



AGENDA

Special Council Meeting

11th Council of Litchfield

Tuesday 7 November 2023

Meeting to be held commencing 5:30pm
in Council Chambers at 7 Bees Creek Road, Freds Pass
https://www.youtube.com/channel/UCdM3M5gfh6-wQ0KiL89_2eg/live

Stephen Hoyne
Chief Executive Officer

COVID-19 Statement of Commitment

The Ordinary Meeting of Council holds a Statement of Commitment to adhere to:

- Physical distancing measures
- Health and hygiene principles



SPECIAL COUNCIL AGENDA

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SPECIAL COUNCIL AGENDA

LITCHFIELD SPECIAL COUNCIL MEETING

Tuesday 7 November 2023

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 the land across generations.

2. Opening of Meeting

An audio and 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. Disclosures 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. Officers Reports

- 5.01 DRAFT Litchfield Council Annual Report 2022-2023

6. Confidential Items

Nil.

7. Close of Meeting



COUNCIL REPORT

Agenda Item Number:	5.01
Report Title:	DRAFT Litchfield Council Annual Report 2022-2023
Author:	Rebecca Taylor, Policy and Governance Program Leader
Recommending Officer:	Maxie Smith, Director Corporate and Community
Meeting Date:	7/11/2023
Attachments:	A: DRAFT Litchfield Council Annual Report 2022-2023

Executive Summary

The Annual Report 2022-23 is a statutory document reporting on Council's financial and non-financial performance and describes priorities, activities, program achievements and governance arrangements for the 2022-2023 period.

Recommendation

THAT Council:

1. receive and endorse the Draft Litchfield Council Annual Report 2022-2023, as at Attachment A;
2. approve the Chief Executive Officer to provide a copy of the Litchfield Council Annual Report 2022-2023 to the Minister for Local Government;
3. publish the Litchfield Council Annual Report 2022-2023 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 editorial amendments.

Background

Subject to Section 290 and 291, part 14.1 of the *NT Local Government Act 2019* 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 2022-2023 complies with Section 290 and 291, part 14.1 of the *NT Local Government Act 2019* and includes an assessment of the Council's performance against the objectives, as set out in Council's Municipal Plan 2022-2023.

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.

Council allocates an annual budget of \$6,000 to include development and design of the publication.

Following endorsement, and with Council's approval, the Lichfield Council Annual Report 2022-2023 will be forwarded to the Minister for Local Government, in accordance with the requirements of the *NT Local Government Act 2019*.

Links with Strategic Plan

Performance - An Effective and Efficient Organisation
Prosperity - Our Economy and Growth

Legislative and Policy Implications

The Litchfield Council Annual Report 2022-2023 meets the legislative requirements of Section 290 and 291, part 14.1 of the *NT Local Government Act 2019*.

Risks

Governance

Failure to report to the Minister on Council's work during the financial year ending on the preceding 30 June on or before 15 November of each year would be a breach of the *NT Local Government Act 2019*.

Community Engagement

No direct community engagement is undertaken on the Annual Report, however, the Annual Report illustrates Council's achievements against the Municipal Plan for which the community is engaged to provide feedback during its drafting stage.

Further, as per Section 290 and 291, part 14.1 of the *NT Local Government Act 2019*, Council is required to publish the Litchfield Council Annual Report 2022-2023 on Council's website and will also 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.

Annual Report

2022-2023



LITCHFIELD
COUNCIL

Acknowledgement of Country

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



COVER AND PUBLICATION ARTWORK

Marnie Jay is a Litchfield based visual artist who has worked in multiple disciplines using her background in graphic design and illustration. Mentored by Tony Oliver - Australian Geographic Illustrator and receiving an Award for "Best Graduating Illustrator". Marnie spent her professional life working with major media outlets, art institutions and freelancing to eventually find inspiration from the natural environment to progress to painting and become a full time artist in that medium. Her works are mostly inspired by the Litchfield area and surrounds with an emphasis on nature and the juxtaposition of urban and rural life on those habitats. Part environmental commentary, part wildlife documentation she uses humour, vibrant natural colour and her own unique interpretation of the region to depict Litchfield in her works. She paints weekdays and has a shop open weekends at Coolalinga Central, in rural Darwin, Northern Territory, Australia.

www.marniejay.com/



**LITCHFIELD
COUNCIL**

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Our vision

To be the best place to live in the Top End.

Our Mission

To remain focused on delivering the priorities in Council's Strategic Plan to help us deliver on our vision for Litchfield.

Our Priorities

People	Community and lifestyle
Progress	Continuity of services and facilities
Prosperity	Our economy and growth
Places	Roads and infrastructure
Performance	An effective and efficient organisation

ABOUT US

Litchfield Municipality is situated on the outskirts of Darwin amid tropical rural bushland, boasting a rural lifestyle with a wide range of services and facilities available to its residents and visitors.

Spread over 3,100sqkm, Litchfield is rapidly growing offering larger land parcels for families and is currently home to over 23,000 people. Litchfield residents enjoy a rural lifestyle which combines a mix of rural residential, horticultural, agricultural, and industrial interests within its boundaries.

Litchfield Municipality is situated in the tropical North of Australia. The region has lagoons, woodlands, and rainforests. The climate is best described with two seasons, Dry and Wet, with year-round average maximum temperature of 30° to 35°C and minimums averaging between 17° and 26°C.

The Dry season runs from May to September with very little rain, and humidity averages around 30%.

The Wet season, October to April, brings lush tropical storms highlighted with spectacular cloud formations and lightening. The monsoon rains increase the humidity levels with averages over 70%.

The build-up is during November, when the humidity increases, and the coolest time is June and July when the night temperatures drop sometimes to 11°C. The rural area is normally hotter during the day and cooler at night than Darwin, although being only 25kms away.



Our people

Marnie Jay



MESSAGE FROM THE MAYOR

It is with pleasure I present Litchfield Council's 2022-2023 Annual Report, my second as Mayor of our beautiful municipality. The compilation of the Annual Report provides an opportunity to reflect on the achievements and challenges of the reporting year. The 2022-2023 year marks the first of the term for my fellow elected members and I where we have been in office for the entirety of the reporting period. As the community's elected Council we remain firm in our commitment to deliver services and projects in the best interests of the community as a whole.

Council's community event for Australia Day continues to grow in popularity, this year the festivities and the formalities returned to being combined and saw the event hosted in a brand-new location, under the market shed at Freds Pass Sport and Recreation Reserve. It is always a pleasure to see so many happy faces! Be it kids enjoying the animals or indigenous art activities, the beaming faces of new citizens, triumphant runners that enjoy the fun run hosted by the Rural Hash House Harriers, families enjoying a free breaky courtesy of the Rotary Club of Litchfield or an early morning sweet treat from the Litchfield Lions Club. Community is the heartbeat of Litchfield, and this event showcases just how lucky we are.

We, as the 11th Council of Litchfield, have remained true to our promise of delivering core services to a standard that delivers positive outcomes to the community. Throughout 2022-2023, 35.515km's of roads were resealed, and 6.3km's of unsealed roads were re-sheeted and reformed, approximately 270 tonnes of asphalt was used for pothole and edging patching. There were 826 roadside signage installs and repairs, and 2,323 guidepost straightening and replacements.



The Capital Works "Highlights" listed in the Infrastructure section of this Annual Report brings me great joy, seeing such projects delivered and the benefit they provide to residents and the wider community is why we do what we do.

Following the "Local Government Council and Local Authority Members' Allowances Inquiry", the Northern Territory Remuneration Tribunal published their Determination in late January 2023. The Determination resulted in an increase to elected members allowances, and also saw Litchfield Council defined as a Municipal Council, councils are largely classified according to their geographical area, population and degree of urbanisation.

Litchfield Council's Annual Community Art Exhibition continues to grow in popularity and engagement with the sixth annual event held in March this year. The theme was 'Community' which artists could choose to incorporate into their works if they wished. Over 520 people attended the weekend long event with the Art Exhibition continuing to evolve each consecutive year thanks to the dedicated support from Darwin Community Arts, local Litchfield Artists and valued sponsors. Winners and highly commended pieces are listed within this Annual Report.



April 2023 saw the completion and handover of the Mira Square Community Hall and playground. This facility is a testament to the hard work, dedication and unwavering perseverance of the Southport Progress Association. The project was delivered with generous financial support from the Federal and NT governments.

Council continued to support the Freds Pass Rural Show, with the 2023 Show having the theme "By the Lake", with the new home of the Show in the lakeside area of Freds Pass Sport and Recreation Reserve very well received. The Show is a highly anticipated event on the rural calendar and I congratulate the Show's committee on their hard work and dedication to deliver such a successful event. Thank you to everyone that stopped by Council's stall to say g'day and chat about our services and provide feedback.

Over the year, Council held eight Australian Citizenship Ceremonies which included four private ceremonies. These ceremonies saw Litchfield welcome 41 new Australian citizens from countries such as the Philippines, Vietnam, Ireland, United Kingdom, New Zealand, Thailand, India, Malaysia, Ukraine, Belgium, Iran and Canada.

The 2022-2023 Annual Community Grants program saw Council provide over \$30,000 to community groups and clubs for a range of fantastic initiatives, programs and events. Throughout the year, a further nearly \$9,000 was funded through our Youth Development Grants and Community Initiative Grants. It brings Council immense joy to see the achievements of individuals and organisations, talk about making Litchfield proud! These grant programs are all fully funded via the 10c container deposit scheme through eligible containers received at Council's Waste Transfer Stations.

As Mayor, I continue to meet with local and federal government representatives and industry bodies to advocate for positive outcomes for the Litchfield municipality. In June I attended the National General

Assembly (NGA) of Local Government - incorporating the Regional Cooperation and Development Forum. Held in Canberra, the forum afforded participants the opportunity to contribute ideas for new federal programs and policies that support councils to build stronger communities in the future and the NGA brings together delegates from Local Government across the country to debate issues of national significance relative to Local Government. Local councils can develop and express a united voice on core issues affecting their communities, with access to influential federal government decision makers at both the political and departmental level.

Council supported another release of Barramundi at our McMinns Lagoon Recreation Reserve. Fishing is a popular pastime in the NT and Council are pleased to partner with the NT Governments Darwin Aquaculture Centre to provide another recreational fishing opportunity in the municipality. Hopefully these babies will be the metery's of the future!

A substantial investment into concept designs for staged works to be undertaken at Freds Pass Sport and Recreation Reserve has been made. The concept designs are to form part of Council's grant application to the Federal Government's Priority Community Infrastructure Program, this is in response to the \$10m campaign commitment in the lead up to the last Federal election. Council have enlisted a consultative approach whilst preparing the grant application and I have enjoyed the robust discussions with stakeholders. If successful in obtaining grant funding, this will be an exciting project to look forward to.

We thank the Litchfield community for continuing to engage with us, without your valuable feedback and input it makes it harder for us to deliver the best outcomes to keep Litchfield the best place to live in the Top End! We are looking forward to the year ahead and will continue to work strategically and for the people.

Doug Barden
Mayor



MESSAGE FROM THE CEO

Pausing to reflect on the 2022-2023 year fills me with a sense of pride. My time to date as Council's CEO has served to prove that the community spirit and passion of Litchfield residents is invaluable. The tremendous amount of time and work community members spend volunteering to make our Recreation Reserves amazing community spaces, the coordination and management of the Humpty Doo Community Garden and those that give themselves tirelessly to charities and event committees are a few examples of this.

Council continued to seek grant opportunities where available, grant funding sees the delivery of benefits to residents and serves to minimise or eliminate the passing on of direct costs to ratepayers. Advocacy for the municipality continued in effort to secure positive outcomes for the community.

In February 2023, Council launched a petition calling for an urgent review of the design and function of the Stuart Highway and Bees Creek Road intersection. The intersection services high volumes of traffic, particularly during peak periods, and anticipated growth in the area will lead to greater future congestion. Community support for this initiative was substantial and I am pleased to say that support has translated into discussions with the NT Government to review that portion of their road network. Community safety is of the utmost importance to Council and we continue to engage in the process to deliver a safer outcome for road users.

In the first quarter of 2022-2023 an organisation wide restructure was implemented. The restructure was designed to better align our resources with our goals and objectives, and to ensure that we are delivering high-quality services to our community in the most cost-effective manner possible. The



restructure resulted in substantial operational savings, which will have a positive impact on our long-term financial sustainability, the savings were achieved through a combination of process improvements, staff realignments, and a reduction in non-essential spending. We remain committed to delivering high-quality services to our community, and the savings generated have and will continue to be reinvested into programs and initiatives with direct benefit to our residents. Our focus remains on providing excellent service delivery while maintaining our commitment to financial sustainability.

Council continues to operate the only active cemetery in the greater Darwin area. Thorak Regional Cemetery is a non-denominational cemetery, with areas designated for the Orthodox, Muslim, Bai Hai and Jewish faiths. In May 2023, WiFi was installed at the cemetery to facilitate live streaming of services and to automate the irrigation system for the entirety of the cemetery grounds, this project was delivered utilising grant funding.

The adoption of the 2023-2024 Municipal Plan and Budget included highlights such as the allocation of a 30% increase in funding for recreation reserves, demonstrating our commitment to enhancing recreational opportunities for our community. Additionally, we have ensured that any rates increase remains at or below CPI levels, keeping in mind the financial well-being of our residents.



In September 2022, Council was notified we would be subject to a Compliance Review (Review) by the Local Government Division, Department of the Chief Minister and Cabinet (the Department). The Department is required to undertake a program of compliance reviews of local government bodies in the Northern Territory under section 298 of the *Local Government Act* 2019. Council received the Final Report for the Review, which listed 11 identified issues, in April 2023. Council has since undertaken corrective actions to address these issues. Council strives for continuous improvement and appreciated the insight provided via the compliance review process.

Our roads network was certainly tested by high rainfalls during the wet season. Our infrastructure and assets teams' workload has expanded to include ongoing road inspections to identify urgent repairs and maintenance issues in real time.

The Taminmin Community Library continues to deliver a wide range of programs and services catering to a variety of demographics. Some of which have been breakthrough, with our small library punching well above its weight, with the 'Students vs Seniors' program even scoring a feature on the ABC's season three of 'Ageless Friendships'.

I commend staff and elected members for the delivery of quality services and projects, their commitment to serve the community of Litchfield is unwavering and will no doubt continue to deliver great things over the coming year.

Stephen Hoyne

Chief Executive Officer





OUR COUNCIL

Elected members

On 28 August 2021, a local government general election was held. The following Council members were elected to represent the Litchfield community from 15 September 2021 through to September 2025. This latest council brings new skills and experience to represent the 3 wards of the municipality and a keen desire to see out current projects in a timely and achievable manner.



Doug Barden
MAYOR

I grew up in Fannie Bay before kerbs and guttering, and some roads still being dirt. East Point military museum and surrounds was my playground like what most of Litchfield is now.

Born in the old Darwin hospital on Myilly Point, I lived mostly in Berry Springs since the early 1980s before there was electricity in the rural area. My family have owned and inherited property within the Territory which has been purchased since before the 1920s.

I went to boarding school in Sydney, then returned to Darwin to complete my trade as a Diesel Mechanic and Fitter for Komatsu earthmoving equipment. I operated an earthmoving business until the 1990s when I built

and operated the “Lakes Resort & Caravan Park”. I was first elected as the South Ward Councillor in late 2015.

As Mayor, I feel it is very important for the Councillors, community and staff to work as a team together. To achieve this, I feel strongly about listening and providing direction, while keeping in mind good governance, respect, integrity, and accountability. It is important for Council to keep within budget and continue to successfully apply for grants in order to improve our services and facilities. I am very proud of what I have achieved as a Councillor and am envious of what all previous Councils have achieved in its short 35-year history in order to make Litchfield the best place to live in the Top End.



Rachael Wright

**Deputy Mayor (Appointed in August 2023 for an eight month period),
North Ward Councillor**

I have lived in Litchfield for over 20 years as a rate payer but have been in the Northern Territory much longer. I am part of the family that owns Lorella Springs cattle station, which today is a favourite outback getaway for all Territorians and interstate visitors.

I am financially conservative, socially progressive, and environmentally responsible.

With over 25 years' experience as a Human Resources professional, in the private and public sector, I have strong ethical values and I genuinely care for the community and its best interests.

I have elderly parents and young children that live in Litchfield, so I'm keen to see all demographics of our communities' best interests represented.

My commitment to the rural area is genuine and passionate. I am willing to be a strong voice for us all.

I look forward to being a great asset to Council and our community.



Mark Sidey

South Ward Councillor

My wife and I have two adult daughters who, after growing up in Darwin River are now following their own dreams.

I have over 10 years-experience working in senior local government roles in Queensland and the Northern Territory including Chief Executive Officer and Council Service Manager. I have a proven track record of stakeholder engagement, relationship development and advocacy over many years and have developed positive relationships with Territory & Federal MLAs, NTG departments and other councils.

In addition to my local government roles, I have a degree in Business and have worked as an Insurance Loss Adjuster since 1999. I currently own my own business, working as a contractor to a number of Insurers.

I was elected to Litchfield Council as a Councillor for South Ward in 2022 on a platform of greater transparency, more consultation with constituents and re-focusing Council's direction back to providing core services at the lowest possible cost. I am passionate about the community and am a great believer in "keeping rural rural". I am extremely proud of the new direction this Council has taken since the election of the current team and thank Council Staff for their tireless work. We are seeing real change and progress in the rural area and I look forward to continuing to champion sustainable progress for the benefit of residents, businesses and ratepayers.



Kevin Harlan
Central Ward Councillor

I have lived in the Northern Territory most of my life, Palmerston, Darwin, and remote Northern Territory before settling in Humpty Doo with my wife and two boys 15 years ago.

We live in Humpty Doo and enjoy the beauty of our native plants and animals as well as the extra space which gives us our privacy while retaining the convenience of shops and services 15/20 mins up the road.

I am a Plant Mechanic by trade, completing my apprenticeship early 1985 with an international earthmoving manufacture on Goyder Rd, Parap. Since then, I spent 20 years in the mining industry, worked over a year straight in Antarctica running a workshop for the Australian Antarctic Division. I also have a background in safety/training (taught trade school at both CDU and Taminmin College).

And just to keep things interesting, growing up I did fencing on NT cattle stations, bull catching on the Barkley Tablelands, cook/barmaid at Heartbreak Hotel and eight years at boarding school.

I put my hand up for Central Ward as the first step for me to try and change how and what our council does for us. I want our Elected Members to be more open, transparent, and accountable.

I want to find efficiencies to reduce costs and minimise rate increases where possible.

Our rural community can continue to be an active, supportive, and vibrant place to live, if we are all willing to contribute to and participate in maintaining it.

Keep rural, rural.



Emma Sharp
Deputy Mayor (appointed in April 2022 for an eight month period)
South Ward Councillor

I arrived in the Top End ten years ago, and fell in love with the rural lifestyle. As a Humpty Doo local, I'm proud of the community where I live and which I serve as an Elected Member; not just in South Ward, but the entire Litchfield municipality. My eldest son attends Humpty Doo Primary School, and is a new addition of the mighty Litchfield Bears Rugby League Club. My family recently welcomed a new baby boy to the world, and I anticipate he'll be every bit of a 'bush kid' as his big brother!

Since 2005, I have worked predominantly in the health sector, both in the UK National Health Service,

and NT Health. I have been managing ICT projects in the digital and health sector now, for more than 13 years.

As a Litchfield Councillor, I have used my project management experience to progress initiatives and question processes in place to ensure we are offering the best value and service to rate payers. I want to continue listening to residents, using feedback to guide the way Litchfield Council moves into the future and supports our rural way of life, which is so important to us all. I will continue to advocate for a range of personal causes and services to benefit our community, and remain a strong voice on Council.



Mathew Salter
North Ward Councillor

I am on the Friends of Taminmin Library Committee and have recited poetry at the poetry lunch which I have attended for ten years.

I am also on the Litchfield History Group Committee and we have had some great excursions to Virginia Township, Strauss Airstrip and Marrakia War Museum.

I also chair the Howard Park Reserve and sit on the Audit and Risk Committee on behalf of council.

I am a keen sportsperson, enjoying fishing at Bynoe Harbour and playing cricket for the Southern Districts Crocs.

I first got involved in local council when the Inpex Workers Village was being built at the end of my street.

I joined the Freds Pass Board in 2012, and I am proud to have helped with the first Freds Pass Masterplan – that has attracted excellent funding.

I believe in maintaining our rural lifestyle, which means not allowing ad hoc development, and keeping Litchfield rural.

I am very proud of my achievement on council and I still enjoy listening to our community.



Andrew Mackay
Deputy Mayor (appointed in December 2022 for an eight month period)
Central Ward Councillor

Ever since I first moved to Litchfield as a kid, I have loved everything about living rural. I attended both Girraween Primary School and Taminmin College and grew up fishing, camping and motorbike riding, all of which I still love (although getting weary of the time taken to heal after every crash!). Litchfield is my home and I intend on staying here and serving the community as best as I can. My primary focus for Council is ensuring good decisions are made by Council to keep Litchfield and the rural areas a great place to live with a focus on the community and ensuring financial sustainability.

After heading down south to study a Bachelor of Science degree majoring in mathematics, I returned to the rural

area and currently work as a Data Analyst/Scientist in the Aquaculture industry. I have previously worked in the forestry industry on the Tiwi Islands as a FIFO laboratory technician and as a Data Analyst for Australia's largest barramundi farm which is proudly located within Litchfield. I also sit in a volunteer role on the Executive Board for a not-for-profit youth organisation operating in the NT and on their national board as the NTs representative.

I pride myself on being approachable, transparent, and honest and if I ever can be of help please get in contact and I look forward to hearing from as many residents of Litchfield as possible.



Council meeting attendance

Elected members meeting attendance

Elected Member	Attendance	
	In person	Electronic
Mayor Doug Barden	16	0
Deputy Mayor Rachael Wright	12	3
Councillor Mark Sidey	12	4
Councillor Kevin Harlan	12	3
Councillor Andrew Mackay	15	1
Councillor Mathew Salter	15	0
Councillor Emma Sharp	9	6

There was a total of 12 Ordinary Council meetings and 4 Special Council meetings held during the 2022-2023 year. The table here provides the elected members attendance.

Elected member allowance

	Base (\$)	Electoral (\$)	Extra Meeting (\$)	Internet Access (\$)	Professional Development (\$)	Total (\$)
Doug Barden	75,117	19,771	-	550	2,448	97,886
Mathew Salter	13,510	4,944	6,820	600	3,753	29,627
Kevin Harlan	13,510	4,944	3,300	600	-	22,354
Rachael Wright	13,510	4,944	7,260	600	2,030	28,344
Mark Sidey	13,510	4,944	5,280	550	-	24,284
Emma Sharp*	19,998	4,944	2,640	600	-	28,182
Andrew Mackay*	21,288	4,944	-	-	-	26,232
	170,443	49,434	25,300	3,500	8,231	256,907

*Base allowance includes Deputy Mayor allowances.

ORGANISATIONAL STRUCTURE

In March 2023, Litchfield Council reviewed and updated the organisational structure, resulting in the new structure below. The structure allows for 58.83 full-time equivalent (FTE) staff across three departments.



The restructure was designed to better align our resources with our goals and objectives, and to ensure that we are delivering high-quality services to our community in the most cost-effective manner possible.



EMPLOYMENT DATA

Gender *



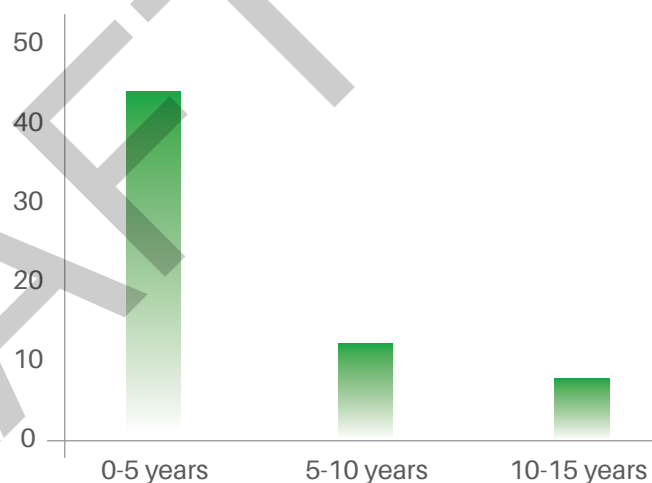
Men 26



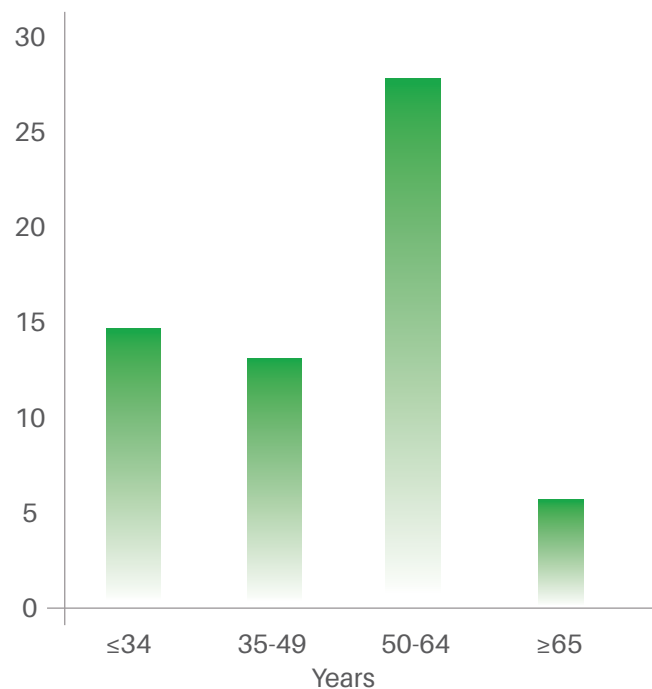
Women 36



Length of Service *



Age of staff *



* These three graphs represent yearly rolling staff total and are not reflective of the actual or approved figures.

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 2022-2025

Vision
Priorities
Outcomes
Success Measures
Masterplan

MUNICIPAL PLAN

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

PERFORMANCE MANAGEMENT

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

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.

R U OK? Day

R U OK? is a public health promotion charity that encourages people to stay connected and have conversations that can help others through difficult times in their lives. On Thursday 8 September 2022 Litchfield Council participated in raising awareness for the cause by holding a morning tea where employees dressed in yellow and brought a plate to share.



PINK Ribbon Day

On 20 October 2022, Litchfield Council hosted a Pink Ribbon Day Breakfast to raise funds for the National Breast Cancer Foundation. Staff enjoyed a yummy breakfast and were able to raise \$207 for an important cause.



Harmony Week

Harmony week is the celebration that recognises our diversity and brings together Australians from all different backgrounds. On 23 March 2023, Litchfield Council participated in Harmony Week by inviting staff to bring a special dish to share, that represented their culture and background.





YEAR IN HIGHLIGHT - 2022

July

School holidays at Taminmin Library – the popularity of the library’s school holiday program continues to grow. Activities cater to a diverse range of interests and include opportunities for young people to gather and socialise in a safe environment whilst fostering learning in a fun way.

August

Kentish Road Handover – sealed as part of the Mango Roads project Kentish Road was handed over to Council from Department Infrastructure Planning & Logistics. A defects period expires two years from hand over date.

September

Council Celebrates R U OK? Day – R U OK? Day is a public health promotion charity that encourages people to stay connected and have conversations that can help others through difficult times in their lives. Council promotes a positive organisational culture so that our Officers are well equipped to assist our community.

October

Annual Community Grants – Council approved almost \$31,000 of grant funding to seven well deserving community groups to deliver events or construct/improve facilities to benefit the community. These grant programs are all fully funded via the 10c container deposit scheme through eligible containers received at Council’s Waste Transfer Stations.

November

Award winning Library – Taminmin Community Library scooped the Australian Library and Information Associations 2023 Urban prize for their campaign Students versus Seniors. The program was devised to provide an opportunity for students to develop confidence by improving communication and connection with senior citizens in the community.

Young Territory Author Awards – Mayor Barden was proud to present Samantha McLinden, winner of the Litchfield Regional Award 2023, for her well composed piece ‘A Tree and Two Twins’. A young Litchfield resident with a bright future!

December

Opening of Howard Park Cricket Nets - initiated to provide diverse opportunities for young people to get out and be active in the local community with the added bonus of making our local cricket teams even stronger. Council was proud to support co-contributors Cricket Australia and community member Gerry Wood.

Proposed Development of Holtze - Council provided comment to the NT Planning Commission on the proposed Greater Holtze Area Plan that was open for public comment over November and December 2022. Council continues to participate in design workshops, project control group meetings, technical working group meetings and enabling infrastructure design reviews as part of the NT Governments latest planned land release in Holtze, adjacent to the Palmerston Hospital.



YEAR IN HIGHLIGHT - 2023

January

Australia Day – Council’s annual Australia Day celebration moved to an exciting new location – under the big shed at Freds Pass. A large crowd enjoyed all the activities, official ceremony and we welcomed our new Citizens.

Our ‘Litchfield Legends’ presented with Australia Day Awards were:

Citizen of the Year – **Joanne Scott**

Young Citizen of the Year – **Patrick Irwin**

Community Event of the Year – **Freds Pass Rural Show**

February

Stuart Highway and Bees Creek Road intersection petition launched – Council launched a petition calling for an urgent review of the design and function of the Stuart Highway and Bees Creek Road intersection. The intersection services high volumes of traffic, particularly during peak periods, community support for this initiative was substantial.

March

Art Exhibition – Council’s annual Litchfield Art Exhibition drew record crowds with many artists incorporating the ‘Community’ theme into their entries. Some truly amazing works of art were on display!

April

Mira Square Community Hall and Playground – handover of the new facility to the Southport Progress Association. A wonderful new place for community to gather and connect, with official opening festivities held in July 2023.

May

Freds Pass Show – Council continued our support of the Freds Pass Rural Show through our \$45,000 sponsorship commitment. The new location ‘By the Lake’ was wonderful, thank you to everyone that stopped by our stall to say g’day!

WiFi Installation at Thorak Regional Cemetery

– allowing Funeral Directors to live stream services reliably. Internet reception at the Chapel was previously very poor, the WiFi connection has long been requested by Funeral Directors and the general public. The system will also be used to automate the irrigation system for the entirety of the cemetery grounds.

June

Barra released into McMinns – grab your fishing rods! Council partnered with the NT Governments Darwin Aquaculture Centre to release more of tomorrow’s metery’s, providing a great land-based fishing option for the Litchfield area.



Our community



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)

The 2022-2023 Community Grant Scheme totalled \$39,687 and is 100% funded through money made from recycling bottles, cans and batteries collected at Council's Waste Transfer Stations.



Annual Community Grant Recipients for 2022-2023

Recipient	Purpose	Amount (\$)
Darwin Rural Churches	Rural Carols by Candlelight	5,000
Darwin Community Arts	Cuppa, rural women making and sharing art	5,000
Humpty Doo Community Garden	New infrastructure for extension of the garden	3,682
Freds Pass Positive Dog Training Club	New equipment	2,950
Humpty Doo Bowls Club	New signage and chairs	4,205
Berry Springs Recreation Reserve	Mango Market	5,000
Livingstone Recreation Reserve Committee	Strategic planning	5,000

Youth Development Grants for 2022-2023

Through the delegation of the Chief Executive Officer, 27 Youth Development Grants were awarded to assist with the costs associated with young people travelling away to represent the Northern Territory, and Litchfield in their sporting fields.

Community Initiative Grants

A total of three Community Initiative Grants were awarded to support community ideas and to get projects running that benefit the Litchfield community.



AUSTRALIA DAY

On Thursday 26 January 2023, Litchfield Council hosted the annual Australia Day event full of free, family fun, Local Government awards and the ever-popular fun run.

Litchfield Council was successful in receiving grant funding with \$20,000 from the National Australia Day Council, \$2,000 from the Australia Day Council Northern Territory and \$1,450 from the Northern Territory Government's Celebrating Aboriginal Culture Australia Day Grant Program.

The 2023 Litchfield Council Australia Day event moved to a larger venue to enhance the event, attract more participants and increase multicultural opportunities. The event was a great family day commencing with a fun run that catered for all categories from the serious competitors to the strollers. The official ceremony saw 11 new citizens welcomed, three local government awards presented, the National Anthem and lots of fun activities for the family including indigenous arts and crafts workshops. Our amazing volunteers prepared a free breakfast, and our infamous map made out of lamingtons. This year incorporated local market stalls and arts and crafts workshops from passionate local indigenous women who showed participants how to paint boomerangs, tote bags and other crafts.



The Citizen of the Year awards were strongly contested with the following awards being presented:

Citizen of the Year *Joanne Scott*

Jo as she is affectionately known has put her heart and soul into the intergenerational programs for local seniors. The seniors and teens program was so successful it gained national coverage. As well as this, she also enabled a program connecting a local preschool group with the seniors. Outside of work she is a dedicated volunteer for the Humpty Doo Primary School Committee and the Satellite City BMX Club.

Young Citizen of the Year *Patrick Irwin*

Patrick is a volunteer member of the St Johns Ambulance cadets and has been for almost 8 years. He is currently working here today for our Australia Day event. Last year Patrick won the St Johns Ambulance cadet of the year for his work in the NT and I believe he has just been accepted into university to study Paramedicine.

Community Event of the Year *Freds Pass Rural Show*

The 2022 Freds Pass Rural Show was the first show back post COVID after two years off. The event is the biggest in the rural area and a lot of work for a small team. This event is seen to bring the community together and provide family friendly fun for the whole weekend. It is also a chance for local businesses to showcase what they have to offer the community.



ART EXHIBITION

Litchfield Council’s Annual Community Art Exhibition continues to grow in popularity and engagement with the sixth annual event, this year held at the Humpty Doo Village Green, from 10 to 12 March 2023. The theme was ‘Community’ which artists could choose to incorporate into their works if they wished.



Over 520 people attended the weekend of events which included opening night, the art exhibition, kid’s art workshops, and an International Women’s Day Making and Morning tea. Great feedback was received from all attendees with engagement for the event continuing to evolve with each consecutive year thanks to the dedicated support from Darwin Community Arts and local Litchfield Artists and the sponsors, Coolalinga Community Bank, NT Government through the Office of Gender Equity and Inclusion, Gerard Maley and Dheran Young. Litchfield Council is proud to offer a rich array of opportunities for engagement and connection to reflect the diverse interests of our community and is enthusiastic to support this outstanding event as it grows and evolves into the future.

Eight award winners took away prizes for their entries

First Nations Award <i>Sponsored by Dheran Young</i>	Dennis McCarthy with his work Yingarna
Three-Dimensional Award <i>Sponsored by Gerard Maley</i>	Sarah Martin with her work Interwoven
Youth Award <i>Sponsored by Bendigo Bank</i>	Brooke Barnden with Queen Bee
Kids Award <i>Sponsored by Bendigo Bank</i>	Tobias, Ottakar, Luana, Arapeda, Flynn, Kyah, Papuana, Malachy and Phoenix with the Big Picture
Visual Arts Award	Elizabeth Martin with her piece ‘Drawn Outside’
Community Choice Award <i>as voted by the community</i>	Jo Harvey with Woody Croc and Tobias Kiwikiwi with Waterfall
Textile Award	Patricia Creswick with her Monsoon Meditation
Photography	Paige Laker with her piece Miniature Bird

Highly Commended by the judges:

- Fish the NT
Jo Harvey
- Debris
Alex Jordan
- Community Connecting
Deanne Kenyon
- Got ya Croc in a trap
Stephen Dalton
- Collective Consciousness
Elizabeth Cohen

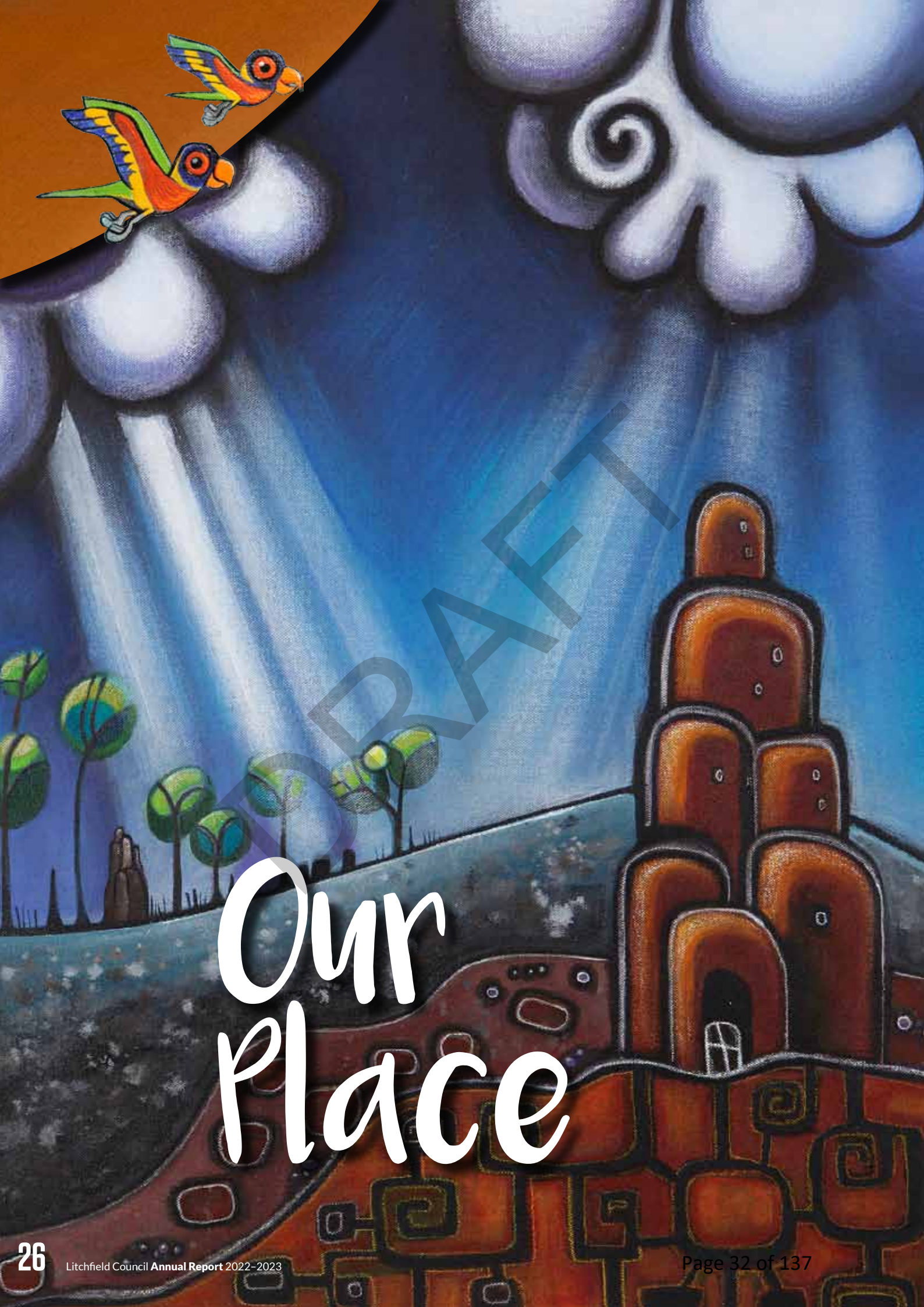


AUSTRALIAN CITIZENSHIP CEREMONIES

Council held eight Australian Citizenship Ceremonies throughout the year which included four private ceremonies.

Litchfield welcomed 41 new Australian citizens from Philippines, Vietnam, Ireland, United Kingdom, New Zealand, Thailand, India, Malaysia, Ukraine, Belgium, Iran and Canada.





Our Place

RECREATION RESERVES

Howard Park Recreation Reserve

The Howard Park Recreation Reserve plays host to more than 15 user groups throughout the year. During Dry Season weekends, residents can enjoy cricket matches on maintained ovals, with teams competing from across the top-end region. On weekday afternoons, the space is dedicated to baseball training sessions and for the Howard Springs Primary School to host their annual athletics carnival while residents can enjoy walks around the oval throughout the year.

Our regular user groups gather to meet each week in both Howard and Whitewood Halls. These bookings cater to an array of activities, including dance, healthcare, creative arts, and fitness classes.

Central to the reserve are our expansive green multi-use oval, a BMX track, and accessible cricket nets for use.

The volunteer-based Management Committee continues to be an integral part of communication between the council and the greater Howard Springs community through leading strategic planning discussions and recommendations to the council. With invaluable support from the Howard Park Recreation Reserve Committee, the council achieved the establishment of public footpaths. Additionally, an entrance gate was erected along the Hamilton Road boundary to facilitate public access to the ovals.





Knuckey Lagoon Recreation Reserve

Knuckey Lagoon is a unique hidden gem in the heart of Darwin. Surrounded by lush and predominantly untouched bushland, Knuckey Lagoon is a must-see for locals and visitors alike. This space boasts bushwalking trails, bird-watching opportunities, and nature play areas, and offers excellent facilities for visitors and user groups including a community hall, playground, basketball court, and shared BBQ facilities.

The dedicated group of volunteers comprising the Management Committee has effectively embedded the community's needs and values within the Council's decision-making processes and future planning. One of our most frequent user groups, Top End Mineral Club, secured a financial grant to install large fans in the under-croft area. This committed team also assumes a pivotal responsibility in transmitting essential information from the council to both reserve user groups and members of the local community.



Humpty Doo Village Green

Humpty Doo Village Green stands as an iconic local landmark. The central location proves popular with local families providing two playgrounds, picnic tables, a skate park, and BMX tracks.

The Litchfield Council collaborates with key local stakeholders, which includes the community gardens, Taminmin College, Humpty Doo Scouts, and Darwin Community Arts. This partnership serves to effectively promote and enhance the recognition of the Humpty Doo Village Green within the community.

Annually, the Village Green serves as the esteemed venue for the ANZAC Day commemorations, held in collaboration with the Lions Club, and the annual Community Arts Festival held in the community hall

is a well-loved occasion that highlights the emerging artistic talent in the greater Darwin area. Regular yoga classes on Monday mornings provide a great opportunity for people to engage in physical and mental well-being and the local fibrecraft group gathers every Wednesday to knit blankets and beanies for the hospital. Having these regular events in the community hall fosters a sense of connection and belonging among the residents. Humpty Doo Village Green is a place for people to come together, share their skills, and build relationships. Unfortunately, this year has seen significant damage to Council assets from vandalism. Council continues address this issue through ongoing improvements to security.

McMinns Lagoon Recreation Reserve

Lying at the southern end of the Howard River Catchment, McMinns Lagoon is a beautiful location, led by a passionate team of volunteers. The McMinns Lagoon Reserve Association Inc. shoulders the responsibility of preserving the condition of the walking trails, weed control, maintaining the grassed picnic areas, and the overall well-being of the lagoon.

Serving as a significant hydrological and ecological link between wetlands and drainage lines connecting to the Howard River. Within its boundaries, McMinns Lagoon shelters several endangered species, including the rare and endangered Gouldian finch, alongside egrets, goshawks, turtles, and a re-introduced barramundi population.

The Reserve's Committee hosts regular Working Bees, workshops and events such as National Tree Day and Make a Difference Day. The space also proves a popular spot for bushwalking and birdwatching groups. As an important ecological site, the lagoon is a perfect backdrop for university students and environmental groups to conduct research and wildlife surveys.

This past year, the association was successful in securing funds to expand its current storage facility, allowing more room to safely store equipment and carry out maintenance on machinery vital to maintaining the reserve. The reserve has also secured additional funding which will be used towards lighting and pathway upgrades.



Freds Pass Sport and Recreation Reserve

Freds Pass continues to hold its place as one of the most frequented spots within Litchfield Municipality. With its support for over 19 sporting clubs and managed by a dedicated and hardworking management board, the reserve boasts the title of the largest multi-use sport and recreational facility in the Northern Territory.

In May 2023, the always popular Freds Pass Rural Show was situated in a new location adjacent to the Reserve Lake. The show achieved remarkable success in 2023, making a substantial contribution to the local economy, by highlighting local producers, businesses, and community groups.

Likewise, early 2023 saw the launch of the hugely popular Rural Eats Market. Opening in January 2023, the weekly markets showcase a variety of local food vans and live entertainment enjoyed under the open-air market shed. Since its inception, the rural eats market has proven to be one of the most popular weekly events in the Litchfield Municipality. This accomplishment owes itself to the unwavering commitment and diligent efforts of the management board, who continually strive to showcase the best of the local community.



Berry Springs

The reserve plays a vital role in community engagement. It is available for private events such as birthdays, weddings, and fundraisers. Additionally, it hosts the Berry Springs Playgroup, Taminmin Community Library, and Smile a Mile Fun Bus, all of which offer valuable opportunities for families and children to connect, forge friendships, and enjoy the reserve's amenities.

The Berry Springs Community Markets on the last Sunday of each month have up to 35 stalls each and bring locals and visitors alike to the Reserve. The Mango Festival took place in November 2022. Held annually, this event continually proves to be hugely popular throughout the Berry Springs locality.

A true reflection of the vibrant spirit of the Northern Territory, where the community proudly celebrates one of the top ends most treasured exports. The event was a huge success, thanks to the tireless effort of the recreation reserve Management committee and a group of local volunteers.

This past year, the works on the new adventure playground were completed much to the delight of users and residents alike. Grant funding secured in May, saw the resurfacing of the much-used netball and tennis courts as well as funding for a shade structure for the playground area and skate park.

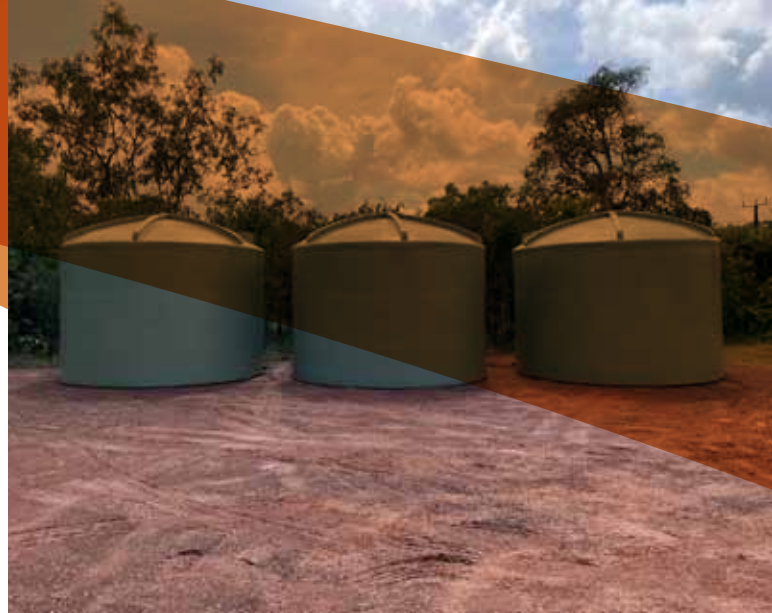


Livingstone Reserve

Operated by a committee of dedicated volunteers, the Livingstone Recreation Reserve is committed to providing an array of services and amenities, catering to the enjoyment of everyone, with a particular focus on serving the rural community. Nestled within 64 hectares of pristine natural woodland, this Reserve presents an abundance of attractions for families and the broader community offering a large community Hall, sporting ovals, a volleyball court, picnic areas, and a children's playground.

The 34 Mile Bar remains a steadfast presence within the reserve, attracting numerous locals on a weekly basis with its array of food specials, live music, and events. Additionally, the reserve proudly houses both the Livingstone Volunteer Bushfire Brigade and the Litchfield Horse and Pony Club, with membership numbers for Livingstone Reserve and use groups reaching over 300 for this past year.

This year, the committee was fortunate enough to be awarded another Community Benefit Fund grant. The grant went towards enhancing and expanding the current kitchen facilities onsite. In addition to this, the reserve also secured funding to upgrade the carpark adjacent to the main hall.



Mira Square

Mira Square Community Hall reached a significant milestone as it wrapped up its final phases of construction. On the 23rd of July 2023, Mayor Barden officiated the official unveiling of the community hall. The event was a great success, drawing a remarkable turnout and celebrating the successful culmination of this Endeavor.

The hall is poised to become a central hub for the local community it features a brand-new playground surrounded by native bushland, providing shade and a natural setting for families to enjoy. With the primary goal of providing a venue for community events and serving as a gathering space for individuals to connect, the hall stands as a vital cornerstone of this closely-knit rural community.



REGULATORY SERVICES

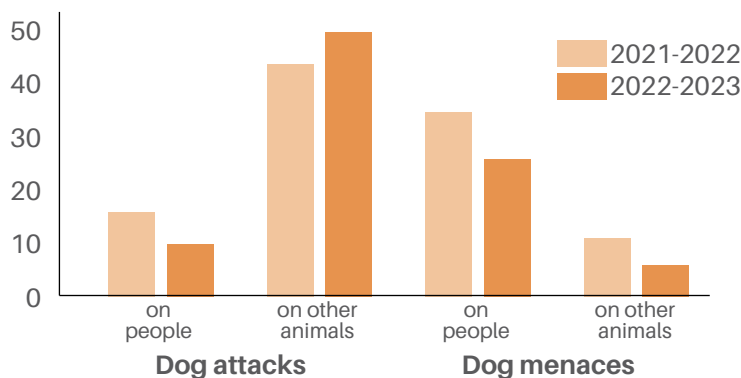
Dogs are valued members of many families and Litchfield Council places a high value on community members understanding their obligations as responsible dog owners.

Rangers investigate and enforce dog issues reported by the community under Council's By-Laws and provide advice on dog matters such as containment, aggression and barking. The team also actions vehicles reported as abandoned on Council's roads and land according to the NT Traffic Regulations 1999.

Outcome of Impounded Dogs	2021-2022		2022-2023	
	Number	%	Number	%
Transfer to RSPCA Darwin	55	17.8	59	17.8
Transfer to PAWS Darwin	47	15.2	36	10.9
Transfer to DACS NT	-	-	10	3.0
Total rehomed	102	33.0	105	31.7
Reclaimed by owner	165	53.6	196	59.2
Euthanised	38	12.4	29	8.8
Transfer to other Council	3	1.0	1	0.3
Total impounded	308	100	331	100

Items of note for the 2022-2023 financial year include:

- Public Consultation for the Animal Management Strategy and Action Plan 2023 – 2026 ran from 1 to 21 June 2023. Resulting in the replacement of Council's first Animal Management Plan 2019 – 2023.
- Rangers were invited to attend RSPCA Darwin's free community microchipping days, and attended 2 weekend markets, the Freds Pass Show, and the Bunnings Palmerston Pet Expo.
- Rangers undertook dangerous dog management training, first aid and mental first aid, customer service, complaints management and tranquiliser firearm certification. All Rangers have completed or substantially completed a Certificate IV in Government Investigations.
- 6 dog awareness sessions were held at various schools and childcare centres across the municipality to 133 students. These increase knowledge on managing dogs and their behaviours, especially identifying threatening actions and what to do if confronted by an aggressive dog.
- 4,248 dogs registered with Council. This figure is up 16.2% from 3,559 for 2021-22 and accounts for dogs reported by their owners as deceased or moved out of the Municipality. 3,171 (74.6%) of registered dogs are desexed, similar to 2021-2022 (75.3%). 1,250 (29.4%) dogs registered with Council are lifetime registered (desexed dogs only).
- 133 desexing vouchers were issued to owners with 88 (66.2%) redeemed, compared to 64% redeemed in 2022-2022. They provide a \$100 discount for dog desexing when presented at a vet clinic within the Litchfield Municipality. This year Council permitted multiple vouchers to be issued per household to encourage all dogs from the same household to be desexed.
- Rangers received 92 dog attack and menace reports. Overall reports of dog attack/menaces are down 13% from 106 in 2021-2022 to 92 in 2022-2023.
- Rangers received 404 dog at large reports and impounded 331 dogs. This is up 12 from 392 dog at large reports and up 23 from 308 dogs impounded in 2021-2022.
 - In 2022-2023, only 29% (96) of impounded dogs were desexed.
 - Only 21.4% (71) of impounded dogs were registered, up from 17.5% in 2021-2022.
 - There were 23 dogs surrendered, 45.2% fewer compared to 2021-22 (42 dogs).
 - 157 females and 174 males were impounded (47.4% and 52.6%, respectively).
 - 31 (15.8%) more dogs were reclaimed by their owners in 2022-2023 than in 2021-2022.
 - Council welcomed the inclusion of the rehoming and rescue group DACS NT in early 2023, enabling a similar number of dogs to be rehomed in 2021-2022 and 2022-2023.
 - 9 fewer impounded dogs were euthanised in 2022-2023 compared to 2021-2022 due to behavioural issues, illness/injury or rehoming groups at capacity. This brings the proportion of impounded dogs euthanised to 8.8%, well less than half the national average estimated at approximately 20%.
- 102 lost dog reports.
- 360 infringements issued for dog related offences.
- 47 abandoned vehicle reports.





TAMINMIN LIBRARY

School holiday programs:

School holiday programs were run each school holiday period and extremely well attended by 1,336 attendees. During July and October 2022 holidays, additional activities were organised and run offsite daily in various reserves across the municipality. This allowed for our popular holiday programs to continue for the community, whilst the building's air conditioning system was replaced.

Holiday program activities for 2022-2023 covered a diverse range of interests and included opportunities for young people, in line with Council's "Youth Strategy and Action Plan 2022-2025".

	2021-22	% increase
Visitors to the library	28390	16%
Library Programs	262	19%
Program Attendees	4329	6%
Loans	15586	-1%
Computer Sessions	1517	-12%
Age of Collection >5 years old*		45.78%

*ALIA Standards of 40-45% of collection

Highlights include:

- **Early Birds @ McMinns Lagoon** – Short walk introducing the reserve, looking at birds, bird bingo, bird beak adaptations activity, story reading and nature playmat – STEM activity in partnership with Bush to Beach;
- **The Amazing Drumming Monkeys** - Puppet show with live music, dancing, environmental messages and family fun day at Humpty Doo Village Green;
- **Old MacDonald Pop-Up @ the Library** – Farmyard themed activities including petting zoo, story, themed songs, music and movement – partnered with Farmer Fairy Jill and Top End Critters;
- **Learn to draw: Anh Do Characters** – Learn to draw your favourite book characters from Author Anh Do – partnered with Paint & Create;
- **Minecraft Coding Workshop** – An introduction to basic coding (Hour of Code resources) and challenges for lovers of Minecraft;
- **Youth Hangout and Rubiks Speed Cubing challenge** – activities, challenges, prizes, movies and pizza at the library for older attendees only; and
- **Robotics Workshops** – come n try 3 session workshops in partnership with Charles Darwin University/Inspired with robotic arm, LEGO Mindstorms vehicles and Spheros.



All school holidays incorporated the popular Friday Midday Movie sessions. The library offers new release movies with popcorn and juice boxes, giving rural families a cinema like experience without the expense.

Strategic and innovative thinking regarding program delivery has created more flexible holiday opportunities at the library. Anytime Activities offer participation on a day or time that suits individual families, rather than only scheduled activities. These initiatives have been very well attended with original concepts such as a Minecraft Scavenger Hunt, Easter Treasure Hunt, Halloween Room on the Broom hunt, community progressive LEGO build creation and a collaborative 13 Storey Treehouse Drawing.

Funky Chicken Book Club Parties have been introduced during holidays, aiming to re-engage and activate club memberships. Only club members can attend exclusive fun activities such as colouring, drawing, reading, craft, book reviews, cool prizes and petting real Funky Chickens thanks to Top End Critters. This has also generated new club memberships, which maintains our KPIs.

Seniors' Morning Tea Literacy

The library held 11 monthly Seniors' Morning Tea events, which showcase an activity, topic or guest speaker. It is a highly valued program and offers multiple health and social beneficial to older citizens living independently in the rural area. Key activities include:

- NAIDOC week – Seniors enjoyed basket weaving, dot painting, morning tea and chatting with local Aboriginal elders – partnered with Chidanpee.
- Harmony Day theme – Dance performance – partnered with Colombian Dance Troupe.
- Council Dog Awareness Information Session – Litchfield Council Regulatory Services.
- Technology tips for daily life in the home – various guests and presentations eg speech to text, home hubs for managing lights and music.
- Come N Try Robotics – introduce to and play with 3 types of library robots.
- My Aged Care – representative from Services Australia, linking rural Seniors with government services for Seniors.

Although our children's programs and school activities and Funky Chickens book club have embedded initiatives to encourage literacy, two programs were introduced during 2022-2023.

The Smith Family Let's Read literacy parent support program is now a monthly fixture in our rotating activities at Nurserytime. Every fourth session includes the sharing of helpful handout resources, book recommendations to loan and demonstrated skills and behaviours of interactive early literacy for babies and toddlers.

Good Dog Literacy Program delivered reading and therapy support to primary-aged struggling readers. Guided by professional handlers, attendees had weekly 20-minute sessions to read, show illustrations and chat to the therapy dogs, creating a safe and positive reading experience - partnered with Good Dog Animal Assisted Therapy Dog Services.



STEM

(Science, Technology, Engineering & Math)

Programs have worked pro-actively, to enhance current and establish new activities, that encourage STEM learning and problem solving, in line with Library & Archives NT priorities. The library delivered 75 STEM activities in 2022-2023. Examples include:

Litchfield LEGO Club	marble run, lego boost robots, balloon car races, exploding volcanoes, pieces treasure hunt, sphero chariot build, maze for sphero, superhero mosaics, builds for Halloween, valentines day, Easter and advent xmas countdown
Holiday programs	coding, electronics & soldering, robotics, sphero bolts, birding at McMinns
Lunchtime Cubing Club	rubiks cube solving skills and speed cubing
Science Week at McMinns Lagoon	with Bush to Beach - kid's science stations, nature exploration, interactive activities investigating bugs and bird beak adaptionns

Storytime and Nurserytime

The library runs a Storytime (1-5-year-olds) session and Nurserytime (0-1-year-old) session a week.

These are designed to introduce members of the community to a love of reading and the library from a young age, building early literacy and speech, as well as an outing for the children and parents to meet and connect with other rural parents. Storytime craft projects are very popular with rural families attending Taminmin Community Library.

In 2022, Tuesday sessions were poorly attended, so programs trialled a Storytime outreach service. This became possible with new casual positions recruited to cover offsite and library staffing, allowing us to engage with 18 community groups during 2022-2023 (9 schools, 3 playgroups and 6 reserves) and 22 Storytime On the Move sessions.

Nurserytimes and Storytimes have had special guests attend sessions and themes, such as:

- Camping Storytime in the library - camping display, imaginative play, stories and craft - partnered with Smile-A-Mile Fun Bus and Toy Library Inc.
- Easter themed Storytime with stories, singing, Bluey Easter egg holder craft and cute bunnies and chickens to cuddle - partnered with Top End Critters.
- Farm themed Storytime - farm inspired stories and craft, as well as a visit from Taminmin Agricultural students with two very cute baby goats - partnered with Taminmin College.



Intergenerational Programs

Students vs Seniors

Monthly meeting of local Seniors and Taminmin students to meet, play games, connect, learn from each other and get a little competitive. Run in partnership with Taminmin College, highlights include:

- Lawn bowls at Humpty Doo – Taminmin College students joined with rural seniors teaching to play a round of lawn bowls – partnered with Humpty Doo Lawn Bowls Club.
- NAIDOC theme – Seniors and students explored indigenous history and traditions through an AV presentation, photoboard, musical performance and bush food themed catering – partnered with Taminmin College.
- Baking & Decorating – Students and Seniors competed against each other to make the winning Christmas tree out of rum balls (rum-free) for the EOY event – partnered with Taminmin Hospitality Students.
- NT Grandparents Day – Seniors celebrated with the college students with a fun quiz game and lots of laughter. This event was filmed by 9 News Darwin, promoting the value of intergenerational programs in communities and Litchfield Council.

Library Buddies

August 2022 was the commencement of an intergenerational program run onsite by the library thanks to an NTG Seniors Month Grant. Over eight weeks, rural Seniors and Pre-schoolers from Humpty Doo Primary attended weekly sessions including storytimes and topics, such as Nature Play and Indigenous Art. The program finale was a Teddy Bears Picnic party at the Village Green during Seniors Month.



Additional Events

Amongst the 262 activities delivered by the library in 2022-2023, some special events included

- **Student Lunchtime Library activities** – introduction of games and activities during school lunch breaks to encourage good behaviour and encourage loan statistics. Weekly speed cubing club was very popular during Term 2.
- **Music : Ukulele for Beginners** – local Senior and organiser of the Rural Ukulele club volunteered to teach interested adults and teenagers to play basic ukulele. This weekly class attracted some different community members and ran for Terms 1 and 2. The group have also performed at library events.
- **National Simultaneous Storytime** – “The Speedy Sloth” by Rebecca Young is a fun story being read across the country in libraries, schools and childcare centres. Silly songs, sloth yoga, sloth photo booth, 5 books as door prize and a chance to win a copy of the “Speedy Sloth” book. Photo booth allowed photos to be taken and shared on social media to promote the library and Cr Emma Sharp was our special guest.
- **Storytime on the Move at McMinns Lagoon (Science Week)** – Songs, stories and science inspired activities for 2022 National Science Week – Partnered with Bush to Beach Nature-Based Programs.
- **2022 Taminmin Community Library Family Christmas Party** was held at Howard Springs Recreational Reserve Hall. Special guest Santa visit and gift thanks to Bushfire Volunteers.
- In 2023 two large events have been promoted and held at the library for *Bombing of Darwin & Remembering ANZAC Day* in partnership with Litchfield History Group





Collection

The collection remains strong in age, condition and diversity in 2022-2023. 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 46% of the collection published within the last 5 years. Although this is 1% lower than last year, around 600 new collection items were purchased but not catalogued until July and August 2023. Combined with extensive weeding activity in the last quarter of the period, next year's data will reflect these investments in the collection.

A total of 15,586 items were loaned from the collection last year and we recorded 4,927 item renewals. Our borrowing statistics show the most loaned items are respectively Adult Fiction, Graphic Novels and Junior Picture Books. Games and kits have reflected strongly in borrowing data, with 715 loans of rubiks cubes, chess sets, sphero robots and card games.

Strategic Improvements to Library Services

In the last quarter of 2023, grant funds and budget surplus was invested in improving some library operations and services available to patrons. These include:

EFTPOS installed	Transition from cash only to easy card payment, in line with public expectation
SOPHOS installed	Increased internet and server security for public usage, staff and Council protection
UPS (Uninterrupted Power System) implemented	UPS unit will carry the Council server during power surges and short outages, minimising library system outages and public pc use
Envisionware software upgrade	Current software for managing and reporting public computer use, has been outdated for some time and will not be compatible with Windows 11. Upgraded to a compatible, cloud-based system, featuring improved reporting tools
Additional laptops	Thanks to grant funds four laptops have been purchased, increasing digital literacy training capacity and offering additional workstations for public computer use
Audio book cabinet purchased	Offering additional shelving space, targeted display to public and easy, safe movement eg creating a more flexible program space
People Counter (hardware and software) installation	Replacement of old system to address discrepancies and provide accurate visitation data. Accurate and easily accessible cloud based reporting tools now available



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 largely a non-denominational cemetery, with areas designated for the Orthodox, Muslim, Bai Hai and Jewish faiths.

It has an onsite crematorium for cremations and ashes can be interred into the peaceful memorial gardens, beautiful granite columbarium, one of two niche walls, or scattered in our scatter gardens.

The cemetery also incorporates a Garden of Remembrance in honour of defence personnel.

Highlights of 2022-2023:

- Thorak Cemetery F section development – fertilising of new turf and new headstone beam installation.
- New beam installation E section & Orthodox – total of 163 new plots.
- Completion of Wi-Fi to Chapel project, allowing Funeral Directors to live stream services. Internet reception at the Chapel was previously very poor, the WiFi connection has long been requested by Funeral Directors and the general public. The system will also be used to automate the irrigation system for the entirety of the cemetery grounds.
- Upgrade of old pump infrastructure, new variable pump control, pressure tanks, removal of old infrastructure, 2nd Rainbird LXME2 irrigation controller compatible with new Wi-fi connection.
- Replacement Kubota 70Hp cab tractor.
- New compound fencing.



INFRASTRUCTURE

What a year! Over 2022-2023 Litchfield Council invested \$5,868,429 million into our Capital Works Program delivering essential Infrastructure such as roads and pathway, stormwater drainage, waste, public open spaces, a community centre for our growing community within the municipality.



Highlights for 2022-2023 include:

- In the past year Litchfield Council handed over Mira Square Community Centre to the Southport Progress Association. The Community Building will support the local community, providing a gathering location and facilities for the Southport Progress Association to hold community events.
- Council has also invested heavily in improving our local road network, including rehabilitation of Girraween and McMinn's Intersection, Finn Road with Spencely Road, Byers Road, Whitewood Road programmed to commence. These works make the road smoother, safer and more enjoyable for motorists to use.
- This is in addition to resurfacing another 35.515km through our annual Road Surface Renewal Program which was jointly funded with Local Roads and Community Infrastructure (LRCI). Works include shoulder top ups, edge break repairs and line marking.
- Kentish Road was handed over from Department Infrastructure Planning & Logistics in August 2022. The defects period expires two years from hand over date.
- Maintenance Grading of Unsealed Roads completed as per planned frequency with 6.3km of Unsealed Roads being re-sheeted and reformed.



Highlights cont:

- Drainage improvements, renewal and new constructions were performed on Jarvis Road, Letchford Road, Eucalyptus Road, Mulgara Road, Brougham Road, Mira Road South and the Intersection of Stockwell Road and Walker Road.
- Shoulder Widening works were carried out on Spencely Road and Livingstone Road.
- \$1,312,108 million was funded by Black Spot Projects to complete three Safety Upgrade Projects on Whitewood Road-Safety and Girraween Road Floodway Upgrade, and Power Road. The program aim is to reduce the risk of crashes. Projects of this sort are very effective, saving the community many times the cost of the relatively minor road improvements that are implemented.
- Floodway upgrades were completed on Reedbeds Road and Leonino Road to improve access and road safety during the wet season.
- Shared path was installed at Howard Park Recreation Reserve to improve access to the reserve and oval.

Customer Requests

There has been a customer request reduction of 27% over this financial period compared to the same time last year as a result of implementation of road maintenance strategies which are helping extend the lifespan of the assets.

Capital works and maintenance

Work is also underway on upgrading multiple Southport Roads from Gravel to Seal thanks to funding support of \$2.07 million from Local Road Community Infrastructure Grant.

As a growing area in Darwin, it's important that our community has the infrastructure they need, close to home.

Our 2022-2023 capital works and maintenance programs represents Council's ongoing commitment to provide quality infrastructure and amenities for our community members, ensuring that Litchfield Council remains an attractive and liveable area for all.

Planning and Development

Council assessed five subdivisions for final clearance of permit conditions in accordance with the requirements of the Development Permits issued under the Planning Act 1999. The five subdivisions approved the development of new roads and 87 new rural allotments across Virginia, Howard Springs and Humpty Doo. Council has progressed review of two additional development which include a rural unit title schemes subdivision to create 53 lots and common property and a 47 lot industrial subdivision.



MOBILE WORKFORCE

Council employs a Mobile Work Force of skilled operatives to provide slashing, mowing and weed control for Council's land, road reserves and easements.

The work force undertakes all of the planned and remedial maintenance work in the Litchfield Municipality, with job allocation and scheduling organised to comply with seasonal activities, including wet weather and total fire ban days.

Effective scheduling of time and skills is crucial to optimising their utilisation and maximising return. The team work a yearly schedule to cover the region, spread over 3,000kms with 750kms of roads.

Highlights for 2022-2023

- During this dry season quarter every council owned road had litter collection completed with additional collections on arterial roads. This year has seen 4.6 tonnes of litter collected, compared to 2.5 tonnes last year. There were 826 sign installs and repairs, compared to 340 last dry season quarter, and 2,323 guidepost straightening and replacements.
- Weeds were managed on Council roads and land, including verges and firebreaks, in accordance with service levels in Council's Weed Management Program. A total of 3000ltrs of concentrated spray was used.
- Assistance with grounds and building maintenance was provided to 3 of Councils reserves.
- All verges on Council roads were mowed twice as per the minimum, with most areas receiving an additional round of mowing.

WASTE

Council has partnered with SIMS to manage Steel, White Goods, Air Conditioning and battery recycling options.

- Mulching program completed in the year.
- Steel recycling program was delayed pending contract with SIMS, Steel is by collected as of August 2023.
- Council has partnered with VTG to transport waste to Shoal Bay. All open top collection bins and been replaced with new as part of this partnership.
- Fees and charges updated and implemented.





Our Commitments



POWERFUL AND EFFECTIVE ADVOCACY

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.

The key focus areas for advocacy in 2022-2023 were:

Proposed Development of Holtze

Council has provided comment to the Northern Territory Planning Commission on the proposed Greater Holtze Area Plan that was open for public comment in November to December 2022. Since November 2022 Council has participated in design workshops, project control group meetings, technical working group meetings and enabling infrastructure design reviews as part of the Northern Territory Governments latest planned land release in Holtze, adjacent to the Palmerston Hospital.

Proposed development of Humpty Doo Rural Activity Centre

The NT Planning Commission began consultation on a land use plan for Humpty Doo in 2018 and has completed three rounds of community consultation. Council provided comment to the Northern Territory Planning Commission on the draft *Humpty Doo Rural Activity Centre Area Plan* which was open for public comment in June 2023.

Arnhem Highway Duplication

The Department of Infrastructure, Planning and Logistics released the final design concept for the Arnhem Highway Duplication in November 2022, following stage 1 consultation that occurred in 2021. Council feedback on the concept advocated for improved road safety through the immediate signalisation of the intersection of Freds Pass Road and Arnhem Highway.



Real time data for 2022-2023



4,745
followers on
Council's
Facebook,



162,878
page views to
the Council
website

ENGAGING OUR COMMUNITY

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 2022-2023, Council engaged with the community through a number of key projects.

Project	Engagement	Responses
Draft Municipal Plan and Budget 2023-24	<ul style="list-style-type: none">• Council's Website.• Council Facebook Page.• Market Stalls throughout the municipality.• Public Notice in NT News.• Featured at Council's Freds Pass Rural Show stand.	26 written submissions. 1 petition. 12 survey responses.
2023 Annual Community Survey	<ul style="list-style-type: none">• Council's Website.• Council Facebook Page.• Market Stalls throughout the municipality.• Hard copies of the survey located at Taminmin Community Library.• Feature email signature applied to all Council Officers email accounts.• Posters placed at all of Council's facilities and on notice boards within the community.• 'Head Honcho' Radio appearances by Mayor.• QR Code.• Engagement with Management Committees/Board of Recreation Reserves.	140 survey responses.
Animal Management Strategy and Action Plan 2023-2026	<ul style="list-style-type: none">• Council's Website• Council Facebook Page• Public Notice in NT News.• Feature email signature applied to all Council Officers email accounts• Posters placed at all of Council's facilities and on notice boards within the community.• 'Head Honcho' Radio appearances by Mayor.• QR Code and Survey.• Direct engagement with:<ul style="list-style-type: none">- all NT Council's- veterinary practices within the Litchfield Municipality- animal welfare and rescue groups; and- dog clubs, trainers and kennels.	4 written submissions. 10 survey responses.

2023 COMMUNITY SURVEY

Litchfield Council conducts the Community Survey annually to hear from residents that reside in our municipality.

Services or Facility	2019	2020	2021	2022	2023	Variance in satisfaction
Waste Transfer Stations	81%	83%	85%	88%	93%	5% increase
Maintenance of local roads	66%	62%	64%	71%	83%	12% increase
Road drainage maintenance	62%	61%	66%	84%	82%	2% decrease
Roadside maintenance	62%	62%	60%	83%	78%	5% decrease
Taminmin Community Library	92%	78%	88%	90%	78%	12% decrease
Waste recycling opportunities	52%	52%	56%	79%	75%	4% decrease
Thorak Regional Cemetery	75%	76%	94%	97%	75%	22% decrease
Recreation Reserves	83%	79%	82%	87%	73%	14% decrease
Animal management	52%	43%	44%	71%	70%	1% decrease
Weed management on Council land	65%	35%	35%	61%	59%	2% decrease

Council's overall performance was rated by 80% of respondents as being very good, good or adequate, a 2% decrease from 2022 but remaining substantially higher than the 56% result of both 2020 and 2021.

Rating	2020	2021	2022	2023	Variance
Very good, good, or adequate	56%	56%	82%	80%	2% decrease

Survey results provide an opportunity to evaluate the sentiment and satisfaction of Litchfield community members regarding Council's service delivery, communications, and amenities. It is a chance to better understand the demographic and needs of the Litchfield community and is also a metric to quantify and implement improvements to deliver to the standard of community expectation where possible.

The results of the survey are used in future planning for the municipality, in particular the development of future annual municipal plans.

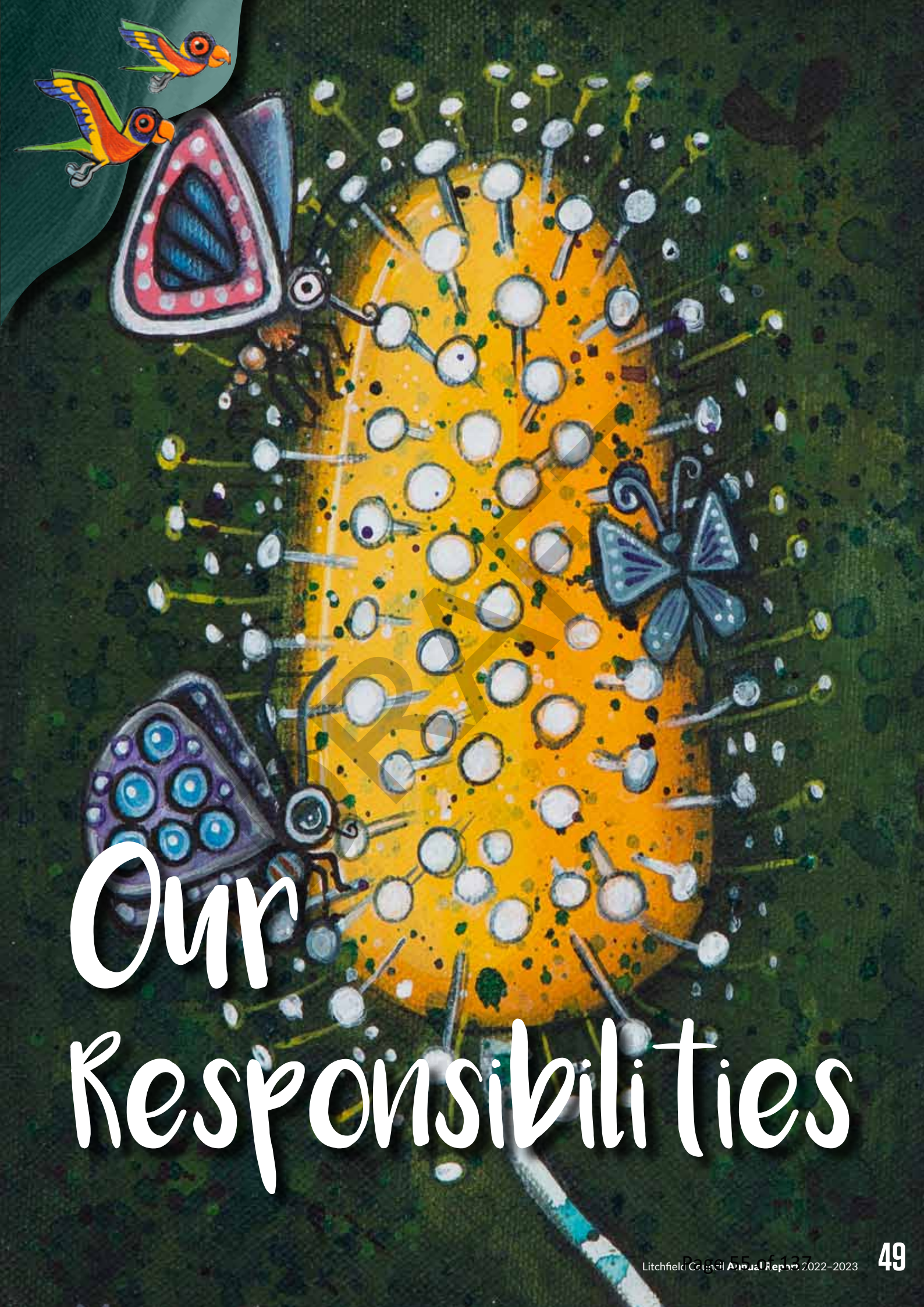
As an annual key performance indicator, the Community Survey is a strong engagement tool to:

- assess community satisfaction with Council services.
- assess if Council is meeting community expectations.
- Identify areas for improvement.
- Improve our understanding of community needs.

2023 was the seventh consecutive and consistent Community Survey conducted by Council, which has provided valuable community data and established benchmarking for future surveys. Litchfield residents were encouraged to complete the survey over a 4-week campaign with the survey made available across a wide range of mediums and an extensive promotional campaign was undertaken in attempts to engage the community.

The 2023 Community Survey results are generally positive, with the majority of respondents rating Council's performance across all service areas as either very good, good or adequate.

The table below shows the satisfaction of services and facilities that are rated as very good, good or adequate in order from highest performance to lowest for 2023.



Our Responsibilities

GOOD GOVERNANCE

Governance is the process by which the Council ensures its decision making is transparent and accountable and that its operation is democratic and well managed.

Good governance means that the structures, activities and operations of the Council are conducted in accordance with principles of legal compliance, probity, transparency, accountability, and with respect for residents, for people within the organisation and for other stakeholders.

RISK MANAGEMENT AND 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 the following members:

Iain Summers – Independent Chairperson
Greg Arnott – Independent Committee Member
Cr Mathew Salter – Committee Member
Cr Mark Sidey – Committee Member
Mayor Doug Barden – Ex-Officio

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

- The 2021-22 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.
- Monitoring implementation of actions from previous internal audits.

FREEDOM OF INFORMATION

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

In the 2022-2023 financial year, Council responded to the following freedom of information (FOI) requests:

FOI requests open as at 1 July 2022	0
Applications to access personal information	0
Applications to access government information	2
Accepted applications withdrawn	0
Unaccepted applications*	1
Accepted applications finalised	1
Applications for internal reviews	0
Applications still open as at 30 June 2022	0

* Applications received were not accepted due to refusal to pay the nominated fee.

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.





Our Investment

SUMMARY OF FINANCIALS

Council is well placed to continue to deliver quality community services and enhance its long-term sustainability with a good cash position and no debt. Enhancing Council's revenue-raising capabilities is necessary to ensure Community services and assets are sufficiently funded well in the future, and the council can develop Litchfield as 'the best place to live, work and play in the Top End'.

Council's operating deficit for 30 June 2023 is at \$3.2 million and this includes depreciation which is a noncash expenditure. Once the depreciation is added back Council's operating position is at \$6.8 million. Further details of Council's financial performance for the 2022-2023 financial year are available in the Audited Financial Statements.

The table on page 54 presents Council's income and expenditure statement for 30 June 2023 as per the prescribed format required by Regulation 12 of Local Government (General) Regulations 2021. Council's actual performance for 30 June 2023 is compared to Council's original budget and amended budget after budget reviews.

Income and Expenditure Statement

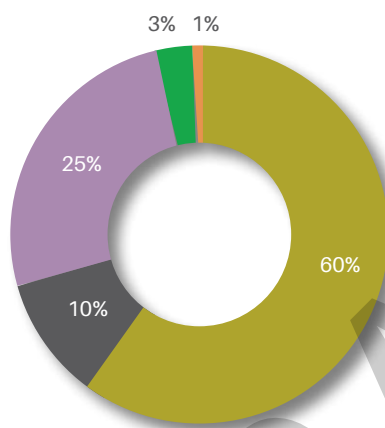
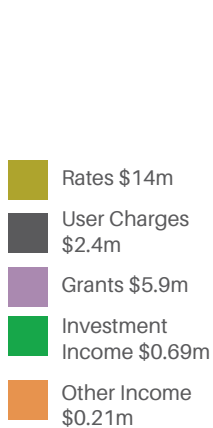
	30 June 2023 Original Budget (\$)	30 June 2023 Final Budget (\$)	30 June 2023 Actual Performance (\$)	Variation Between Final Budget and Actuals (\$)
OPERATING INCOME				
Rates	13,740,744	13,800,339	14,128,255	327,916
Charges	219,000	180,600	209,904	29,304
Fees and Charges	1,814,538	1,875,542	2,226,746	351,204
Operating Grants and Subsidies	3,776,394	4,079,663	5,939,784	1,860,121
Interest / Investment Income	323,000	670,000	695,922	25,922
Commercial and Other Income	91,300	140,000	212,970	72,970
TOTAL OPERATING INCOME	19,964,976	20,746,144	23,413,581	2,667,437
OPERATING EXPENDITURE				
Employee Expenses	7,542,242	6,832,254	6,987,206	154,952
Materials and Contracts	8,406,397	9,197,047	8,616,806	(580,241)
Elected Member Allowances	291,181	291,181	256,907	(34,274)
Elected Member Expenses	43,794	49,762	67,680	17,918
Council Committee & LA Allowances	-	4,000	3,596	(404)
Council Committee & LA Expenses	5,000	-	-	-
Depreciation, Amortisation and Impairment	8,390,000	8,390,000	10,057,791	1,667,791
Interest Expenses	-	-	-	-
Other Expenses	553,977	604,178	645,840	41,662
TOTAL OPERATING EXPENDITURE	25,232,591	25,368,422	26,635,826	1,267,404
OPERATING SURPLUS / (DEFICIT)	(5,267,615)	(4,622,278)	(3,222,245)	1,400,033
Add Other Income				
Capital Income	1,733,429	5,681,613	2,318,327	(3,363,286)
Physical Resources Received Free of Charge*	-	-	18,585,944	18,585,944
Net Gain (Loss) on Disposal or Revaluation of Assets	-	-	(20,466)	(20,466)
NET SURPLUS / (DEFICIT)	(3,534,186)	1,059,335	17,661,560	16,602,225
Remove NON-CASH ITEMS**				
Less Non-Cash Income	-	-	(18,585,944)	(18,585,944)
Add Back Non-Cash Expenses	8,390,000	8,390,000	10,057,791	1,667,791
TOTAL NON-CASH ITEMS	8,390,000	8,390,000	(8,528,153)	(16,918,153)
Less ADDITIONAL OUTFLOWS				
Capital Expenditure	6,417,429	11,945,026	5,700,622	(6,244,405)
Borrowing Repayments (Principal Only)	-	-	-	-
Transfer to Reserves	-	3,767,722	8,089,350	4,321,628
Other Outflows	-	-	-	-
TOTAL ADDITIONAL OUTFLOWS	(6,417,429)	(15,712,748)	(13,789,972)	1,922,777
Add ADDITIONAL OUTFLOWS				
Prior Year Carry Forward Tied Funding	-	-	-	-
Other Inflow of Funds	-	300,000	209,014	(90,986)
Transfers from Reserves	1,561,615	5,963,413	4,447,551	(1,515,862)
TOTAL ADDITIONAL INFLOWS	1,561,615	6,263,413	4,656,565	(1,606,848)
NET OPERATING POSITION	0	0	0	(0)

*Physical Resources Received Free of Charge includes gifted assets from Northern Territory Government for the Mango Roads upgrades and development of the assets.
 **Non cash items include physical resources received free of charge and depreciation

Operating Income

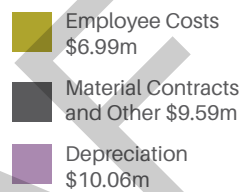
Council's operating income for 30 June 2023 is \$23.4 million and the largest contribution was from rates and waste charges totalling \$14.13 million.

In comparison to budget, Council's operating income is \$2.67 million more than budget and this is largely due to higher than anticipated early payment of the 2023-24 Federal Assistance Grant.

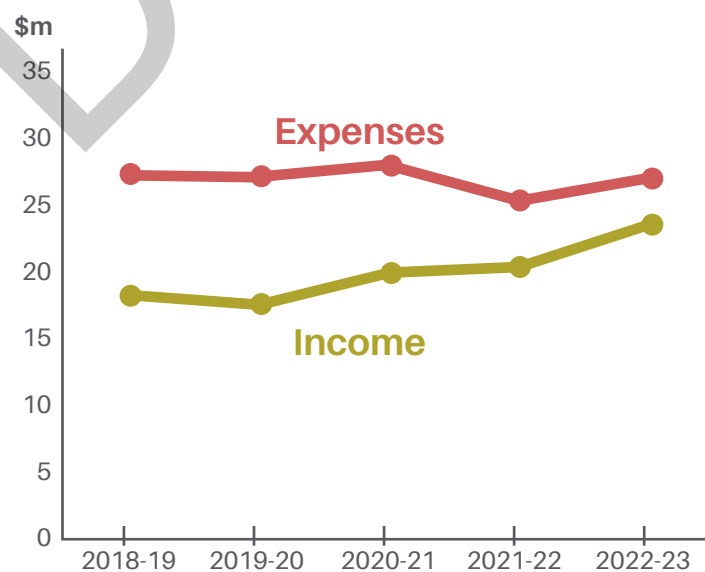


Operating Expenditure

Council's operating expenditure for 30 June 2023 is at \$26.63 million. Overall Council's expenditure, excluding non-cash expenditure depreciation, was maintained well within the budget.



How does this compare to previous years?



Capital Income

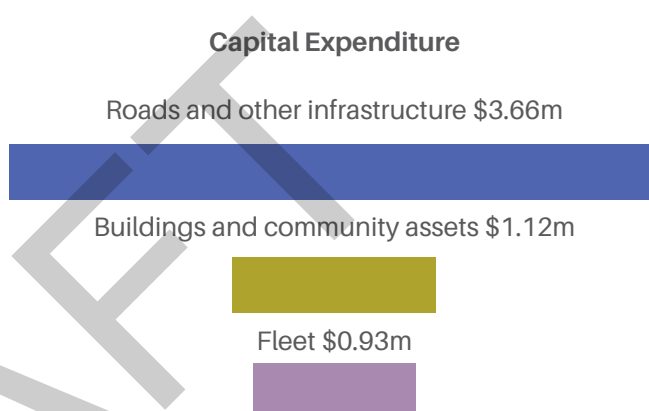
Capital income for 30 June 2023 is \$2.32 million and includes external grant funding with specific performance obligations as per the Australian Accounting Standards

Council received \$3.56 million of grants specifically for new/upgraded assets in 2022-23 financial year and had brought forward unspent capital grants of \$0.87 million. As per the Australian Accounting standards, grants that met specific performance obligations totalling \$2.32 million have been recognised in the annual financial statements as capital grant income and the remaining has been recognised as grants liability.

Detailed breakdown of grants is provided in the Audited Financial Statements.

Capital Expenditure

After taking into account the capital projects carried over from 2022-2023 to 2023-2024 financial year, Council invested \$5.7 million in upgrades and renewal of assets as at 30 June 2023.



Simplified statement of financial position

	2022/23 (\$)
What we own - cash	27,638,992
What we own - unpaid rates and other receivables	3,862,938
What we own - assets	428,416,109
Total assets	459,918,039
What we owe to our suppliers	6,779,108
What we owe to our staff	954,377
Total liabilities	7,733,485
Net community worth	452,184,554

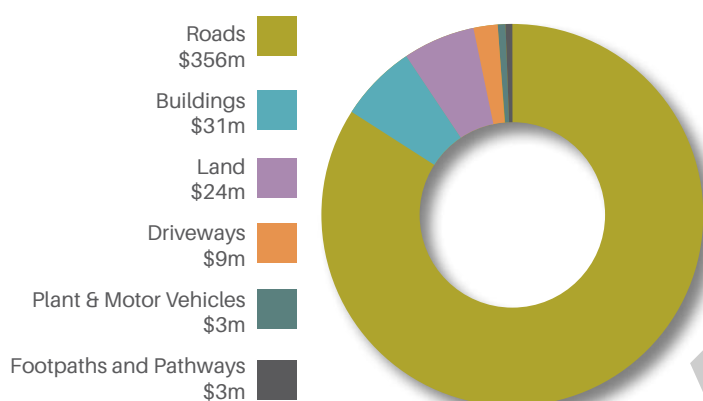
FINANCIAL SUSTAINABILITY 2022-2023

Financial Sustainability Indicators

	2022-2023	2021-2022	2020-2021
Asset Sustainability Ratio	16.49%	55.68%	37%
<p>Indicates if Council is replacing or renewing existing assets in a timely manner as the assets are consumed.</p> <p>Benchmark is 90% and above</p> <p><i>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.</i></p>			
Outstanding Rates Ratio	18.7%	18.99%	22.60%
<p>Identifies if Council is collecting rates and charges in a timely manner and the effectiveness of debt recovery efforts.</p> <p>Benchmark is 18% or less</p> <p>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%.</p>			
Own source operating revenue coverage ratio	65.6%	57.18%	49.30%
<p>This ratio measures the degree to which Council relies on external funding to cover its operational expenses.</p> <p>Benchmark minimum is 60%</p> <p><i>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. Council's Own Source Operating Revenue Coverage ratio falls in the intermediate level and meets Councils Municipal Plan KPI of greater than 60%.</i></p>			
Current ratio (Liquidity ratio)	4.27	5.23	4.08
<p>Identifies Council's ability to meet its short-term financial commitments as and when they fall due.</p> <p>Benchmark is one or more</p> <p><i>A ratio of greater than 1 is required to provide assurance that Council has enough funds to pay its short-term financial commitments. 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).</i></p>			
Debt service ratio	0	0	0
<p>Indicates Council's ability to repay loans. Council has no loans.</p> <p>Benchmark is less than 1.0</p> <p><i>Council has no debt and therefore fully meets the Municipal Plan Target of less than 1.</i></p>			

ASSETS

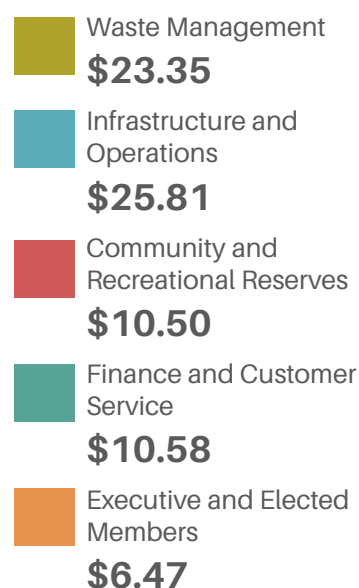
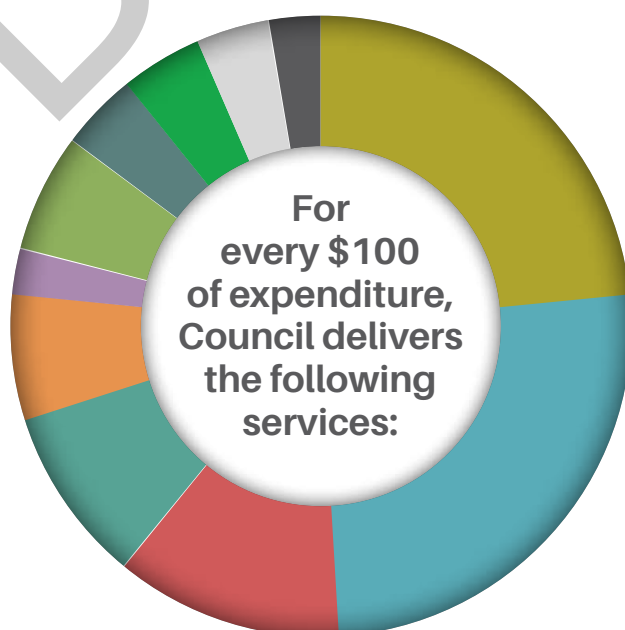
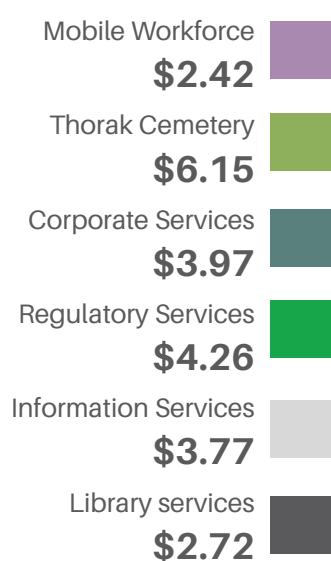
Total Assets as at June 2023



Litchfield Council revalued all its assets in 2022-2023 financial year except for roads that were revalued in 2021-2022 and land due for valuation in 2023-2024 financial year and the fixed assets register has been updated based on asset condition. As a result of the revaluation, Council assets were valued at \$426 million of which majority of the assets totalling \$356 million related to Roads and related infrastructure.

In addition to the revaluation of assets, Council recognised \$26.6 million of asset additions for 2022-2023 financial year of which \$25million relate to new and upgraded assets whilst \$1.6 million relate to renewal of assets. The additions on new and upgrades assets are significantly higher than the renewal due to the recognition of gifted assets from Northern Territory Government for Mango Roads Construction totalling \$14.6 million and developer funded assets from subdivisions of \$3.98 million.

Council's ongoing challenge is evident as the current income levels fall short of funding depreciation expense. Council will continue to develop asset management plans that prioritises asset renewals based on criticality and advocate for grant opportunities to upgrade existing assets.





Our performance

MARNIE JAY

2022/23 KEY PERFORMANCE INDICATORS

PEOPLE

Key Outputs	Measures	Target	Status Commentary	Results
Community Engagement	Community Engagement Strategy and Action Plan 2022-2025 implementation	Year one complete	Completed	
Council partnership and support grants	Number of partnerships supported	Up by 5% from previous year	58%	
Servicing community needs at Reserve	Funding provided to community Reserves	Funding Agreements established	Funding agreements for all recreation reserves have been signed for 12 months.	
Social Media Management	Increased interaction on Council's Facebook page - page followers	Up by 5%	0.9%	
Annual Community Grants Program Initiatives	Number of community events and programs supported	Up by 5% from previous year	-28%	
Community Benefit Fund Income	Income raised through recycling activities including cash for containers	5% annual increase	-11.86%	
Maximise diversion from landfill	Residential waste tonnage transferred to Shoal Bay	<7000 tonnes	5723 T of residential waste collected	
	Commercial waste tonnage transferred to Shoal Bay	<1000 tonnes	940T of commercial waste collected	
Responsible dog ownership	Number of registered dogs increased	>10%	19.3%	
	Number impounded dogs reclaimed by owner	>70%	59.2%	
	Number of registered dogs de-sexed	>70%	74.6%	

Key Outputs	Measures	Target	Status Commentary	Results
Animal Management Plan – Year 4	Attendance at community events	2+ events attended	5	
	Dog Awareness Program delivered at schools and childcare	6+ visits	6	
	Dogs Day Out event (or similar) delivered, targeting improved awareness, increase registration, general pet owner education	1 event	0	
Visitors to the library	Weekly door count	>400	Total average weekly door count for the year is 546	
Promotion of services	Interaction with Library Facebook page	>1150	1,259	
Lifelong learning/engagement	Number of “Funky Chickens” children’s book club members	>210	253	

PROGRESS

Key Outputs	Measures	Target	Status Commentary	Results
Recycled materials	Volume of green waste processed for resale	>3,500 cubic metres	9,456m3	
	Volume of concrete crushed for resale	>500 cubic metres	987 tonnes	
Maximise diversion from landfill	Amount of total waste diverted from landfill	>35%	40%	
	Amount of total waste that is dry recyclables	> 15%	9%	
	Quantity of scrap metal collected and recycled	> 1000 tonnes	501 tonnes	
	Quantity of cash for containers collected and recycled	>50 tonnes	44.9 tonnes	
	Quantity of electronics collected for TechCollect	>40 tonnes	49 tonnes	
	Quantity of tyres, batteries and oil collected for recycling	> 100 tonnes	142 tonnes	
Waste Strategy – Year 4	Decommissioning of landfill component of Howard Springs and Berry Springs Waste Transfer Stations	Increase in data collected	Completed	
	Amenity upgrades at transfer stations (continues year 5) undertaken	Complete	Completed	
Regulatory Services	Investigations completed within 30 working days	>90%	61%	
	Customer requests actioned in less than two working days	>90%	92.4%	
Library Collection	Number of annual loans	> 15,800	A total of 16,297 (15,586) loans have occurred for the year.	
Program delivery	Programs provided	> 180	262 programs	
Library events	Events delivered (per annum)	>3	7	
Awareness of cemetery profile and public awareness of Thorak services	Information leaflets distributed	Complete	Completed	
	Fred's Pass Show Display	Complete	Completed	
Efficient maintenance of grounds and open spaces, including improved mowing, planting, weeding and irrigation regimes at Thorak Regional Cemetery	Service level rating from annual community survey	>60%	100% of respondents, who were aware of this service, rated service as being very good, good or adequate.	

PROSPERITY

Key Outputs	Measures	Target	Status Commentary	Results
Advocacy submissions to government	Arrange and attend quarterly meetings with relevant ministers on advocacy projects	1 per qtr.	6	
Advocacy Strategy	Current year actions	Completed	Completed	
Represent and advocate for the needs of young people in Litchfield	Participation in Palmerston and Rural Youth Services meetings	Maintain an active membership and attend 80% of meetings	Completed	
Australia Day Event	Community participation	Up by 5% from previous year	20% decrease	
Annual Art Exhibition	Level of community participation	>60 entries	62 entries	
Tourism and Events Strategy	Actions implemented	25%	The viability of the Signature Event was reconsidered.	
Submissions to the Northern Territory Government	Comments submitted on applications within required timeframe	>90%	84%	

PLACES

Key Outputs	Measures	Target	Status Commentary	Results
Subdivision approvals and handover processes	Delivered in accordance with standards	Achieved	Achieved	
Approval of plans, reports, and construction documentation (Days are working days and start from when all information is provided, and relevant fees paid.)	Plan reviews for building certification issued within 10 works days	>90%	90.5%	
	Plan and report reviews for development and subdivision issued within 15 working days	>90%	Not achieved	
	Works Permits issued within five days	>90%	71%	
Capital Works Program	Affected residents and relevant stakeholders consulted prior to works starting	100%	100%	
Capital Works Program	Programmed works completed within budget	>90%	Achieved	
Grant-funded projects	Completed and acquitted in line with agreement requirements	Complete	R2R funded Road Reseals outstanding	
Asset Management Plans	All AMPs adopted as per the AMP schedule	Complete	Roads, Fleet and Thorak asset management plans adopted.	
Road Maintenance Program	Potholes patched and repaired – Added to maintenance schedule	<7 days	Identified and reported potholes are managed under the current period contract.	
	Gravel roads graded	>2 times per year	Completed	
Street lighting maintenance	Added to maintenance schedule	<7 days	Actioned when identified or reported. Audit completed works ongoing.	

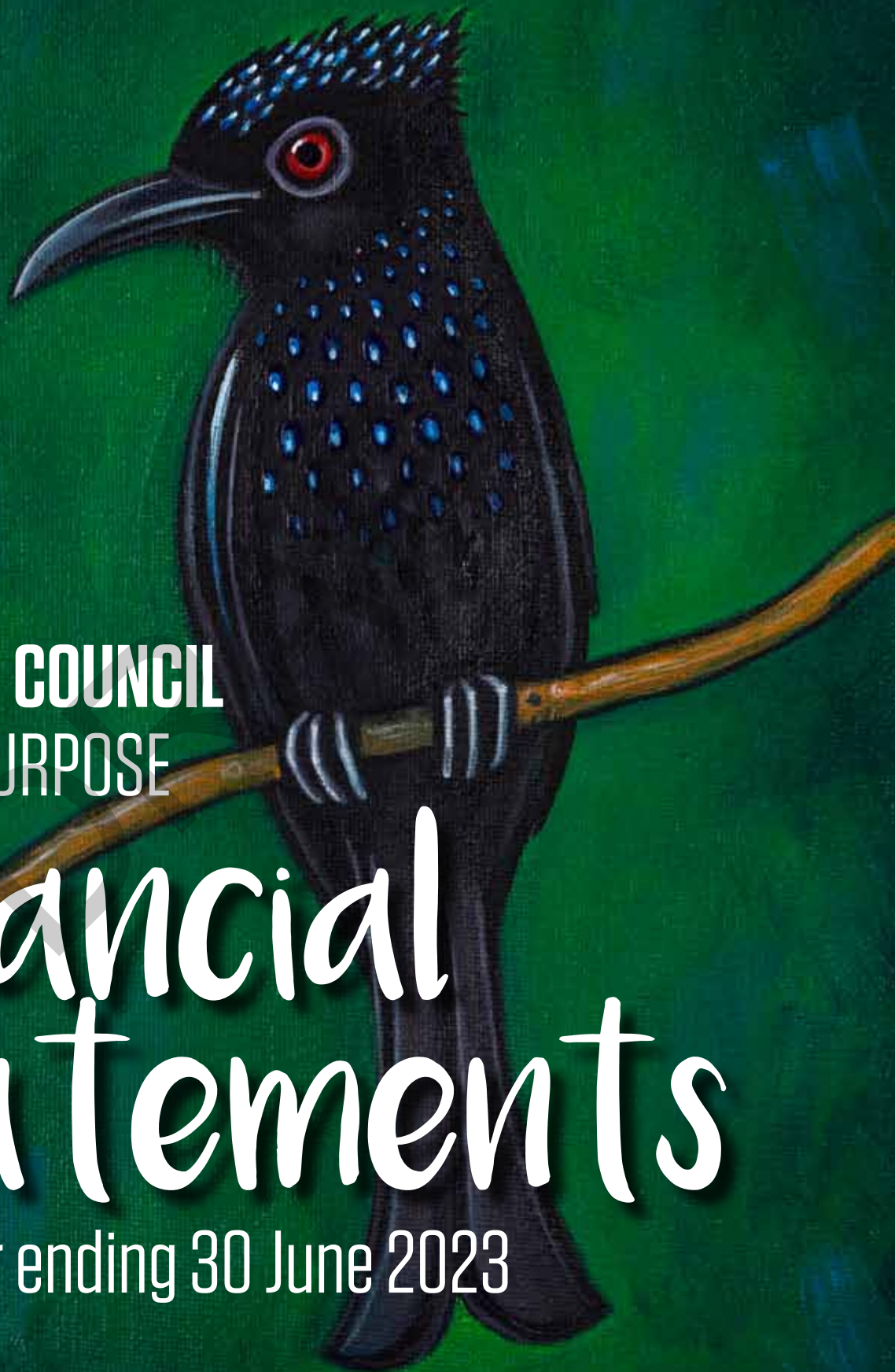
Key Outputs	Measures	Target	Status Commentary	Results
Productive Mango Roads Project	Kentish Road	Complete	Kentish Road handed over with Defect Period in place. Mocatto Rd defect remediation is to commence in Sept.	
Shared Path Program	Current year program completed	Complete	Completed	
Major Road Network disruptions	Emergency response time	<24 hours	Completed	
Roadside maintenance	Volume of litter collected	Reducing trend	4.6 tonne collected	
	Vegetation slashed and Council roads mowed	2 rounds	Completed with 3rd round in many areas.	
Weed management	Weeds managed on Council roads and land in accordance with service levels in weed management program (WMP)	Complete	3000lt of concentrated sprayed.	
Bushfire management	Council firebreaks maintained	Complete	2 rounds completed	
	Firebreaks widened in accordance with fire management program	Complete	All widening in BFMP 2020-25 is completed.	
	Hazard burns undertaken in consultation with other authorities	Complete	Not completed - No response to RFQ due to limited qualified contractors	
Road furniture maintenance	Signs and guideposts repaired within target timeframes	>90% <24 Hours urgent 14 days standard	826 signs installed or repaired Guideposts replaced or straightened 2323	

PERFORMANCE

Key Outputs	Measures	Target	Status Commentary	Results
Elected Members training and development	Min 1 per quarter	Min 1 per qtr.	Completed	
Annual Community Survey	Overall satisfaction	>60%	Council's overall performance was rated by 80% of respondents as being very good, good or adequate.	
Grant application	Grants received by Council acquitted within agreed timeframes	100%	Completed	
Human resources policies, procedures, checklists	4 policies reviewed and compliant	Complete	7	
An engaged and productive workforce	Staff turnover rate	<20%	25.86%	
	Staff satisfaction survey	>70%	70%	
Number of workplace safety incidents	Number of reportable incidents	0	0	
	Lost time injury rate	0	4.38	
	Workers' compensation claims	<3	3	
Information and communications technology (ICT) managed service contract management	Percentage of Service Desk requests closed against open requests during a period.	90%	99%	
Corporate Enterprise Solution (CES) software	CES updated with the latest version (patch) available nationally	No more than 1 patch behind	Civica Authority version 7.1 upgrade successfully completed.	
Information and Communications Technology Improvement Plan	Annual actions completed	100%	Current improvement plan underway	
ICT Security Audit actions	Annual actions completed	100%	Current improvement plan underway	
Geographical Information System (GIS)	Age of GIS imagery of populated areas	<1 year	Current improvement plan underway	
	Age of NTG downloaded data	<1 week	Currently improvement plan underway	

Key Outputs	Measures	Target	Status Commentary	Results
Local Government Act 2019 compliance	Local Government and Regional Development, Department of the Chief Minister and Cabinet	100%	Not achieved	
Policy Framework	Council policies reviewed before due date	>90%	There are currently 2 Council policies that remain overdue.	
Elected Members support	Breaches of the code of conduct by elected members	0	2	
Risk Management and Audit Committee	Number of Risk Management and Audit Committee meetings held	4	RMAC meetings were held in August 2022, October 2022 and February 2023 and May 2023. A total of 4 committee meetings for the year.	
Records management	Number of refresher courses conducted	2	Only 1 refresher course conducted this year.	
Funding agreement	Development of new Library Agreement	100%	A new Library Funding Agreement 2023-2028 has been accepted.	
Servicing community needs and regulatory obligations by keeping cemetery records and maintaining rights of burial	Compliance with legislative requirements	100%	Compliance with legislative requirements	
Monthly reporting to the Thorak Cemetery Board	Meet or exceed operational surplus	100%	Within Budget 2022/23	
Media monitoring and management	Media response time	<24 hours	All media enquiries have been attended to and followed up within 24 hours or less.	
Annual Budget, Annual Report, Municipal Plan	Compliance with management, statutory and regulatory budgeting and reporting	100%	The Municipal Plan and budget for 2023-24 was adopted by the Council on 20 June 2023.	

Key Outputs	Measures	Target	Status Commentary	Results
Monthly and annual financial reporting, including annual audit and forecasting	Unqualified audit	Complete	Annual audit for 2021/22 is complete and Council was issued with an unqualified audit opinion. Interim Audit for 2022/23 was completed in May 2023 and the final audit is due to be completed before 25 October 2023	Green
	Asset sustainability ratio	>60%	The asset sustainability ratio is 16.49% and will increase as spending on asset renewal increases.	Red
	Renewal Gap Not Funded	<\$1 million	Council's cumulative renewal gap based on existing asset management plans.	Red
	Current ratio (Liquidity)	> 1	4.27	Green
	Debt service ratio	> 1	Council has no debt.	Green
Long term rating strategy	Own-source revenue ratio increased, to lower Council's dependency on government grants and other funding sources	>60%	65.6%	Green
Investments	Compliance with policy and statutory requirements, reported monthly	100%	All investments have been placed in line with Council policy and legislation.	Green
Rates and accounts receivable collection	Rates and annual charges outstanding	<18%	18.7%	Red
Front counter customer experience	Customer rating (very good, good, poor, very poor)	Very good	Achieved	Green



LITCHFIELD COUNCIL
GENERAL PURPOSE

Financial Statements

for the year ending 30 June 2023

General Purpose Financial Statements

for the year ended 30 June 2023

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DRAFT

General Purpose Financial Statements

for the year ended 30 June 2023

Chief Executive Officer's Statement

I, Stephen Hoyne, 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 2019* and the *Local Government (General) Regulations 2021* so as to present fairly the financial position of the Council and the results for the year ended 30 June 2023; and
- are in accordance with the accounting and other records of Council.



Stephen Hoyne
Chief Executive Officer

26 October 2023

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Statement of Comprehensive Income

for the year ended 30 June 2023

\$	Notes	2023	2022
Income			
Rates revenue	2a	14,128,255	11,927,544
Statutory charges	2b	209,904	208,537
User charges	2c	2,226,746	2,014,127
Grants, subsidies and contributions - operating	2g	5,939,784	5,910,687
Investment and interest income	2d	695,922	97,897
Reimbursements	2e	805	57
Other income	2f	212,165	161,542
Total income		23,413,581	20,320,391
Expenses			
Employee costs	3a	6,987,206	6,865,466
Materials, contracts and other expenses	3b	9,590,829	8,209,288
Depreciation and amortisation	3c	10,057,791	10,125,380
Total expenses		26,635,826	25,200,134
Operating deficit		(3,222,245)	(4,879,743)
Physical resources received free of charge	2i	18,585,944	—
Net Gain (Loss) on Disposal or Revaluation of Assets	4	(20,466)	18,683
Amounts received specifically for new or upgraded assets	2g	2,318,327	60,019
Net surplus / (deficit)		17,661,560	(4,801,041)
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Gain on revaluation of infrastructure, property, plant and equipment	9a	8,823,961	109,609,776
Total amounts which will not be reclassified subsequently to operating result		8,823,961	109,609,776
Total other comprehensive income		8,823,961	109,609,776
Total comprehensive income		26,485,521	104,808,735

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

Statement of Financial Position

as at 30 June 2023

\$	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	3,813,447	2,611,659
Trade and other receivables	5b	3,862,938	2,639,072
Other financial assets (investments)	5c	23,825,545	19,872,404
Total current assets		31,501,930	25,123,135
Non-current assets			
Other non-current assets	6	1,846,461	4,406,884
Infrastructure, property, plant and equipment	7a	426,569,648	401,189,263
Total non-current assets		428,416,109	405,596,147
TOTAL ASSETS		459,918,039	430,719,282
LIABILITIES			
Current liabilities			
Trade and other payables	8a	6,755,755	4,012,546
Borrowings	8b	6,376	6,150
Provisions	8c	613,815	620,254
Total current liabilities		7,375,946	4,638,950
Non-current liabilities			
Borrowings	8b	16,977	23,353
Provisions	8c	340,562	357,946
Total non-current liabilities		357,539	381,299
TOTAL LIABILITIES		7,733,485	5,020,249
Net assets		452,184,554	425,699,033
EQUITY			
Accumulated surplus		15,322,997	1,303,237
Asset revaluation reserves	9a	412,735,572	403,911,611
Other reserves	9b	24,125,985	20,484,185
Total Council equity		452,184,554	425,699,033
Total equity		452,184,554	425,699,033

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 2023

\$	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2023					
Balance at the end of previous reporting period		1,303,237	403,911,611	20,484,185	425,699,033
Net surplus/(deficit) for year		17,661,560	–	–	17,661,560
Other comprehensive income					
Gain on revaluation of infrastructure, property, plant and equipment	9a	–	8,823,961	–	8,823,961
Other comprehensive income		–	8,823,961	–	8,823,961
Total comprehensive income		17,661,560	8,823,961	–	26,485,521
Transfers between Reserves		(3,641,800)	–	3,641,800	–
Balance at the end of period		15,322,997	412,735,572	24,125,985	452,184,554
2022					
Balance at the end of previous reporting period		6,586,458	294,301,835	20,002,005	320,890,298
Net surplus/(deficit) for year		(4,801,041)	–	–	(4,801,041)
Other comprehensive income					
Gain on revaluation of infrastructure, property, plant and equipment	9a	–	109,609,776	–	109,609,776
Other comprehensive income		–	109,609,776	–	109,609,776
Total comprehensive income		(4,801,041)	109,609,776	–	104,808,735
Transfers between Reserves		(482,180)	–	482,180	–
Balance at the end of period		1,303,237	403,911,611	20,484,185	425,699,033

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 2023

\$	Notes	2023	2022
Cash flows from operating activities			
<u>Receipts</u>			
Rates Receipts		13,686,051	12,464,630
Statutory Charges		230,894	208,537
User Charges		2,073,795	2,215,539
Grants, Subsidies and Contributions		6,645,605	5,878,349
Investment Receipts		294,268	97,897
Reimbursements		886	57
Other Receipts		823,583	1,427,571
<u>Payments</u>			
Payments to Employees		(7,011,029)	(6,894,183)
Payments for Materials, Contracts & Other Expenses		(9,655,161)	(11,616,423)
Net cash provided by (or used in) operating activities	11b	7,088,892	3,781,974
Cash flows from investing activities			
<u>Receipts</u>			
Amounts received specifically for new or upgraded assets		3,560,501	—
Sale of Replaced Assets		78,164	148,656
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(2,055,288)	(4,311,677)
Expenditure on New/Upgraded Assets		(3,511,190)	(941,795)
Net Purchase of Investment Securities		(3,953,141)	66,890
Net cash provided (or used in) investing activities		(5,880,954)	(5,037,926)
Cash flows from financing activities			
<u>Payments</u>			
Repayment of Lease Liabilities		(6,150)	(16,555)
Net cash provided by (or used in) financing activities		(6,150)	(16,555)
Net increase (decrease) in cash held		1,201,788	(1,272,507)
plus: Cash & Cash Equivalents at beginning of period		2,611,659	3,884,166
Cash and cash equivalents held at end of period	11a	3,813,447	2,611,659
Additional Information:			
plus: Investments on hand – end of year	5c	23,825,545	19,872,404
Total cash, cash equivalents and investments		27,638,992	22,484,063

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of significant accounting policies

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 2019*, the *Local Government (General) Regulations 2021* and other relevant Northern Territory legislation.

The financial report was authorised for issue on 25 October 2023.

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 dollar.

(2) The local government reporting entity

Litchfield Council is incorporated under the *NT Local Government Act 2019* 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 varied 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 reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of significant accounting policies (continued)

received are recognised as receivables and reimbursements received in advance are recognised as “payments received in advance”.

Non Cash Contributions

Physical assets contributed to Council by external parties in the form of land, buildings and infrastructure are recognised as revenue and non current assets when the external party provides sufficient data for the value of such assets and Council obtains control over these assets. All non-cash contributions are recognised at the fair value of the contribution received.

(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 2019. 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 and 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 include 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 in 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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of significant accounting policies (continued)

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.

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 fair value less costs to sell and 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 the Financial Assistance Grant, received 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.

(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

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of significant accounting policies (continued)

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 and 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 July 2022. 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.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023, 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 illustrative statements that could be applicable to Councils.

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

- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current* (amended by *AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current - Deferral of Effective Date*, *AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*)
- *AASB 2021-6 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*. (This Standard makes amendments to *AASB 1053 Application of Tiers of Australian Accounting Standards*, June 2010 and *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for Profit Tier 2 Entities*, March 2020)
- *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates* (This standard amends a number of Standards as follows: *AASB 7 Financial Instruments: Disclosures* – to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements, *AASB 101 Presentation of Financial Statements* – to require entities to disclose their

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of significant accounting policies (continued)

material accounting policy information rather than their significant accounting policies, *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* - to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates, *AASB 134 Interim Financial Reporting* - to identify material accounting policy information as a component of a complete set of financial statements, *AASB Practice Statement 2: Making Materiality Judgements* - to provide guidance on how to apply the concept of materiality to accounting policy disclosures)

- *AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*. (This standard amends a number of Standards as follows: *AASB 7 Financial Instruments: Disclosures*, August 2015, *AASB 116 Property, Plant and Equipment*, August 2015, *AASB 124 Related Party Disclosures*, July 2015, *AASB 128 Investments in Associates and Joint Ventures*, August 2015, *AASB 134 Interim Financial Reporting*, August 2015, *AASB 1054 Australian Additional Disclosures*, May 2011, *AASB Practice Statement 2: Making Materiality Judgements*, December 2017. This Standard repeals Australian Accounting Standards that have been superseded by other Standards but not formally repealed. It also repeals Standards that amend other Standards as their principal purpose but which have not been formally repealed, provided their Parliamentary disallowance period and legal commencement date have passed)

Effective for NFP annual reporting periods beginning on or after 1 July 2024

- *AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* (This Standard makes amendments to *AASB 13 Fair Value Measurement*, August 2015 for application by not-for profit public sector)

(11) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(12) Disclaimer

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 2. Income

\$	2023	2022
(a) Rates revenue		
General rates		
Residential	7,669,549	7,612,566
Commercial/Industrial	2,685,814	1,045,621
Other	345,156	70,694
Total general rates	10,700,519	8,728,881
Other rates (including service charges)		
Waste Management Services	3,168,717	3,048,275
Road Seal Levy	(4,641)	58,476
Total other rates (including service charges)	3,164,076	3,106,751
Other charges		
Penalties for late payment	275,911	249,798
Total other charges	275,911	249,798
Less: discretionary rebates, remissions and write-offs	(12,251)	(157,886)
Total rates	14,128,255	11,927,544
(b) Statutory charges		
Animal registration fees and fines	209,904	208,537
Total statutory charges	209,904	208,537
(c) User charges		
Cemetery Fees	1,402,288	1,706,481
Community Halls Hire	37,760	34,718
Sales - general	175	—
Sundry	3,718	4,783
Subdivision and Development Fees	516,411	67,418
Permit Fees	13,893	15,135
Waste Disposal Fees	219,719	138,191
Rate Search Fees	32,782	47,401
Total user charges	2,226,746	2,014,127
(d) Investment and interest income		
Interest on investments		
- Banks and other	695,922	97,897
Total investment income	695,922	97,897

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 2. Income (continued)

\$	2023	2022
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(e) Reimbursements

Other	805	57
Total reimbursements	805	57

(f) Other income

Insurance & Other Recoupments	117,801	–
Sundry	94,364	115,042
Other	–	46,500
Total other income	212,165	161,542

(g) Grants, subsidies and contributions

Amounts received specifically for new or upgraded assets	2,318,327	60,019
Total amounts received specifically for new or upgraded assets	2,318,327	60,019

Other grants, subsidies and contributions	515,562	474,608
Untied - Financial Assistance Grant	4,910,712	4,244,598
Roads to Recovery	513,510	1,191,481
Total other grants, subsidies and contributions	5,939,784	5,910,687

Total grants, subsidies, contributions	8,258,111	5,970,706
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The functions to which these grants relate are shown in Note 12.

(i) Sources of grants

Commonwealth government	7,620,372	5,524,484
State government	608,979	446,222
Other	28,760	–
Total	8,258,111	5,970,706

(h) Conditions over grants and 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:

Unexpended at the close of the previous reporting period	(931,724)	–
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Less:

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

Infrastructure	919,912	(931,724)
Subtotal	919,912	(931,724)

Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions

Infrastructure	(2,867,907)	–
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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 2. Income (continued)

\$	2023	2022
Unexpended at the close of this reporting period	(2,879,719)	(931,724)
Net increase (decrease) in assets subject to conditions in the current reporting period	(1,947,995)	(931,724)

(i) Physical resources received free of charge

Developer Funded Assets	3,988,355	—
Roads, Culverts & Footpaths	14,597,589	—
Total physical resources received free of charge	18,585,944	—

	as at 30/06/22	Movements	as at 30/06/23
\$	Opening Balance	Received/ Receivable	Closing Balance
		Expended	

(j) Reconciliation of government grants

Grants (with discretion on use)

General purpose (untied)

Grants Commission grant - general purpose	425,683	879,203	(635,350)	669,536
Grants Commission grant - roads funding	2,148,244	4,031,509	(2,985,621)	3,194,132
Subtotal	2,573,927	4,910,712	(3,620,971)	3,863,668

Specific purpose (recurrent)

Roads to Recovery	—	1,183,429	(513,510)	669,919
Libraries - Operational	22,923	399,370	(422,293)	—
Library Gaming Day	135	—	—	135
Australia Day Event	5,880	26,950	(28,761)	4,069
Healthy Lifestyle	12,240	—	(11,748)	492
2022 RDANT Seeding New Investment	16,600	—	(16,600)	—
Be Connected Grant Building digital skills	—	2,500	(1,228)	1,272
Be Connected Grant Digital Devices grant	—	5,000	(1,060)	3,940
Humpty Doo Village Green Cenotaph and Anzac	—	65,645	—	65,645
Preparing Australian Communities	—	40,500	(22,486)	18,014
Parkview grant	—	3,500	(3,387)	113
Seniors Day Grant	—	2,000	(2,000)	—
Youth Vibe Holiday Movies and Gaming	—	6,000	(6,000)	—
Subtotal	57,778	1,734,894	(1,029,073)	763,599

Total other grants

	2,631,705	6,645,606	(4,650,044)	4,627,267
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Grants specifically for new/upgraded assets

Specific purpose (recurrent)

Thorak Irrigation	153,805	—	(144,663)	9,142
Freds Pass Reserve Capital Upgrade \$3m	2,044	—	—	2,044
LRCI Phase 2	718,098	584,348	(1,302,446)	—
LRCI Phase 3	—	2,130,172	(435,238)	1,694,934
Blackspot - Power Road	—	435,980	(435,980)	—
Southport Road Upgrades	—	150,000	—	150,000
Recreation Reserve Upgrades	—	250,000	—	250,000

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 2. Income (continued)

	as at 30/06/22	Movements		as at 30/06/23
\$	Opening Balance	Received/ Receivable	Expended	Closing Balance
Freds Pass Master Plan Preparation	–	10,000	–	10,000
Total grants specifically for new/upgraded assets	873,947	3,560,500	(2,318,327)	2,116,120
Recognised as unexpended grants and contributions reserve	2,573,927	3,863,668	(2,573,927)	3,863,668
Recognised as liability	931,724	2,867,906	(919,911)	2,879,719
Total other grants	3,505,651	6,731,574	(3,493,838)	6,743,387

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 3. Expenses

\$	Notes	2023	2022
(a) Employee costs			
Salaries and wages		4,960,906	5,425,308
Employee leave expense		977,805	722,525
Superannuation - defined contribution plan contributions	17	590,984	575,542
Workers' compensation insurance		139,328	137,403
Temporary Staff		312,671	204,799
Other		5,512	23,893
Less: capitalised and distributed costs		–	(224,004)
Total operating employee costs		6,987,206	6,865,466
Total number of employees (full time equivalent at end of reporting period)		52	65
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		55,141	53,685
Bad and doubtful debts		57,351	6,294
Elected members' expenses		321,049	295,515
Election expenses		–	166,587
Lease expense - variable payments		13,024	3,701
Other		–	62,571
Subtotal - prescribed expenses		446,565	588,353
(ii) Other materials, contracts and expenses			
Contractors		4,667,093	3,928,828
Energy		248,829	222,914
Maintenance		692,821	550,768
Legal expenses		65,786	106,304
Parts, accessories and consumables		152,842	187,154
Professional services		1,361,064	712,642
Sundry		645,840	645,180
Cemetery Operations		428,363	320,278
Insurance		379,415	360,874
Donations and Community Support		174,455	130,935
Computer / IT Costs		327,756	455,058
Subtotal - other material, contracts and expenses		9,144,264	7,620,935
Total materials, contracts and other expenses		9,590,829	8,209,288

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 3. Expenses (continued)

\$	2023	2022
(c) Depreciation and amortisation		
(i) Depreciation and amortisation		
Buildings	1,154,443	1,180,666
Infrastructure		
- Sealed roads	6,512,452	6,436,496
- Unsealed roads	1,188,471	1,188,426
- Stormwater drainage	4,875	1,989
- Road Culverts	382,575	382,575
- Kerbs & Gutters	60,733	60,733
- Driveway Vehicle Crossings	104,962	107,980
- Footpaths	47,545	45,729
- Road Signs	59,238	90,552
- Point Generic	73,173	73,173
- Driveways	8,772	8,353
- Bicycle Paths	20,586	20,586
- Streetlights	57,896	57,896
- Inverts	73	73
Right-of-use assets	6,499	15,656
Plant and equipment	110,307	99,598
Office Equipment	13,871	13,364
Motor Vehicles	149,549	235,949
Thorak Buildings	76,001	70,127
Thorak Motor Vehicles	25,770	35,459
Subtotal	10,057,791	10,125,380
Total depreciation, amortisation and impairment	10,057,791	10,125,380

Note 4. Net Gain (Loss) on Disposal or Revaluation of Assets

\$	2023	2022
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	78,164	148,656
Less: carrying amount of assets sold	(98,630)	(129,973)
Gain (loss) on disposal	(20,466)	18,683
Net gain (loss) on disposal or revaluation of assets	(20,466)	18,683

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 5. Current assets

\$	2023	2022
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(a) Cash and cash equivalent assets

Cash on hand at bank	3,813,447	2,611,659
Total cash and cash equivalent assets	3,813,447	2,611,659

(b) Trade and other receivables

Rates - general and other	2,641,523	2,264,992
Accrued revenues	457,201	55,547
Debtors - general	606,241	173,559
GST recoupment	229,138	162,444
Prepayments	55,306	51,945
Subtotal	3,989,409	2,708,487
Less: provision for expected credit losses	(126,471)	(69,415)
Total trade and other receivables	3,862,938	2,639,072

(c) Other financial assets (investments)

Bank Investments - Term Deposits	23,825,545	19,872,404
Total other financial assets (investments)	23,825,545	19,872,404

Note 6. Non-current assets

\$	2023	2022
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Other non-current assets

Other

Capital works-in-progress *	1,846,461	4,406,884
Total other	1,846,461	4,406,884
Total other non-current assets	1,846,461	4,406,884

(*) 2023 Work-in-Progress transfers in/out for the year were \$1,368,339 and \$3,928,761 respectively. 2022 Work-in-Progress transfers in/out for the year were \$1,189,953 and \$2,239,623 respectively.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment

(a) Infrastructure, property, plant and equipment

	Fair Value Level	as at 30/06/22				Asset movements during the reporting period							as at 30/06/23		
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments 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	8,385,000	—	—	8,385,000	534,741	—	—	—	—	—	8,385,000	534,741	—	8,919,741
Buildings	2	33,604,357	5,443,359	(14,431,838)	24,615,878	827,816	54,614	—	(1,154,443)	—	3,857,996	46,340,377	—	(18,138,518)	28,201,859
Infrastructure															
Sealed roads	3	437,046,735	3,857,403	(158,953,484)	281,950,654	14,181,315	1,592,626	—	(6,512,452)	—	—	437,047,372	19,635,959	(165,465,937)	291,217,394
Unsealed roads	3	45,985,156	333,175	(20,590,782)	25,727,549	—	—	—	(1,188,471)	—	—	45,985,154	333,175	(21,779,251)	24,539,078
Storm Waste Drains	3	608,490	436,464	(1,989)	1,042,965	734,806	—	—	(4,875)	—	232,848	2,030,110	—	(24,366)	2,005,744
Road Culverts	3	36,755,157	1,527,557	(10,399,443)	27,883,271	5,681,612	—	—	(382,575)	—	1,935,872	46,601,481	—	(11,483,301)	35,118,180
Kerbs & Gutters	3	3,036,651	—	(1,407,926)	1,628,725	69,628	—	—	(60,733)	—	—	3,036,651	69,628	(1,468,659)	1,637,620
Driveway Vehicle Crossings	3	10,430,886	90,564	(3,297,237)	7,224,213	—	—	—	(104,962)	—	798,079	11,708,864	—	(3,791,534)	7,917,330
Footpaths	3	713,868	669,254	(408,845)	974,277	118,962	—	—	(47,545)	—	873,083	2,241,083	—	(322,306)	1,918,777
Road Signs	3	726,150	215,655	(526,564)	415,241	85,570	—	—	(59,238)	—	211,736	1,567,671	—	(914,363)	653,308
Point Generic	3	1,089,960	332,411	(664,910)	757,461	280,000	—	—	(73,173)	—	185,354	2,100,047	—	(950,406)	1,149,641
Driveways	3	290,950	80,624	(66,723)	304,851	1,048,327	—	—	(8,772)	(54,708)	—	1,342,177	—	(52,479)	1,289,698
Bicycle Paths	3	711,000	—	(387,343)	323,657	69,327	—	—	(20,586)	—	534,642	2,029,546	—	(1,122,506)	907,040
Streetlights	3	1,300,850	496,842	(999,144)	798,548	107,300	11,625	—	(57,896)	(44,765)	—	1,893,068	—	(1,078,257)	814,811
Inverts	3	—	7,250	(145)	7,105	83,013	—	—	(73)	—	—	—	90,263	(217)	90,046
Right-of-use assets		—	84,376	(55,130)	29,246	—	—	—	(6,499)	—	—	—	84,376	(61,629)	22,747
Plant and equipment		—	1,261,542	(511,491)	750,051	95,721	—	—	(110,307)	—	—	—	1,357,264	(621,798)	735,466
Office Equipment		—	659,333	(614,156)	45,177	—	—	—	(13,871)	—	—	—	659,333	(628,027)	31,306
Motor Vehicles		—	1,829,827	(867,921)	961,906	791,870	—	(98,630)	(149,549)	—	—	—	2,361,698	(856,100)	1,505,598
Thorak Buildings	2	2,403,600	134,087	(809,092)	1,728,595	217,850	—	—	(76,001)	—	293,824	3,200,520	—	(1,036,251)	2,164,269
Thorak Motor Vehicles		—	303,852	(188,959)	114,893	120,873	—	—	(25,770)	—	—	—	424,724	(214,729)	209,995
Thorak Land	2	2,500,000	—	—	2,500,000	—	—	—	—	—	—	2,500,000	—	—	2,500,000
Total infrastructure, property, plant and equipment															
		598,608,810	17,763,575	(215,183,122)	401,189,263	25,048,731	1,658,865	(98,630)	(10,057,791)	(99,473)	8,923,434	631,029,121	25,551,161	(230,010,634)	426,569,648
Comparatives		499,698,268	18,183,418	(222,382,484)	295,499,202	698,242	5,637,398	(129,974)	(10,125,380)	—	109,609,776	598,608,810	17,763,575	(215,183,122)	401,189,263

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

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 Buildings and Infrastructure, 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 and forming part of the Financial Statements for the year ended 30 June 2023

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 Infrastructure (excluding Sealed and Unsealed Roads and Kerbs & Gutters) were revalued as at 30 June 2023. Sealed Roads, Unsealed Roads, and Kerb & Gutters were revalued as at 30 June 2022. Land assets were revalued 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 and forming part of the Financial Statements for the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & 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	5 to 100 years
Roads - Surface - Sealed	13 to 25 years
Roads - Surface - Unsealed	10 to 15 years
Roads - Pavement	40 years
Roads - Earthworks or Undefined	100 years
Kerbs & Gutter	50 years
Road Culverts	100 years
Urban Drains (Enclosed)	20 to 100 years
Footpaths	20 to 50 years
Driveway Vehicle Crossings	100 years
Road Signs	15 to 50 years
Street Lights	15 to 60 years
Inverts	30 years
Point Generic	15 to 70 years
Driveways	35 to 50 years
Bicycle Paths	35 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 and forming part of the Financial Statements for the year ended 30 June 2023

Note 8. Liabilities

	2023 Current	2023 Non Current	2022 Current	2022 Non Current
\$				
(a) Trade and other payables				
Goods and services	1,687,850	—	862,456	—
Payments Received in Advance				
- Rates	1,046,304	—	1,111,977	—
- Grants and contributions - capital	2,879,719	—	931,724	—
- Other	233,395	—	270,620	—
Accrued expenses - other	382,754	—	228,833	—
Deposits, retentions and bonds	525,733	—	606,936	—
Total trade and other payables	6,755,755	—	4,012,546	—

	Notes	2023 Current	2023 Non Current	2022 Current	2022 Non Current
\$					
(b) Borrowings					
Lease liabilities	16	6,376	16,977	6,150	23,353
Total borrowings		6,376	16,977	6,150	23,353

(c) Provisions

Employee entitlements (including oncosts)	613,815	340,562	620,254	357,946
Total provisions	613,815	340,562	620,254	357,946

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 9. Reserves

	as at 30/06/22				as at 30/06/23
\$	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset revaluation reserve					
Land - Council Owned	123,617,618	—	—	—	123,617,618
Buildings	15,583,834	3,857,996	—	—	19,441,830
Infrastructure					
- Stormwater drainage	—	232,848	—	—	232,848
- Road Culverts	27,923,542	1,935,872	—	—	29,859,414
- Kerbs & Gutters	1,415,220	—	—	—	1,415,220
- Driveway Vehicle Crossings	9,290,043	798,079	—	—	10,088,122
- Footpaths	263,238	873,083	—	—	1,136,321
- Road Signs	958,744	211,736	—	—	1,170,480
- Point Generic	711,325	185,354	—	—	896,679
- Driveways	4,076,579	(54,708)	—	—	4,021,871
- Bicycle Paths	551,219	534,642	—	—	1,085,861
- Streetlights	—	(44,765)	—	—	(44,765)
- Roads	218,884,115	—	—	—	218,884,115
- Inverts	6,141	—	—	—	6,141
Plant and equipment	204,947	—	—	—	204,947
Motor Vehicles	425,046	—	—	—	425,046
Thorak Buildings	—	293,824	—	—	293,824
Total asset revaluation reserve	403,911,611	8,823,961	—	—	412,735,572
Comparatives	294,301,835	109,609,776	—	—	403,911,611

	as at 30/06/22				as at 30/06/23
\$	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other reserves					
Developer Contributions Reserve	280,725	395,261	—	—	675,986
Waste Management Reserve	5,124,100	358,378	—	—	5,482,478
Asset Reserve	8,941,078	—	(1,042,290)	—	7,898,788
Election Reserve	100,000	100,000	—	—	200,000
Disaster Recovery Reserve	500,000	—	(100,000)	—	400,000
Strategic Initiatives Reserve	500,000	—	(100,000)	—	400,000
Unexpended Grants Reserve	2,573,927	3,863,668	(2,573,927)	—	3,863,668
Thorak Regional Cemetery	1,719,798	213,907	—	—	1,933,705
Unexpended Capital Works Reserve	631,334	3,129,453	(631,334)	—	3,129,453
Cash for Cans Reserve	113,223	28,683	—	—	141,906
Total other reserves	20,484,185	8,089,350	(4,447,551)	—	24,125,984
Comparatives	20,002,005	4,336,839	(3,854,659)	—	20,484,185

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 9. Reserves (continued)

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.

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 Reserve

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.

Cash for Cans Reserve

Income from the cash for cans deposit scheme and old car batteries is used to support community projects and activities that address local needs, strengthen community relationships, build environmental sustainability and enhance the well-being of Litchfield residents. This reserve supports the Community Grants Scheme and is utilised for identified need for financial support outside of the Community Grant Scheme, provided it is for direct community benefit.

Note 10. Assets subject to restrictions

\$	2023	2022
----	------	------

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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 10. Assets subject to restrictions (continued)

\$	2023	2022
Cash and financial assets		
Unexpended amounts received from Federal and Territory Government	2,879,718	931,725
Developer contributions	675,986	280,725
Total cash and financial assets	3,555,704	1,212,450
Total assets subject to externally imposed restrictions	3,555,704	1,212,450

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 11. Reconciliation to Statement of Cash Flows

\$	Notes	2023	2022
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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 Statement of Financial Position as follows:

Total cash and equivalent assets	5	3,813,447	2,611,659
Balances per Statement of Cash Flows		3,813,447	2,611,659

(b) Reconciliation of change in net assets to cash from operating activities

Net surplus/(deficit)		17,661,560	(4,801,041)
Non-cash items in income statements			
Depreciation, amortisation and impairment		10,057,791	10,125,380
Non-cash asset acquisitions		(18,585,944)	—
Grants for capital acquisitions treated as investing activity		(2,318,327)	(60,019)
Net (gain) loss on disposals		20,466	(18,683)
		6,835,546	5,245,637
Add (less): changes in net current assets			
Net increase/(decrease) in trade and other payables		2,743,209	(1,798,655)
Net (increase)/decrease in receivables		(1,280,922)	307,976
Net increase/(decrease) in unpaid employee benefits		(23,823)	(16,099)
Net increase/(decrease) in other liabilities		(1,242,174)	36,821
Change in allowances for under-recovery of receivables		(57,056)	(6,294)
Net (increase)/decrease in other assets		114,112	12,588
Net cash provided by (or used in) operations		7,088,892	3,781,974

Litchfield Council

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

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)	
	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual	2023 Budget	2023 Actual	2022 Actual	2023 Actual	2022 Actual
Functions														
Public Order & Safety	182,150	213,100	209,387	662,882	699,693	597,493	(480,732)	(486,593)	(388,106)	—	—	—	120,092	129,503
General Public Services	12,363,635	13,175,648	9,804,372	5,566,027	6,841,630	7,249,747	6,797,608	6,334,018	2,554,625	635,350	907,964	717,837	20,081,083	18,954,623
Economic Affairs	4,225,350	4,542,407	4,791,548	11,795,857	11,751,605	11,154,335	(7,570,507)	(7,209,198)	(6,362,787)	4,219,050	4,545,019	4,732,362	397,893,228	370,526,559
Environmental Protection	3,354,036	3,500,210	3,233,844	3,782,941	3,857,963	3,084,975	(428,905)	(357,753)	148,869	—	16,600	4,400	5,685,988	5,379,095
Housing & Community Amenities	—	—	—	—	57,896	57,896	—	(57,896)	(57,896)	—	—	—	636,597	636,597
Recreation, Culture & Religion	564,002	579,929	574,758	2,417,348	2,304,050	2,089,278	(1,853,346)	(1,724,121)	(1,514,520)	458,692	470,201	456,088	30,464,912	30,436,324
Cemetery	1,450,400	1,402,287	1,706,481	1,003,366	1,122,989	966,411	447,034	279,298	740,070	—	—	—	5,036,139	4,656,581
Total functions	22,139,573	23,413,581	20,320,390	25,228,421	26,635,826	25,200,135	(3,088,848)	(3,222,245)	(4,879,745)	5,313,092	5,939,784	5,910,687	459,918,039	430,719,282

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 and forming part of the Financial Statements for the year ended 30 June 2023

Note 12(b). Components of functions

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 and forming part of the Financial Statements for the year ended 30 June 2023

Note 13. Financial instruments

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 262 days and an average interest rate of 4.69% (2022: 263 days and 1.14%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and 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 and 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 and 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 at amortised cost 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 and forming part of the Financial Statements for the year ended 30 June 2023

Note 13. Financial instruments (continued)

\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2023					
Financial assets					
Cash and cash equivalents	3,813,447	—	—	3,813,447	3,813,447
Receivables	1,118,748	—	—	1,118,748	1,118,748
Other financial assets	23,825,545	—	—	23,825,545	23,825,545
Total financial assets	28,757,740	—	—	28,757,740	28,757,740
Financial liabilities					
Payables	2,596,337	—	—	2,596,337	2,596,337
Leases	6,375	16,977	—	23,352	23,352
Total financial liabilities	2,602,712	16,977	—	2,619,689	2,619,689
2022					
Financial assets					
Cash and cash equivalents	2,611,659	—	—	2,611,659	2,611,659
Receivables	281,051	—	—	281,051	281,051
Other financial assets	19,872,404	—	—	19,872,404	19,872,404
Total financial assets	22,765,114	—	—	22,765,114	22,765,114
Financial liabilities					
Payables	1,698,225	—	—	1,698,225	1,698,225
Leases	6,150	23,353	—	29,503	29,503
Total financial liabilities	1,704,375	23,353	—	1,727,728	1,727,728

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

\$	2023		2022	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed interest rates	3.60%	23,353	3.60%	29,503
		23,353		29,503

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 and forming part of the Financial Statements

for the year ended 30 June 2023

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 Note 5 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.

Expected credit losses (ECL)

Council individually assesses its receivables from individual customers. Despite rates and annual charges being secured over subject land council expects to incur a loss of rates and charges on one specific property. Council's understanding is that the property has no commercial value and if put for sale the proceeds will not cover the outstanding debt. Impairment analysis is performed on each reporting date. ECLS are based on credit history adjusted for forward-looking estimates and economic conditions.

Set out below is the movement in the allowance for expected credit losses:

\$	2023	2022
As at 1 July	69,415	63,121
Provisions	57,351	6,294
As at 30 June	126,766	69,415

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 14. Capital expenditure and investment property commitments

\$	2023	2022
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Other expenditure commitments

Other non-capital expenditure commitments not recognised in the financial statements as liabilities:

Other Contract	198,225	533,983
	<u>198,225</u>	<u>533,983</u>

These expenditures are payable:

Not later than one year	198,225	353,883
Later than one year and not later than 5 years	–	180,100
	<u>198,225</u>	<u>533,983</u>

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 15. Financial indicators

\$	Amounts 2023	Indicator 2023	Indicators 2022	Indicators 2021
1. Current Ratio				
Current assets less externally restricted assets	31,501,930	4.27	5.23	4.08
Current liabilities	7,375,946			
2. Debt Service Ratio				
Net debt service cost	—	0.00	0.00	0.00
Operating revenue	23,413,581			
3. Rate coverage percentage				
Rate revenues	10,700,519	41.58%	42.83%	38.20%
Total revenues	25,731,908			
4. Rates and annual charges outstanding				
Rates and annual charges outstanding	2,641,523	18.70%	18.99%	22.60%
Rates and annual charges collectable	14,128,255			

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

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
2023		
Opening balance	29,246	29,246
Depreciation charge	(6,499)	(6,499)
Balance at 30 June	22,747	22,747
2022		
Opening balance	12,406	12,406
Additions to right-of-use assets	32,496	32,496
Depreciation charge	(15,656)	(15,656)
Balance at 30 June	29,246	29,246

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

\$	2023	2022
Balance at 1 July	29,503	12,723
Additions	—	32,496
Accretion of interest	961	1,099
Payments	(7,111)	(16,815)
Balance at 30 June	23,353	29,503
Classified as:		
Current	6,376	6,150
Non-current	16,977	23,353

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 17. Superannuation

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

Hostplus (formerly Local Government Superannuation Scheme and Statewide Super)

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 (10.50% in 2022/23; 10.00% in 2021/22). 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

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 and discontinued operations

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

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 20. Contingencies and assets/liabilities not recognised in the balance sheet

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, 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

Events that occur after the reporting date of 30 June 2023, 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 and forming part of the Financial Statements for the year ended 30 June 2023

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 FIN11.

In all, 13 persons were paid the following total compensation, including the CEO:

As per General Instruction 2: Annual Financial Statement sec 8 the total remuneration provided to the CEO was as follows:

	2023		
CEO	Arun Dias	Stephen Hoyne	Maxie Smith
Period (from/to)	01/07/2022 21/07/2022	25/07/2022 30/06/2023	21/06/2023 30/06/2023
Short Term Benefits	\$ 18,171	\$ 232,117	\$ 502
Non-Cash Benefits	\$ -	\$ 6,058	\$ -
\$		2023	2022

The compensation paid to key management personnel comprises:

Salaries, Allowances & Other Short-Term Employee Benefits *	1,002,128	1,244,283
Total	1,002,128	1,244,283

(*) Includes CEO's remuneration listed above

Independent Auditor's Report

To the Chief Executive Officer 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 2023, 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 2019*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2023
- 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 the year-end or from time to time during the financial year.

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 the Chief Executive Officer for the Financial Report

The Chief Executive Officer is 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 2019*.
- implementing necessary internal control to enable the preparation of Financial Report that gives a true and fair view and 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, 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. This description forms part of our Auditor's Report.


KPMG



Matt Ward
Partner
Darwin
26 October 2023



THORAK REGIONAL CEMETARY
SPECIAL PURPOSE

Financial Statements

for the year ending 30 June 2023

Special Purpose Financial Statements
for the year ended 30 June 2023

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Special Purpose Financial Statements

for the year ended 30 June 2023

Board of Trustee's Statement

I, Stephen Hoyne 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 *Cemeteries Act 1952* and the *Cemeteries Regulations 1967* so as to present fairly the financial position of the Thorak Regional Cemetery and the results for the year ended 30 June 2023; and
- are in accordance with the accounting and other records of Thorak Regional Cemetery.



Stephen Hoyne
Chief Executive Officer

26 October 2023

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Statement of Comprehensive Income

for the year ended 30 June 2023

\$	Notes	2023	2022
Income			
User charges	2a	1,393,399	1,709,070
Grants, subsidies and contributions - operating	2c	144,663	—
Investment and interest income	2b	8,889	—
Total income		1,546,951	1,709,070
Expenses			
Employee costs	3a	569,962	523,561
Materials, contracts and other expenses	3b	520,074	407,264
Depreciation, amortisation and impairment	3c	101,771	105,586
Total expenses		1,191,807	1,036,411
Operating surplus		355,144	672,659
Net Gain on Disposal or Revaluation of Assets	4	24,807	2,589
Net surplus		379,951	675,248
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - infrastructure, property, plant and equipment	8a	293,824	—
Total amounts which will not be reclassified subsequently to operating result		293,824	—
Total other comprehensive income		293,824	—
Total comprehensive income		673,775	675,248

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

Statement of Financial Position

as at 30 June 2023

\$	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	2,157,373	2,095,712
Trade and other receivables	5b	70,672	68,000
Other financial assets (investments)	5c	325,545	322,404
Total current assets		2,553,590	2,486,116
Non-current assets			
Other non-current assets		—	86,875
Infrastructure, property, plant and equipment	6	4,874,264	4,343,488
Total non-current assets		4,874,264	4,430,363
TOTAL ASSETS		7,427,854	6,916,479
LIABILITIES			
Current liabilities			
Trade and other payables	7a	284,513	447,009
Provisions	7b	60,858	73,862
Total current liabilities		345,371	520,871
Non-current liabilities			
Provisions	7b	65,489	52,389
Total non-current liabilities		65,489	52,389
TOTAL LIABILITIES		410,860	573,260
Net assets		7,016,994	6,343,219
EQUITY			
Accumulated surplus		4,789,465	4,623,421
Asset revaluation reserves	8a	293,824	—
Other reserves	8b	1,933,705	1,719,798
Total Council equity		7,016,994	6,343,219
Total equity		7,016,994	6,343,219

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 2023

\$	Notes	Accumulated surplus	Asset revaluation reserve	Reserves	Total equity
2023					
Balance at the end of previous reporting period		4,623,421	–	1,719,798	6,343,219
Net surplus for year		379,951	–	–	379,951
Other comprehensive income					
- Gain on revaluation of IPP&E	8a	–	293,824	–	293,824
Other comprehensive income		–	293,824	–	293,824
Total comprehensive income		379,951	293,824	–	673,775
Transfers between Reserves		(213,907)	–	213,907	–
Balance at the end of period		4,789,465	293,824	1,933,705	7,016,994
2022					
Balance at the end of previous reporting period		4,658,934	–	1,009,037	5,667,971
Net surplus for year		675,248	–	–	675,248
Total comprehensive income		675,248	–	–	675,248
Transfers between Reserves		(710,761)	–	710,761	–
Balance at the end of period		4,623,421	–	1,719,798	6,343,219

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 2023

\$	Notes	2023	2022
Cash flows from operating activities			
<u>Receipts</u>			
Operating Receipts		1,390,727	1,638,385
Investment Receipts		8,889	1,788
<u>Payments</u>			
Payments to Employees		(569,866)	(534,406)
Payments for Materials, Contracts & Other Expenses		(537,907)	(410,324)
Net cash provided by (or used in) operating activities	9b	291,843	695,443
Cash flows from investing activities			
Amounts received specifically for new or upgraded assets		–	(39,591)
Sale of Replaced Assets		24,807	9,589
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(251,848)	(117,779)
Expenditure on New/Upgraded Assets		–	(112,135)
Net Purchase of Investment Securities		(3,141)	(1,250)
Net cash provided (or used in) investing activities		(230,182)	(261,166)
Net increase (decrease) in cash held		61,661	434,277
plus: Cash & Cash Equivalents at beginning of period		2,095,712	1,661,435
Cash and cash equivalents held at end of period	9a	2,157,373	2,095,712

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Contents of the Notes accompanying the Special Purpose Financial Statements

Note	Details	Page
1	Summary of significant accounting policies	119
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3	Expenses	123
4	Net Gain on Disposal or Revaluation of Assets	124
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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of significant accounting policies

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) Basis of preparation

1.1 Financial Reporting Framework

Thorak Regional Cemetery ("the Cemetery") is a not-for-profit entity that 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 income 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 2023

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 and 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 and 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 received in advance of service delivery, are recognised as liabilities until the service is delivered, or the amount is refunded.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of significant accounting policies (continued)

(6) Employee benefits

6.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries wages and compensated absences are 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.

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 and 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 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 2022. 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.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023, 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 illustrative statements that could be applicable to Councils.

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

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current (amended by AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current - Deferral of Effective Date, AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants)
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (This standard amends a number of Standards as follows: AASB 7 Financial Instruments: Disclosures – to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements, AASB 101 Presentation of Financial Statements - to require entities to disclose their material accounting policy information rather than their significant accounting policies, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors - to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates, AASB 134 Interim Financial Reporting - to identify material accounting policy information as a component of a complete set of financial statements, AASB Practice Statement 2: Making Materiality Judgements - to provide guidance on how to apply the concept of materiality to accounting policy disclosures)

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of significant accounting policies (continued)

Effective for NFP annual reporting periods beginning on or after 1 July 2024

- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities (This Standard makes amendments to AASB 13 Fair Value Measurement, August 2015 for application by not-for profit public sector).

(9) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

Note 2. Income

\$	2023	2022
(a) User charges		
Interments	825,720	1,188,786
Cremations	408,028	358,922
Exclusive Rights Fees	3,395	7,371
Ground Maintenance	12,098	6,290
Chapel and Marquee Hire	52,547	46,902
Memorial installation and permits	55,751	56,627
Funeral Director Fees	6,260	5,964
Sundry Income	14,429	18,209
Administration Fee	(43)	1,211
Rent Income	15,214	17,000
Investment Income	—	1,788
Total user charges	1,393,399	1,709,070
(b) Investment and interest income		
Interest on investments	8,889	—
Total investment income	8,889	—
(c) Grants, subsidies and contributions		
Other grants, subsidies and contributions	144,663	—
Total other grants, subsidies and contributions	144,663	—
Total grants, subsidies, contributions	144,663	—
The functions to which these grants relate are shown in Note 12.		
(i) Sources of grants		
Other	144,663	—
Total	144,663	—

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 3. Expenses

\$	2023	2022
(a) Employee costs		
Salaries and wages	497,893	470,871
Superannuation - defined contribution plan contributions	47,359	48,749
Other employee related costs	24,710	3,941
Total operating employee costs	569,962	523,561
(b) Materials, contracts and other expenses		
(i) Prescribed expenses		
Auditor's remuneration		
- Auditing the financial reports	7,236	6,978
Subtotal - prescribed expenses	7,236	6,978
(ii) Other materials, contracts and expenses		
Contractors	60	—
Sundry	1,750	—
Insurance	46,644	42,555
Consultants	16,200	4,452
Administration Expenses	92,958	87,127
Motor Vehicle Expenses	26,742	19,834
Utilities	52,140	50,349
Telephone Expenses	13,249	13,500
Security	8,225	6,170
Grounds Maintenance	53,271	50,239
Repairs & Maintenance	128,224	42,546
Equipment Hire	145	—
Plant & Equipment Expenses	6,723	9,666
Grave Digging	44,009	47,618
Memorial Expenses	15,812	19,244
Sundry Expenses	6,686	6,986
Subtotal - other material, contracts and expenses	512,838	400,286
Total materials, contracts and other expenses	520,074	407,264
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	76,001	70,127
Motor Vehicles	25,770	35,459
Subtotal	101,771	105,586
Total depreciation, amortisation and impairment	101,771	105,586

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 4. Net Gain on Disposal or Revaluation of Assets

\$	2023	2022
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	24,807	9,589
Less: carrying amount of assets sold	—	(7,000)
Gain on disposal	24,807	2,589
Net Gain on disposal or revaluation of assets	24,807	2,589

Note 5. Current assets

\$	2023	2022
(a) Cash and cash equivalent assets		
Cash on hand at bank	2,157,373	2,095,712
Total cash and cash equivalent assets	2,157,373	2,095,712
(b) Trade and other receivables		
Accrued revenues	16,953	950
Debtors - general	53,719	67,050
Subtotal	70,672	68,000
Total trade and other receivables	70,672	68,000
(c) Other financial assets (investments)		
Bank Investments - Term Deposits	325,545	322,404
Total other financial assets (investments)	325,545	322,404

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6. Infrastructure, Property, Plant & Equipment

Infrastructure, property, plant and equipment

\$	as at 30/06/22				Asset movements during the reporting period					as at 30/06/23		
	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation
Land - other	2,500,000	—	—	2,500,000	—	—	—	—	—	2,500,000	—	—
Buildings	2,403,600	134,087	(809,092)	1,728,595	217,850	—	—	(76,001)	293,824	3,200,520	—	(1,036,251)
Motor Vehicles	—	303,852	(188,959)	114,893	120,872	—	—	(25,770)	—	—	424,724	(214,729)
Total infrastructure, property, plant and equipment	4,903,600	437,939	(998,051)	4,343,488	338,722	—	—	(101,771)	293,824	5,700,520	424,724	(1,250,980)
Comparatives	2,500,000	2,741,499	(928,464)	4,313,035	25,260	117,779	(7,000)	(105,586)	—	4,903,600	437,939	(998,051)
												4,343,488

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 7. Liabilities

	2023 Current	2023 Non Current	2022 Current	2022 Non Current
\$				
(a) Trade and other payables				
Goods and services	12,702	—	13,590	—
Payments received in advance	230,675	—	267,900	—
Grants & Contributions - Capital	9,142	—	153,805	—
Accrued expenses - other	31,994	—	11,714	—
Total trade and other payables	284,513	—	447,009	—

(b) Provisions

Employee entitlements (including oncosts)	60,858	65,489	73,862	52,389
Total provisions	60,858	65,489	73,862	52,389

Note 8. Reserves

	as at 30/06/22 Opening Balance	Increments (Decrements)	Transfers	Impairments	as at 30/06/23 Closing Balance
\$					
(a) Asset revaluation reserve					
Buildings and other structures	—	293,824	—	—	293,824
Total asset revaluation reserve	—	293,824	—	—	293,824

	as at 30/06/22 Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	as at 30/06/23 Closing Balance
\$					
(b) Reserves					
Thorak Regional Cemetery	1,719,798	213,907	—	—	1,933,705
Total Reserves	1,719,798	213,907	—	—	1,933,705
Comparatives	1,009,037	710,761	—	—	1,719,798

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 2023

Note 9. Reconciliation to Statement of Cash Flows

\$	Notes	2023	2022
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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 Statement of Financial Position as follows:

Total cash and equivalent assets	5	2,157,373	2,095,712
Balances per Statement of Cash Flows		2,157,373	2,095,712

(b) Reconciliation of change in net assets to cash from operating activities

Net surplus/(deficit)		379,951	675,248
Non-cash items in income statements			
Depreciation, amortisation and impairment		101,771	105,586
Net (gain) loss on disposals		(24,807)	(2,589)
		456,915	778,245
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		(2,672)	(29,121)
Net increase/(decrease) in trade and other payables		(162,496)	(42,836)
Net increase/(decrease) in unpaid employee benefits		96	(10,845)
Net cash provided by (or used in) operations		291,843	695,443

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 10. Financial instruments

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 284 days and an average interest rate of 4.47% (2022: 283 days and 1.25%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - fees and other charges

Accounting Policy:

Carried at amortised cost less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

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 at amortised cost 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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 10. Financial instruments (continued)

\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2023					
Financial assets					
Cash and cash equivalents	–	–	–	–	2,157,373
Receivables	70,672	–	–	70,672	70,672
Other financial assets	325,545	–	–	325,545	325,545
Total financial assets	396,217	–	–	396,217	2,553,590
Financial liabilities					
Payables	284,513	–	–	284,513	284,513
Total financial liabilities	284,513	–	–	284,513	284,513
2022					
Financial assets					
Cash and cash equivalents	–	–	–	–	2,095,712
Receivables	68,000	–	–	68,000	68,000
Other financial assets	322,404	–	–	322,404	322,404
Total financial assets	390,404	–	–	390,404	2,486,116
Financial liabilities					
Payables	447,009	–	–	447,009	447,009
Total financial liabilities	447,009	–	–	447,009	447,009

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 impairment. All Cemetery investments are made with the authorised deposit taking institutions. Except as detailed in Note 5 in relation to individual classes of receivables, exposure is concentrated within the Cemetery 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 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 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. 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 Board of Trustees 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 2023, 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 2023
- 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
- Board of Trustee'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 Board of Trustees 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.

Our report is intended solely for the Board of Trustees of Thorak Regional Cemetery and should not be used by parties other than the Board of Trustees of Thorak Regional Cemetery. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the Board of Trustees of Thorak Regional Cemetery or for any other purpose than that for which it was prepared.



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.

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. This description forms part of our Auditor's Report.

KPMG

KPMG

Matt Ward
Partner
Darwin
26 October 2023