



**KATHERINE**  
TOWN COUNCIL

# ANNUAL REPORT 2017/18

## Index

<b>Message from the Mayor</b>	<b>3</b>
<b>Elected Members</b>	<b>4</b>
<b>Executive Summary</b>	<b>5</b>
<b>Purpose of the Annual Report</b>	<b>6</b>
<b>About Katherine</b>	<b>7</b>
<b>About Katherine Town Council</b>	<b>8</b>
Ordinary Meetings of Council	8
Australian Citizenship Ceremony	8
Community Consultation	8
Vision, Values & Goals	9
<b>Governance Structure/Organisational Systems</b>	<b>10</b>
Constitutional Arrangements	10
Information and Privacy Statement	11
Types of Information Held by Council	11
Accessing & Correcting Information held by Katherine Town Council	12
Financial and Other Records Management	12
Financial Assistance & Roads to Recovery Grants	12
<b>Council Service Delivery</b>	<b>13</b>
Principle Activities	13
<b>Organisational Structure</b>	<b>14</b>
<b>Municipal Plan Action List</b>	<b>16</b>
<b>Corporate &amp; Community Services Division Report</b>	<b>26</b>
Introduction	26
Corporate Information Technology	26
Financial Services	26
Human Resources	27
Council Facility Hire	28
Community Events	29
Community Engagement	30
Library	31
Visitor Information Centre	<b>33</b>
<b>Works &amp; Services Division Report</b>	<b>35</b>
Introduction	35
Parks & Open Areas	35
Buildings	36
Civic Centre Solar System Benefits	37
Katherine Sportsgrounds & Showgrounds	38
Katherine Memorial Cemetery	39
Katherine Waste Management Station	39
Binjari Community	40
Katherine Civil Airport	40
Roads	41
Footpaths/Cycle paths	41
Streetlights	41
Drainage Networks	42
Traffic Control Devices	42
Wet Season Operations	42
Building Activities within the Municipal	<b>43</b>
Tenders and Contracts	43
Community Events	44
Inter-Agency Relations	44
Inspectorate Services	44
Regulatory Statistics	44
Katherine Aquatic Centre	44
<b>2017/18 Annual Financial Statements</b>	<b>46</b>



## Message from the Mayor

As Mayor, I am very pleased to present the 2017-18 Annual Report on behalf of the entire Katherine Town Council. This Report highlights our ongoing commitment to enhancing the economic and social wellbeing of the Katherine community. Council are proud to reflect back on some of the great events we were able to celebrate with the Katherine community, including:

- Territory Day Festivities, with special guests, the internationally renowned artists, The Veronicas.
- Festivals of the Dry program.
- Two highly successful School Holiday Programs.
- Carols by Candlelight.
- Australia Day Ceremony.

Throughout the year, we continued a number of significant projects commenced in 2016-17. Through advocating for our residents in regards to both the PFAS and hydraulic fracturing issues, we have taken significant steps in protecting and safeguarding our community. New website and FaceBook pages have been created to enhance our ability to share information with and to receive feedback from members of the community.

We have achieved some incredible successes at the Visitor Information Centre. Despite reports of a downturn in tourist numbers, the staff have managed to produce consistent, record breaking sales. Their professionalism and performance were recognised by being awarded a Chamber of Commerce, Customer Service Award.

A major review of the way Council operated was undertaken. The information gained from this process and the improvements made to the structure and way Council staff conduct business, will enhance the capacity to service the needs of residents. It enables Council to move forward into the future with renewed confidence, especially in regard to long term financial planning and management of Council assets. The new organisational structure can be viewed on page 16.

Considerable time and effort went into developing strong strategic partnerships with the Northern Territory Government and other major stakeholders, to secure priority project funding for several revitalisation and redevelopment projects. These include enhancing the CBD Revitalisation Project, Historic Railway Bridge and Ryan Park, developing a Neighbourhood Centre in Katherine East, upgrading the Sportsgrounds and the Showgrounds, giving the Hot Springs a face-lift and taking measures to protect the Katherine River ecology.

In time, these will contribute enormously to the quality of life for people both in Katherine and in the broader Big Rivers Region, as well as enhance the experience of tourists and promote the area to the world. We are excited with the innovative and professional work done in planning for these new projects and appreciate the participation of the community in the many consultations that were conducted. We look forward to commencing work on these amazing projects during 2018/19.

Thus we come to the new year. I look forward to working with my colleagues and Council staff, to promote a vibrant and prosperous Katherine. We are intent on listening to you, our community, in order to continue to deliver excellent results and enriched community relationships. I sincerely thank all our staff and volunteers who work so hard to deliver the results we are all proud of and especially for their integrity, attitude of service and caring for our community. There are exciting times ahead for Katherine with some significant developments planned. The future of Katherine as a centre for our region and the Northern Territory is growing brighter with the positive attention and energy that we are now attracting as we achieve our potential in partnership with our community, Northern Territory Government and all our stakeholders.



A handwritten signature in blue ink, reading 'Fay Miller'.

**Fay Miller**  
**MAYOR OF KATHERINE**

## Elected Members

Seven (7) Elected Members govern Katherine Town Council. The Mayor and six (6) Aldermen are elected for a term of four (4) years.

At the commencement of the term of this Council, a decision was made to appoint persons to the office of Deputy Mayor as required by the *Local Government Act*. This decision determined that all Aldermen would be appointed to the position on a rotational basis for a term of eight months each.

### Elected Members



**Deputy Mayor Toni Tapp Coutts**

**Phone: 0419 839 033**

Email: [toni.tapp-coutts@ktc.nt.gov.au](mailto:toni.tapp-coutts@ktc.nt.gov.au)



**Alderman Peter Gazey**

**Phone: 8972 2601**

Email: [peter.gazey@ktc.nt.gov.au](mailto:peter.gazey@ktc.nt.gov.au)



**Alderman Lis Clark**

**Phone: 8972 2180**

Email: [elisabeth.clark@ktc.nt.gov.au](mailto:elisabeth.clark@ktc.nt.gov.au)



**Alderman Matthew Hurley**

**Phone: 0459 929 790**

Email: [matthew.hurley@bigpond.com](mailto:matthew.hurley@bigpond.com)



**Alderman Jon Raynor**

**Phone: 0447 844 827**

Email: [jon.raynor@ktc.nt.gov.au](mailto:jon.raynor@ktc.nt.gov.au)



**Alderman John Zelley**

**Phone: 0417 355 957**

Email: [john.zelley@ktc.nt.gov.au](mailto:john.zelley@ktc.nt.gov.au)



## Executive Summary

Katherine Town Council's mission is to provide a sustainable and prosperous environment for the people of the Katherine Region through enhancing economic growth and opportunity, social wellbeing and goodwill and environmental protection and rehabilitation.

During the last financial year, Council has worked on improving the way we do business, to deliver on a multifaceted approach of good governance, introduction of industry standard best practices and implementing long term financial planning and sustainable management of Council and community assets.

Council has strengthened relationships within the community and developed a strategic partnership with the Northern Territory Government to undertake planning of and securing vital funding for several infrastructure improvements and developments. The projects that will flow from this work will promote the local tourist industry, enhance social and recreational opportunities for residents and foster business opportunities within the town.

This 2017/18 Annual Report provides general information on Council's organisational structure and function; constitutional arrangements; responsibility for record keeping; privacy and information statement; record types held by Council; financial management requirements; Council service delivery commitments; and updated action plans for each of Council's department. This Report also provides an overview of the many activities Council have successfully undertaken during the year and previews a number of strategies and projects that have progressed through the planning and consultation stages and are moving into the development and action phases.

During the year, Council were involved with many engagement and advocacy activities which resulted in positive outcomes for the Region. Some of the highlights are:

- Successful funding for the majority of the Great 8 projects for Katherine, which saw several NTG funding grants totalling \$11.4 M awarded to Katherine for the revitalisation of the CBD, upgrades to the Sportsgrounds and the Showgrounds and the development of a Neighbourhood Centre in Katherine East.
- Growth of positive relationships with the Federal Government, Defence and Northern Territory Government around PFAS, resulting in the delivery of a water filtration plant by NT Power and Water and a commitment from Defence to further mitigate contamination levels in 2018/19.
- Successful lobbying for the municipality of Katherine to be included in the Frack Free areas of the Northern Territory.
- Engagement with Department of Infrastructure Planning and Logistics and the Department of Environment and Natural Resources, to investigate the need for a new site for the Waste Management Facility for Katherine and to develop long term recycling strategies for Katherine and the Region.

The year ahead promises to be an exciting year in which the many projects planned to enhance and protect the Katherine community will begin to produce benefits that all residents will be able to enjoy and share.







## Purpose

This report is constructed to outline Katherine Town Council's financial activity for the 2017/2018 Financial Year and reflect on Council's performance in achieving its objectives as outlined within the 2017/2018 Katherine Municipal Plan. This report includes financial records that give a true and fair view of Council revenue and expenditure, and also includes a review of its assets and liabilities as at the end of 2017 /2018 financial year.

This report has been produced in accordance with the Local Government Act, specifically meeting the requirements as set out in Chapter 4 – Part 4.1 – Division 2 – Clause 30 (2), Chapter 10 – Part 10.7 – Clause 131 and Chapter 14 – Part 14.1 – Clause 199.



## About Katherine

The town of Katherine is often called the 'Crossroads of the North' because of its central location being easily accessible for travellers coming from all directions of Australia. Katherine is the fourth largest town in the Northern Territory and is located 312km south-east of Darwin on the banks of the Katherine River. Katherine is a beautiful town where the outback meets the tropics with a region full of gorges, waterfalls, thermal springs and ancient culture.

With a population of 11,158 people, Katherine is a thriving regional centre that offers a wide range of services to communities from the Western Australian border to the Gulf of Carpentaria on the Queensland border. The municipality of Katherine covers a region of 7,416km<sup>2</sup> and is located on the beautiful Katherine River, offering excellent fishing, walking and cycling trails and recreational parks and reserves. The Katherine region is 326,326km<sup>2</sup>, larger than the Australian state of Victoria. The total population of the region is just over 21,000 people of which 52% identify as Indigenous.

The Katherine Town Council happily and cooperatively work in conjunction with the surrounding Regions, such as Roper Gulf Regional Council and Victoria Daily Regional Council, to deliver services such as Waste Management and community wellness to Katherine and its surrounding communities.

Katherine is a meeting place for people from around the region. The Katherine community offers a mixture of unique cultures. There are three key Aboriginal groups in close proximity to Katherine, these are the Dagoman, Jawoyn and Wardaman people. These groups lived a semi-nomadic lifestyle and intermarried with other clans in line with cultural laws.

The wider Katherine region incorporates over 30 language groups. Languages most commonly spoken in the region include Gurindji, Nganinyman, Nunggubuyu, Mayali, Rembarrnga and Dalabon, with some languages spoken now by a small number of elders. Kriol is the most widely used language in the Katherine region, with different variants spoken in the east side and west side of the region.

Katherine's unique outback lifestyle is a jewel in the crown of the Northern Territory way of life, with the peak tourist season being during Katherine's 'dry' season between May-October, where the weather is a desirably cooler. Katherine has much to offer travellers from all corners of Australia and the world. Whether it be caravanners coming from down South, or the international visitors coming from overseas, Katherine has a wide variety of natural attractions, cultural integration, history, nature, delicious local cuisine and adventures to make Katherine a growing tourist destination for travellers everywhere.

**POPULATION**  
**11,158**



**AVERAGE AGE**  
**35**

**MUNICIPAL SIZE**  
**7,416km<sup>2</sup>**



## About Katherine Town Council

Council is dedicated to providing a sustainable and prosperous environment for all throughout the Katherine Region by ensuring continuous growth, providing opportunity and remaining tolerant. The tools Council use in setting the future goals and direction of the Katherine Municipality are through the development of major strategic plans, including the Katherine Municipal Plan, the Katherine and Big Rivers Region Master Plan, the Great 8 of Katherine, the Sports and Showgrounds Master Plan, Long-Term Financial Plans and more.

Council's strategic planning shapes the delivery of works and services on a day-to-day basis and in the long term by providing clean direction, vision, key deliverables, milestones, budgets and other necessary information Council needs to assess and use to validate major decisions being made about the Katherine Region.

Council provides and maintains over \$146M worth of community infrastructure which includes roads, drainage, sporting venues, community facilities and more. Council ensures it looks after the health and wellbeing of the Katherine community by public health initiatives such as mosquito and pest control, noxious weed control, and animal management. Council also provides the community with recreational facilities including the Sportsgrounds, Showgrounds, Skatepark, recreational parks, the Aquatic Centre and more. Additionally, Council provides a number of annual community events and activities for the benefit of the community and the region through activities such as Territory Day, Australia Day, Come and Try Sports Expo, Carols by Candlelight and others.

### Ordinary Meetings of Council

Ordinary Meetings of Council are open to the public and community attendance is welcomed. Ordinary Meetings of Council are preceded by an Open Forum, at which community members can ask questions of their Elected Members from the floor or through a written submission. The Open Forum is often "live streamed" through the Katherine Times website and Facebook page.

When dealing with confidential matters, a 'Confidential Session' will be called. These sessions may involve matters of a legal, personal, or commercial nature. Confidential items are noted on the Agenda and the public do not attend these closed sessions.

Ordinary Council Meetings are held on the 4th Tuesday of each month commencing at 6.00 pm. The Open Forum commences at 5.30pm. Changes to this scheduling may occur with all alterations being advertised prior to the meeting.

### Australian Citizenship Ceremony

Citizenship Ceremonies occur prior to an Ordinary Meeting of Council. The families and friends of the conferees are encouraged to attend this important ceremony, which marks the final step to becoming an Australian Citizen. The Mayor presides over this service, which welcomes Australia and Katherine's newest citizens to the community.

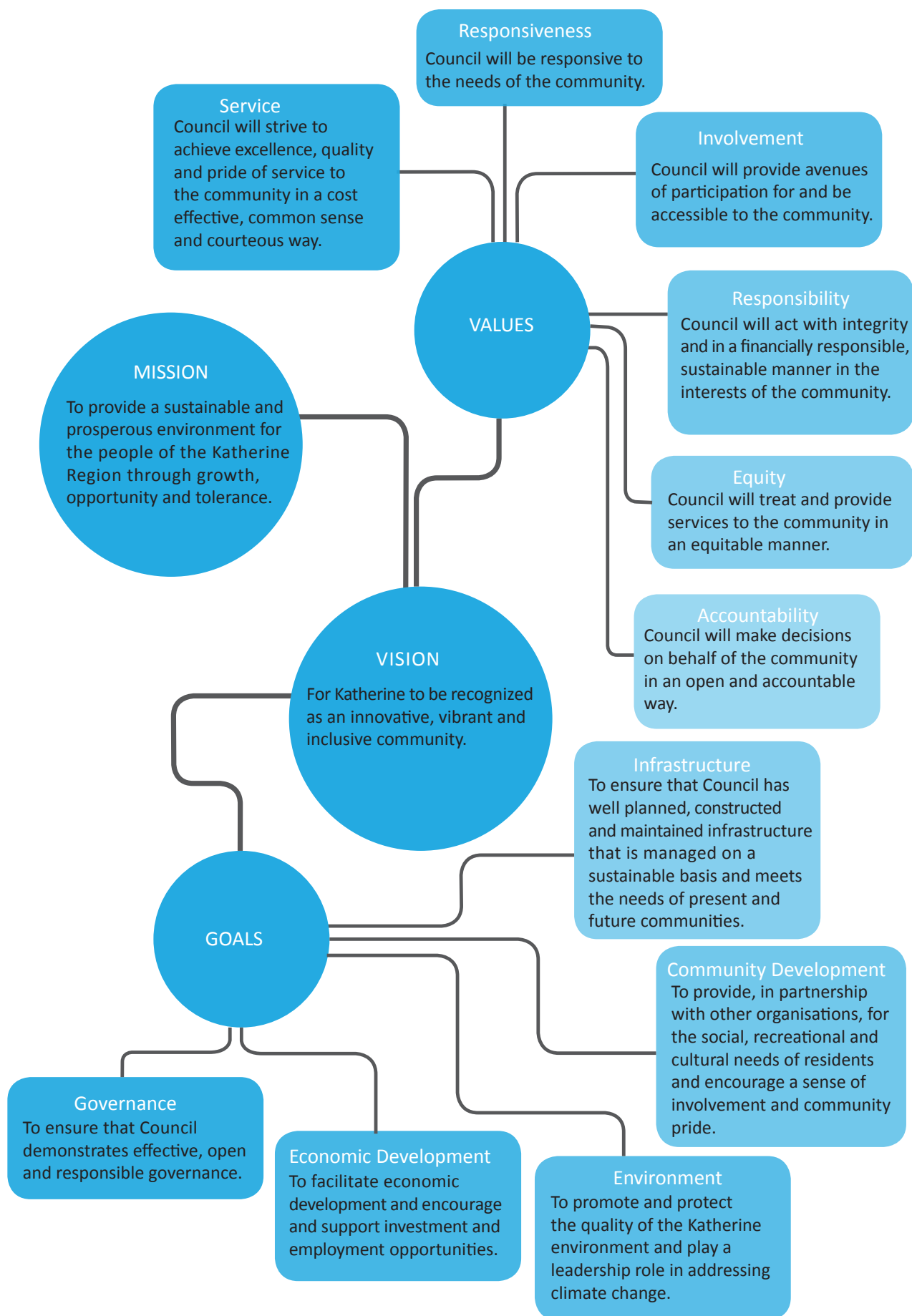
### Community Consultation

From time to time, Council will engage in community consultation. The consultations are designed to ask the community for input into matters relating to their town. Consultation meetings, workshops/surveys are advertised broadly to the entire community or through targeted marketing campaigns, where matters affect a smaller portion of the Community to reflect consultation methodology.

Council hosts several Advisory Group Meetings with representatives of specific user groups, for example, the Sportsgrounds and Showgrounds. At these monthly meetings, representatives discuss with Council their current needs and provide input into future planning models.

Consultation and Advisory meetings are a direct demonstration of Council's commitment to strengthening and enriching community relationships.





## Governance Structure and Organisational Systems

Katherine Town Council is constituted under the Local Government Act to be responsible for the local level of government and management of the Katherine Municipality.

The key functions of Council, as outlined in section 12 of the Local Government Act is to:

- Plan for the future requirements of its area for local government services;
- Provide services and facilities for the benefit of its area, its residents and visitors;
- Provide for the interests and well-being of individuals and groups within the council area;
- Carry out measures to protect its area from natural and other hazards and to mitigate the effects of such hazards;
- Manage and develop council facilities and services in its area in a sustainable way;
- Manage and develop for the benefit of its area all the resources available to the council;

Further to this information, Council's primary role and objectives are outlined within sections 11 and 13 of the Act.

Katherine Town Council is governed by a Mayor and six (6) Aldermen who are elected by residents of the Katherine Municipality.

## Constitutional Arrangements

In accordance with the requirements of Section 23 of the *Local Government Act*, Council undertook an electoral review in 2014/15, through the engagement of an external consultant, which assessed the adequacy of its existing constitutional arrangements, to provide the most effective possible representation for the council area.

The results of the review were adopted through a Council resolution and recommended to the Minister for the Department of Housing and Community Development. The Minister has acknowledged receipt of the review report, and also commended the Council for the preparation of a discussion paper and on conducting an elector survey. Council will next conduct a review in 2018/19.





Council’s organisational structure is outlined in page 16 of this document and displays the hierarchical arrangements of Council’s lines of authority, communications and area of responsibility.

Council under took an organisational restructure from May 2017 in which was finalised in March 2018. As a result, the organisational structures outlined on pages 15 and 16 show the structure of Council before and after the completion of the restructure.

**Information and Privacy Statement**

Katherine Town Council identifies as a public-sector organisation under the Northern Territory Information Act and has responded to the following information requests:

• Number of Freedom of Information requests opened as at 1 July 2017:	0
• Number of applications to access personal information:	0
• Number of applications to access Government information:	0
• Number of accepted application that were withdrawn:	0
• Number of unaccepted applications:	0
• Number of accepted applications that were finalised:	0
• Number of applications that are still open as of 30 June 2018:	0

The Northern Territory Information Act provides the community with the ability to access government information (which has not been deemed exempt) and protects the privacy of personal information held by public sector organisations, and it promotes efficient and accountable government through records and archives management.

Individuals have the right to access any of their own personal information which is held by the Council, as long as it is in the public interest to do so. Individuals also have the right to correct personal information held by Council.

**Types of Information Held by Council**

The Council holds a wide range of information that is stored in hardcopy documents or electronically. Council regulates, retains and disposes of information in accordance with various legislative requirements and can be broadly divided into the following categories:

- Information about the day-to-day operations of the Council;
- Personal information about staff and Alderman;
- Information related to investigations of complaints about staff, Alderman or the Council’s operations;
- Information about the management of the Council, including strategic and operational;
- Planning, contracts, memoranda of understanding, legal advice, financial reports and asset databases; and Information related to rates.



## **Accessing and Correcting Information held by Council**

People can access their personal information and make changes at no cost. This must be arranged in advance and the process can be started by emailing [records@ktc.nt.gov.au](mailto:records@ktc.nt.gov.au). Individuals can make an application for information under the Information Act in order to access information about Katherine Town Council.

Further information is available on Council's website at <http://www.ktc.nt.gov.au/Your-Council/Publications-and-Policies/freedom-of-information-privacy>

## **Financial and Other Records Management**

The Katherine Town Council complies with Part 9 of the Local Government Act to ensure that financial and other records are properly made and maintained.

## **Financial Assistance & Roads to Recovery Grants**

We acknowledge the receipt of the Financial Assistance Grant and Roads to Recovery Grants from the Commonwealth.

These grants play a significant role in the long-term financial sustainability of the Council. The grants are critical in facilitating the delivery of essential services for the community.





# Council Service Delivery

## Principle Activities

Katherine Town Council provides a wide range of services for the benefit of the community which are listed below.

### 1. General Public Services

- Rates
- Administration Services
- Electronic Data Processing
- Elected Members
- Public Debt Transactions
- Grants
- Consultative Services

### 2. Public Order and Safety

- Regulations
- Dogs and other Animals
- Fire Control
- Car Parking
- Counter Disaster

### 3. Environmental Protection

- Noxious Weeds
- Mosquito Control
- Waste Management Services
- Litter Control

### 4. Housing and Community

- Community Safety Advocacy
- PFAS Community Consultation
- Crime
- Amenities
- Cemetery
- Katherine East Early Learning Centre
- Katherine East Child Care Centre
- Housing
- Stormwater Drainage
- Public Toilets
- Binjari
- Street Lighting
- Street Sweeping

### 5. Recreation and Culture

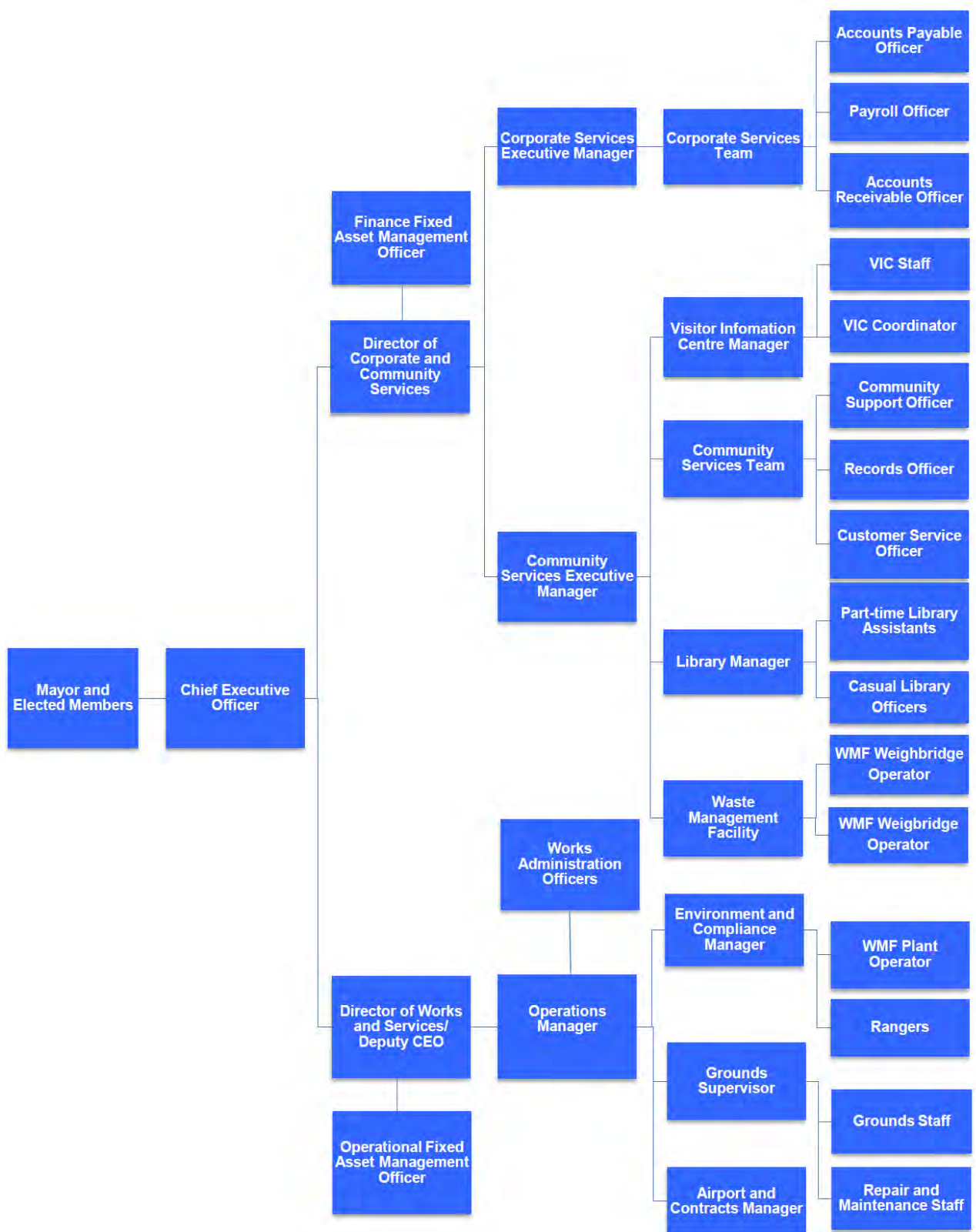
- Community Halls
- Sporting Venues
- Playgrounds and Aquatic Centre
- Parks, Gardens and Reserves
- Museum
- Library Facility
- Community Services
- Other Recreational & Cultural Activities
- River Reserve
- School Holiday Program

### 6. Economic Affairs

- Economic Development Advocacy - Big Rivers Regional Economic Development Committee - CBD Revitalisation
- Bridges and Culverts
- Kerbs, Guttering and Driveways
- Footpaths and Cycleways
- Nature Strips
- Town Square
- Traffic Management
- Katherine Airport
- Plant and Machinery
- Depot
- Visitor Information Centre
- External Contracts
- Municipal Depot
- Waste Management Depot
- Civic Centre



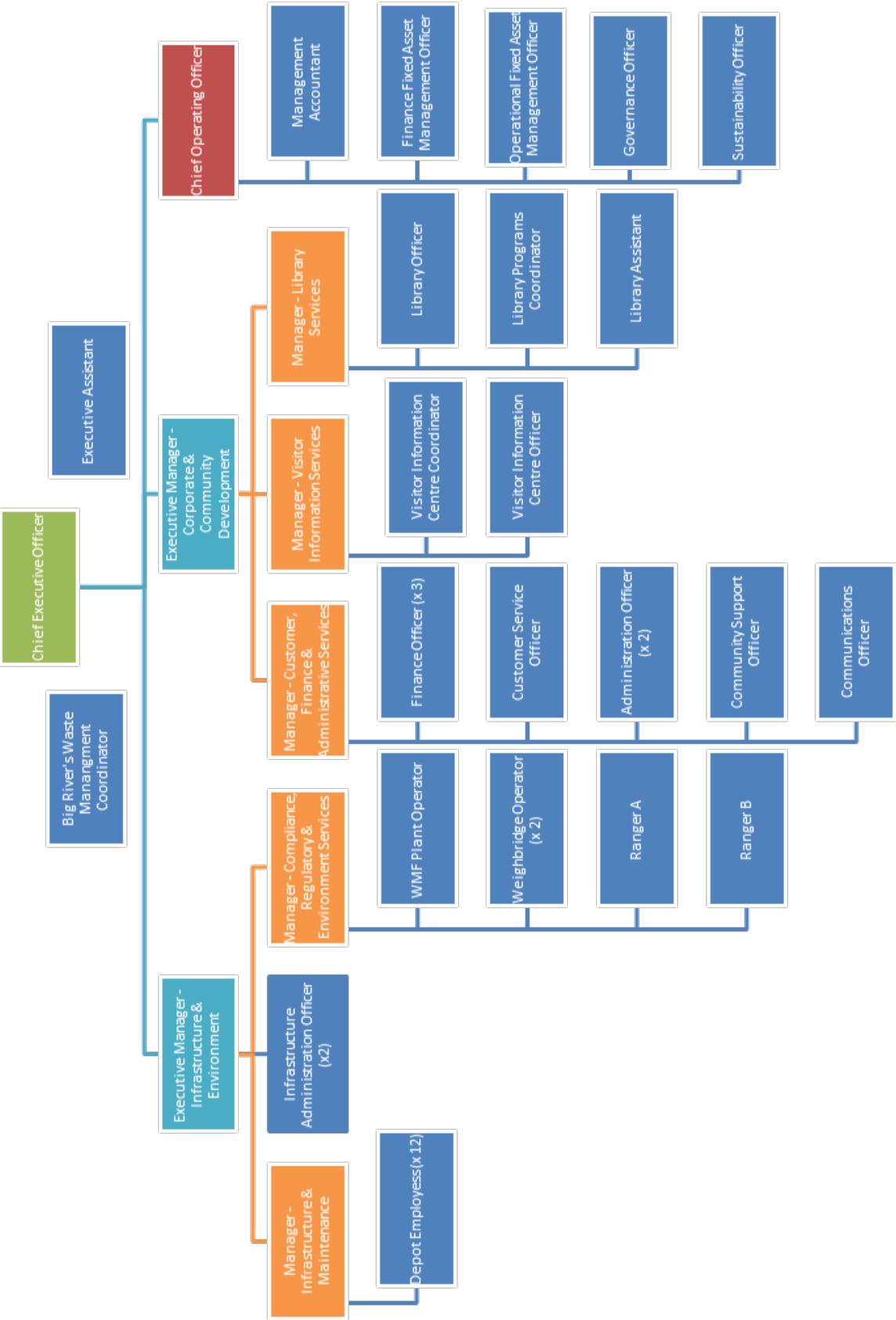
## Organisational Structure July 2017 - April 2018





# Organisational Structure

## May 2018 - June 2018



## Municipal Plan Action List

### Officer Title Key:

LT = Leadership Team

CEO = Chief Executive Officer

XMCCS = Executive Manager – Corporate & Community Development

XIE = Executive Manager – Infrastructure & Environment

LM = Library Manager

VICM = Visitor Information Centre Manager

PC = program Coordinator

CO = Communications Officer

DIPL = Department of Infrastructure, Planning and Logistics

Item	Action	Officer	Status
Opportunities & Challenges - Governance	Support and progression of projects and services identified in the ten (10) year Infrastructure Plan.	CEO	All Major projects funded including CBD revitalisation (\$5M), Sportsground & Showgrounds upgrade (\$6.4M) and many more.
	Relationships – Indigenous groups	LT	Strong partnership with GYRACC, Nitmiluk Park Board, Nitmiluk Tours, RISE and Jawoyn Association.
	Relationships – Federal Government	LT	Partnership and advocacy work with Senators, Ministers and Departments achieved.
	Relationships – Roper Gulf & Vic Daly	CEO	Ongoing individual meetings and partnerships on the Big Rivers Regional Economic Development Committee.
	Develop Strategic Vision document	CEO	Refinement and implementation of Regional Master Plan and Great 8 documents.
	Asset Management Plan- ongoing	XIE	Majority of asset register formalised and initial condition assessments complete. Comprehensive Asset Management Plans for the airport and storm water infrastructure are in place.
	Long Term Financial Plan- ongoing	COO	The Long Term Financial Plan is regularly reviewed and updated.





Item	Action	Officer	Status
Opportunities & Challenges - Economic	Hot Springs Revitalisation Project	CEO	The project has generally progressed well overall, with the carpark construction completed and the pop-up café doing good business. There have been approval issues that are currently being worked through which may impact on the completion date of the project. A new grant submission has been put in for the playgrounds and disability/emergency access. This second grant submission was successful, gaining a total of \$1.4M for the project overall, thanks to the Department of Planning, Infrastructure and Logistics. The project is programmed to recommence works in early 2019.
	Katherine Logistics & Agri-business Hub	CEO	After lobbying, this project was adopted by the DIPL and funding of \$30M was identified. A business case is being developed with Council supporting the process where possible.
	Savannah Way Revitalisation	CEO	Advocacy on this project from a tourism perspective is being heard
	Railway Terrace Project – ongoing	CEO	Project now funded as part of CBD revitalisation for \$5M.
	Katherine East Development	CEO	The planning amendment for the Neighbourhood Centre was adopted by the Department of Lands, Planning and Logistics. This project is being progressed by the Department of Infrastructure, Planning and Logistics.
	Katherine Civil Airport	XIE	The resealing of Katherine Airport's apron was completed in June 2018 including a newly designed linemarking layout to improve the safety and efficiency of aircraft parking and movements.
	Katherine Region Master Plan advocacy	CEO	6 Projects from the "Great 8" document are now funded.
	Hydraulic Fracturing	CEO	Advocacy continues as per Council meeting minutes.
	Project Sea Dragon	CEO	Project environmental approval obtained.
	Katherine Sport & Rec redevelopment	CEO	Project now funded for \$6.4M including showgrounds upgrade.
Opportunities & Challenges – Community	Strategic Community Plan (18/19)	XMCCS	Works to commence in 2018/19.
	Flood Mitigation Committee Plan (ongoing implementation)		Through membership on the Katherine Emergency Committee, individual projects such as the Railway Bridge camera, with viewing accessible by the Katherine Town Council website, and other key projects are being progressed. Council was successful in receiving grants for a backup generator and extra diesel fuel tank at the Depot.
	POSI & BDR		Strong support for the program has been delivered by the new Labor government that outlines the success of the scheme, whilst identifying areas for improvement. In a meeting with the Mayor and the CEO, the Police Commissioner has supported the program quoting a potential 60% increase in crime in three months if the program was removed.
Opportunities & Challenges – Environment	Weed eradication	XIE	Eradication ongoing and inclusive of the Waste Management Facility.
	Waste Management Facility	XIE	Planning to close and rehabilitate the existing Waste Management Facility in the coming years is underway. Research of alternative waste management options is occurring.

Item	Action		Officer	Status
Works & Services – Goals and Key Performance Indicators	Supporting Council's mission of building a strong, sustainable and prosperous community through best practice for service delivery.	Leight Creek (Emungalan) Bridge – ensure that the land acquisition and the geo-testing is completed in order to complete the bridge design which will enable Council to fully expend and acquit the grant funds by the end of the 2017/2018 financial year.	XIE	KTC has proposed not altering tenure of the land, but for the creek crossing to remain crown land, as there would be no inherent impact on access to and use of the area by indigenous peoples wishing to pursue activities in line with native title rights. KTC has proposed that the actual bridge itself remain the 'property' of the NTG, while an arrangement be made with Council to provide the on-going care, control and management of the bridge. This is in line with other parcels of crown land that come under the care, control and management of Council.
		Street lighting – ensure the changeover to LED street lighting is completed by the end of the 2017/2018 financial year.	XIE	Transition now completed.
		Roads – that 63,000m <sup>2</sup> of roads are sealed with 100% of budgeted costs expended.	XIE	Resealing or roads budget for 2017/18 has been rolled into 2018/19 to gain economies in mobilisation costs.
		Footpaths – that 200LM of new footpaths are built.	XIE	130 l/m of footpath replaced on Harrod Street and 70 l/m at the top of the Hot Springs.
		Katherine Hot Springs – complete the works and the construction of the proposed project by the end of 2017/2018 financial year	CEO	The project has generally progressed well overall, with the carpark construction completed and the pop-up café doing good business. There have been approval issues that are currently being worked through which may impact on the completion date of the project. A new grant submission has been put in for the playgrounds and disability/emergency access. This second grant submission was successful, gaining a total of \$1.4M for the project overall, thanks to the Department of Planning, Infrastructure & Logistics. The project is programmed to commence again in early 2019.
		Binjari Community – ensure that the planning and construction of an AFL sized oval (dependent on funding) commences by the end of the 2017/2018 financial year.	XIE	Planning and design of the oval and required road realignment has been completed. Proposal has been passed onto relevant funding bodies for their review.



Item	Action		Officer	Status
Works & Services – Goals and Key Performance Indicators	Ensure policies, procedures and processes are transparent.	Ensure consistent attendance of community members and elected members at Sportsground and Showground Advisory Consultation meetings.	XIE	Regular attendance at meetings from community members has shown a decline, with some key user groups not participating at all. Council will be exploring ways to reverse this trend as there is a lot of upcoming development at these facilities that will need input from all users.
		Continue to record the number of complaints lodged and successfully resolved – ensure that 95% of these recorded complaints are resolved.	XIE	All complaints recorded in our records management system Magiq and immediately tasked to relevant officers. 95% resolution is achieved for requests to repairs and maintenance to Council infrastructure within the timeframes of our customer charter. Still reviewing options to improve the system for tracking and handling of longer term planning requests that can't be addressed immediately.
	Improve strategic planning for the department.	Produce a Works & Services Department strategic plan with the full participation of department employees by the end of the 2017/2018 financial year	XIE	In Progress.
		Ensure legislation and regulations are being met.	XIE	Ongoing.
	Provide relevant information to the community to ensure that Council has the capacity to meet agreed service and infrastructure needs and absorb unforeseen expectations.	That customer service satisfaction remains at the current rate.	XIE	Progressing and on track
		That contracted services budgeted costs are 100% expended.	XIE	Progressing and on track
		That budgeted service delivery items are 100% expended.	XIE	Progressing and on track.

Item	Action		Officer	Status
Corporate & Community Services – Goals and Key Performance Indicators	<p>Improve and strengthen working relationships between Northern Territory Government and Katherine Town Council.</p> <p>Continue to explore opportunities for links between Katherine Town Council, Regional and Municipal Northern Territory Council's, NT government and Federal Government.</p>	<p>Ensure reform through opportunities for capacity building through strengthening partnerships and relationships.</p>	XMCCD	<p>2017/2018 has been an excellent year for Council in creating and strengthening partnerships within the community. Council has and will continue to work closely with a number of Government Department across various areas. Highlights include inclusion of the DIPL River Camera onto the Council website in 2017, assistance in coordinating and promoting the school holiday programs with DCM, progression of suicide prevention and awareness information across the community and other various funding opportunities.</p>
	<p>Continue to maintain relationships with all stakeholders.</p> <p>Complete annual audit of department resources.</p>	<p>Funding methodologies reflect long term improvements.</p>	XMCCD	<p>Progressing. Council undertook consultation with staff and a restructure was conducted in early 2018 to help assist with long term improvement and departmental resources.</p>
	<p>Coordinate good practice. Continually improve community awareness and access to services. Encourage, support and facilitate the development of Principles of Governance for Katherine Town Council.</p>	<p>Continually build upon the framework for good governance and effective regulation.</p>	XMCCD	<p>The Governance Team continue to build upon a framework for good governance.</p>
	<p>Increase staff development and training opportunities - \$1,500 to be budgeted for each full time staff member</p> <p>HR Consultant to assist with the creation of new Values and Behaviours for Council employees and to also assist with the construction of a new performance review process.</p> <p>Implement mentoring program.</p>	<p>Build and strengthen the capacity of the Corporate &amp; Community Services Team</p> <p>Acknowledge Council's skilled staff that are fundamental to continually enable the community to access services. It is essential to develop and foster innovation and creativity that recognises staff achievements and value.</p>	XMCCD	<p>Progressing with staff development as a major priority identified in the restructure process.</p>



Item	Action		Officer	Status
Corporate & Community Services – Goals and Key Performance Indicators	Promote best practice approaches .	Ensure improvements to enable delivery of services within approved budget parameters	XMCCD	Ongoing. 2017/18 saw Council undertake a rebrand. This has been supported by increased visibility, communication and interaction with the community. Further, Council has also developed a new website, introduced social media and continuous improvement with stakeholder engagement.
	Annual review of code of conduct and associated outcomes.			
	Update social media policy and procedures.  Update communication strategy annually.			
	Encourage, support and facilitate good working relationships.  Integrated communications.  Long term strategic planning.	Develop a united relationship within Council	XMCCD	This item is progressing in line with the recent organisational restructure and introduction of regular Leadership Team & Extended Leadership Team consultations.
	Hold quarterly Financial and administration workshops & in-house training.  Annual review of Corporate policy, procedures and practices to assist in implementation of the Annual financial reviews.  Continue to develop and update financial policies. Continually promoting good financial practices.  Ensure Council and community interests are represented.  Provide annual detailed budgets that supports Council's Municipal Plan.  Provide on an annual basis an outline of the financial position of Council for the next ten years indicating Council's long term financial sustainability.	Meet key financial indicators.	XMCCD	Council is meeting and exceeding financial indicator ratios. Council has received an unqualified audit report for 2017/18.  The 10 year Long Term Financial Plan has been reviewed and updated.

Item	Action		Officer	Status
Corporate & Community Services – Library - Goals and Key Performance Indicators	Further develop and promote the Indigenous Resources Collection.	Monitor circulation and resources collection – increase usage by 5%.	LM	This is an ongoing process.
	Monitor and assess new alternatives and emerging resource formats to ensure contemporary technologies are available to patrons, e.g. online audiobook access.	Raise professional profile by improving community awareness of library services by promoting through local paper, social media and in-house.	LM	This is ongoing throughout the year. This includes many events and programs the library offers.
	Participate in Territory wide committees and working groups to ensure the library service stays abreast of new industry developments and initiatives.	Attend two (2) meetings organised by Northern Territory Libraries.	LM	This financial year both the Library Manager and Programs Co-ordinator have attended working group meetings.
	Provide pathways for participants of story time and other popular children and parent sessions and to also engage in other Council services.	Patronage levels to be identified by surveys of participants – increase participation by 2%	LM	As of this financial year a survey has not been conducted. The survey is being updated.
		Provide relevant information such as flyers, posters by using emails, local paper, newsletters, letters.	PC	This is ongoing throughout the year.
		Delivery yearly calendar of community focused programs and events that increase reading and digital literacy.	LM and PC	A calendar is created every year in November for the following year.
	In partnership with Council and local schools, consult and engage with young people to identify and shape library and youth services that meet their needs.	Provide one (1) cultural program per calendar year.	PC	As of this financial year a cultural program has not been provided.
		Attend the Youth Forum	PC	Ongoing monthly.
		Participate in National Youth Week (NYW)	LM and PC	Preparations for NYW start at the beginning of the New Year.
	Address social disadvantage issues of local youth.	Provide free internet for youth.	LM	This is an ongoing service provided by the library.
	Enhanced integration of cultural programs, protentional for increase visits to library services.			



Item	Action		Officer	Status
Corporate & Community Services – Library - Goals and Key Performance Indicators	Undertake a usability review of the Library website to ensure that it is informative, accessible to all users and a point of access to the community's information needs.	Reviews will be conducted twice a year and recommendations implemented to ensure the Library page has easy access and has up to date information.	LM	Library Facebook page is constantly updated.
		New & emerging technologies will be introduced to enhance services when available and budget allows.	LM	When budget allows, new technology is introduced.
	Regularly consult with users and non-users; particularly hard to reach groups such as seniors, youth and people with disabilities.	Consult with regular users and community-based organisations.	LM and PC	All library staff are involved with consulting with regular users.
		Attend senior citizen meetings, youth focused committee meetings and make direct contact with disability services.		Attending meetings and direct contact are made regularly.
	Ensure all new library staff participate in Council's induction program, all training and professional development opportunities, and have access to best practice learning.  Review library staff and service profile to support alignment with effective service delivery and community expectations.	The improvement in the delivery of the Katherine Public Library mission through staff attendance.	LM	Professional development training is available to all staff where applicable.
		100% attendance at staff meetings held four times a year.		Complete and ongoing.
		Annual review of position descriptions.		This is yet to be completed.
		Annual review of strategic direction.		This is yet to be completed.
	Senior programs including IT support.	Work with Council and aged-care organisations e.g. make direct contact with senior and carers to accommodate to their needs (disability services are available).	LM and PC	This process is always ongoing.
		Provide a safe and welcoming environment (wheel chair friendly, adequate lighting, sturdy arm chairs, etc that are suitable to requirements).		

Item	Action		Officer	Status
Corporate & Community Services – Library - Goals and Key Performance Indicators	Effective governance and asset management	Participate in budget process to ensure efficient and effective financial planning (budget and assets).	LM	This process will begin early in 2019.
	Provide a safe environment. Provide a functional and welcoming environment.	Source alternative revenue opportunities including grants for senior programs and youth services.	LM	This is an ongoing service that the library delivers.
		Ensure maintenance is cost effective and work completed within 5 business days.		
		Ensure the library is safe and welcoming place (lighting is adequate and ensure easy access for all users).		
Corporate & Community Services – Visitor Information Centre - Goals and Key Performance Indicators	Raise awareness of tourism within the Katherine region across Australia and beyond.	Daily targeted marketing and re-marketing through several digital and print platforms (Google Search, Google Display Networks (GDN), Trade Desk Banners (Display and remarketing, Facebook remarketing lead generation).	VICM	Achieved through the implementation of KVIC branding campaign and call to action promotion. Further, KVIC increased visitor spend, despite decreased visitor numbers.
	Increase the value of visitor spend			
	Increase financial sustainability of the Visitor Information Centre	Healthy competition by implementing an internal rewards program.	VICM	Completed and proving successful.
		Update all computer programs and introduce a new POS system.	VICM	Completed through the introduction of the VEND Retail System.
	Improve customer experience	Innovative booking technology and new consulting strategy to reduce customer wait time within the KVIC.	VICM	Achieved through the introduction of internal and external (after hours) touch screen service, connected through Visit Katherine website.
		Provide updated brochures and information packs to customers.	VICM	Completed and continually reviewed.
		Increase staff development and training opportunities (hands on and online).	VICM	Achieved and continually progressing. The KVIC complemented local operator famils with monthly staff development and product update and program training.



Item	Action		Officer	Status
Corporate & Community Services – Visitor Information Centre - Goals and Key Performance Indicators	Improve customer experience	Full time and part time staff to actively participate in famils and visitor centre exchanges.	VICM	Achieved and continually progressing. The KVIC complemented local operator famils with monthly staff development and product update and program training.
		Ticketing system on arrival with a volunteer host to welcome visitors.	VICM	The KVIC was unable to implement the ticketing system in 2017/2018 however the inclusion of a volunteer and the ability to facilitate floor based consultations through a portable POS station assisted in achieving improved customer experience.
		Make use of the outdoor are for visitors to wait around in and double the consulting stations i.e. Three (3) on the floor and three (3) at the Counter.	VICM	The success of the external café has added value for patrons of the Visitor Centre. Increased consulting ability through portal consultation stations for group bookings during heavy demand periods.
	Improve business relationships, innovation and sustainability both internal and external	Actively participate in committees relating to tourism.	VICM	Achieved and ongoing.
		Organise regular meeting with all local operators, providing updates and feedback, sharing new ideas.	VICM	Achieved. Ongoing development and strengthening of relationships within the industry.
		Consistently update the VIC website and also update the brand image and style guide for the KVIC.	VICM	Completed and continually reviewed.
		Targeted social media marketing and consistent remarketing internal staff highlighting achievements, discussing feedback, brainstorming.	VICM	Achieved and ongoing with the development of a long term marketing strategy in 2018/19
		Annual review of all policies and procedures.	VICM	Completed and ongoing.
		Engagement and contact with Tourism Top End and Tourism NT	VICM	Positive and strong collaboration was achieved and will be ongoing.
		Use Council as a communication network and public consultation process	VICM	Achieved and ongoing.

## Corporate & Community Services

### Introduction

Corporate and Community Development team has achieved noteworthy outcomes for the Katherine Town Council and the Katherine Community during 2017/18 through diligent staff, effective management and a strong focus on stakeholder engagement.

Service highlights include:

- Record sales by the Visitor Information Centre Team. The outstanding sales team has achieved this milestone despite decreased tourist numbers through increasing the conversion rate of sales.
- A completely revamped Visit Katherine website that makes it easier for visitors to find the website, is vibrant, modern and customer friendly.
- Full implementation of the Katherine Town Council website and integration as a continues display of the Katherine River Camera (DIPL asset)
- Continued growth in Community participation of Council events.
- Extending the implementation of our communications strategy through social media.
- Strengthened relations with community stakeholders.
- Enhancing our capacity to ensure compliance with applicable laws, regulation, rules and agreements, to preserve the integrity and reputation of Katherine Town Council.
- The external financial auditor commendation of Katherine Town Council's prudent and responsible approach to financial management.

### Corporate Information Technology

During 2017/18 Katherine Town Council began reviewing all aspects of our technology needs to ensure effectiveness, efficiency and value for money. Opportunities to improve services have been explored with ongoing review and possible implementation in 2018/19.

### Financial Services

Council received an unqualified audit from an external auditor. During the 2014/2015 financial year Council's Corporate Services Department engaged a new auditor to ensure that Council retains best practice adherence and improves its future risk and financial management systems over the coming years.

The audit committee meets regularly to provide a review and advise of financial management. Both the external auditor and audit committee support continuous improvement in our financial position.

## Corporate & Community Services

### Human Resources

Council's current workforce has since grown from 38 full time equivalent employees to 42 full time equivalent employees in the space of one (1) year, in addition to the number of part time and casual staff employed by Council. This was following the identification of available resources outlined during the organisational restructure and the increase of works needed throughout the Katherine Municipality following Council receiving major capital grant funding to undergo major upgrades to numerous Council facilities. The restructure allowed Council to identify opportunities for organisational growth and has since started recruiting positions to fill gaps in services and key functions of Council.

The purpose of the restructure was to better align reporting requirements to suit the needs of the Council, reduce the silo effect and address key concerns for the gaps in Council's delivery of services. This resulted in significant changes being undertaken to Council's service departments, where the Community Services and Works and Services departments were renamed and undertook changes to better suit the needs of Council. In addition to this, Council created a Strategic Planning and Governance Services department which oversees and undergoes Council's long-term financial and strategic planning, compliance requirements, human resources services, asset management, project management and sustainable services.

With the completion of the restructure, Council has undertaken reviews and process changes to every-day HR practices. This was initiated once the Strategic Planning and Governance Services department was established and the role of Governance Officer was created to provide high level human resources services while overseeing and undertaking HR processes for recruiting, disciplining and counselling employees, developing compliance frameworks and other strategic human resource systems to assist Council in achieving its goals.

With the introduction of the Strategic Planning and Governance services department, Council has continued on work done by Helen Reeve, the Founder and Director of Frameworks for Change, a consultant engaged in September 2016 to review and implement improved performance frameworks for employees. Ms Reeve's work provided Council with sound performance management and appraisal frameworks in which were developed further to include individual employee Work Plans. Currently these Work Plans are being implemented for high level responsibility positions to provide employees with guidance on their expected outcomes and allows Council to track and monitor employee's success in achieving their role's deliverables. Council aims to have integrated Individual Work Plans for all employees to monitor and assist in employee performance management by the end of 2019.

In February 2018, Council started negotiations to renew the Enterprise Agreement which is due to expire in September 2018. Employees have nominated their bargaining representatives who represent them during meetings.





## Corporate & Community Services

### Council Facility Hire

Through the provision of community facilities Katherine Town Council was able to support over 130 community groups, government departments and not-for-profits in providing space for recreational activities, information sessions and delivering essential training.

In the 2017/2018 financial year Katherine Town Council provided 30 local community groups with access to sporting and recreational facilities on a seasonal basis. Further, Council was able to provide one-off facilities for day hires on 101 occasions across varying locations.

FACILITY	SEASONAL HIRES	DAY HIRES
Katherine Sportsgrounds	17	7
Katherine Showgrounds	10	18
KTC Civic Centre	0	53
Misc Park/Gardens	3	23
<b>TOTAL</b>	<b>30</b>	<b>101</b>

It is estimated usage at Council sites is in excess of 365,000 attendances per year through player and spectator attendance at sporting competitions and attendance and participation in community events.





## Corporate & Community Services

### Community Events

Katherine Town Council has had a busy and successful year of events with increased community participation across the board.

#### 2017 Carols by Candlelight

The annual Carols by Candlelight, held in December each year, has gone from strength to strength with even more community engagement occurring. After the 2015 Carols by Candlelight, Council's Community Support Officer formed a sub-committee to assist in the co-ordination and management of future Christmas events, this initiative has been a great success so far with the 2017 Carols by Candlelight being a well attended and enjoyed event.



#### 2018 Come and Try Sports Day

The Come and Try Sports Expo was once again a great event with plenty of community attendance. The event was organised in partnership with the YMCA and was held inside at the YMCA Skate Rink. Thanks to the staff of the YMCA for assisting in ensuring that the event was well run. The event was strongly attended by both sporting and recreational groups and members of the community with a lot of positive feedback received. The event demonstrated the importance of sporting groups within small communities, particularly those with transient population.

#### 2018 ANZAC Day

The ANZAC movie night was held at GYRACC Amphitheatre lawns, the movie The Water Diviner was shown on the big screen. The Scouts held a fundraiser BBQ and helped out by handing out free popcorn. Families brought along picnic rugs and food and sat on the grass to enjoy the movie.

#### 2018 Australia Day

The 2018 Australia Day celebrations were held at the Godinymayin Yijard Rivers Arts and Culture Centre. Australia Day Ambassador, Dylan Lewis and Previous Member for Katherine, Mike Reed were key note speakers for the event. This special day also saw the awarding of Young Citizen of the Year, Citizen of the Year, Community Event of the Year as well as welcoming new Australian Citizens.



## Corporate & Community Services

### Community Engagement

Our community services are dedicated to facilitating collaborative relationships, advocating for and enabling a flourishing Katherine community and supporting community interests and events.

2017/18 saw the continuation of The Festivals of the Dry marketing strategy. The Festivals of the Dry concept sees the Council take a step back from event organisation, instead diverting its resources into assisting community groups to advertise their community events by use of an event calendar, as well as the incorporation of these events into the “Whats On” Calendar on the Katherine Town Council website.

Katherine Town Council's Municipal Plan identified the commitment to more youth related community engagement projects. As a result of this commitment, in collaboration with the Youth Interagency Tasking and Coordination Group (YITCG) Council are engaging closely with youth related organisations across the Katherine Region. Council have begun designing and implementing a marketing strategy for the School Holidays throughout the year. The aim of the marketing strategy is to better advertise the amazing events happening in Katherine throughout the school holidays and help get young people engaged and interested in attending events. The programs continue to receive highly positive feedback from the public.

Katherine Town Council continues to reach out and engage with community and stakeholders to create enriching relationships to the benefit of the community.

**Katherine School Holiday 2018 Program**

**Find out more.....**

This October holiday get ready for an amazing lineup of fun activities including, arts, gaming, movies and more!

Get your FREE School Holiday Program from the Katherine Town Council, Library, local business and/or download a copy from the Katherine Town Council website [www.katherine.nt.gov.au](http://www.katherine.nt.gov.au)

Proudly Sponsored by:

- NORTHERN TERRITORY
- KATHERINE REGIONAL COUNCIL
- Kentish
- Anglicare NT
- Somenville
- YITCG



## Corporate & Community Services Division Report

### Library

Katherine public Library is a well-established and vibrant facility that is conveniently located on the First Floor, Randazzo Building, Katherine Terrace. The Library caters for the residents of Katherine, surrounding regions and visitors.

#### The Library offers the following services:

- Items for loan – books, DVD's, magazines, Spoken Word (CD) and Music;
- Reference services
- Computer access – including wireless internet (free for 1 hour per day)
- Membership – country borrowers, temporary borrowers
- Broadband for Seniors – Free to Australian Seniors Card holders
- Facsimile services
- Scanning services
- Photocopying
- Binding and laminating services

#### In addition, the Library also provides the following regular services:

- Story Time for Children (3-5 years)
- Wriggle & Rhyme for Babies (0-2 years)
- Annual Teddy Bears Picnic
- Frillies Reading Club
- School Holiday Program
- Youth Week Events
- School Visits
- Senior Citizen's Computer courses
- Greensnaps Photography Exhibition
- Seed Library

The Katherine Public Library now offers exhibition/gallery space for local artists at no cost.



New  
Programs

Increased  
Participation

## Corporate & Community Services

### Katherine Public Library

Per calendar year the following table is a summary of the usage of Library services

KATHERINE	2016	2017	2018
People Counter	35,102	37,002	35,645
Active Patrons	2,071	1,768	2,256
Inactive Patrons	1,060	N/A	N/A
Computer Usage	3,204	4,619	4,482
Story Time	1,761	2,029	1,573
Wriggle & Rhyme	1,864	2,104	1,407

Active patrons are those who have used their library card in the last two years.

Circulation statistics on a calendar year basis are as follows:

TYPE OF ITEM	2016	2017	2018
Adult	28,954	13,996	15,166
Child	7,032	4,877	4,960
Country Borrower	1,301	573	438
Temporary	302	91	60

The Library is partially subsidised by the Northern Territory Government between Council and the Northern Territory Library Information Service.

The financial position of the Katherine Library can be summarised as follows:

ITEM	2017/2018	NOTES
Operations	\$376,831	
Rent	\$110,000	Paid by Northern Territory Government
Depreciation	\$2,037	
<b>TOTAL</b>	<b>\$488,868</b>	
NT Government Subsidy	\$367,617	Including rent
KTC Contribution	\$121,251	

The above figures do not include capital. The cost to Council of operating the Library is on the increase as a result of a reduction in NT Government library grants to Municipal Councils and an increase in operating costs such as salaries.



## Corporate & Community Services

### Visitor Information Centre

**\$1.29M**  
Sales

**113,723**  
Visitors



The Katherine Visitor Information Centre (KVIC) currently provides full access to all tourist operators and businesses in an unbiased manner. Tours, scenic flights and accommodation bookings are made through the Visitor Information Centre (VIC), with the standard commission rate of 12.5% and 10% for Nitmiluk flights. Information on local services such as auto and caravan repairs, medical, hair, beauty, massage requirements, and more are also provided.

The Visitor Information Centre's accreditation as a Tourism Accredited Provider is due for renewal in December 2018 for 2019.

The Visitor Information Centre achieved \$1,290,728.00 in sales through both bookings and retail sales during 2017/18 with 113,723 visitors accessing the VIC services during that time.

Tourism NT, Tourism Top End and the Katherine Town Council has a strong and mutually supportive partnership. In addition to Tourism NT supporting the Visitor Information Centre under a funding agreement, Tourism NT also assists through the Local Tourism Advisory Committee (LTAC) to enable the Katherine Town Council, Visitor Information Centre and local tourism operators to increase tourism for the Katherine region. The relationship between Katherine Town Council, Tourism NT and Tourism Top End is highly valued and we work constructively with each other to ensure that the delivery standards are maintained and improved where required.

The Katherine Visitor Information Centre is funded by Katherine Town Council and we acknowledge the valuable funding support from Tourism NT during 2017/18 of \$293,000 which assisted and will continue to assist in subsidising the service.



## Corporate & Community Services

### 2017/18 Income v's Expenditure

Income	
Operating Grants	\$293,000
Commission on Sales	\$123,649
Other Income	\$65,181
TOTAL	\$481,830
Expenditure	
Items before depreciation	\$585,016
Depreciation	\$653
TOTAL	\$585,669
Council Contribution 2017/2018	\$103,839



A redesign of the [visitkatherine.com](http://visitkatherine.com) website has been developed, ensuring consistency throughout the site to enhance the ease of visitor navigation. The next step is digital marketing, through leading people to the website for assistance with customising their itinerary, and ensuring their booking process is seamless.

In 2017/18 the KIVC successfully implemented a new Point Of Sale (POS) system to streamline inventory management and itemise sales. The benefits of the new system have been immediate with increased efficiency in customer service, higher accuracy and stronger reporting capabilities and analysis.

The ongoing incorporating of the popular portable café (Black Russian Caravan) into our garden area in conjunction with progressively expanding the ambience of that area for visitors has shown great benefits to the KVIC operations. Staff are reporting extended visits from patrons through use of the café, allowing further perusal of information and a higher booking rate.

We are striving to enhance our visitor experience and satisfaction of the service provided by the VIC through reducing the wait time for service (during the dry season), options to better accommodate large groups, and a dedicated person to respond to phone calls during peak demand times. The outcome of these initiatives improved sales in 2017/18. This has been achieved through the addition of portable consultation stations and roaming customer service staff.

We are continuing to develop and improve customised itineraries for all demographics covering all interests and customer wants and needs. As an organisation we strive to exceed customer expectations and grow tourism in the Northern Territory.

## Works & Services

### Introduction

The Works and Services Division oversee facilities, buildings, grounds, roads, inspectorate services and numerous other services which are detailed in the following pages.

### Parks & Open Areas

Council's Emu Bob Program (rubbish pick-up) resulted in 24,230kg of rubbish being collected through the main township; this figure does not include rubbish collected from Katherine Terrace (Stuart Highway).

General repairs and maintenance works in recreational parks, reserves and open areas throughout the Municipality were undertaken by both Council staff and contractors, including the following:

- Installation of new solar lights at Lindsay Street Complex.
- Installation of handrails at the Hot Springs.
- Conduction of soil erosion and spraying of grass at the Hot Springs.

Repairs, maintenance and often component replacement of numerous Council controlled bores and watering systems were conducted throughout the year, including:

- Repairs to Lindsay Street bore.

Works at the Sportsgrounds were the following:

- Repairs to water leaks on bore 3 at Don Dale.
- Repairs to irrigation at Oval 2.
- Repairs to water leak at Oval 2
- Repairs to 12 vandalised sprinklers at the Netball courts.

Works at the Showgrounds were the following:

- Repairs to irrigation at the Showgrounds.
- Reinstatement of water lines and taps at the Campdraft area.
- Re-installment of taps and rodeo camping area and replacement of main valve.
- 405 sprinklers were replaced due to vandalism throughout urban parks this year, adding to the total cost of vandalism of some \$20,250.

Routine mowing and slashing programs and vegetation maintenance was undertaken by both Council staff and contractors throughout the Municipality; including works in the following locations:

- Slashing of all open areas, including rural road verges, cycle paths, open unlined drains and river reserve sites.
- Mowing of all playgrounds, grassed areas and parklands including neglected nature strips throughout the township.

Vegetation maintenance:

- removal of hazardous trees/branches from Ronan Court.
- pruning of trees/branches from Lockheed Park, Riverbank Drive, Cinema Carpark, First Street, Cox Crescent, Lockheed Road and at the Visitor Information Centre that was blocking access to a streetlight.
- tree and ground stump removal on numerous termite damaged trees on Zimin Drive.
- removal of numerous trees along the River Loop path.
- trimming of trees at corner of First Street and Warburton Street.
- Removal of dead trees and wire surrounds at the Cinema Carpark.

Council staff regularly conduct monitoring of weeds, largely throughout the rural areas, applying eradication programs as follows:

- Ongoing identification and treatment of Neem trees throughout the entire Municipality with particular attention being paid to the Waste Management Facility
- Identification and treatment of a 'Grader Grass' outbreak along Florina Road.
- Continued identification and treatment of Caltrop outbreaks throughout the Municipality.
- Routine weed eradication by Council staff and contractors along urban and industrial streets, rural areas including the river corridor and around street furniture; this also includes the continued spraying of grasses along kerb and guttering throughout the urban areas.

## Works & Services

### Buildings

General repairs and maintenance works throughout numerous facilities were undertaken by both Council staff and local contractors, including the following:

- Ongoing installation, minor repairs and servicing on all locking systems (new and old) throughout Council facilities.
- Ongoing minor repairs and maintenance works on all toilet facilities, including public amenities, throughout the township such as leaking taps, cisterns and numerous blockages; works also included:
  - repairs to the locks at Ryan Park toilets.
  - Fitting of new padbolt and lock at Ryan park toilets.
  - Replacement of toilet seats at the Sportsgrounds.
- Routine security panel and air conditioner servicing and maintenance throughout Council facilities; works also included:
  - Replacement of the Waste Management Facility air conditioner.
  - Replacement of the three air conditioners in the Amtax Tenancy offices at the Visitor Information Centre.
  - Replacement of seven (7) air conditioners at the Civic Centre including the old Works open area and offices, entrance foyer, reception and current Executive Manager – Corporate and Community Services office.
- Routine servicing and maintenance to hand held fire equipment, smoke alarms, fire alarms and emergency lights throughout Council facilities; works also included:
  - Upgrade of security panels at the Airport, Visitor Information Centre, Aquatic Centre and Don Dale pavilion to be compatible with NBN
  - Replacement of two (2) smoke detectors and (2) exit lights at the Airport
  - Replacement of two (2) smoke detectors and (2) exit lights at the Katherine Child Care Centre
- installation of new power points and water meter at the Visitor Information Centre.
- Installation of a TV in the airport waiting area.
- Excavation of Visitor Information Centre gardens in preparation for the Black Russian Café.
- Installation of new solar lights at the Civic Centre.
- Installation of synthetic grass at the Visitor Information centre.
- Pressure cleaning of algae from concrete paving at the Civic Centre.
- Conduction of backflow risk assessment at the Visitor Information Centre.
- Pumped out waste pits at the Pound Facility.
- Repairs to a roof leak at the Civic Centre.
- Upgraded the water meter to standard at the Visitor Centre.
- Installation of solar systems at the Civic Centre.
- Fabrication of new cluster sign frame for Katherine East Side Shops.
- Installation of new backflow valve at the Civic Centre.
- Repairs to the Visitor Centre Exeloo door.
- Unblocking of Visitor Information Centre toilets.
- Repairs to electrical fault at Lindsay Street Complex.



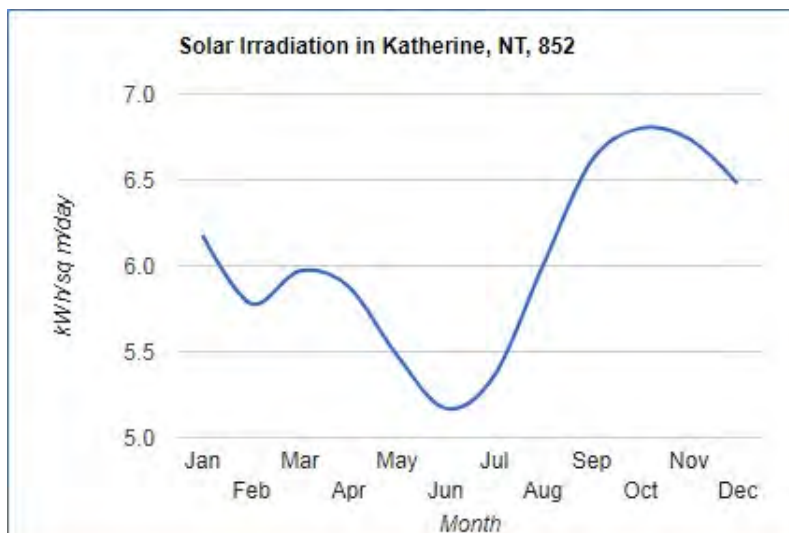
## Works & Services

### Civic Centre Solar System Benefits

We now have comprehensive electricity production and consumption for the Civic Centre since the installation of the new meter in May following the installation of the 40kW solar system.

The table below summarises the electricity usage for the 67 days from 8th May to 12th July.

	Total Consumption (kWh)	Source	
Period	8/5/18 - 12/7/18 (67 Days)	% Generated	% Imported
Off Peak (6pm-6am)	7483.2	0.0%	100.0%
Peak (6am- 6pm)	10975.0	65.0%	35.0%
Total	18458.2	38.65%	61.35%



During the Peak billing hours of 6am to 6pm, which roughly corresponds to daylight hours, the solar system generated 65% of the Civic Centre's energy requirements over this period. This equates to 7133kWh sourced from the sun and power bill savings of \$2,500.

This time of year has the lowest solar irradiation levels in Katherine so savings are expected to be even more significant throughout later in the year.

## Works & Services

### Katherine Sportsgrounds

General repairs and maintenance works were undertaken by both Council staff and local contractors, including the following:

- Removal of two (2) overhanging tree limbs at Bore 2 and a termite damaged tree near the Netball courses.
- Pest control spraying to Bore 4 at the BMX Track area.
- Replacement of vandalised tap at the Skate Park.
- Cleaning up of broken bottles at the Netball courts and in various locations on bike paths.
- Installation of walls on the Athletics Shed
- Repairs to damages caused during a break-in at the Tennis Club.
- Installation of a new scoreboard at Oval 1.
- Clearing of pool pump and filtration and refilling of Town Pool.
- Rewiring of chlorine gas boost pump, rebuilding of chlorine ejector and the Hydro900 series chlorine gas regulator and fitted to the ton drum.
- Reprogramming of pool controllers to maintain the correct pH level.
- Repairs to locks at the Tennis Clubhouse.
- Repairs to the water meter leak near the baseball area.
- Conduction of lighting check and repairs at Oval 1.
- Slashing and mowing of BMX Complex.
- Installation of 200 metres of 63mm poly pipe from the water meter to the Netball toilet area.
- Clearing of sewer drains at the Sportsgrounds.
- Checking of sewer pump and unblocking of drains at Netball ablutions.
- Welding of new locking plates at Don Dale toilets.
- Repairs to broken pipe at BMX area.
- Poured slabs for water bubblers at the Sportsgrounds.
- Pressure cleaning of a large amount of blood stains at Don Dale area.
- Installation of new guide rails and chains to pump out pit at the Sportsgrounds.
- Repairs to glass panel at Don Dale doors.

### Katherine Showgrounds

General repairs and maintenance works were undertaken by both Council staff and local contractors, including the following:

- Installation of a new water meter and sump pump to the cattle yards.
- Repairs to the damaged main bore and town water tap and replacement of toilet seats.
- Conduction of electrical checks.
- Installation of a new compliant water meter at the mains.
- Earth works in preparation for the Campdraft Rodeo relocation.
- Connection of water to bollards at the new camping area.
- Testing of racetrack road construction.
- Designing of ramps for relocated camping area toilet block and to prepare documentation for building permit.
- Restoration of power at grandstand change rooms.
- Slashing of members carpark.
- Modification to Buntine Pavilion doors.
- Installation of a new lock on toilet block.
- Conduction of maintenance check at the Stock Yard.
- Installation of mesh panels on Norforce Pavilion.

## Works & Services

### Katherine Memorial Cemetery

Council staff and contractors arranged and facilitated 29 burials and three (3) interment of ashes throughout the financial year.

General repairs and maintenance works were undertaken by both Council staff and local contractors, including the following:

- Council modified the design of their lawn headstones due to the increase in popularity of custom made headstones being installed at the Katherine Memorial Cemetery. The new design has not only proven to be more functional with the installation process, causing less disturbance to existing headstones and easier access for installers, but has also dramatically improved the overall appearance of the area by giving a more streamlined look.
- Relocation of irrigation lines away from burial sites to prevent damages during excavation works.
- Amenity upgrades consisted of:
  - installation of two (2) 64 plot plinths.
  - installation of plot markers along new plinths.
  - manufacturing and placement of numerous headstones in the Lawn and Garden Cemeteries.

### Katherine Waste Management Station

Council actively participates in several recycling initiatives at the Waste Management Station as part of long term environmental strategies for volume reduction into the landfill. Some of these initiatives include the following:

- Removal of segregated waste streams for recycling initiatives throughout the larger Northern Territory, including:
  - storing of 17.54 tonnes of car batteries for collection
  - storing of compliant (emptied and triple washed) containers, part of the drumMuster scheme, for collection
  - Implementation of Tech Collect Scheme separating 10m3 of e-waste that would have been otherwise ended up as land fill.
- Repairs to speed bump
- Purchase of a new traxcavator.
- Pressure cleaning of the Weighbridge.
- Conduction of annual calibration at the Weighbridge.

General repairs and maintenance works were undertaken by both Council staff and local contractors, including the following:

- 2500t of clean fill was supplied and delivered to the Waste Management Facility used for the coverage of exposed waste and asbestos burial.
- Hiring of wheeled loader while repairs were being made to KTC waste handler.
- Application of gravel to unsealed access road to tip face to improve wet season access.
- Conduction of weed spraying.
- Fitting of new injector lines on the traxcavator.
- Preparation of printers on pallets for E-waste pick up.
- Conduction of pothole repairs to the Waste Transfer Site.





## Works & Services

### Binjari Community

As part of the operational responsibility which Council has with respect to the Binjari Community, the following repairs and maintenance works were undertaken by both staff and contractors:

- Permanent placement of Council hook bins, alternating between Top and Bottom camps and emptied on a regular basis, resulted in 20,980kg of litter being collected throughout the year.
- Conduction of pothole repairs at Binjari Community.
- Installation of two (2) bus shelters.
- Trimming of trees to prevent scratching of school buses.

### Katherine Civil Airport

Northern Territory Government sought funding of \$827K from the Department of Infrastructure, Planning and Logistics for Katherine Airport upgrade. Council staff and contractor have worked together to upgrade the apron parking and manoeuvring areas and final works were completed with new line marking for the entire apron, providing a clearer and safer path for aircraft parking.

Routine inspection operations for compliance, safety and general maintenance and repair identified the following key issues during the year:

- Inspection and testing for asbestos at Katherine Airport Buildings. Testing has come back as no asbestos found.





## Works & Services

### Roads

Routine inspections resulted in the following general repairs and maintenance works being undertaken by Council staff and contractors:

- Pothole repairs at Gorge Road, First Street, Second Street, Giles Street, Lindsay Street, Emungalan Road and the Sportsgrounds.
- Grade water roll shoulder repairs at Helena, Byers, Bray and Kingston Roads.
- Clearing out drained outfalls/culverts at McAdam Road, Raymond Place and Casuarina Park.
- Repairs to pavements on Tokmakoff Road and Gillard Crescent.
- Conduction of pavement subgrade testing at the Lindsay Street Roundabout.
- Repairs to broken section of kerbing on the corner of Giles and Cameron Streets and Ronan Court.
- Repairs to road seal excavated during tree removal at Ronan Court.
- Surveying to cost up guardrail and culvert reconstruction near Rowland's Quarry.
- Conduction of laneway clean up from tree pruning and weeding between Cox Crescent and Lockheed Road.
- Conduction of floodway and verge rehabilitation on Gory Road.
- Surveying of track behind racetrack in preparation for road formalisation.
- Repairs to potholes at Emungalan bridge and at the intersection of Gillard Crescent and Zimin Drive.
- Shoulder and verge repairs to Emungalan Road in front of Crowhurst Engineering.
- Repairs to washout culvert embankment on Florina Road.



### Footpaths/Cycle paths

Routine inspections resulted in the following general repairs and maintenance works being conducted by Council staff and contractors:

- Replacement of faulty sections of footpaths along First Street and Fourth Street.
- Replacement of 130m of broken sections of footpath along Harrod Street.
- Filling of sink hole by the footpath near Prior Park.
- Repairs to a culvert caused by a large washout on Riverbank Path.

### Streetlights

Council engaged the services of All Regions Electrical to undertake a street lighting audit on all proposed assets throughout the Municipality; the audit was carried out to assist in the preparation for the handover of these assets to Council by PowerWater in early 2018.

## Works & Services

### Drainage Networks

Council engaged the services of contractor Renoflo to carry out their investigative CCTV camera operations on stormwater drainage sites throughout the urban area; works were undertaken at the following locations:

- Acacia Drive, Cameron Street, Lindsay Street, Fourth Street, Heron Crescent, Lockheed Road, Tindal Street, Campbell Street, Shaw Street, Riverbank Drive and at the Katherine Airport.

Routine inspections resulted in the following general repairs and maintenance works being undertaken by both Council staff and local contractors:

- Side Entry Pits repair/installation:
  - repairs to a side entry pit on O'Shea Terrace, Pierce Street, Giles Street and Cameron Street.
- Reshaping of the Ivanoff Road open unlined drain.
- Replacement of the damaged concrete overflow apron along the Lindsay Street open unlined drain.
- Fabrication and installation of new storm water grates along the Lindsay Street drain.
- Excavation of the Casuarina Park open unlined drain (cleaning works).
- Repairs to a sinkhole on Lockheed Road.
- Replacement of pavers at Giles Street

### Traffic Control Devices - Regulatory, Warning and Advisory Signage

Routine inspections of all signs throughout the Municipality resulted in the following general repairs, maintenance and installation

- New parking controls Rapide street.
- Repairs to notice board near the Post Office.
- Installation of guideposts on Manbulloo Road.
- Installation of signs to gates at Finnis Street access to Grevillea Park.
- Installation of new Hot Springs and Low Level direction signs.
- Installation of "No Stopping on Bridge" signs at Emungalan Road.
- Reinstatement of bunting and warning signs for North Bank washout.
- Installation of culvert marker posts on Zimin Drive.

### Wet Season Operations

The 2017/18 'wet season' saw the following operations take place throughout the Municipality in preparation for ensuing localised inundation and potentially hazardous and/or vulnerable infrastructure and facilities:

- Reinstatement of Councils 'Slashing of Open Areas and Rural Road Reserves' Program.
- Revision and dissemination the Katherine Town Council Counter Disaster Plan to all key personnel.
- All park irrigation systems were shut down for the duration of the 'wet season'.
- Routine clearing of drainage systems on all Council buildings to prevent roofs potentially leaking.
- Pothole repairs carried out in several areas throughout the Municipality.
- Routine open and unlined drain inspections, clearing and cleaning throughout the Municipality.
- Cleaning and reopening of Low Level Reserve.
- Clearing out drained outfalls/culverts at McAdam Road, Raymond Place and Casuarina Park.
- Securing of temporary fencing at the Hot Springs.
- Council staff and contractors carried out the following works due to several storm events throughout the season:
  - storm damage inspections were carried out during the season resulting in numerous clean-ups, clearing of debris, throughout the township including the removal of storm damaged trees from Zimin Drive, Lindsay Street, Maluka drainage area, Emungalan Road, Stuart Estate, North bank, Uralla Road, Collins Road, Casuarina Park, Bicentennial Road, Florina Road, Cragborn Road and Railway Terrace.



## Works & Services

### Personnel & Services

#### Building Activities within the Municipality

Council staff supported members of Councils' Development Review Committee in undertaking the assessment of the following planning applications:

- 19 Proposed Development Applications.
- 6 Proposed Subdivision Applications.
- 1 Proposed Exceptional Development Permit Application.
- 1 Proposed Variation of Development Applications.
- 3 Proposed Variation of Development Permit Applications.
- 1 Clearing of Native Vegetation

### Tenders & Contracts

Council staff undertook preparation, undertook site tours and evaluation and reporting of tender documentation for six (6) tenders including;

- Cleaning of Council Facilities
- Street Sweeping and Weed Eradication
- Mowing of Katherine East Parks
- Aquatic Centre Management
- Katherine Airport GA & RPT Rehabilitation
- Collection and Disposal of Domestic Waste
- Supply of Tracked Loader Waste Handler



## Works & Services

### Community Events

Council staff and contractors regularly assist in the preparation of facilities for community functions throughout the year including: Territory Day, Annual Katherine District Show, Vietnam Veteran's (Long Tan) Day, National Police Remembrance Day, Remembrance Day, White Ribbon Day, Carols By Candlelight, Anzac Day Commemorations, Simultaneous Storytime and Biggest Morning Tea.

The following works were undertaken by Council staff and contractors in preparation for Christmas festivities:

- Traffic management control was provided to contractors for the installation and removal of Christmas Decorations along Katherine Terrace.
- Traffic management control was also provided for the Christmas Street Parade along Railway Terrace as part of the Katherine Christmas Street Party that was run by the Chamber of Commerce.

### Inter-Agency Relations

Katherine Town Council has continued to host the Waste Management Coordinator to upgrade waste management practises in the Big Rivers Region. The coordinator is also responsible for developing an Environmental Management Plan for three remote waste management facilities, one for each of the Roper Gulf, Victoria Daly and West Daly Regional Councils, and one for the waste management facility in Katherine. The coordinator promotes regional collaboration by tackling regional waste issues such as remote scrap metal and littering through a joint approach.

### Inspectorate Services

Council Rangers provided Regulatory Services to the community throughout the year, including conducting of early morning and late afternoon patrols aimed at By Law enforcement of illegal camping, littering and animal control, vacant lot and overgrown block inspections and parking patrols throughout the CBD environs.

### Regulatory Statistics:

Parking and vehicle impounding:

- 6 abandoned vehicles were impounded
- 41 parking infringements were issued

Animal impounding:

- 136 returned to their owners
- 32 new owners were found
- 40 dogs were euthanized
- 11 dogs were sent to rehoming groups
- 21 animal control infringements were issued

### Katherine Aquatic Centre

Formal leasing arrangements now see all operational and general maintenance of the facility being undertaken by the YMCA of Katherine.

Council staff and contractors carried out the following various repairs and maintenance works throughout the facility; these works form part of Council's responsibilities under the MOU with the YMCA.

- Chlorine boost pump was rewired to run only when the gas is called to maintain setpoint as opposed to continuous operation. This will save wear and tear on the pump and reduced power costs.
- Installation of new stirrer and gearbox for soda ash system
- Sand filters were emptied and cleaned and replaced with fresh sand and gravel media.





# ANNUAL FINANCIAL STATEMENTS 2017/18





# **KATHERINE TOWN COUNCIL**

## **ANNUAL FINANCIAL STATEMENTS**

**for the year ended**

**30th June 2018**

**Katherine Town Council**  
**General Purpose Financial Reports**  
*for the year ended 30 June 2018*

TABLE OF CONTENTS

	<u>Page</u>
<b>Officer's Statement</b>	1
<b>Principal Financial Statements</b>	
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Cash Flow Statement	5
 <b>Notes to, and forming part of, the Principal Financial Statements</b>	
Note 1 - Significant Accounting Policies	6
Note 2 - Income	13
Note 3 - Expenses	16
Note 4 - Asset Disposals	18
Note 5 - Current Assets	19
Note 6 - Capital Works-in-Progress	20
Note 7 - Property, Plant & Equipment	21
Note 8 - Liabilities	24
Note 9 - Reserves	25
Note 10 - Assets Subject to Restrictions	26
Note 11 - Reconciliation of Cash Flow Statement from operating Activities	27
Note 12 - Functions	28
Note 13 - Financial Instruments	30
Note 14 - Commitments for Expenditure	32
Note 15 - Financial Indicators	33
Note 16 - Operating Leases	34
Note 17 - Superannuation	35
Note 18 - Interests in Other Entities	36
Note 19 - Contingencies & Assets & Liabilities not Recognised in the Statement of Financial Position	37
Note 20 - Events Occurring After Reporting Date	38
Note 21 - Restructure of the Council	39
Note 22 - Discontinued Operations	40
Note 23 - Related Party Transactions	41
 <b>Auditors Independence Declaration</b>	42
<b>Independent Auditors Report</b>	43

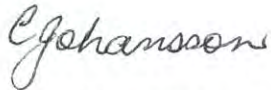
# KATHERINE TOWN COUNCIL

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2018

### OFFICER'S STATEMENT

I, Claire Johansson, the Acting Chief Executive Officer of the Katherine Town Council, certify that to the best of my knowledge, information and belief:

- (a) the General Purpose Financial Report has been properly drawn up in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 2008, and the Local Government (Accounting) Regulations 2008 (with the exception of those where compliance with the Standards, the Act and the Regulations have been qualified) so as to present fairly the financial position of the Council as at 30 June 2018 and the results for the year then ended; and
- (b) the General Purpose Financial Report is in accordance with the accounting and other records of the Council.



Claire Johansson

**A / CHIEF EXECUTIVE OFFICER**

Katherine, Date : 05 November 2018



# Katherine Town Council

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for the year ended 30 June 2018

		2018	2017
	Notes	\$	\$
<b>INCOME</b>			
Rates	2	7,578,045	6,930,391
Statutory charges	2	40,684	39,718
User charges	2	1,435,898	1,368,364
Grants, subsidies and contributions	2	2,352,951	2,810,167
Investment income	2	388,343	393,444
Reimbursements	2	173,233	108,750
Other income	2	82,972	158,000
<b>Total Income</b>		<b>12,052,126</b>	<b>11,808,834</b>
<b>EXPENSES</b>			
Employee costs	3	4,561,602	3,894,730
Materials, contracts & other expenses	3	4,857,269	5,145,020
Depreciation, amortisation & impairment	3	164,278	81,256
<b>Total Expenses</b>		<b>9,583,149</b>	<b>9,121,006</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>2,468,977</b>	<b>2,687,828</b>
Net loss on disposal of assets	4	(200,625)	(14,057)
Amounts received specifically for new or upgraded assets	2	2,343,627	935,322
<b>NET SURPLUS</b>		<b>4,611,979</b>	<b>3,609,093</b>
transferred to Equity Statement			
<b>Other Comprehensive Income</b>			
Capital Depreciation Renewal Reserve	9	(2,660,900)	(2,741,418)
<b>Total Other Comprehensive Income</b>		<b>(2,660,900)</b>	<b>(2,741,418)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>1,951,079</b>	<b>867,675</b>

This Statement is to be read in conjunction with the accompanying Notes.

**Katherine Town Council**

**STATEMENT OF FINANCIAL POSITION**  
as at 30 June 2018

		2018	2017
<b>ASSETS</b>	Notes	\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	5	29,399,635	14,629,943
Trade & other receivables	5	1,010,567	921,103
Inventories	5	19,539	17,826
		<u>30,429,741</u>	<u>15,568,872</u>
<b>Total Current Assets</b>		<u>30,429,741</u>	<u>15,568,872</u>
<b>Non-current Assets</b>			
Property, Plant & Equipment	7	66,904,929	65,070,620
Capital Works-in Progress	6	1,673,330	854,966
<b>Total Non-current Assets</b>		<u>68,578,259</u>	<u>65,925,586</u>
<b>Total Assets</b>		<u>99,008,000</u>	<u>81,494,458</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8	15,577,243	2,907,051
Provisions	8	558,691	306,536
		<u>16,135,934</u>	<u>3,213,587</u>
<b>Total Current Liabilities</b>		<u>16,135,934</u>	<u>3,213,587</u>
<b>Non-current Liabilities</b>			
Provisions	8		20,784
<b>Total Non-current Liabilities</b>		<u>-</u>	<u>20,784</u>
<b>Total Liabilities</b>		<u>16,135,934</u>	<u>3,234,371</u>
<b>NET ASSETS</b>		<u>82,872,066</u>	<u>78,260,087</u>
<b>EQUITY</b>			
Accumulated Surplus		15,071,315	13,120,236
Asset Revaluation Reserves	9	62,398,433	62,398,433
Other Reserves	9	5,402,318	2,741,418
<b>TOTAL EQUITY</b>		<u>82,872,066</u>	<u>78,260,087</u>

This Statement is to be read in conjunction with the accompanying Notes.

## Katherine Town Council

### STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2018

		Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
		\$	\$	\$	\$
<b>2018</b>	Notes				
Balance at 01 July 2017		13,120,236	62,398,433	2,741,418	78,260,087
<b>Net Surplus for Year</b>		4,611,979			4,611,979
<b>Other Comprehensive Income</b>					
Capital Depreciation Renewal Reserve	9	(2,660,900)		2,660,900	-
		-	-	-	-
<b>Balance at 30 June 2018</b>		<u>15,071,315</u>	<u>62,398,433</u>	<u>5,402,318</u>	<u>82,872,066</u>
<b>2017</b>					
Balance at 01 Jul 2016		12,252,561	62,398,433		74,650,994
<b>Net Surplus for Year</b>		3,609,093	-	-	3,609,093
<b>Other Comprehensive Income</b>					
Capital Depreciation Renewal Reserve		(2,741,418)		2,741,418	-
<b>Balance at 30 June 2017</b>		<u>13,120,236</u>	<u>62,398,433</u>	<u>2,741,418</u>	<u>78,260,087</u>

This Statement is to be read in conjunction with the accompanying Notes.



# Katherine Town Council

## CASH FLOW STATEMENT for the year ended 30 June 2018

		2018	2017
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	Notes		
<u>Receipts</u>			
Rates - general & other		7,311,251	6,983,479
Fees & other charges		1,783,959	1,192,430
Investment receipts		258,297	458,411
Grants utilised for operating purposes		2,352,951	3,015,668
Other operating receipts		256,205	234,721
<u>Payments</u>			
Employee Costs		(4,212,326)	(4,363,476)
Contractual services & materials		(4,311,438)	(5,433,080)
Other operating payments		(157,337)	(255,364)
Finance payments		-	-
<b>Net Cash Provided by Operating Activities</b>	11	<u>3,281,562</u>	<u>1,832,789</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		13,961,541	984,071
Sale of replaced assets		58,096	19,773
<u>Payments</u>			
Expenditure on renewal/replacement of assets		<u>(2,531,507)</u>	<u>(3,339,042)</u>
<b>Net Cash provided by (or used in) Investing Activities</b>		<u>11,488,130</u>	<u>(2,335,198)</u>
<b>Net Cash provided by (or used in) Financing Activities</b>		-	-
<b>Net Increase (Decrease) in cash held</b>		<u>14,769,692</u>	<u>(502,409)</u>
Cash & cash equivalents at beginning of period		14,629,943	15,132,352
Net cash assets transferred on restructure		-	-
<b>Cash &amp; cash equivalents at end of period</b>	5	<u>29,399,635</u>	<u>14,629,943</u>

This Statement is to be read in conjunction with the accompanying Notes.

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 1 - 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.

#### **Basis of Preparation**

##### **Compliance with Australian Accounting Standards**

This general purpose financial report has been prepared in accordance with applicable Australian Accounting Standards and Interpretations, the requirements of *Local Government Act, the Local Government (Accounting) Regulations* and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report was authorised for issue by certificate under clause 16 of the Local Government (Accounting) Regulations, dated 05 November 2018

##### **Historical Cost Convention**

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

##### **Critical Accounting Estimates and Judgements**

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 this Note.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods.

##### **Key judgements**

###### *Employee benefits*

For the purpose of measurement, AASB 119: Employee benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The Council expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

###### *Impairment*

The Council assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the Council and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions. There was no provision for impairment of property, plant and equipment at 30 June 2018 (2017: \$Nil).

##### **Rounding**

All amounts in the financial statements have been rounded to the nearest dollar.

## The Local Government Reporting Entity

Katherine Town Council is incorporated under the Local Government Act and has its registered and principal place of business at Lot 1865, Stuart Highway, Katherine, NT. These 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.

### Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

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 disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as income in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

In recent years, the payment of untied financial assistance grants has varied from the annual allocation as follows:

	Cash Received	Payment	Annual Allocation	Difference	
2015/16	\$611,392		\$611,402	-	\$10
2016/17	\$551,781		\$552,509	-	\$728
2017/18	\$614,765		\$614,444		\$321

Because these grants are untied, the Australian Accounting Standards require that payments be recognised as income upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The actual amounts of untied grants received during the reporting periods are disclosed in Note 2.

### Revenue from Services

Revenue from the rendering of service is recognised upon the delivery of the service to the customer.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax.

### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position. The Council did not have an overdraft during the year.

### Fair value of assets & liabilities

Fair value is the price the Council would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.



As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market value may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

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

The Council measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

### **Inventories**

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

### **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.

### **Payments Received in Advance & Deposits**

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

### **Property, Plant & Equipment**

#### **Land under roads**

Council has elected not to recognise land under roads acquired prior to 1 July 2008 as an asset in accordance with AASB 1051 Land under Roads. Land under roads acquired after 30 June 2008 has not been recognised as in the opinion of Council it is not possible to reliably attribute a fair value, and further that such value if determined would be immaterial.

#### *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 Council 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 property, plant & equipment when completed ready for use.

#### *Subsequent Recognition*

Certain 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. Further detail of existing valuations, methods and valuers are provided in Note 7.

## **Depreciation of Non-Current Assets**

The residual value of major property, plant and equipment is recognised. The depreciable amount of an asset is determined after deducting the residual value and is then systematically depreciated over their useful life on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

## **Borrowings**

Council has no borrowings as at 30<sup>th</sup> June 2018.

## **Employee Benefits**

### **Employee provisions**

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.

#### *Short-term employee provisions*

Provision is made for the Council's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short-term employee benefits are measured at the nominal amounts expected to be paid when the obligation is settled.

#### *Other long-term employee provisions*

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Long-term employee benefits are measured at the nominal amounts expected to be paid when the obligation is settled.

The Council's obligation for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

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.

## **Superannuation**

The Council makes employer superannuation contributions to the superannuation funds nominated by its employees.

## **Construction Contracts**

Council does not undertake construction contracts.

## **Leases**

Council does not currently have any finance lease arrangements.

## **Goods and Services Tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST, the net amount of GST recoverable from, or payable to the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a net basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to the taxation authority is classified as operating cash flows.

### **Income Tax**

The Council is tax exempt under Section 50 – 25 of the Income Tax Assessment Act 1997, being a local governing body.

### **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### **New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Council. The Council has decided not to early adopt any of the new and amended pronouncements. The Council's assessment of the new and amended pronouncements that are relevant to the Council but applicable in future reporting periods are set out below:

AASB 9: Financial Instruments and associated Amended Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments and revised recognition and derecognition requirements for financial instruments.

The Council does not expect any impact from the new classification, measurement and derecognition rules on the Council's financial assets and financial liabilities. There will also be no impact on the Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Council does not have any such liabilities. The new standard also introduces expanded disclosure requirements and changes in presentation. The new impairment model is an expected credit loss (ECL) model which may result in the earlier recognition of credit losses. The Council has not yet assessed how its own impairment provisions would be affected by the new rules.

AASB15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2017).

The new Standard will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (e.g. 1 July 2017), i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.

Management is currently assessing the impact of the new rules. Council is unable to estimate the impact of the new rules on the Council's financial statements.

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.



Accounting Standard AASB 16 Leases may have a material effect on the amounts disclosed in these reports, particularly in relation to Property, Plant & Equipment, but does not commence until the 2019/20 financial period, and it is not Council's intention to adopt this Standard early.

### **Economic Dependence**

The Council is dependent upon the ongoing receipt of grants from the Northern Territory Government to ensure the continuation of its activities.

At the date of this report, the management has no reason to believe that the Council will not continue to receive funding support from the government.

### **Financial Instruments**

#### *Classification and subsequent measurement*

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense in profit or loss.

#### *Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Council's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

### *Impairment*

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation and changes in arrears or economic conditions that correlate with defaults.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Council recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

### *Derecognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

### *Impairment of Assets*

At the end of each reporting period, the Council reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 2 - INCOME

	2018 \$	2017 \$
<b>RATES REVENUES</b>		
<u>General Rates</u>		
Residential	6,393,903	5,831,558
	<b>6,393,903</b>	<b>5,831,558</b>
<u>Annual Charges</u>		
Waste Management Service	1,138,562	1,034,376
Other	45,580	64,457
	<b>1,184,142</b>	<b>1,098,833</b>
	<b>7,578,045</b>	<b>6,930,391</b>
 <b>STATUTORY CHARGES</b>		
Animal registration fees & fines	35,425	35,409
Parking fines / expiation fees	5,192	4,109
Other fines, penalties & expiations	67	200
	<b>40,684</b>	<b>39,718</b>
 <b>USER CHARGES</b>		
Cemetery fees	62,942	64,015
Airport fees	315,937	317,325
Commission	123,649	107,749
Facility & equipment hire	42,449	37,055
Weighbridge fees	654,497	570,098
Sales - general	90,303	128,561
Rental income	139,032	136,173
Sundry	7,089	7,388
	<b>1,435,898</b>	<b>1,368,364</b>
 <b>INVESTMENT INCOME</b>		
Interest on investments		
Banks & other	388,343	393,444
	<b>388,343</b>	<b>393,444</b>



# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### NOTE 2 - INCOME (continued)

	2018	2017
	\$	\$
<b>REIMBURSEMENTS</b>		
- other	173,233	108,750
	<u>173,233</u>	<u>108,750</u>
<b>OTHER INCOME</b>		
Insurance refunds	2,972	78,000
Management fees	80,000	80,000
	<u>82,972</u>	<u>158,000</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>		
Amounts received specifically for new or upgraded assets	2,343,627	935,322
Other grants, subsidies and contributions	2,352,951	2,810,167
	<u>4,696,578</u>	<u>3,745,489</u>
The functions to which these grants relate are shown in Note 12.		
<b>Sources of grants</b>		
Commonwealth government	497,030	390,380
Northern Territory government	3,426,600	3,257,749
Other	772,948	97,360
	<u>4,696,578</u>	<u>3,745,489</u>

On 25-06-2018, Council received payment of the first and second quarter instalments of the 2018-2019 Grant Commission (FAG) Grant. This has materially improved Council's operating results in the current year, as the amounts are recognised as income upon receipt. Similarly material adverse effects will be experienced when the timing of these grant payments is restored to normal schedule. It is not known when this will occur.

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### NOTE 2 - INCOME (continued)

	2018 \$	2017 \$
<b>Conditions over grants &amp; contributions</b>		
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		
	144,225	989,000
Less: expended during the current period from revenues recognised in previous reporting periods		
Roads to Recovery	(126,725 )	(730,000 )
Hot Springs Rehabilitation/Revitalisation		(150,000 )
Formalisation of Lindsay St Car Park		(109,000 )
Subtotal	<u>(126,725 )</u>	<u>(989,000 )</u>
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
Roads to Recovery	340,000	126,725
Wurli Wurlinjang Car Park		17,500
	-	
Subtotal	<u>340,000</u>	<u>144,225</u>
Unexpended at the close of this reporting period and held as restricted assets	<u>357,500</u>	<u>144,225</u>

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 3 - EXPENSES

	2018 \$	2017 \$
<b>EMPLOYEE COSTS</b>		
Salaries and Wages	3,337,841	3,064,756
Employee leave expense	678,666	287,778
Superannuation	386,700	364,183
Workers' Compensation Insurance	42,485	37,469
Other	115,910	140,544
<b>Total Operating Employee Costs</b>	<b>4,561,602</b>	<b>3,894,730</b>
 <b>Total Number of Employees</b>	 <b>52</b>	 <b>46</b>
<i>(Full time equivalent at end of reporting period)</i>		
 <b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	17,454	15,295
Elected members' expenses	282,536	225,685
Subtotal - Prescribed Expenses	<b>299,990</b>	<b>240,980</b>
 <u>Other Materials, Contracts &amp; Expenses</u>		
Contractors	2,692,545	2,833,214
Electricity, water and sewerage	562,666	597,092
Insurance	241,466	186,380
Fuel and registration	103,419	124,136
Telephone	72,053	56,768
Legal expenses	29,661	68,273
Parts, accessories and consumables	342,405	451,310
Printing and stationery	16,781	21,674
Professional services	194,677	260,649
Advertising	86,068	79,113
Postage	18,578	15,998
Bank Charges	21,074	26,534
Community Grants	97,455	86,976
Subscriptions & Registrations	18,548	19,857
Sundry	59,883	76,066
Subtotal - Other Materials, Contracts & Expenses	<b>4,557,279</b>	<b>4,904,040</b>
	<b>4,857,269</b>	<b>5,145,020</b>



# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 3 - EXPENSES (cont)

	2018	2017
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
<b>Depreciation</b>		
Improvements	9,881	4,556
Buildings & Other Structures	14,090	7,567
Infrastructure	68,368	40,274
Plant & Machinery	54,940	23,476
Furniture, Fittings & Equipment	9,447	1,853
Other Infrastructure	7,552	3,530
	<u>164,278</u>	<u>81,256</u>

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 4 - ASSET DISPOSAL

	2018 \$	2017 \$
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	58,096	19,773
Less: Carrying amount of assets sold	258,721	33,830
<b>Gain (Loss) on disposal</b>	<b><u>(200,625)</u></b>	<b><u>(14,057)</u></b>
 <b>NET LOSS ON DISPOSAL OF ASSETS</b>	 <b><u>(200,625)</u></b>	 <b><u>(14,057)</u></b>

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 5 - CURRENT ASSETS

	2018	2017
<b>CASH &amp; EQUIVALENT ASSETS</b>	<b>\$</b>	<b>\$</b>
Cash on Hand and at Bank	530,650	71,112
Deposits at Call	28,868,985	14,558,831
	<u>29,399,635</u>	<u>14,629,943</u>
 <b>TRADE &amp; OTHER RECEIVABLES</b>		
Rates - General & Other	541,168	274,110
Accrued Revenues	243,875	130,578
Debtors - general	229,418	448,384
Prepayments	1,104	29,913
Sundry	39,217	38,118
Total	<u>1,054,782</u>	<u>921,103</u>
 Less: Allowance for Doubtful Debts	<u>(44,215)</u>	
	<u>1,010,567</u>	<u>921,103</u>
 <b>INVENTORIES</b>		
Trading Stock	19,539	17,826
	<u>19,539</u>	<u>17,826</u>



## **Katherine Town Council**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

#### **Note 6 - CAPITAL WORKS-IN-PROGRESS**

	2018	2017
	\$	\$
Capital Works-in-Progress	<u>1,673,330</u>	<u>854,966</u>
	<u>1,673,330</u>	<u>854,966</u>

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 7 - PROPERTY, PLANT & EQUIPMENT

	2017				2018			
	\$				\$			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	6,636,200	-	-	6,636,200	6,636,200			6,636,200
Improvements	3,235,986	467,409	(4,556)	3,698,839	3,122,919	1,350,943	(14,291)	4,459,571
Buildings & Other Structures	15,129,850	116,576	(7,567)	15,238,859	15,124,050	386,306	(21,657)	15,488,699
Infrastructure	35,280,770	1,858,801	(40,274)	37,099,297	35,280,770	2,178,953	(108,642)	37,351,081
Plant & Equipment	732,465	299,231	(23,476)	1,008,220	592,465	1,026,551	(78,416)	1,540,600
Furniture, Fixture & Equipment	314,541	61,042	(1,853)	373,730	314,541	117,614	(11,300)	420,855
Other Infrastructure	826,130	192,875	(3,530)	1,015,475	826,130	192,875	(11,082)	1,007,923
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENT</b>	62,155,942	2,995,934	(81,256)	65,070,620	61,897,075	5,253,242	(245,388)	66,904,929

*This Note continues on the following pages.*

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2018

### Note 7 - PROPERTY, PLANT & EQUIPMENT

	2017 \$	CARRYING AMOUNT MOVEMENTS DURING YEAR \$				2018 \$
	CARRYING AMOUNT	Additions New/Upgrade	Renewals	Disposals	Depreciation	CARRYING AMOUNT
Land	6,636,200					6,636,200
Improvements	3,698,839	94,560	788,974	(113,067)	(9,735)	4,459,571
Buildings & Other Structures	15,238,859	269,730		(5,800)	(14,090)	15,488,699
Infrastructure	37,099,297	187,357	132,795		(68,368)	37,351,081
Plant & Equipment	1,008,220	727,320		(140,000)	(54,940)	1,540,600
Furniture, Fixture & Equipment	373,730	56,572			(9,447)	420,855
Other Infrastructure	1,015,475				(7,552)	1,007,923
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>65,070,620</b>	<b>1,335,539</b>	<b>921,769</b>	<b>(258,867)</b>	<b>(164,132)</b>	<b>66,904,929</b>

*This Note continues on the following pages.*

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 7 (cont) – PROPERTY, PLANT & EQUIPMENT

#### Valuation of Assets

An independent valuation of all classes of assets was undertaken by Opteon Property Group as at 30 June 2016. Council is of the opinion that the valuation of all classes of assets has not materially changed since that date. Accordingly these assets have been valued at 'Fair Value' and adopted in the 2017/18 Financial Statements.

#### Land under Roads

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

#### 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.

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Buildings - new construction/extensions	\$10,000
Park & Playground Furniture & Equipment	\$2,000
Road construction & reconstruction	\$10,000
Paving & footpaths, Kerb & Gutter	\$2,000
Drains & Culverts	\$5,000
Reticulation extensions	\$5,000
Sidelines & household connections	\$5,000
Artworks	\$5,000

#### Estimated useful lives

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings - masonry	50 to 100 years
Buildings - other construction	20 to 40 years
Park Structures - masonry	50 to 100 years
Park Structures - other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads - Surface	15 to 25 years
Sealed Roads - Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges - Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains & Culverts	80 to 100 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes - PVC	70 to 80 years
Other Assets	
Artworks	indefinite



# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 8 - LIABILITIES

	2018		2017	
	\$		\$	
TRADE & OTHER PAYABLES	Current	Non-current	Current	Non-current
Goods & Services	649,743	-	636,085	-
Unexpended grants	13,666,024	-	2,048,110	-
Accrued expenses - employee entitlements	147,834	-	29,928	-
Accrued expenses - other	877,268	-	49,230	-
Deposits, Retentions & Bonds	236,374	-	143,698	-
	<u>15,577,243</u>	<u>-</u>	<u>2,907,051</u>	<u>-</u>

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Council during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### EMPLOYEE PROVISIONS

Employee entitlements (including oncosts)	558,691		306,536	20,784
Other	-	-	-	-
	<u>558,691</u>	<u>-</u>	<u>306,536</u>	<u>20,784</u>

Provisions are recognised when the Council has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period

## Katherine Town Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

#### Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/07/2017	Transfers	30/06/2018
	\$	\$	\$
Land	6,636,200		6,636,200
Improvements	3,283,646		3,283,646
Buildings & Other Structures	15,152,750		15,152,750
Infrastructure			
- Roads, bridges, footpaths	36,169,201		36,169,201
Plant and equipment	811,345		811,345
Furniture, fittings and equipment	345,291		345,291
<b>Total Property, Plant &amp; Equipment</b>	<b>62,398,433</b>		<b>62,398,433</b>

OTHER RESERVES	1/07/2017	Transfers from Reserve	30/06/2018
Capital Depreciation Renewal Reserve	2,741,418	2,660,900	5,402,318
<b>TOTAL OTHER RESERVES</b>	<b>2,741,418</b>	<b>2,660,900</b>	<b>5,402,318</b>

<b>TOTAL RESERVES</b>	<b>65,139,851</b>	<b>2,660,900</b>	<b>67,800,751</b>
-----------------------	-------------------	------------------	-------------------

#### **PURPOSES OF RESERVES**

##### **Asset Revaluation Reserve**

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non-current assets and available-for-sale financial assets.

##### **Other Reserves**

##### **Capital Depreciation Renewal Reserve**

This reserve is used to fund future capital renewals

##### **Asset Retirement Obligation Reserve**

Council's strategic plan for the future includes taking into account the economic future useful life of the current waste transfer station and the cost required to cover the rehabilitation of the facility when it eventually closes for public service which is estimated at this stage to be in around eight years from now

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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.

	2018 \$	2017 \$
<b>CASH &amp; FINANCIAL ASSETS</b>		
Unexpended grants from:		
Deferred revenue	13,179,852	1,500,000
Non-reciprocal agreement	486,172	548,110
Binjari Funds	281,060	229,936
	<b>13,947,084</b>	<b>2,278,046</b>
<b>TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS</b>	<b>13,947,084</b>	<b>2,278,046</b>

*The following liabilities, included in Note 8, may be discharged from restricted assets in the first instance.*

<i>Provisions</i>	<b>558,691</b>	<b>327,320</b>
	<b>558,691</b>	<b>327,320</b>

Deferred revenue of \$13.18M is restricted by funding agreement with the Northern Territory Government

Non-reciprocal agreements of \$486,172 are restricted with the Northern Territory Government

Binjari funds are restricted with the Northern Territory Government

Provisions are comprised of employee long service leave and annual leave entitlements

## Katherine Town Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

#### Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

##### (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 Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:

	Notes	2018 \$	2017 \$
Total cash & equivalent assets	5	29,399,635	14,629,943
Less: Short-term borrowings	8	-	-
Balances per Cash Flow Statement		<u>29,399,635</u>	<u>14,629,943</u>

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

Net Surplus (Deficit)	4,611,979	3,609,093
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	164,278	81,256
Net increase (decrease) in unpaid employee benefits	231,371	(473,213)
Non-cash asset acquisitions	-	-
Grants for capital acquisitions treated as Investing Activity	(13,961,541)	(984,071)
Net (Gain) Loss on Disposals	200,625	14,057
	<u>(8,753,288)</u>	<u>2,247,122</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(89,464)	(246,489)
Net (increase) decrease in inventories	(1,713)	11,844
Net (increase) decrease in other current assets	-	-
Net increase (decrease) in trade & other payables	12,126,027	(178,647)
Net increase (decrease) in other provisions	-	(1,041)
Net increase (decrease) in other liabilities	-	-
<b>Net Cash provided by (or used in) operations</b>	<u>3,281,562</u>	<u>1,832,789</u>

## Katherine Town Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

#### RECONCILIATION TO CASH FLOW STATEMENT

	Notes	2018 \$	2017 \$
<b>(c) Non-Cash Financing and Investing Activities</b>			
Acquisition of assets by means of:			
- Physical resources received free of charge	3	-	-
- Non-cash grants & contributions		-	-
Amounts recognised in Income Statement		-	-
- Finance Leases		-	-
- Land taken over for non-payment of Rates		-	-

##### (d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Bank Overdrafts	100,000	100,000
Corporate Credit Cards	10,750	10,750

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.



# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2018

### Note 12 - FUNCTIONS

REVENUES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES														
GENERAL PUBLIC SERVICES			PUBLIC ORDER & SAFETY			ECONOMIC AFFAIRS			ENVIRONMENTAL PROTECTION			HOUSING & COMMUNITY AMENITIES		
BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
2018	2018	2017	2018	2018	2017	2018	2018	2017	2018	2018	2017	2018	2018	2017
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>OPERATING REVENUES</b>														
Rates	6,480,674	6,439,485	5,896,015	-	-	-	-	-	1,124,112	1,138,560	1,034,376	-	-	-
Statutory & User Charges	60,000	54,742	58,227	71,000	48,157	112,439	637,500	571,534	583,703	480,000	654,497	570,098	71,900	68,142
Grants - NT recurrent	568,604	642,882	846,083	-	-	-	917,528	933,730	1,381,482	-	20,000	-	233,807	281,060
Grants - NT capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants - Cwltth recurrent	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants - Cwltth capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions & Donations	-	-	-	-	-	-	-	-	-	104,810	166,393	92,000	-	-
Investment Income	305,000	330,854	332,168	-	-	-	55,950	57,489	61,276	-	-	-	-	-
Reimbursements & Other Revenues	85,000	90,797	171,931	-	488	-	21,500	21,739	25,662	-	-	-	-	1,460
<b>Total</b>	<b>7,499,278</b>	<b>7,558,760</b>	<b>7,304,424</b>	<b>71,000</b>	<b>48,645</b>	<b>112,439</b>	<b>1,632,478</b>	<b>1,584,492</b>	<b>2,052,123</b>	<b>1,708,922</b>	<b>1,979,450</b>	<b>1,696,474</b>	<b>305,707</b>	<b>349,202</b>
<b>OPERATING EXPENSES</b>														
Employee Costs	1,728,271	1,714,848	1,290,438	187,460	203,185	156,282	1,557,631	1,514,790	1,441,242	480,154	495,218	487,496	30,433	32,372
Materials, Contracts & Other	1,506,487	1,134,636	1,042,781	54,000	90,752	22,665	1,362,181	1,021,261	1,879,660	611,621	705,985	492,320	541,272	488,702
Depreciation, Amortisation, Impairment	-	13,698	2,525	-	-	-	-	95,313	71,693	-	8,010	-	-	27,700
<b>Total</b>	<b>3,234,758</b>	<b>2,863,182</b>	<b>2,335,744</b>	<b>241,460</b>	<b>293,937</b>	<b>178,947</b>	<b>2,919,812</b>	<b>2,631,364</b>	<b>3,392,595</b>	<b>1,091,776</b>	<b>1,209,213</b>	<b>979,816</b>	<b>571,705</b>	<b>548,774</b>
<b>TOTALS</b>	<b>4,264,520</b>	<b>4,695,578</b>	<b>4,968,680</b>	<b>(170,460)</b>	<b>(245,292)</b>	<b>(66,508)</b>	<b>(1,287,334)</b>	<b>(1,046,872)</b>	<b>(1,340,472)</b>	<b>617,146</b>	<b>770,237</b>	<b>716,658</b>	<b>(265,998)</b>	<b>(199,572)</b>

HEALTH			RECREATION, CULTURE & RELIGION			EDUCATION			SOCIAL PROTECTION			ELIMINATIONS		TOTAL		
BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
2017	2017	2016	2018	2018	2017	2018	2018	2017	2018	2018	2017	2018	2017	2018	2018	2017
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>OPERATING REVENUES</b>																
Rates	-	-	-	-	-	-	-	-	-	-	-	-	-	7,604,786	7,578,045	6,930,391
Statutory & User Charges	-	-	-	90,109	79,510	79,119	-	-	-	-	-	-	-	1,410,509	1,476,582	1,408,082
Grants - NT recurrent	-	-	-	257,617	281,534	260,666	-	-	-	-	-	-	-	1,977,556	2,159,206	2,718,167
Grants - NT capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants - Cwltth recurrent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants - Cwltth capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions & Donations	-	-	-	6,300	27,351	-	-	-	-	-	-	-	-	111,110	193,744	92,000
Investment Income	-	-	-	950	-	-	-	-	-	-	-	-	-	361,900	388,343	393,444
Reimbursements & Other Revenues	-	-	-	86,360	143,182	67,697	-	-	-	-	-	-	-	192,860	256,206	266,750
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>441,336</b>	<b>531,577</b>	<b>407,482</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,658,721</b>	<b>12,052,126</b>	<b>11,808,834</b>
<b>OPERATING EXPENSES</b>																
Employee Costs	-	-	-	560,284	601,189	501,157	-	-	-	-	-	-	-	4,544,234	4,561,602	3,894,730
Materials, Contracts & Other	-	-	-	1,347,613	1,415,933	1,585,388	-	-	-	-	-	-	-	5,423,174	4,857,269	5,145,020
Depreciation, Amortisation, Impairment	-	-	-	-	19,557	6,812	-	-	-	-	-	-	-	-	164,278	81,256
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,907,897</b>	<b>2,036,679</b>	<b>2,093,357</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,967,407</b>	<b>9,583,149</b>	<b>9,121,006</b>
<b>TOTALS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,466,561)</b>	<b>(1,505,102)</b>	<b>(1,685,875)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,691,314</b>	<b>2,468,977</b>	<b>2,687,828</b>

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 12 (cont) - 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 and street lighting.

#### **Recreation, Culture and Religion**

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

## Katherine Town Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

#### Note 13 - FINANCIAL INSTRUMENTS

##### Accounting Policies

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 1.00% and 1.40% (2017: 1.25% and 1.55%). Short term deposits have an average maturity of 180 days and an average interest rates of 2.63% (2017: 133 days, 2.87%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Property, Plant &amp; Equipment</b>	<p><b>Accounting Policy:</b> The depreciable amount of an asset is determined after deducting its residual value.</p> <p><b>Terms &amp; conditions:</b> The maximum residual value of property, plant and equipment is recognised from external asset revaluation reporting.</p> <p><b>Carrying amount:</b> The residual value of an asset may increase to an amount equal to or greater than the asset's carrying amount. If it does, the asset's depreciation charge is zero unless and until its residual value subsequently decreases to an amount below the asset's carrying amount.</p>
<b>Receivables - Rates &amp; Associated Charges</b> (including legals & penalties for late payment)	<p><b>Accounting Policy:</b> Carried at nominal values.</p> <p><b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of 9% (2017: 17%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> Carried at nominal values 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.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Receivables - other levels of government</b>	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth &amp; State.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Creditors and Accruals</b>	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>

## Katherine Town Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

#### Note 13 (cont) - FINANCIAL INSTRUMENTS Liquidity Analysis

2018	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b><u>Financial Assets</u></b>					
Cash & equivalents	29,399,635			29,399,635	29,399,635
Receivables	1,053,678			1,053,678	1,053,678
<b>Total</b>	<b>30,453,313</b>	-	-	<b>30,453,313</b>	<b>30,453,313</b>
<b><u>Financial Liabilities</u></b>					
Trade & other payables	15,577,243			15,577,243	15,577,243
<b>Total</b>	<b>15,577,243</b>	-	-	<b>15,577,243</b>	<b>15,577,243</b>
<b>2017</b>					
<b><u>Financial Assets</u></b>					
Cash & equivalents	14,629,943			14,629,943	14,629,943
Receivables	891,190			891,190	891,190
<b>Total</b>	<b>15,521,133</b>	-	-	<b>15,521,133</b>	<b>15,521,133</b>
<b><u>Financial Liabilities</u></b>					
Trade & other payables	2,907,051			2,907,051	2,907,051
<b>Total</b>	<b>2,907,051</b>	-	-	<b>2,907,051</b>	<b>2,907,051</b>

All financial instruments are categorised as loans and receivables.

Note: Statutory receivables, such as rates, have been excluded from the above tables.

#### 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.

#### Summary of Financial Asset & Financial Liabilities

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 Financial Instruments: Recognition and Measurement as detailed in the accounting policies to these financial statements are as follow:

	2018 \$	2017 \$
<b>Financial assets</b>		
Cash & cash equivalents	29,399,635	14,629,943
Trade & other receivables	1,053,678	891,190
<b>Total financial assets</b>	<b>30,453,313</b>	<b>15,521,133</b>
<b>Financial liabilities</b>		
Trade & other payables	15,577,243	2,907,051
<b>Total financial liabilities</b>	<b>15,577,243</b>	<b>2,907,051</b>

#### Risk Exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any provision for doubtful debts. In accordance with regulations, all Council investments are made with authorised deposit taking institutions. Except as detailed in Notes 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. Liabilities have a range of maturity dates based on cash inflows. Council also has available a range of bank overdraft and short-term draw down facilities that it can access.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of Council's financial instruments - both assets and liabilities - are at fixed rates. Any such variations in future cash flows will not be material in effect on either Council income or expenditure.



# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 14 - COMMITMENTS FOR EXPENDITURE

	2018	2017
Notes	\$	\$
<b>Capital Commitments</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Capital Expenditure	933,224	737,501
These expenditures are payable:		
Not later than one year	933,224	737,501
	<u>933,224</u>	<u>737,501</u>
<b>Other Expenditure Commitments</b>		
Other non-capital expenditure committed for in relation to investment properties:		
Other Expenditure		
These expenditures are payable:		
Later than one year and not later than 5 years		
Later than 5 years		
Minimum lease payments	<u>-</u>	<u>-</u>
Less: future finance charges	<u>-</u>	<u>-</u>
Net Lease Liability	<u>-</u>	<u>-</u>

### CAPITAL MANAGEMENT

The Council manages its capital to ensure that it will be able to continue as going concern. The Council's overall strategy remained unchanged throughout the year.

The capital structure of the Council consists of equity which includes Retained Earnings.

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 15 - FINANCIAL INDICATORS

	2018	2017
<b>Current Ratio</b>		
<u>Current Assets - Externally Restricted Assets</u>	7.4:1	13.09:1
Current Liabilities		
 <b>Rate Coverage Percentage</b>		
<u>Rate Revenues</u>	53.05%	49.38%
Total Revenues		
 <b>Rates &amp; Annual Charges Outstanding Percentage</b>		
<u>Rates &amp; Annual Charges Outstanding</u>	7.14%	3.96%
Rates & Annual Charges Collectible		
 <b>Operating Surplus Ratio</b>		
<u>Operating Surplus</u>	16.19%	7.35%
Total Operating Income		

# **Katherine Town Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

### **Note 16 - OPERATING LEASES**

#### ***Leases providing revenue to the Council***

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent of non-investment property in Note 2.

#### **Investment Property**

Council does not hold Investment Property, accordingly no rentals received, and outgoings reimbursed, in relation to Investment Property are disclosed in Note 2.

#### ***Lease payment commitments of Council***

Council has not entered into non-cancellable operating leases, in particular non-current asset leases.

# **Katherine Town Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

### **Note 17 – SUPERANNUATION**

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme).

Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2017/18; 9.50% in 2016/17). Council contributes an additional 4% for those employees who make voluntary superannuation contributions. 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**

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.



**Katherine Town Council**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2018**

**Note 18 - INTERESTS IN OTHER ENTITIES**

Council does not participate in cooperative arrangements with other Councils and other bodies.

**Entities consolidated within these Statements**

There are not principal activities and entities conducted other than in the Council's own name.

**Joint Operations**

Council is not a party to any agreement for joint operations.

**Equity accounted Council Businesses**

Council does not have any interests in any other Council or business.

# **Katherine Town Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

### **Note 19 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION**

There are no assets that do not qualify for recognition in the Statement of Financial Position

#### **BANK GUARANTEES**

Council has no guaranteed loans and other banking facilities advanced to others.

# **Katherine Town Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

### **Note 20 - EVENTS OCCURRING AFTER REPORTING DATE**

Council is not aware of any material or significant "non adjusting events" that should be disclosed.

# **Katherine Town Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

### **Note 21 - RESTRUCTURE OF THE COUNCIL**

The Katherine Town Council was not part of a restructure of local government in the Northern Territory in this financial year. Accordingly no assets, liabilities or undertakings were transferred to this Council as part of a restructure of local government in the Northern Territory.



# **Katherine Town Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018**

### **Note 22 - DISCONTINUED OPERATIONS**

The Katherine Town Council was not part of a restructure of local government in the Northern Territory in this financial year. Accordingly no operations of predecessor Councils were transferred to this Council as part of a restructure of local government in the Northern Territory.

# Katherine Town Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 23 - RELATED PARTY DISCLOSURES

#### KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 15 persons were paid the following total compensation:

	2018 \$	2017 \$
Salaries, allowances & other short term benefits	1,100,486	1,294,450
Post-employment benefits	-	-
Long term benefits	-	-
Termination benefits	58,599	-
<b>TOTAL</b>	<b>1,159,085</b>	<b>1,294,450</b>

Council did not receive any other contributions or fees, other than amounts paid as ratepayers or residents (e.g. rates, hire facility fees, etc).

#### PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

Katherine Town Council Key Management Personnel including prescribed officers under section 112 of the Local Government Act declared the following:

One (1) prescribed officer and three (3) elected members have close family members who are employed by suppliers to Katherine Town Council. However, the relevant officer and elected members are excluded from procurement process with the relevant suppliers.

To the Council Members  
Katherine Town Council  
PO Box 1071  
Katherine NT 0851

### **Auditors' Independence Declaration**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the requirements of the *Local Government Act* and the *Local Government (Accounting) Regulations* made under that Act, in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

### **LOWRYS ACCOUNTANTS**



**Colin James, FCA**  
Registered Company Auditor

Darwin, 5 November 2018

**INDEPENDENT AUDITOR'S REPORT****TO THE ELECTED COUNCIL MEMBERS OF KATHERINE TOWN COUNCIL**

SWJR Nominees Pty Ltd  
ABN 49 078 887 171  
Cnr Coonawarra & Hook Roads  
PO Box 36394, Winnellie NT 0821  
Tel: 08 8947 2200  
Fax: 08 8947 1146  
lowrys.accountants@lowrys.com.au

***Opinion***

We have audited the financial report of Katherine Town Council (the Council), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the cash flow statement for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of the Katherine Town Council has been prepared in accordance with the Local Government Act and the Local Government (Accounting) Regulations, including:

- (i) giving a true and fair view of the Council's financial position as at 30 June 2018 and of its financial performance for the year then ended;
- (ii) complying with Australian Accounting Standards.

***Basis for Opinion***

We conducted our audit in accordance with Australian Auditing Standards. 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 (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Restriction on use***

The financial report has been prepared to assist the elected Council Members of Katherine Town Council in complying with the financial reporting requirements of the Local Government Act, referred to above.

As result, the financial report and this Independent 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 elected Council Members of Katherine Town Council and should not be used by parties other than the elected Council Members of Katherine Town Council. 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 elected Council Members of Katherine Town Council or for any other purpose than that for which it was prepared.

***Chief Executive Officer's Responsibility for the Financial Report***

The Chief Executive Officer of Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and relevant provisions of the Local Government Act and Local Government (Accounting) Regulations, and for such internal controls as the Chief Executive Officer determine are necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Chief Executive Officer either intend to cease operation, or have no realistic alternative but to do so.

The elected Council Members of the Katherine Town Council are responsible for overseeing the Council's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT

TO THE ELECTED COUNCIL MEMBERS OF KATHERINE TOWN COUNCIL

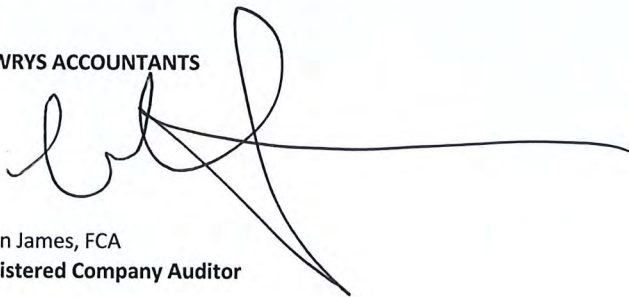
### *Auditor's Responsibilities for the Audit of the Financial Report*

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

LOWRYS ACCOUNTANTS

A handwritten signature in black ink, appearing to be 'Colin James', written over the text 'LOWRYS ACCOUNTANTS'.

Colin James, FCA  
Registered Company Auditor

Date, 5 November 2018



