivables	5b	2,953,342	2,925,552
Other Financial Assets (Investments)	5c	19,939,294	22,099,870
<b>Total current assets</b>		<b>26,776,802</b>	<b>26,828,612</b>
<b>Non-current assets</b>			
Other Non-Current Assets	6	5,456,554	4,365,021
Infrastructure, Property, Plant & Equipment	7a	295,499,202	301,369,855
<b>Total non-current assets</b>		<b>300,955,756</b>	<b>305,734,876</b>
<b>TOTAL ASSETS</b>		<b>327,732,558</b>	<b>332,563,488</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	5,834,399	4,496,757
Borrowings	8b	13,562	33,370
Provisions	8c	646,450	604,637
<b>Total Current Liabilities</b>		<b>6,494,411</b>	<b>5,134,764</b>
<b>Non-Current Liabilities</b>			
Provisions	8c	347,849	432,240
<b>Total Non-Current Liabilities</b>		<b>347,849</b>	<b>432,240</b>
<b>TOTAL LIABILITIES</b>		<b>6,842,260</b>	<b>5,567,004</b>
<b>Net Assets</b>		<b>320,890,298</b>	<b>326,996,484</b>
<b>EQUITY</b>			
Accumulated surplus		6,586,458	11,433,042
Asset revaluation reserves	9a	294,301,835	294,301,835
Other reserves	9b	20,002,005	21,261,607
<b>Total Council Equity</b>		<b>320,890,298</b>	<b>326,996,484</b>
<b>Total Equity</b>		<b>320,890,298</b>	<b>326,996,484</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

for the year ended 30 June 2021

\$	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Carrying amount
<b>2021</b>					
Balance at the end of previous reporting period		11,433,042	294,301,835	21,261,607	326,996,484
Net Surplus / (Deficit) for Year		(6,106,186)	–	–	(6,106,186)
<b>Other Comprehensive Income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	–	–	–
<b>Other comprehensive income</b>		–	–	–	–
<b>Total comprehensive income</b>		<b>(6,106,186)</b>	<b>–</b>	<b>–</b>	<b>(6,106,186)</b>
Transfers between Reserves		1,259,602	–	(1,259,602)	–
<b>Balance at the end of period</b>		<b>6,586,458</b>	<b>294,301,835</b>	<b>20,002,005</b>	<b>320,890,298</b>
<b>2020</b>					
Balance at the end of previous reporting period		17,011,621	295,859,891	23,281,328	336,152,840
Net Surplus / (Deficit) for Year		(9,372,754)	–	–	(9,372,754)
<b>Other Comprehensive Income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	(1,558,056)	–	(1,558,056)
<b>Other comprehensive income</b>		–	<b>(1,558,056)</b>	–	<b>(1,558,056)</b>
<b>Total comprehensive income</b>		<b>(9,372,754)</b>	<b>(1,558,056)</b>	<b>–</b>	<b>(10,930,810)</b>
Transfers between Reserves		2,019,721	–	(2,019,721)	–
<b>Balance at the end of period</b>		<b>11,433,042</b>	<b>294,301,835</b>	<b>21,261,607</b>	<b>326,996,484</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

for the year ended 30 June 2021

\$	Notes	2021	2020
<b>Cash flows from operating activities</b>			
<u>Receipts</u>			
Rates Receipts		11,060,134	10,211,239
Statutory Charges		133,964	138,664
User Charges		2,040,995	1,941,338
Grants, Subsidies and Contributions		6,216,541	3,918,933
Investment Receipts		428,526	689,534
Reimbursements		1,766	543
Other Receipts		1,380,765	2,135,821
<u>Payments</u>			
Payments to Employees		(6,902,180)	(7,166,460)
Payments for Materials, Contracts & Other Expenses		(7,210,358)	(8,298,741)
<b>Net cash provided by (or used in) Operating Activities</b>	11b	<u>7,150,153</u>	<u>3,570,871</u>
<b>Cash flows from investing activities</b>			
Amounts received specifically for new or upgraded assets		1,364,876	1,791,760
Sale of Replaced Assets		178,598	79,213
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(4,297,410)	(2,938,575)
Expenditure on New/Upgraded Assets		(4,772,515)	(2,228,164)
Net Purchase of Investment Securities		2,160,576	(728,763)
<b>Net cash provided (or used in) investing activities</b>		<u>(5,365,875)</u>	<u>(4,024,529)</u>
<b>Cash flows from financing activities</b>			
<u>Receipts</u>			
Proceeds from Bonds & Deposits		454,437	—
<u>Payments</u>			
Repayment of Principal Portion of Lease Liabilities		(19,808)	(18,510)
Repayment of Bonds & Deposits		(137,931)	(30,187)
<b>Net Cash provided by (or used in) Financing Activities</b>		<u>296,698</u>	<u>(48,697)</u>
<b>Net Increase (Decrease) in Cash Held</b>		<u>2,080,976</u>	<u>(502,355)</u>
plus: Cash & Cash Equivalents at beginning of period		1,803,190	2,305,545
<b>Cash and cash equivalents held at end of period</b>	11a	<u>3,884,166</u>	<u>1,803,190</u>
Additional Information:			
plus: Investments on hand – end of year	5c	19,939,294	22,099,870
<b>Total Cash, Cash Equivalents &amp; Investments</b>		<u>23,823,460</u>	<u>23,903,060</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.



## Notes to and forming part of the Principal Financial Statements for the year ended 30 June 2021

### Contents of the Notes accompanying the General Purpose Financial Statements

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## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies

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The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (1) Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations, the requirements of the *Local Government Act*, the Local Government (Accounting) Regulations and other relevant Northern Territory legislation.

The financial report was authorised for issue on 26 October 2021.

##### 1.2 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

##### 1.3 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

#### (2) The Local Government Reporting Entity

Litchfield Council is incorporated under the *NT Local Government Act* and has its principal place of business at 7 Bees Creek Road, Freds Pass NT. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports.

#### (3) Income Recognition

The Council recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the Council to acquire or construct a recognisable non-financial asset that is to be controlled by the Council. In this case, the Council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

In recent years the payment of untied grants (financial assistance grants / local roads / supplementary grants) has varied from the annual allocation. Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

#### Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

---

reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as “payments received in advance”.

#### (4) Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 2008. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

#### (5) Infrastructure, Property, Plant & Equipment

##### 5.1 Land under roads

The Council has elected not to recognise land under roads as an asset in accordance with AASB 1051 Land under Roads as in the opinion of the Council it is not possible to reliably attribute a fair value and further that such value if determined would be immaterial.

##### 5.2 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held “ready for use”. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

##### 5.3 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

##### 5.4 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

##### 5.5 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are shown in Note 7



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

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#### 5.6 Impairment

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

#### (6) Payables

##### 6.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

##### 6.2 Payments Received in Advance & Deposits

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

#### (7) Employee Benefits

##### 7.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

##### 7.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 17.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

#### (8) Leases

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### 8.1 Council as a lessee

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

##### ii) Lease Liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

##### iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### (9) GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

#### (10) New accounting standards and UIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

##### Amendments to AASB 101 and AASB 108 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Council.

##### Amendments to AASB 16 Covid-19 Related Rent Concessions

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

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In 2020, the AASB issued AASB 2020-4, Amendments to AASs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. This amendment had no impact on the consolidated financial statements of the Group.

#### Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these statements that may be applicable to Council.

#### Effective for NFP annual reporting periods beginning on or after 1 January 2022

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

#### Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and associated standards.

#### (11) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 2. Income

\$	2021	2020
<b>(a) Rates</b>		
<b>General Rates</b>		
Residential	6,848,929	6,919,548
Commercial/Industrial	880,514	757,810
Other	71,218	72,671
<b>Total General Rates</b>	<b>7,800,661</b>	<b>7,750,029</b>
<b>Other Rates (Including Service Charges)</b>		
Waste Management Services	2,952,699	2,926,423
Road Seal Levy	185,640	8,842
<b>Total Other Rates (Including Service Charges)</b>	<b>3,138,339</b>	<b>2,935,265</b>
<b>Total Rates</b>	<b>10,939,000</b>	<b>10,685,294</b>
<b>(b) Statutory Charges</b>		
Animal Registration Fees & Fines	132,834	137,049
<b>Total Statutory Charges</b>	<b>132,834</b>	<b>137,049</b>
<b>(c) User Charges</b>		
Cemetery Fees	1,308,051	1,379,778
Community Halls Hire	42,553	29,894
Sales - General	23	—
Sundry	3,639	5,323
Subdivision and Development Fees	344,373	140,397
Permit Fees	10,103	17,226
Waste Disposal Fees	154,931	164,622
Rate Search Fees	33,450	20,100
<b>Total User Charges</b>	<b>1,897,123</b>	<b>1,757,340</b>
<b>(d) Investment Income</b>		
Interest on Investments		
- Banks & Other	161,361	427,839
Interest on Overdue Rates and Charges	267,165	261,694
<b>Total Investment Income</b>	<b>428,526</b>	<b>689,533</b>



## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 2. Income (continued)

\$	2021	2020
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## (e) Reimbursements

Other	1,766	543
<b>Total Reimbursements</b>	<b>1,766</b>	<b>543</b>

## (f) Other income

Insurance & Other Recoupments	1,659	61,394
Sundry	172,799	92,581
Other	140,000	—
<b>Total Other income</b>	<b>314,458</b>	<b>153,975</b>

## (g) Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	1,720,383	408,072
<b>Total Amounts Received Specifically for New or Upgraded Assets</b>	<b>1,720,383</b>	<b>408,072</b>

Other Grants, Subsidies and Contributions	920,403	410,073
Untied - Financial Assistance Grant	3,297,773	3,148,419
Roads to Recovery	2,061,965	296,841
<b>Total Other Grants, Subsidies and Contributions</b>	<b>6,280,141</b>	<b>3,855,333</b>

<b>Total Grants, Subsidies, Contributions</b>	<b>8,000,524</b>	<b>4,263,405</b>
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The functions to which these grants relate are shown in Note 12.

## (i) Sources of grants

Commonwealth Government	2,061,965	296,841
State Government	5,938,559	3,963,564
Other	—	3,000
<b>Total</b>	<b>8,000,524</b>	<b>4,263,405</b>

## (h) Conditions over Grants &amp; Contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

<b>Unexpended at the close of the previous reporting period</b>	<b>677,580</b>	<b>3,676,127</b>
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## Less:

*Expended during the current period from revenues recognised in previous reporting periods*

Infrastructure	(677,580)	(2,998,547)
<b>Subtotal</b>	<b>(677,580)</b>	<b>(2,998,547)</b>

<b>Unexpended at the close of this reporting period</b>	<b>—</b>	<b>677,580</b>
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<b>Net increase (decrease) in assets subject to conditions in the current reporting period</b>	<b>(677,580)</b>	<b>(2,998,547)</b>
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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 2. Income (continued)

	Opening Balance 1 July 2020	Movements Received/ Receivable	Expended	Closing Balance 30 June 2021
\$				
(i) Reconciliation of Government Grants				
<b>Grants (with discretion on use)</b>				
<b>General Purpose (Untied)</b>				
Grants Commission Grant - General Purpose	290,810	581,857	(872,667)	—
Grants Commission Grant - Roads Funding	1,364,583	2,715,916	(4,080,499)	—
<b>Subtotal</b>	<b>1,655,393</b>	<b>3,297,773</b>	<b>(4,953,166)</b>	<b>—</b>
<b>Specific Purpose (Recurrent)</b>				
Roads to Recovery	886,588	1,183,429	(2,061,965)	8,052
Libraries - Operational	46,330	404,626	(377,032)	73,924
Australia Day Event	—	24,000	(24,000)	—
Healthy Lifestyle	—	12,240	—	12,240
Youth Event	—	1,000	(1,000)	—
NT Youth Week Event	—	2,000	(2,000)	—
International Women's Day	—	2,000	(2,000)	—
<b>Subtotal</b>	<b>932,918</b>	<b>1,629,295</b>	<b>(2,467,997)</b>	<b>94,216</b>
<b>Total other grants</b>	<b>2,588,311</b>	<b>4,927,068</b>	<b>(7,421,163)</b>	<b>94,216</b>
<b>Grants Specifically for New/Upgraded Assets</b>				
<b>Specific Purpose (Recurrent)</b>				
Energy Efficiency Streetlights	89,743	—	(89,743)	—
SCALE Funding	560,700	—	(560,700)	—
Thorak Irrigation and Solar Project	—	193,396	—	193,396
Freds Pass Reserve Capital Upgrade \$3m	—	300,000	(297,956)	2,044
Freds Pass Reserve Capital Upgrade \$2m	463,277	—	(463,277)	—
NDRRA Monsoonal Trough January 2018	116,935	—	(116,935)	—
Blackspot Program Funding	—	365,432	(365,432)	—
LRCI Phase 1	—	1,065,086	(1,056,994)	8,092
LRCI Phase 2	—	730,435	—	730,435
<b>Total Grants Specifically for New/Upgraded Assets</b>	<b>1,230,655</b>	<b>2,654,349</b>	<b>(2,951,037)</b>	<b>933,967</b>
Recognised as revenue in advance of expenditure	2,371,678	3,297,773	(5,669,451)	—
Recognised as liability	1,447,288	4,283,644	(4,702,751)	1,028,181
<b>Total Other Grants</b>	<b>3,818,966</b>	<b>7,581,417</b>	<b>(10,372,202)</b>	<b>1,028,181</b>

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 3. Expenses

\$	Notes	2021	2020
<b>(a) Employee costs</b>			
Salaries and Wages		4,843,457	4,988,785
Employee Leave Expense		826,667	547,882
Superannuation - Defined Contribution Plan Contributions	17	538,190	497,981
Workers' Compensation Insurance		93,643	123,724
Temporary Staff		276,997	466,964
Other		166,312	132,576
Less: Capitalised and Distributed Costs		(192,026)	(114,468)
<b>Total Operating Employee Costs</b>		<b>6,553,240</b>	<b>6,643,444</b>

Total Number of Employees (full time equivalent at end of reporting period)

63

52

### (b) Materials, Contracts and Other Expenses

#### (i) Prescribed Expenses

Auditor's Remuneration			
- Auditing the Financial Reports		54,517	35,016
Bad and Doubtful Debts		45,922	6,041
Elected Members' Expenses		240,547	245,609
Lease Expense - Variable Payments		2,681	2,699
Other		179,995	—
<b>Subtotal - Prescribed Expenses</b>		<b>523,662</b>	<b>289,365</b>

#### (ii) Other Materials, Contracts and Expenses

Contractors		3,619,684	3,609,280
Energy		201,994	194,572
Maintenance		444,481	431,116
Legal Expenses		57,979	65,061
Parts, Accessories & Consumables		336,257	180,076
Professional Services		808,037	518,952
Sundry		411,802	510,316
Other		18	—
Cemetery Operations		265,754	318,158
Insurance		303,620	294,150
Donations and Community Support		152,825	103,262
Computer / IT Costs		361,275	284,585
Government Grants Paid back		109,342	420,100
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>7,073,068</b>	<b>6,929,628</b>

**Total Materials, Contracts and Other Expenses** **7,596,730** **7,218,993**

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 3. Expenses (continued)

\$	2021	2020
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings	1,123,710	1,069,206
Infrastructure		
- Sealed Roads	9,785,140	9,497,954
- Unsealed Roads	1,485,627	1,439,297
- Road Culverts	382,575	378,194
- Kerbs & Gutters	37,185	36,408
- Driveway Vehicle Crossings	103,956	103,651
- Footpaths	45,564	25,368
- Road Signs	52,276	46,260
- Point Generic	73,173	64,200
- Driveways	8,191	8,096
- Bicycle Paths	20,586	20,586
- Streetlights	57,896	42,190
- Inverts	73	–
Right-of-Use Assets	19,737	19,737
Plant & Equipment	107,802	63,946
Motor Vehicles	279,577	255,168
Thorak Buildings	67,842	67,842
Thorak Motor Vehicles	18,330	28,167
<b>Subtotal</b>	<b>13,669,240</b>	<b>13,166,270</b>
<b>Total Depreciation, Amortisation and Impairment</b>	<b>13,669,240</b>	<b>13,166,270</b>

## Note 4. Asset Disposal &amp; Fair Value Adjustments

\$	2021	2020
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	178,598	79,213
Less: Carrying Amount of Assets Sold	(179,805)	(110,399)
<b>Gain (Loss) on Disposal</b>	<b>(1,207)</b>	<b>(31,186)</b>
<b>Net Gain (Loss) on Disposal or Revaluation of Assets</b>	<b>(1,207)</b>	<b>(31,186)</b>



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 5. Current Assets

\$	2021	2020
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#### (a) Cash & Cash Equivalent Assets

Cash on Hand at Bank	3,884,166	1,803,190
<b>Total Cash &amp; Cash Equivalent Assets</b>	<b>3,884,166</b>	<b>1,803,190</b>

#### (b) Trade & Other Receivables

Rates - General & Other	2,570,954	2,585,745
Accrued Revenues	37,919	111,679
Debtors - General	80,248	34,975
GST Recoupment	268,690	221,045
Prepayments	58,652	26,821
<b>Subtotal</b>	<b>3,016,463</b>	<b>2,980,265</b>
Less: Allowance for Doubtful Debts	(63,121)	(54,713)
<b>Total Trade &amp; Other Receivables</b>	<b>2,953,342</b>	<b>2,925,552</b>

#### (c) Other Financial Assets (Investments)

Bank Investments - Term Deposits	19,939,294	22,099,870
<b>Total Other Financial Assets (Investments)</b>	<b>19,939,294</b>	<b>22,099,870</b>

### Note 6. Non-Current Assets

\$	2021	2020
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#### Other Non-Current Assets

##### Other

Capital Works-in-Progress	5,456,554	4,365,021
<b>Total Other</b>	<b>5,456,554</b>	<b>4,365,021</b>
<b>Total Other Non-Current Assets</b>	<b>5,456,554</b>	<b>4,365,021</b>

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 7. Infrastructure, Property, Plant &amp; Equipment

## (a) Infrastructure, Property, Plant &amp; Equipment

\$	Fair Value Level	as at 30/06/20				Asset movements during the reporting period							as at 30/06/21		
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Transition adjustment - AASB 16	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Decrements to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land - Council Owned	2	13,020,000	-	-	13,020,000	-	-	-	-	-	-	13,020,000	-	-	13,020,000
Land - Drainage	3	6,448,369	1,936,631	-	8,385,000	-	-	-	-	-	-	8,385,000	-	-	8,385,000
Buildings	2	34,169,361	2,994,147	(12,127,462)	25,036,046	-	1,312,624	169,071	-	(1,123,710)	-	34,190,590	4,475,842	(13,272,400)	25,394,032
Infrastructure															
- Sealed Roads	3	331,613,101	4,280,979	(149,982,338)	185,911,742	-	325,849	3,457,212	-	(9,785,140)	-	331,613,101	8,064,040	(159,767,477)	179,909,664
- Unsealed Roads	3	50,162,001	379,751	(28,295,914)	22,245,838	-	238,808	527,254	-	(1,485,627)	-	50,162,001	1,145,813	(29,781,541)	21,526,273
- Storm Waste Drains	3	608,490	-	-	608,490	-	-	-	-	-	-	608,490	-	-	608,490
- Road Culverts	3	36,755,158	1,090,173	(9,634,293)	28,211,038	-	67,088	370,296	-	(382,575)	-	36,755,158	1,527,557	(10,016,868)	28,265,847
- Kerbs & Gutters	3	1,765,900	63,907	(795,372)	1,034,435	-	85,893	29,181	-	(37,185)	-	1,765,900	178,981	(832,557)	1,112,324
- Driveway Vehicle Crossings	3	10,440,386	50,474	(3,085,300)	7,405,560	-	9,500	30,590	-	(103,956)	-	10,440,386	90,564	(3,189,257)	7,341,693
- Footpaths	3	799,800	157,201	(317,553)	639,448	-	48,048	366,380	-	(45,564)	-	799,800	571,629	(363,116)	1,008,313
- Road Signs	3	719,180	115,126	(383,736)	450,570	-	71,182	12,074	-	(52,276)	-	719,180	198,382	(436,012)	481,550
- Point Generic	3	1,089,960	197,816	(518,562)	769,214	-	59,350	75,245	-	(73,173)	-	1,089,960	332,411	(591,735)	830,636
- Driveways	3	281,450	60,285	(50,179)	291,556	-	-	-	-	(8,191)	-	281,450	60,285	(58,370)	283,365
- Bicycle Paths	3	711,000	-	(346,171)	364,829	-	-	-	-	(20,586)	-	711,000	-	(366,757)	344,243
- Streetlights	3	1,562,142	-	(883,353)	678,789	-	261,292	235,550	-	(57,896)	-	1,562,142	496,842	(941,249)	1,117,735
- Inverts	3	-	-	-	-	-	7,250	-	-	(73)	-	-	7,250	(73)	7,177
Right-of-Use Assets		21,229	51,880	(40,966)	32,143	-	-	-	-	(19,737)	-	-	51,880	(39,474)	12,406
Plant & Equipment	2	586,299	549,583	(318,057)	817,825	-	63,984	-	(4,332)	(107,802)	-	580,799	613,567	(424,690)	769,676
Office Equipment	2	587,995	-	(587,995)	-	-	-	-	-	-	-	587,995	-	(587,995)	-
Motor Vehicles	2	1,818,716	188,311	(887,568)	1,119,459	-	85,165	-	(157,303)	(279,577)	-	1,278,716	273,476	(784,448)	767,744
Thorak Buildings	2	2,403,600	25,396	(671,123)	1,757,873	-	-	14,901	-	(67,842)	-	2,403,600	40,297	(738,965)	1,704,932
Thorak Motor Vehicles	2	293,000	-	(203,000)	90,000	-	54,602	-	(18,170)	(18,330)	-	243,000	54,602	(189,500)	108,102
Thorak Land	2	2,500,000	-	-	2,500,000	-	-	-	-	-	-	2,500,000	-	-	2,500,000
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>498,357,137</b>	<b>12,141,660</b>	<b>(209,128,942)</b>	<b>301,369,855</b>	<b>-</b>	<b>2,690,635</b>	<b>5,287,754</b>	<b>(179,805)</b>	<b>(13,669,240)</b>	<b>-</b>	<b>499,698,268</b>	<b>18,183,418</b>	<b>(222,382,484)</b>	<b>295,499,202</b>
Comparatives		497,660,190	7,548,880	(196,097,273)	309,111,797	51,880	2,523,264	4,517,636	(110,399)	(13,166,270)	(1,558,056)	498,357,137	12,141,660	(209,128,941)	301,369,856

continued on next page ...

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 7. Infrastructure, Property, Plant & Equipment (continued)

#### (b) Valuation of Infrastructure, Property, Plant & Equipment

##### Valuation of Assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

##### Information on Valuations

Fair value hierarchy level 2 valuations - Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Fair value hierarchy level 3 valuations of land - Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets - There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques. Accordingly, formal sensitivity analysis does not provide useful information.

##### *Transfers between fair value hierarchy levels*

In the course of revaluing (name the asset classes), the nature of the inputs applied was reviewed in detail for each asset and where necessary, the asset reassigned to the appropriate fair value hierarchy level. Such transfers take effect as at the date of the revaluation.

##### Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

Highest and best use - For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land. Much of the land under Council's care and control is Crown land or has been declared as community land. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 7. Infrastructure, Property, Plant & Equipment (continued)

proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

Building and Other Structures and Infrastructure were valued as at 30 June 2018. Land assets were valued as at 30 June 2020.

#### Capitalisation Thresholds

Capitalisation thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

	\$
Land	No threshold. All items will be recognised
Building & Other Structures	5,000
Roads	
- Sealed	10,000
- Pavement	10,000
- Unsealed	10,000
- Earthworks	10,000
- Road Culverts	5,000
- Stormwater Drainage	10,000
- Kerbs & Gutter	1,000
- Driveway Vehicle Crossings	10,000
- Footpaths	No threshold. All items will be recognised
- Road Signs	5,000 - No threshold if capitalised with Road asset
- Inverts	10,000
- Point Generic	No threshold. All items will be recognised
- Driveways	10,000
- Bicycle Paths	No threshold. All items will be recognised
Office Furniture	5,000
Plant & Equipment	5,000
Motor Vehicles	5,000



## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 7. Infrastructure, Property, Plant &amp; Equipment (continued)

## Estimated Useful Lives

Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. A representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

	Years
Land	No limited useful life
Building & Other Structures	8 to 100 years
Roads - Surface - Sealed	13 to 25 years
Roads - Surface - Unsealed	10 to 15 years
Roads - Pavement	40 years
Roads - Earthworks	100 years
Kerbs & Gutter	50 years
Road Culverts	100 years
Footpaths	20 to 50 years
Driveway Vehicle Crossings	100 years
Road Signs	15 years
Inverts	30 years
Point Generic	15 to 70 years
Driveways	20 to 50 years
Bicycle Paths	20 to 50 years
Office Equipment	5 to 10 years
Plant & Equipment	3 to 20 years
Motor Vehicles	5 to 15 years
Right-of-Use Assets	2 to 3 years

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 8. Liabilities

\$	2021 Current	2021 Non Current	2020 Current	2020 Non Current
<b>(a) Trade and Other Payables</b>				
Goods & Services	2,593,033	—	1,412,298	—
Payments Received in Advance				
- Rates	842,470	—	736,127	—
- Grants, Subsidies, Contributions - Operating	—	—	63,600	—
- Grants & Contributions - Capital	1,028,181	—	1,383,688	—
- Other	307,676	—	448,636	—
Accrued Expenses - Employee Entitlements	—	—	190,558	—
Accrued Expenses - Other	492,924	—	8,241	—
Deposits, Retentions & Bonds	570,115	—	253,609	—
<b><u>TOTAL Trade and Other Payables</u></b>	<b><u>5,834,399</u></b>	<b><u>—</u></b>	<b><u>4,496,757</u></b>	<b><u>—</u></b>

\$	Notes	2021 Current	2021 Non Current	2020 Current	2020 Non Current
<b>(b) Borrowings</b>					
Lease Liabilities	16	13,562	—	33,370	—
<b><u>TOTAL Borrowings</u></b>		<b><u>13,562</u></b>	<b><u>—</u></b>	<b><u>33,370</u></b>	<b><u>—</u></b>

**(c) Provisions**

Employee Entitlements (including oncosts)	646,450	347,849	604,637	432,240
<b><u>TOTAL Provisions</u></b>	<b><u>646,450</u></b>	<b><u>347,849</u></b>	<b><u>604,637</u></b>	<b><u>432,240</u></b>

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 9. Reserves

	as at 30/06/20				as at 30/06/21
\$	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
<b>(a) Asset Revaluation Reserve</b>					
Land - Council Owned	123,617,618	—	—	—	123,617,618
Buildings	15,583,834	—	—	—	15,583,834
Infrastructure					
- Road Culverts	27,923,542	—	—	—	27,923,542
- Kerbs & Gutters	761,825	—	—	—	761,825
- Driveway Vehicle Crossings	9,290,043	—	—	—	9,290,043
- Footpaths	263,238	—	—	—	263,238
- Road Signs	958,744	—	—	—	958,744
- Point Generic	711,325	—	—	—	711,325
- Driveways	4,076,579	—	—	—	4,076,579
- Bicycle Paths	551,219	—	—	—	551,219
- Roads	109,927,734	—	—	—	109,927,734
- Inverts	6,141	—	—	—	6,141
Plant & Equipment	204,947	—	—	—	204,947
Motor Vehicles	425,046	—	—	—	425,046
<b>Total Asset Revaluation Reserve</b>	<b>294,301,835</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>294,301,835</b>
Comparatives	295,859,891	(1,558,056)	—	—	294,301,835

	as at 30/06/20				as at 30/06/21
\$	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
<b>(b) Other Reserves</b>					
Developer Contributions Reserve	767,587	195,515	(706,194)	—	256,908
Waste Management Reserve	4,784,705	128,985	(73,367)	—	4,840,323
Asset Reserve	11,560,546	593,497	—	—	12,154,043
Election Reserve	100,000	—	—	—	100,000
Disaster Recovery Reserve	500,000	—	—	—	500,000
Strategic Initiatives Reserve	500,000	—	—	—	500,000
Unexpended Grants Reserve	2,371,679	—	(2,371,679)	—	—
Thorak Regional Cemetery	665,348	413,192	(69,503)	—	1,009,037
Unexpended Capital Works Reserve	11,742	641,694	(11,742)	—	641,694
<b>Total Other Reserves</b>	<b>21,261,607</b>	<b>1,972,883</b>	<b>(3,232,485)</b>	<b>—</b>	<b>20,002,005</b>
Comparatives	23,281,328	4,967,229	(6,986,950)	—	21,261,607

## PURPOSES OF RESERVES

### Asset Revaluation Reserves

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

### Disaster Recovery Reserve

This reserve will fund expenses occurred due to storms, storm surges, and floods or any other natural disaster. The fund will enable Litchfield Council to recover from these disasters and return to operations. Where external funds are received after an event for the purpose of disaster recovery, these funds shall be used to replenish this reserve.

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 9. Reserves (continued)

**Strategic Initiatives Reserve**

This reserve will fund strategic initiatives and Information Technology improvements for the future development of Litchfield Council in line with the Municipal Plan and the Long Term Financial Plan. Specific Initiatives must be identified in order to have funds allocated.

**Election Reserve**

This reserve will fund expenses related to Local Government elections and By-Elections.

**Asset Reserve**

This reserve holds funding for renewal, replacement or upgrading of existing assets and/or the establishment of new assets in line with Council's Asset Management Plans.

**Waste Management Reserve**

This reserve holds funding for activities related to Waste Management. This could be the renewal, replacement or upgrading of existing assets and/or the establishment of new assets in line with Council's Asset Management Plan for Waste Management or strategic development of the Waste Service delivery.

**Developer Contributions Reserve**

This reserve holds contributions received by the Council from developers in line with Litchfield Council Developer Contribution Plan. Restrictions apply as set out in both the Plan and under provisions outlined in the Planning Act.

**Unexpended Grants and Contributions**

This reserve holds the balance of unexpended grants and contributions received from external contributors. The funds are held in the reserve until expended in line with the individual funding agreements.

**Thorak Regional Cemetery**

These funds represent the funds transferred to Council from City of Darwin when Council assumed responsibility in 2008 and the operating surplus from operation of the Thorak Regional Cemetery since 2008. Funds are reserved for the renewal, replacement or upgrading of existing assets and/or the establishment of new assets in line with Council's Asset Management Plan at Thorak Regional Cemetery.

**Unexpended Capital Works Reserve**

This reserve holds the balance of unexpended capital works excluding all grant funded projects.

## Note 10. Assets Subject to Restrictions

\$	2021	2020
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.		
<b>Cash &amp; Financial Assets</b>		
Unexpended amounts received from Federal and Territory Government	1,028,181	3,818,966
Developer Contributions	256,908	767,587
<b>Total Cash &amp; Financial Assets</b>	<b>1,285,089</b>	<b>4,586,553</b>
<b>Total Assets Subject to Externally Imposed Restrictions</b>	<b>1,285,089</b>	<b>4,586,553</b>



## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Reconciliation to Statement of Cash Flows

\$	Notes	2021	2020
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## (a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Total Cash & Equivalent Assets	5	3,884,166	1,803,190
<b>Balances per Statement of Cash Flows</b>		<b>3,884,166</b>	<b>1,803,190</b>

## (b) Reconciliation of Change in Net Assets to Cash from Operating Activities

<b>Net Surplus/(Deficit)</b>		<b>(6,106,186)</b>	<b>(9,372,754)</b>
<b>Non-Cash Items in Income Statements</b>			
Depreciation, Amortisation & Impairment		13,669,240	13,166,270
Grants for capital acquisitions treated as Investing Activity		(1,720,383)	(408,072)
Net (Gain) Loss on Disposals		1,207	31,186
Rates prepayment adjustment		–	(725,546)
		<b>5,843,878</b>	<b>2,691,084</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net Increase/(Decrease) in Trade & Other Payables		1,376,643	490,803
Net (Increase)/Decrease in Receivables		(36,198)	405,246
Net Increase/(Decrease) in Unpaid Employee Benefits		(42,578)	(13,166)
Change in Allowances for Under-Recovery of Receivables		(8,408)	3,096
Net (Increase)/Decrease in Other Assets		16,816	(6,192)
<b>Net Cash provided by (or used in) operations</b>		<b>7,150,153</b>	<b>3,570,871</b>

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).															
\$	INCOME			EXPENSES			OPERATING SURPLUS (DEFICIT)			GRANTS INCLUDED IN INCOME			TOTAL ASSETS HELD (CURRENT & NON-CURRENT)		
	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Actual	2020 Actual	
Functions/Activities															
General Public Services	9,750,980	9,373,432	9,120,820	5,841,414	7,172,725	6,371,823	3,909,566	2,200,707	2,148,997	1,120,740	674,157	526,336	49,044,196	46,152,408	
Public Order & Safety	200,400	133,965	137,771	560,580	485,655	371,505	(360,180)	(351,690)	(233,734)	—	—	—	32,683	40,103	
Economic Affairs	6,670,742	5,115,080	2,936,300	14,664,143	14,470,926	13,988,060	(7,993,401)	(9,355,846)	(11,051,760)	6,373,718	4,927,881	2,918,924	238,513,490	245,508,387	
Environmental Protection	3,162,705	3,208,450	3,188,246	2,898,634	2,803,253	2,756,182	264,071	405,197	432,064	—	—	—	5,137,582	5,273,103	
Housing & Community Amenities	—	—	—	—	57,896	42,190	—	(57,896)	(42,190)	—	—	—	636,597	678,790	
Recreation, Culture & Religion	999,907	854,870	516,152	2,009,118	1,924,324	1,945,592	(1,009,211)	(1,069,454)	(1,429,440)	910,506	678,103	410,073	29,733,821	29,562,821	
Cemetery	1,023,150	1,308,051	1,379,778	833,984	904,431	953,355	189,166	403,620	426,423	—	—	—	4,634,191	5,347,876	
Other	—	—	—	—	—	—	—	—	—	—	—	—	(2)	—	
Total Functions/Activities	21,807,884	19,993,848	17,279,067	26,807,873	27,819,210	27,028,707	(4,999,989)	(7,825,362)	(9,749,640)	8,404,964	6,280,141	3,855,333	327,732,558	332,563,488	

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, amounts received specifically for new or upgraded assets and physical resources received free of charge.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 12(b). Components of Functions

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The activities relating to Council functions are as follows:

#### **GENERAL PUBLIC SERVICES**

Administrative, legislative and executive affairs, financial and fiscal affairs, general research and general services; also includes Natural Disaster relief.

#### **PUBLIC ORDER & SAFETY**

Fire protection; local emergency services; animal control and impounding; control of public places; control of signs, hoardings and advertising, community policing and probationary matters.

#### **ECONOMIC AFFAIRS**

General economic, agriculture and forestry, fuel and energy, other labour and employment affairs, CDEP and transport and other industries, saleyards and tourism.

#### **ENVIRONMENTAL PROTECTION**

Waste management, pollution reduction, protection of biodiversity and landscape and protection and remediation of soil, ground water and surface water.

#### **HOUSING & COMMUNITY AMENITIES**

Housing, housing and development, water supply and street lighting.

#### **RECREATION, CULTURE AND RELIGION**

Facilities and venues, recreation parks and reserves, culture and religion services, museums and libraries.

#### **CEMETERY**

All activities related to the operation of the Thorak Regional Cemetery.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 13. Financial Instruments

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#### Recognised Financial Instruments

##### Bank, Deposits at Call, Short Term Deposits

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

**Terms & Conditions:**

Short term deposits have an average maturity of 199 days and an average interest rate of 0.37%.

**Carrying Amount:**

Approximates fair value due to the short term to maturity.

##### Receivables - Rates & Associated Charges

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Secured over the subject land, arrears attract interest of 17%. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

##### Receivables - Fees & Other Charges

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

##### Liabilities - Creditors and Accruals

**Accounting Policy:**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

**Terms & Conditions:**

Liabilities are normally settled on 30 day terms.

**Carrying Amount:**

Approximates fair value.

##### Liabilities - Leases

**Accounting Policy:**

Accounted for in accordance with AASB 16 as stated in Note 16.



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 13. Financial Instruments (continued)

\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>					
<b>2021</b>					
Cash & Cash Equivalents	3,884,166	—	—	3,884,166	3,884,166
Receivables	288,510	—	—	288,510	176,819
Other Financial Assets	19,939,294	—	—	19,939,294	19,939,294
<b>Total Financial Assets</b>	<b>24,111,970</b>	<b>—</b>	<b>—</b>	<b>24,111,970</b>	<b>24,000,279</b>
<b>Financial Liabilities</b>					
Payables	3,188,428	—	—	3,188,428	3,656,072
Leases	13,562	—	—	13,562	13,562
<b>Total Financial Liabilities</b>	<b>3,201,990</b>	<b>—</b>	<b>—</b>	<b>3,201,990</b>	<b>3,669,634</b>
<b>2020</b>					
Cash & Cash Equivalents	1,803,190	—	—	1,803,190	1,803,190
Receivables	173,475	—	—	173,475	173,475
Other Financial Assets	22,099,870	—	—	22,099,870	22,099,870
<b>Total Financial Assets</b>	<b>24,076,535</b>	<b>—</b>	<b>—</b>	<b>24,076,535</b>	<b>24,076,535</b>
<b>Financial Liabilities</b>					
Payables	1,674,148	—	—	1,674,148	1,674,148
Leases	33,370	—	—	33,370	33,370
<b>Total Financial Liabilities</b>	<b>1,707,518</b>	<b>—</b>	<b>—</b>	<b>1,707,518</b>	<b>1,707,518</b>

The following interest rates were applicable to Council's Borrowings at balance date:

\$	2021		2020	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	2.60%	13,562	2.60%	33,370
		<b>13,562</b>		<b>33,370</b>

#### Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 13. Financial Instruments (continued)

## Risk Exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with deposit taking institutions. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

**Market Risk** is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

**Liquidity Risk** is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. Council's current ratio is monitored monthly to ensure short term assets are available to cover obligations.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

## Note 14. Capital Expenditure and Investment Property Commitments

\$	2021	2020
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## (a) Capital Commitments

**Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:**

Buildings	123,295	482,080
Roads & Footpaths	390,769	121,187
Motor Vehicles	127,630	—
	<u>641,694</u>	<u>603,267</u>

**These expenditures are payable:**

Not later than one year	641,694	603,267
	<u>641,694</u>	<u>603,267</u>

## (b) Other Expenditure Commitments

**Other non-capital expenditure commitments in relation to investment properties at the reporting date but not recognised in the financial statements as liabilities:**

Maintenance Contracts	—	463,195
Other Contract	232,900	—
	<u>232,900</u>	<u>463,195</u>

**These expenditures are payable:**

Not later than one year	82,200	463,195
Later than one year and not later than 5 years	150,700	—
	<u>232,900</u>	<u>463,195</u>

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 15. Financial Indicators

\$	Amounts 2021	Indicator 2021	Indicators 2020      2019	
1. Current Ratio				
Current Assets less Externally Restricted Assets	26,519,894	4.08	4.61	10.28
Current Liabilities	6,494,411			
2. Debt Service Ratio				
Net Debt Service Cost	—	0.00	0.00	0.00
Operating Revenue	19,993,848			
3. Rate Coverage Percentage				
Rate Revenues	7,800,661	35.92%	43.82%	41.17%
Total Revenues	21,714,231			
4. Rates and Annual Charges Outstanding				
Rates & Annual Charges Outstanding	2,570,954	23.50%	24.20%	22.46%
Rates & Annual Charges Collectible	10,939,000			

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 16. Leases

## Council as a lessee

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

## Right of use assets

\$	Leased Assets	Total
<b>2021</b>		
Opening balance	32,143	32,143
Depreciation charge	(19,737)	(19,737)
<b>Balance at 30 June 2021</b>	<b>12,406</b>	<b>12,406</b>
<b>2020</b>		
Opening balance	–	–
Depreciation charge	(19,737)	(19,737)
<b>Balance at 30 June 2021</b>	<b>32,143</b>	<b>32,143</b>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$	2021	2020
Balance at 1 July	33,370	51,880
Accretion of interest	633	1,091
Payments	(21,280)	(19,601)
<b>Balance at 30 June</b>	<b>12,723</b>	<b>33,370</b>
<b>Classified as:</b>		
Current	12,723	33,370



## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 17. Superannuation

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The Council makes employer superannuation contributions in respect of its employees to the following schemes;

#### **Statewide Super Scheme (under Local Government Superannuation Scheme)**

Statewide Super receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9.50% in 2020/21; 9.50% in 2019/20). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

#### **Contributions to Other Superannuation Schemes**

The Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

### Note 18. Interests in Other Entities

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The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are:

Thorak Regional Cemetery (Ownership interest 100%)

All transactions and balances between Council and controlled entities have been eliminated

### Note 19. Non-Current Assets Held for Sale & Discontinued Operations

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Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 20. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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The following assets and liabilities do not qualify for recognition in the Balance Sheet, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

#### 1. LAND UNDER ROADS

As reported in the Financial Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in the reports.

#### 2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

#### 3. LEGAL EXPENSES

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had zero notice of appeals against planning decisions made prior to reporting date.

### Note 21. Events after the Balance Sheet Date

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Events that occur after the reporting date of 30 June 2021, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Council is not aware of any "non adjusting events" that merit disclosure.

## Notes to the Financial Statements

for the year ended 30 June 2021

### Note 22. Related Party Transactions

#### Key Management Personnel

##### Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under Council policy FIN26

In all, 10 persons were paid the following total compensation:

\$	2021	2020
----	------	------

##### The compensation paid to Key Management Personnel comprises:

Salaries, Allowances & Other Short-Term Employee Benefits	913,104	1,051,078
<b>Total</b>	<b>913,104</b>	<b>1,051,078</b>

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

##### Receipts from Key Management Personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received the following amounts in total:

Planning and Building Application Fees	–	66,400
<b>Total</b>	<b>–</b>	<b>66,400</b>



# Independent Auditor's Report

To the Councillors of Litchfield Council

## Opinion

We have audited the **Financial Report** of Litchfield Council.

In our opinion, the accompanying Financial Report gives a true and fair view of the financial position of Litchfield Council as at 30 June 2021, and of its financial performance and its cash flows for the year then ended, in accordance with *Australian Accounting Standards and the Northern Territory Local Government Act 2008*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2021
- Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Chief Executive Officer's Statement.

The **Group** consists of *Litchfield Council (the Council)* and the entity it controlled at year end.

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are 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 our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

## Responsibilities of Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer and Council are responsible for:

- the preparation and fair presentation of the Financial Report in accordance with the financial reporting requirements, *Australian Accounting Standards and the Northern Territory Local Government Act 2008*.
- implementing necessary internal control to enable the preparation of Financial Report that is free from material misstatement, whether due to fraud or error
- assessing the Council's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable,

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matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Council or to cease operations or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our Auditor's Report.

KPMG

Luke Snowdon  
Partner  
Darwin  
26 October 2021

# Thorak Regional Cemetery

## Special purpose

# Financial Statements

for the year ending 30 June 2021



## Thorak Regional Cemetery

### Special Purpose Financial Statements for the year ended 30 June 2021

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## Thorak Regional Cemetery

### Special Purpose Financial Statements for the year ended 30 June 2021

#### Chief Executive Officer's Statement

I, Daniel Fletcher, the Chief Executive Officer of the Litchfield Council on behalf of Thorak Regional Cemetery Board of Trustees, hereby certify that the Annual Financial Statements:

- have been drawn up in accordance with the applicable Australian Accounting Standards, the *Local Government Act* and the *Local Government (Accounting) Regulations* so as to present fairly the financial position of Thorak Regional Cemetery and the results for the year ended 30 June 2021; and
- are in accordance with the accounting and other records of Thorak Regional Cemetery.



Daniel Fletcher  
**CHIEF EXECUTIVE OFFICER**

Date: 26 October 2021



## Thorak Regional Cemetery

### Statement of Comprehensive Income

for the year ended 30 June 2021

\$	2021	2020
<b>Income</b>		
Interments	818,094	866,793
Cremations	255,659	280,541
Exclusive Rights Fees	5,913	5,328
Ground Maintenance	7,500	7,629
Chapel and Marquee Hire	35,468	34,279
Memorial installation and permits	49,450	42,903
Funeral Director Fees	5,272	3,981
Sundry Income	10,477	10,841
Administration Fee	102,426	102,932
Rent Income	15,673	21,397
Investment Income	2,119	3,154
<b>Total Income</b>	<b>1,308,051</b>	<b>1,379,778</b>
<b>Expenses</b>		
Salaries	483,163	465,112
Superannuation	49,255	49,725
Other Employee costs	5,850	5,765
Insurance	32,949	37,465
Legal Fees	-	1,076
Auditing Fees	6,500	7,416
Consultants	787	760
Administration Expenses	83,122	83,989
Motor Vehicle Expenses	23,040	29,657
Utilities	56,745	68,885
Telephone Expenses	13,104	13,550
Security	6,188	4,544
Grounds Maintenance	30,518	33,122
Repairs & Maintenance	26,805	48,932
Equipment Hire	171	352
Plant & Equipment Expenses	6,119	7,660
Grave Digging	44,475	44,947
Memorial Expenses	17,036	17,831
Sundry Expenses	9,031	5,953
Doubtful Debt	-	604
Depreciation Expenses	86,172	96,010
<b>Total Expenses</b>	<b>981,030</b>	<b>1,023,355</b>
<b>Operating Surplus</b>	<b>327,020</b>	<b>356,422</b>
<b>Net Surplus</b>	<b>327,020</b>	<b>356,422</b>
<b>Total Comprehensive Income</b>	<b>327,020</b>	<b>356,422</b>

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

# Thorak Regional Cemetery

## Statement of Financial Position

as at 30 June 2021

\$	Notes	2021	2020
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	2a	1,661,435	1,061,933
Trade & Other Receivables	2b	38,879	59,704
Other Financial Assets	2c	321,154	334,571
<b>Total Current Assets</b>		<b>2,021,468</b>	<b>1,456,208</b>
<b>Non-Current Assets</b>			
Infrastructure, Property, Plant & Equipment	3a	4,313,035	4,347,873
<b>Total Non-Current Assets</b>		<b>4,313,035</b>	<b>4,347,873</b>
<b>TOTAL ASSETS</b>		<b>6,334,502</b>	<b>5,804,081</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	4a	529,436	353,076
Provisions	4b	88,619	55,863
<b>Total Current Liabilities</b>		<b>618,055</b>	<b>408,939</b>
<b>Non-Current Liabilities</b>			
Provisions	4b	48,477	54,193
<b>Total Non-Current Liabilities</b>		<b>48,477</b>	<b>54,193</b>
<b>TOTAL LIABILITIES</b>		<b>666,532</b>	<b>463,131</b>
<b>Net Assets</b>		<b>5,667,971</b>	<b>5,340,950</b>
<b>EQUITY</b>			
Accumulated Surplus		4,658,934	4,675,602
Reserves	5	1,009,037	665,348
<b>Total Equity</b>		<b>5,667,971</b>	<b>5,340,950</b>

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

## Thorak Regional Cemetery

### Statement of Changes in Equity for the year ended 30 June 2021

\$	Notes	Accumulated Surplus	Reserves	Total Equity
<b>2021</b>				
<b>Balance at the end of previous reporting period</b>		4,675,602	665,348	<b>5,340,950</b>
<b>Net Surplus / (Deficit) for Year</b>		327,020	-	<b>327,020</b>
<b>Total Comprehensive Income</b>		<b>327,020</b>	<b>-</b>	<b>327,020</b>
Transfers between Reserves		(343,689)	343,689	-
<b>Balance at the end of period</b>		<b>4,658,934</b>	<b>1,009,037</b>	<b>5,667,971</b>
<b>2020</b>				
<b>Balance at the end of previous reporting period</b>		4,730,171	254,357	<b>4,984,528</b>
<b>Net Surplus / (Deficit) for Year</b>		356,422	-	<b>356,422</b>
<b>Total Comprehensive Income</b>		<b>356,422</b>	<b>-</b>	<b>356,422</b>
Transfers between Reserves		(410,991)	410,991	-
<b>Balance at the end of period</b>		<b>4,675,602</b>	<b>665,348</b>	<b>5,340,950</b>

## Thorak Regional Cemetery

### Statement of Cash Flows for the year ended 30 June 2021

\$	Notes	2021	2020
<b>Cash Flows from Operating Activities</b>			
<b><u>Receipts</u></b>			
Operating Receipts		1,313,248	1,346,253
Investment Receipts		2,119	3,154
<b><u>Payments</u></b>			
Operating Payments to Suppliers and Employees		(871,347)	(939,158)
<b>Net Cash provided by (or used in) Operating Activities</b>	6b	<b>444,021</b>	<b>410,249</b>
<b>Cash Flows from Investing Activities</b>			
<b><u>Receipts</u></b>			
Amounts Received Specifically for New/Upgraded Assets		193,396	-
<b><u>Payments</u></b>			
Expenditure on Renewal/Replacement of Assets		(51,333)	-
Net Purchase of Investment Securities		13,418	7,052
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>155,481</b>	<b>7,052</b>
<b>Net Increase (Decrease) in Cash Held</b>		<b>599,502</b>	<b>417,302</b>
plus: <b>Cash &amp; Cash Equivalents at beginning of period</b>	6	1,061,933	644,631
<b>Cash &amp; Cash Equivalents at end of period</b>	6	<b>1,661,435</b>	<b>1,061,933</b>

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.



## Thorak Regional Cemetery

### Notes to and forming part of the Financial Statements for the year ended 30 June 2021

#### Contents of the Notes accompanying the Financial Statements

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## Notes to and forming part of the Financial Statements for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies

---

#### 1 Basis of Preparation

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 1.1 Financial Reporting Framework

Thorak Regional Cemetery ("the Cemetery") is not a reporting entity because in the opinion of the Board of Trustees "the Board" there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the Boards' reporting requirements under the Cemeteries Act and Cemeteries Regulations.

##### 1.2 Compliance with Australian Accounting Standards

The special purpose financial statements have been prepared in accordance with the requirements of the Cemeteries Act and Cemeteries Regulations and recognition, measurement, and classification aspects of all applicable Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB).

The special purpose financial statements include only the disclosure requirements of the following AASBs, and those disclosures considered necessary by the Board to meet the needs of the users:

- AASB 101 Presentation of Financial Statements
- AASB 107 Statement of Cash Flows
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1048 Interpretation and Application of Standards
- AASB 1054 Australian Additional Disclosures
- AASB 1057 Application of Australian Accounting Standards

The financial statements do not comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

##### 1.3 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

##### 1.4 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying the Cemetery's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

##### 1.5 Rounding

All amounts in the financial statements have been rounded to the nearest dollar (\$).

#### 2 Income Recognition

Income is measured at the fair value of the consideration received or receivable. Revenue from burials, cremation and internments is recognised when the services have been rendered to the public and can be measured reliably.

The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service).

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are recognised as contract liabilities until such a time when the performance obligations are discharged. Interest is recognised as it accrues, when it is probable that the future economic benefits will flow to the Cemetery, and it can be measured reliably. Where there are no such obligations income is recognised on receipt.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

#### 3 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Board's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 7.

#### 4 Infrastructure, Property, Plant & Equipment

##### 4.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Cemetery includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

##### 4.2 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Additions acquired subsequent to a revaluation are recognised at cost until next revaluation of that asset class.

#### 4.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of the Cemetery, best reflects the consumption of the service potential embodied in those assets.

#### 5 Payables

##### 5.1 Trade and Other Payables

Trade and other payables are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts

##### 5.2 Payments Received in Advance & Deposits

Amounts (other than grants) received from external parties in advance of service delivery, are recognised as liabilities until the service is delivered, or the amount is refunded.

#### 6 Employee Benefits

##### 6.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on costs) to be made in respect of services provided by employees up to the reporting date.

No accrual is made for sick leave as the Cemetery experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Cemetery does not make payment for untaken sick leave.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2021

### Note 1. Summary of Significant Accounting Policies (continued)

#### 6.2 Superannuation

The Cemetery makes employer superannuation contributions in respect of its employees to Statewide Super and a number of other Superannuation Funds selected by employees under the 'choice of fund' legislation. The schemes have two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods.

#### 7 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

#### 8 New and amended accounting standards and interpretations

In the current year the Cemetery adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to the Cemetery's accounting policies.

##### 8.1 New accounting standards and UIG interpretations

The Council applied for the first time certain standards and amendments which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

##### 8.2 Amendments to AASB 101 and AASB 108 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Cemetery.

##### 8.3 Amendments to AASB 16 Covid-19 related rent concessions

In 2020, the AASB issued AASB 2020-4, Amendments to AASBs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 July 2020. This amendment had no impact on the Cemetery.

##### 8.4 Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Cemetery and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Cemetery then further information has been provided in this note.



### Notes to and forming part of the Financial Statements for the year ended 30 June 2021

#### Note 1. Summary of Significant Accounting Policies (continued)

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The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these statements that could be applicable to Cemetery.

Effective for NFP annual reporting periods beginning on or after 1 January 2022

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and associated standards

## Thorak Regional Cemetery

### Notes to and forming part of the Financial Statements for the year ended 30 June 2021

#### Note 2. Current Assets

\$	2021	2020
(a). Cash & Cash Equivalent Assets		
Cash on Hand at Bank	1,661,435	1,061,933
<b>Total Cash &amp; Cash Equivalent Assets</b>	<b>1,661,435</b>	<b>1,061,933</b>
(b). Trade & Other Receivables		
Accrued Revenues	496	2,042
Debtors - General	38,383	57,662
<b>Total Trade &amp; Other Receivables</b>	<b>38,879</b>	<b>59,704</b>
(c). Other Financial Assets (Investments)		
Bank Investments - Term Deposits	321,154	334,571
<b>Total Other Financial Assets (Investments)</b>	<b>321,154</b>	<b>334,571</b>

## Thorak Regional Cemetery

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2021

### Note 3. Infrastructure, Property, Plant & Equipment

\$	as at 30/6/2020				Asset Movements during the Reporting Period		as at 30/6/2021			
	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value	Corrections to opening balance	Depreciation Expense	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value
Land - Other Buildings	2,500,000	-	-	2,500,000	-	-	2,500,000	-	-	2,500,000
Motor Vehicles	-	2,428,996	671,123	1,757,873	-	(67,842)	-	2,443,897	738,965	1,704,932
	-	293,000	203,000	90,000	-	(18,330)	-	297,602	189,500	108,102
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>	<b>2,500,000</b>	<b>2,721,996</b>	<b>874,123</b>	<b>4,347,873</b>	<b>-</b>	<b>(86,172)</b>	<b>2,500,000</b>	<b>2,741,499</b>	<b>928,465</b>	<b>4,313,035</b>

## Thorak Regional Cemetery

### Notes to and forming part of the Financial Statements for the year ended 30 June 2021

#### Note 4. Liabilities

	2021	2021	2020	2020
\$	Current	Non Current	Current	Non Current
<b>(a). Trade and Other Payables</b>				
Goods & Services	21,864	-	23,647	-
Payments Received in Advance	307,676	-	321,184	-
- Grants & Contributions - Capital	193,396	-	-	-
Accrued Expenses - Other	6,500	-	8,245	-
<b>Total Trade and Other Payables</b>	<b>529,436</b>	<b>-</b>	<b>353,076</b>	<b>-</b>

#### (b). Provisions

Employee Entitlements (including oncosts)	88,619	48,477	55,863	54,193
<b>Total Provisions</b>	<b>88,619</b>	<b>48,477</b>	<b>55,863</b>	<b>54,193</b>

#### Note 5. Reserves

	1/7/2020	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2020
\$					
Thorak Regional Cemetery	665,348	343,689	-	-	1,009,037
<b>Total Other Reserves</b>	<b>665,348</b>	<b>343,689</b>	<b>-</b>	<b>-</b>	<b>1,009,037</b>

#### PURPOSES OF RESERVES

##### Asset Revaluation Reserves

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

##### Thorak Regional Cemetery

These are cash backed reserves to meet anticipated future needs. This reserve is internally restricted and the amount relates to a perceived future requirement which is not currently a liability.



Notes to and forming part of the Financial Statements  
for the year ended 30 June 2021

Note 6. Reconciliation to Statement of Cash Flows

\$		2021	2020
<b>(a). Reconciliation of Cash</b>			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	2	1,661,435	1,061,933
<b>Balances per Statement of Cash Flows</b>		<b>1,661,435</b>	<b>1,061,933</b>
<b>(b). Reconciliation of Change in Net Assets to Cash from Operating Activities</b>			
<b>Net Surplus/(Deficit)</b>		<b>327,020</b>	<b>356,422</b>
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		86,172	96,010
		<b>413,192</b>	<b>452,432</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		20,825	(16,949)
Net Increase/(Decrease) in Trade & Other Payables		(17,036)	(46,525)
Net Increase/(Decrease) in Unpaid Employee Benefits		27,040	21,291
<b>Net Cash provided by (or used in) operations</b>		<b>444,021</b>	<b>410,249</b>

# Thorak Regional Cemetery

## Notes to and forming part of the Financial Statements for the year ended 30 June 2021

### Note 7. Financial Instruments

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\$

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#### Recognised Financial Instruments

##### Bank, Deposits at Call, Short Term Deposits

##### Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

##### Terms & Conditions:

Short term deposits have an average maturity of 182 days and an average interest rate of 1.58% (2019: 365 days and 2.70%).

##### Carrying Amount:

Approximates fair value due to the short term to maturity.

##### Receivables

##### Fees & Other Charges

##### Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

##### Terms & Conditions:

Unsecured, and do not bear interest. Thorak Regional Cemetery is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Cemetery's boundaries.

##### Carrying Amount:

Approximates fair value (after deduction of any allowance).

##### Liabilities

##### Creditors and Accruals

##### Accounting Policy:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Cemetery.

##### Terms & Conditions:

Liabilities are normally settled on 30 day terms.

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Leases

##### Accounting Policy:

Accounted for in accordance with AASB 16.

## Thorak Regional Cemetery

### Notes to and forming part of the Financial Statements for the year ended 30 June 2021

#### Note 7. Financial Instruments (continued)

	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
\$					
<b>2021</b>					
<b><u>Financial Assets</u></b>					
Cash & Equivalents	1,661,435	-	-	1,661,435	1,661,435
Receivables	38,879	-	-	38,879	38,879
Other Financial Assets	321,154	-	-	321,154	321,154
<b>Total Financial Assets</b>	<b>2,021,468</b>	<b>-</b>	<b>-</b>	<b>2,021,468</b>	<b>2,021,468</b>
<b><u>Financial Liabilities</u></b>					
Payables	529,436	-	-	529,436	529,436
<b>Total Financial Liabilities</b>	<b>529,436</b>	<b>-</b>	<b>-</b>	<b>529,436</b>	<b>529,436</b>
<b>2020</b>					
<b><u>Financial Assets</u></b>					
Cash & Equivalents	1,061,933	-	-	1,061,933	1,061,933
Receivables	59,704	-	-	59,704	59,704
Other Financial Assets	334,571	-	-	334,571	334,571
<b>Total Financial Assets</b>	<b>1,456,208</b>	<b>-</b>	<b>-</b>	<b>1,456,208</b>	<b>1,456,208</b>
<b><u>Financial Liabilities</u></b>					
Payables	353,076	-	-	353,076	353,076
<b>Total Financial Liabilities</b>	<b>353,076</b>	<b>-</b>	<b>-</b>	<b>353,076</b>	<b>353,076</b>

#### Risk Exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Cemetery is the carrying amount, net of any doubtful debts. All Cemetery investments are made with authorised deposit taking institutions.

**Market Risk** is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Cemetery's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

**Liquidity Risk** is the risk that the Cemetery will encounter difficulty in meeting obligations with financial liabilities. Liabilities have a range of maturity dates.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. The Cemetery has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.



# Independent Auditor's Report

To the members of Thorak Regional Cemetery

## Opinion

We have audited the **Financial Report** of *Thorak Regional Cemetery (the Cemetery)*.

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of *Thorak Regional Cemetery* as at 30 June 2021, and of its financial performance and its cash flows for the year then ended, in accordance with the basis of preparation described in Note 1 to the financial report.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2021
- Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Chief Executive Officer's Statement.

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Cemetery 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 our audit of the *Financial Report* in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

## Emphasis of matter – basis of preparation

We draw attention to Note 1 to the Financial Report, which describes the basis of preparation.

The Financial Report has been prepared to assist the members of the Cemetery to meet the requirements of *the Cemeteries Act (NT) 2016*.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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### Responsibilities of the Board of Trustees for the Financial Report

The Board of Trustees are responsible for:

- the preparation and fair presentation of the Financial Report and have determined that the basis of preparation described in Note 1 to the Financial Report is appropriate to meet the needs of the members for the purpose of *Cemeteries Act (NT) 2016*.
- implementing necessary internal control to enable the preparation of a Financial Report that is free from material misstatement, whether due to fraud or error.
- assessing the Cemetery's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Cemetery or to cease operations or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Cemetery's financial reporting process.

### Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the Auditing and Assurance Standards Board website at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our Auditor's Report.



KPMG



Luke Snowdon  
*Partner*  
Darwin  
26 October 2021





## COUNCIL AGENDA

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### LITCHFIELD SPECIAL COUNCIL MEETING

Tuesday 9 November 2021

<b>7</b>	<b>Confidential Items</b>
	Nil
<b>8</b>	<b>Close of Meeting</b>