



KATHERINE
TOWN COUNCIL

ANNUAL REPORT 2016/17

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Message from the Mayor

As Mayor of our Council, I am very proud to present the Annual Report 2016/17 on behalf of Katherine Town Council to our community. This report for the 2016/17 year marks the move from the planning phases in 2014/15 to ongoing action phases on a number of significant projects as well as continuing work to improve our organisational services and community connection. These results are set to deliver greater enrichment through organisational effectiveness and the continued building of sustainable relationships with our community, our businesses, the Northern Territory Government and our many other stakeholders, as was our original aim since early 2015.

A very significant amount of work has been done on delivering services, with a very large volume of work achieved by the Works & Services Department (potentially more than has ever been achieved before) as well as the Corporate & Community Services Department in so many areas. Some of the highlights for the 2016/17 year include:

- Strong advocacy to all levels of government promoting Katherine's Strategic Plan with successful outcomes
- Council has been a strong advocate for representing the Community on a number of significant issues, the most prominent being contamination of PFAS to our water resources
- The Hot Springs ongoing revitalisation project works
- Festivals of Dry and other programs were continued in 2016/17
- Considerable work to the Katherine Showgrounds and Sportsgrounds to upgrade the facilities
- Increased Aboriginal engagement and consultation to better represent our population
- The ongoing support of the Katherine Women's Indigenous Association community garden project by Council by the minimal cost long term lease of the land
- The number of late rate payments and consequent actions was massively reduced in 2016/17 as a result of improvements in processes
- Binjari Community infrastructure work ongoing
- Ongoing consultation with Arts Community relating to the NT Arts Trail
- Provided support for Commonwealth Development Grants
- Unqualified Audit Report
- Installation of LED Street Lighting and ownership of same
- Commenced relocation of the Camp Draft / Rodeo Arena
- Installation of roller doors to the Buntine Pavillion
- Record sales at the Visitor Information Centre
- Relocation of the Black Russian Caravan and development of garden at the Visitor Information Centre
- Beautification of the Civic Centre gardens
- Progressed the Asset Management Plan (extending to include stormwater drains)
- Engaged with the Community through social media, forums and consultations



I thank the retiring elected members for their support throughout the year. I look forward to working with the newly elected members as a team to promote leadership vision, intent on listening to our community to deliver excellent results and enriched relationships. I also sincerely thank all our staff and volunteers who work so hard to deliver the results identified in this report, through their ongoing integrity, attitude of service and caring for our community.

The future for Katherine as a centre for our region and the Northern Territory is now growing brighter with the positive attention and energy that we are now attracting as we achieve our potential in partnership with our community, NT Government and all our stakeholders.

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



Alderman Lis Clark

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Alderman Toni Tapp Cutts

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Alderman Peter Gazey

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Alderman Donald Higgins

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Alderman Steven Rose

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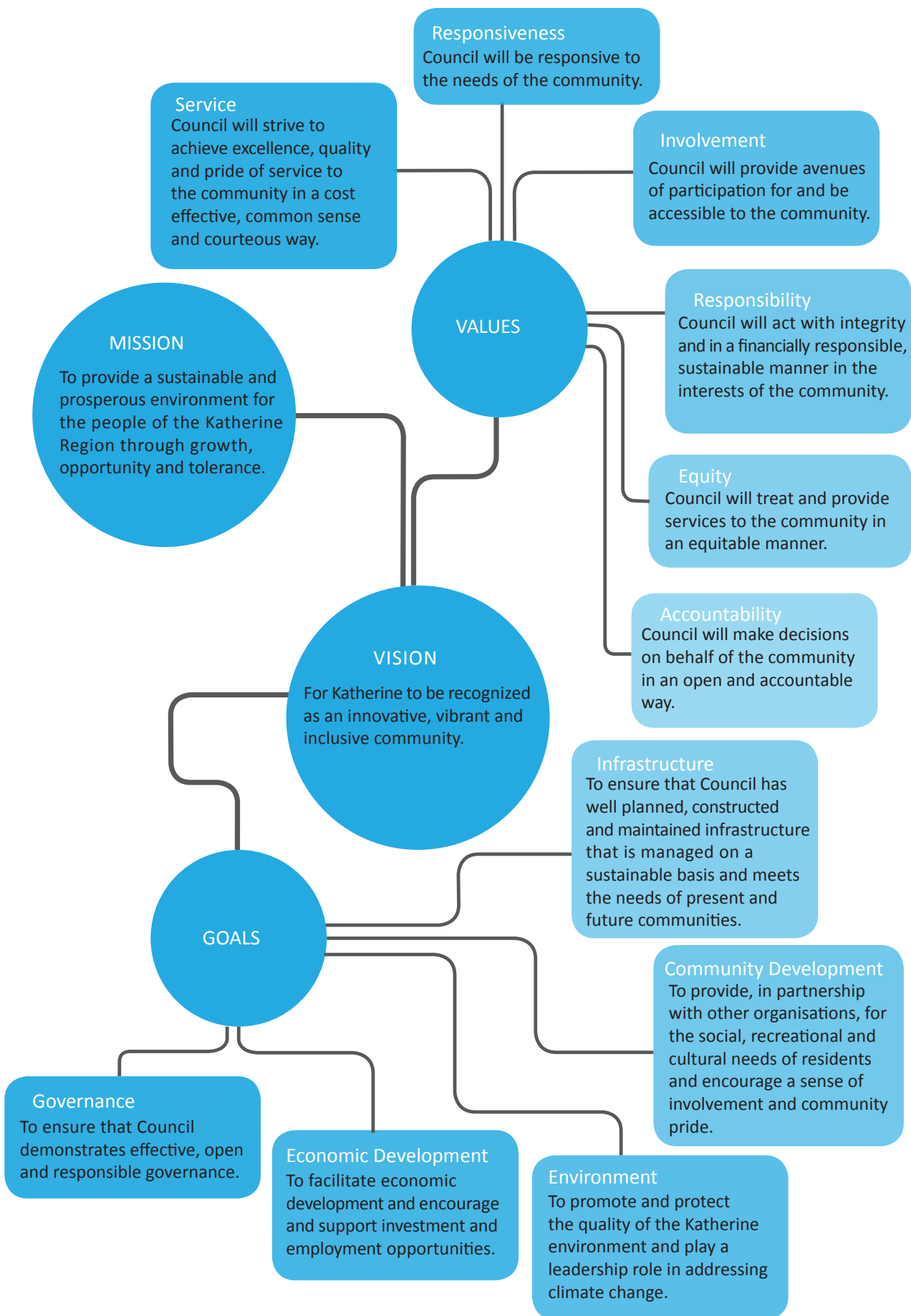
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Alderman Rob Phillips

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General Information

Ordinary Council Meetings

Ordinary Meetings of Council are open to the public, with community attendance and participation welcome. The only exception is when Council is dealing with confidential matters, which is called a 'Confidential Session', and may involve matters of legal, personal, or commercial nature. There is a notation on the Agenda relating to such matters. Ordinary Council Meetings are held on the 4th Tuesday of each month commencing at 6.00 pm. Changes to this may occur with all alterations being advertised prior to the meeting. At 5.30pm, prior to each Ordinary Meeting, Council has an Open Forum where members of the community are able to raise any issues they wish with Elected Members.

Purpose of the Annual Report

Council's 2016/2017 Annual Report has been produced in accordance with the *Local Government Act* Chapter 4 - Part 4.1 - Division 2 - Point 30 (2), Chapter 10 - Part 10.7 - Point 131 and Chapter 14 - Part 14.1 - Point 199.

During this year of Council, the key aims of delivering a better connection to our community through improved engagement and listening as well as the development of long term financial strategies and sustainability are now beginning to be realised.



General Information

Governance Structure and Organisational Systems

Information and Privacy Statement

The NT *Information Act* provides the community with access to government information (unless the information is exempt); it protects the privacy of personal information held by public sector organisations; and it promotes efficient and accountable government through records and archives management. At the level of the individual, it generally gives people a right to access any of their own personal information held by the Council, if it is in the public interest to do so. People may also have the right to correct personal information held by the Council.

There are two sections of the *Information Act* that require the Council to publish information at least annually or to make a statement in its Annual Report. Section 11 of the Act requires the Council to publish information about its structure and functions, the kinds of information usually held by it and a description of its procedures for providing access to information and correcting personal information. Section 131 (2) of the Act directs the Chief Executive Officer to ensure the Annual Report includes a statement about how the Council complies with the records and archives management requirements of the Act.

Three (3) Freedom of Information requests were received by Council in the 2016/2017 financial year.

Structure and Functions

Katherine Town Council is constituted under the *Local Government Act* to be responsible for the local level of government and management of the area known as Katherine. The organisational structure of Katherine Town Council is described in other areas of this report. Council's roles, functions and objectives are detailed in the sections 11-13 of the Local Government Acts. The functions are listed as:

- To plan for the future requirements of its area for local government services;
- To provide services and facilities for the benefit of its area, its residents and visitors;
- To provide for the interests and well-being of individuals and groups within the council area;
- To carry out measures to protect its area from natural and other hazards and to mitigate the effects of such hazards;
- To manage and develop council facilities and services in its area in a sustainable way;
- To manage and develop for the benefit of its area all the resources available to the council; and
- Other functions assigned to the council under this or any other Act.

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 Local Government and Community Services. 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. These arrangements are still valid for 2016/2017.

General Information

Types of information held by Katherine Town Council

The Council holds considerable information that can be broadly divided into these categories:

- Information about the day-to-day operations of the Council;
- Personal information about staff and Councillors;
- Information related to investigations of complaints about staff, Councillors or the Council's operations generally;
- 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.

Assessing and Correcting Information held by Katherine Town Council

People can access their own 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. Individuals can make 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 www.ktc.nt.gov.au.

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 and the 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 service 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

- 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

6. Economic Affairs

- 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



Municipal Plan Action List

Officer Title Key:

DWS = Director of Works and Services

LT = Leadership Team

CEO = Chief Executive Officer

DCCS = Director of Corporate and Community Services

CSEM = Community Services Executive Manager

LM = Library Manager

CO = Communications Officer

VICM = Visitor Information Centre Manager

DIPL = Department of Infrastructure, Planning and Logistics

Page no.	Item	Action	Officer	Status
P9	Opportunities & Challenges - Governance	Asset Management Plan	DWS	New Asset Management staff commenced in March 2017. Asset Management Plan in progress and determining current planning decisions.
		Community Strategic Plan	DCCS	Completed.
		Waste Management Coordinator Position	DWS	Completed
	Opportunities & Challenges - Economic	RAAF Tindal Works	LT	Through membership on the KREDC, the Department of Defence have provided the opportunity to review the EOI register for works and provide feedback on Katherine businesses that are not listed, so they may follow up with them to gauge interest.
		Daly River Road	CEO	The Daly River Road project is gaining momentum as a result of good work by Regional Development Australia that may result in the trial of a new agricultural use.
		Business Park/Industrial Hub	CEO	Through membership on the KREDC, this project is being progressed. The change of NT Government may see even further progress. This item has been placed onto the Northern Territory Government ten (10) Year Infrastructure Plan and the Department of Infrastructure, Planning & Logistics have commenced planning the project.
		Katherine East Neighbourhood Centre Development	CEO	We are in consultation with DIPL(the lead agency) who are progressing the works associated with the area planning, the development and the character of the area are being progressed.

Page no.	Item	Action	Officer	Status
P10	Opportunities & Challenges - Community	Flood Mitigation	LT	Through membership on the Katherine Emergency Committee, individual projects such as the railway bridge camera 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.
		Developing & strengthening Partnerships	LT	Partnership meetings are continuing with the Departments of Infrastructure, Planning, RDA, Parks & Wildlife and many others.
		Heavy Vehicle Alternative Route	CEO	The Department of IPL has been progressing this project into the third consultation phase.
		Territory Housing	CEO	The Mayor and CEO met with Minister Gerry McCarthy to progress this matter.
		Point of Sale Intervention	CEO	Strong support for the program has been delivered to the new Labor government that outlines the success of the scheme, whilst identifying areas for improvement. In a meeting with 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	DWS	Ongoing and now including the Waste Management Facility.
		Water Resources	DWS	Audit completed by Water Resources
		Alternative Power	DWS	Ongoing
P15	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.	Emungalan Road Bridge – ensure that full expenditure and acquittal of grant funds are completed by the end of the 2017/2018 financial year.	DWS	Progressing with Crown Land Native Title still outstanding. Awaiting decisions by the Northern Territory Government.
		Civil Airport – ensure that the renovation works of the hardstand and the terminal capital upgrades are completed in the 2017/2018 financial year.	DWS	Works to commence in May 2017. Now scheduled for December 2017 due to some final engineering changes and a revised second tender.
		Roads/footpaths – that 2,000m2 of urban and 61,000m2 of rural roads are resealed with efficient and effective management of budgeted expenditure.	DWS	Martin Terrace footpath completed. Reseal program in planning stage for an expected release date of May 2017. To be released as part of Asset Management Plan.
		Sportsground – that the solar lighting around the cricket oval, for security, is installed in the 2016/2017 financial year.	DWS	Works completed.

Page no.	Item	Action	Officer	Status
		Katherine Hot Springs – complete the excavation works and the construction of the proposed project stage by the end of the 2016/2017 financial year.	DWS	Works expected to recommence in May 2017. Excavation and construction works due to be completed October 2017.
		Waste Management – commencement of the waste management strategy to the region.	DWS	Waste Management Plan draft completed. Draft plan has been released and awaiting feedback.
	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.	DWS	Progressing and on track.
		That 100% of contracted, service delivery items and services budgeted items are completed and budget expenditure is effective and efficient.	DWS	Progressing and on track.
	Ensure policies, procedures and processes are transparent.	Commence record keeping of the number of community members and elected members at Sportsground and Showground Advisory Committee meetings.	DWS	This is now occurring at every committee meeting.
		Continue to record the number of complaints lodged and successfully resolved – ensure that 95% of these recorded complaints are resolved.	DWS	There have been issues in recording this information. New procedures regarding notification of complaints introduced should ensure successful resolution.

Page no.	Item	Action	Officer	Status
		To monitor and increase, by 5%, community participation in Sportsground and Show-ground Advisory Committees and consultations regarding both facilities.	DWS	Figures to be compiled for the second quarterly report to evaluate participation levels.
	Improve strategic planning for the department.	Produce a Works & Services Department strategic plan with the full participation of department employees.	DWS	Expected completion in last quarter.
		AMP integration into the operation of the Department	DWS	Ongoing.
		Ensure legislation and regulations are being met.	DWS	Ongoing.
P19	Corporate & Community Services – Goals and Key Performance Indicators - Adhere to good customer service best practice and ensuring customer satisfaction with Council's service delivery.	Ensure the staff to customer ratio remains the same.	DCCS	Expected to remain at current levels
		Complete an online customer satisfaction survey as part of the Katherine Town Council website upgrade.	DCCS	This will be finalised and be included as part of the launch of the new website.
		Provide an innovative, user friendly and updated Council website.	DCCS	The new website is still progressing however the expected launch date has been extended to late-2017 and is on track to this amended date.
	Ensure good communication and transparency.	Commence record keeping of the number of community members, elected members and senior staff attendance at community consultation meetings.	DCCS	Commenced and will continue to be documented at noted events.
		Ensure that less than 10% of Council resolutions are completed under a 'Confidential Council Meeting'.	DCCS	Achieving to date.
		Continue to record the number of complaints lodged and successfully resolved – ensure that 95% of these recorded complaints are resolved within timeframes.	DCCS	Records normally noted in monthly CEO report. There have been issues in recording this information.
		To monitor and increase, by 5%, community participation in Council committees, events and consultations.	DCCS	Records now being kept.

Page no.	Item	Action	Officer	Status
15		Complete annual review of Council's employee and elected members Code of Conduct.	CSEM	Completed
	Improve strategic planning for the department.	Annually update the Corporate & Community Services Department strategic plan with the full participation of department employees.	CSEM	Completed
		Hold quarterly administration and financial workshops for department employees.	CSEM	Continuing
		Ensure legislation and regulations are being met.	DCCS	Ongoing
	Provide relevant, effective and efficient services.	Complete an annual audit of department resources.	CSEM	Completed
		Complete annual audit for Council's service delivery plan.	CSEM	
	Ensure that Council has the capacity to meet current and future service delivery needs	Ensure own source funding is increased on a sustainable level and no more than an annual 9% increase.	DCCS	Achieving to date.
		Ensure Council applies for a minimum of .05% of total revenue in grant applications.	DCCS	Already meeting expectations.
		Receive an annual unqualified audit report.	CSEM	Completed.
		Compile an annual budget that is endorsed by both Council and the community.	CSEM	Completed.
		Compile an annual financial plan in accordance with National Accounting Standards.	DCCS	More detailed LTFP completed for the 2017-2018 budget.
		Long Term financial plan update.	DCCS	More detailed LTFP completed for the 2017-2018 budget.

Page no.	Item	Action	Officer	Status
P24	Corporate & Community Services – Library - Goals and Key Performance Indicators - Supporting Council's mission of building a strong, sustainable and prosperous community.	Develop and implement an innovative promotion and marketing strategy to promote Library services.	LM&CO	Library staff are working with Council's Communication Officer to promote and market the Library.
		Improve marketing opportunities and attendance numbers at events and activities at the Library by 5% annually.	LM&CO	Library staff are working with Council's Communication Officer to improve marketing opportunities.
		Increase patron numbers by 1.5% annually.	LM	This is ongoing in order to achieve an increase in patron numbers.
		Increase computer usage by 5% annually.	LM	Completed – as per monthly report details.
		Record data of information shared regarding Library services (i.e. the number of emails, letters, advertisements and posters).	LPC&CO	Library staff are working with Council's Communication Officer to ensure correct recording of data.
		Provide welcome packs to 95% of new patrons.	LM	To date every new patron to the Library is provided with a welcome pack.
	Supporting Northern Territory Library's mission of the Katherine Public Library playing the role of an important place for expression, reading and access to information.	Ensure best layout in order to provide a safe, welcoming and functional space for users.	LM	Completed
		Improve attendance at Frillies, Wriggle & Rhyme and Storytime by 5%.	LPC	Completed – as per monthly report details.
		Identify and collaborate with stakeholders to identify youth participation issues and implement recommended activities and events.	LM	Currently working with the YMCA to coordinate events for Youth Week.
		Monitor and access new alternative and emerging resource formats to ensure contemporary technologies are available to patrons.	LM	Regular monitoring and information updates are displayed for patrons.
		Provide free access to Wi-Fi and more affordable access to hardstand computers and internet.	LM	Completed.
		Increase access to downloadable books by 10%.	LM	All patrons are informed of the Bolinda App in order to access free downloadable books.
		Increase staff training and development opportunities with a focus on information Technology.	LM	When suitable training is available staff attend.

Page no.	Item	Action	Officer	Status
	Supporting more community engagement.	Identify and record service gaps through customer surveys and make improvements to noted service gap areas.	LM	Currently conducting a survey with a focus on Children's programs.
		Participate in Council co-ordinated events and activities.	LM	Participating as required.
		Record number of likes, shares and comments on Katherine Public Library Facebook page.	LM	Commenced – as per monthly report details.
		Increase program accessibility to Katherine Public Library activities and events that are held externally.	LM	Planned attendance at information days (for example Twilight markets and Tindal Expo).
P27	Corporate & Community Services – Visitor Information Centre - Goals and Key Performance Indicators -Improve the visitor experience.	Increase visitor numbers by 1.7%.	VICM	Exceeded expected growth for the first quarter.
		Provide a space/stand for local product to be sold on commission basis (i.e. art-work, etc).	VICM	Completed and continuing to increase local product lines.
		Provide updated brochures and information packs to customers.	VICM	Ongoing throughout the year.
		Provide welcome packs to all new residents.	VICM	Ongoing throughout the year.
		Provide a customer satisfaction survey in all media platforms (i.e. hard copy, on-line, pre-paid post cards, etc).	VICM	Ongoing – hard copy customer surveys are placed on the counters and tables at the VIC. Facebook likes continue to increase and received a 4.5 star rating from TripAdvisor.
		Regularly provide demonstrations, networking nights and product update nights	VICM	Two held but others will be ongoing throughout the year.
		Ensure best layout of the Visitor Information Centre for visitor use.	VICM	Completed.
		Upgrade to facility signage (branding of building).	VICM	Completed.
		Increase staff development and training opportunities.	VICM	Ongoing.

Page no.	Item	Action	Officer	Status
18		Full time and part time staff to actively participate in famils and visitor centre exchanges.	VICM	Ongoing.
		Focus on online training opportunities for staff.	VICM	Ongoing.
		Increase participation in team building activities.	VICM	Ongoing – regular meetings and functions.
	Work across the industry.	Ensure legislation, regulations and accreditation standards are being met.	VICM	Ongoing – VIC accreditation completed.
		Annual review of all policies and procedures.	VICM	Ongoing – VIC Co-ordinator continuing to update operations manual.
		Engagement and contact with Tourism Top End and Tourism NT.	VICM	Ongoing with a number of meetings and engagement opportunities attended (e.g.: TTE Xmas party).
		Use Council as a communication network and public consultation process.	VICM	Ongoing – VIC Facebook page has promoted events and notices.
		Actively participate in committees relating to tourism.	VICM	Ongoing – regularly attending LTAC and TTE meetings.
	Improve business sustainability.	Improve Katherine Town Council's presence within social & digital media platforms.	VICM	Completed – Facebook page has been created and published with local and Council events being posted. Website continues to be a work in progress.
		Improve tourism through a digital presence in the Katherine region.	VICM	Facebook page now live and website continues to improve.
		Upgrade the www.visitkatherine.com.au website.	VICM	Almost completed.
		Improve on-line booking usage and capabilities (interactive).	VICM	Ongoing.
		Record 'hits' to website (including sessions and page views) for tangible data.	VICM	Completed.
		Presence on other social media & digital platforms (sites).	VICM	Completed
		Improve on-line search to make the Visitor Information Centre and/or Katherine Town Council to be the first to be shown.	VICM	Completed – key word and search phrases altered.
		Network staff computers and add additional cash registers.	VICM	Completed.



Corporate & Community Services Division Report

Introduction

Corporate and Community Services has achieved noteworthy outcomes for the Katherine Town Council and the Katherine Community during 2016/17 through diligent staff, effective management and engagement with key stakeholders.

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 conversation rate of sales. Significantly the sales team has also increased the average length of stay in Katherine from two (2) to four (4) days which delivers a flow on economic benefit for all of Katherine.
- A completely revamped Visit Katherine website that makes it easier for visitors to find the website, gives them a really good reason to visit it, and is customer friendly.
- Increased level of participation by children in library programs, particularly Wriggle and Rhyme, and events for children.
- Continued growth in Community participation of Council events and expanded marketing of Katherine through the Festivals of the Dry.
- A comprehensive update of policies, particularly Workplace Health and Safety, to ensure compliance with current legislation.
- Extending the implementation of our communications strategy through social media.
- Enhancing our capacity to ensure compliance with applicable laws, regulation, rules and agreements, to preserve the integrity and reputation of Katherine Town Council. This was supported through a satisfactory audit by the Department of Housing and Community Development (Local Government).
- Improving the systematic asset management planning process of developing, operating, maintaining, upgrading, and disposing of assets cost-effectively.
- The external financial auditor commendation of Katherine Town Council's prudent and responsible approach to financial management.

Further details of the corporate and community activities are detailed in the following pages.

Income for Katherine Town Council is generated by rates, Australian Government grants and Northern Territory Government Grants and subsidies, service fees and charges and penalties. Formal budgets are prepared every year and the rates are set in July, in accordance with the Local Government Act.

Program budgets provide information on the services and costs associated with each individual program. Budget papers are available for public viewing in the Katherine Town Council Civic Centre and through the Council's website www.ktc.nt.gov.au.

Planning

The Corporate and Community Services action items within the Municipal Plan have been completed or nearing completion.

Corporate & Community Services Division Report

Corporate Information Technology

In late 2014 Council signed a new managed service agreement with Civica for the provision of the Authority software. The new agreement also includes the provision of the asset management software and mobile capability. The mobile capability will include access to online purchase orders, staff leave and salary entitlements, update for asset management requirements and a more user friendly interface for mobile users. These new arrangements, with a particular focus on Asset Management Planning have been a focus for both divisions of Council.

Financial Services

Council received an unqualified audit in 2016/2017. During the 2014/2015 financial year Council's Corporate Services Department engaged a new auditor to ensure that Council retains best practice adherence and improve its future risk and financial management systems over the coming years.

Human Resource Management

Staff performance management plans were updated in 2015; with additional steps now required, the rollout of these additional steps put a personal performance plan with specific key performance indicators for each key responsibility of the individual job description. This updated process has allowed Council to be more proactive with performance management and issues that may result.

Occupational Work health and Safety has been a major priority for the Katherine Town Council. This ensures the safety and wellbeing of our staff and those who visit Council facilities. The Council aspires to best-practice regarding OH&S legislation and requirements.

The Corporate & Community Services Division staff attended a variety of training and professional development throughout the year which included but is not limited to:

Darwin facilitated:

- Diploma in Library and Information Services
- Certificate IV in Business
- Certificate III in Business
- Health & Safety Representative Training
- LGANT Workshops (Finance Reference Group, Governance, Rates, Human Resource)
- Payroll Training

Katherine facilitated:

- Customer Service
- First Aid (as required)
- Human Resource Training
- Budgets
- Asset Management Training

Other locations:

- Visitor Information Centre famils
- Australia Day Council



Corporate & Community Services Division Report

Community Events

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

2016 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 2016 Carols by Candlelight being a well attended and enjoyed event.



2017 ANZAC Day

The ANZAC movie night was held at GYRAAC Amphitheatre lawns, the movie Gallipoli was shown on the big screen. Families brought along picnic rugs and food and sat on the grass to enjoy the movie. It was an enjoyable night for all.

2017 Australia Day

The 2017 Australia Day celebrations were held at the Godinymayin Yijard Rivers Arts & Culture Centre. Australia Day Ambassador Jake Gablonski and Member for Katherine Sandra Nelson 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.

2017 Come and Try Sports Day

Due to adverse weather conditions and the looming flood watch in 2016 the Come and Try Sports Day was organised to be held indoors again regardless of the weather. 2017 was again a successful and well attended event. 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 groups and members of the community with a lot of positive feedback received. The event demonstrated the importance of sporting groups within small communities, particular those with transient population.



Corporate & Community Services Division Report

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.

As per previous years Katherine Town Council provided in-kind support for Territory Day 2016. The co-ordination included assisting with the equipment set up, catering requirements, marketing and advertising. The event was a success.

2017 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.

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



Tourism

Beyond the services provided by the Visitor Information Centre, Council participates in the Tourism Top End (TTE) meetings and continued partnership relationships with both Tourism NT and TTE. In 2016/2017 the Katherine Visitor Information Centre saw 141,391 visitors through the door and had a target of 122,855. Our sales figures well exceeded target at \$1,135,723 and our expected sales target was \$1,021,675.

We have new strategies for 2017/2018 and hope to see a trend in sales conversion throughout the year.



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, Magazine's, Spoken Word (CD) and Music
- Reference Service
- Computer Access – including wireless internet (Free for 1 hour per day)
- Membership – Country Borrowers, Temporary Borrowers
- Broadband for Seniors – Free to Australian Seniors who hold an Australian Seniors Card
- Facsimile Service
- Scanning Service
- Photocopying
- Binding and Laminating Services

The most popular regular services include:

- Storytime for Children – age 3-5 years
- Wriggle & Rhyme for Babies – age 0-2 years
- Teddy Bear's Picnic
- Frillies Reading Club
- School Holiday Program
- Youth Week Events
- School Visits
- Senior Citizen's Computer Courses
- Greensnaps Exhibition

In addition to the above services the Katherine Public Library now offers exhibition/gallery space for local artists at no cost.

New
Programs

Increased
Participation



Corporate & Community Services Division Report

Library Services

Based on a calendar year - basic usage of the Library can be summarised as follows:

KATHERINE	2015	2016	2017
People Counter	35,851	35,102	37,002
Active Patrons	1,883	2,071	1,768
Inactive Patrons	993	1,060	N/A
Computer Usage	3,769	3,204	4,619
Story Time	1,616	1,761	2,029
Wriggle & Rhyme	1,824	1,864	2,104

Active patrons are those who have used their library card in the last two years. The Inactive patrons data was not included in the report supplied by NT libraries.

Circulation statistics on a calendar year basis are as follows:

TYPE OF ITEM	2015	2016	2017
Adult	27,397	28,954	13,996
Child	6,492	7,032	4,877
Country Borrower	1,027	1,301	573
Temporary	282	302	91

The Library is partially subsidised by the Northern Territory Government under a three (3) year agreement between Council and the Northern Territory Library Information Service. This Agreement expires on 30 June 2018, and Negotiation has commenced on a new agreement for the following three (3) years.

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

ITEM	2016/2017	NOTES
Operations	34,2060	
Rent	110,000	Paid by Northern Territory Government
Depreciation	11,111	
TOTAL	463,171	
NT Government Subsidy	387,950	Including rent
KTC Contribution	75,221	

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 Division Report

Visitor Information Centre



\$1.1M
Sales

\$189K
Retail Sales

\$946k
Bookings

141,391
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 2017 for 2018.

The Visitor Information Centre achieved \$1,135,723 in sales, \$946,151.33 in bookings and \$189,571.67 in retail sales during 2016/2017 with 141,391 visitors accessing the VIC services during that time.

Tourism NT, Tourism Top End and the Katherine Town Council have 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. We acknowledge the valuable funding support from Tourism NT during 2016/2017 of \$289,000 and 2017/2018 of \$293,000 which assisted and will continue to assist in subsidising the service.

Corporate & Community Services Division Report

A redesign of the visitkatherine.com website has been developed, ensuring consistency throughout the site to enhance the ease of visitor navigation. Our next step is digital marketing, through leading people to our website for assistance with customising their itinerary, and ensuring their booking process is seamless.

Due to our fast growing retail section, a new Point of Sale (POS) system is being commissioned to streamline inventory management and itemise sales.

We have incorporated a popular portable café (Black Russian Caravan) into our garden area in conjunction with progressively expanding the ambience and benefit of that area for visitors.

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, (e.g. some floor consulting stations), and a dedicated person to respond to phone calls during peak demand times. The outcome of these initiatives is to improve sales.

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 Division Report

Introduction

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

Facilities

Parks & Open Areas

Council's Emu Bob Program (rubbish pick-up) resulted in 17,080kg of rubbish being collected through the main township; this figure does not include rubbish collected from Katherine Terrace (Stuart Highway).

Works on the Katherine Hot Springs Redevelopment Project recommenced after wet the season. Council's contractors Hat Creek Civil and Prospect Contractors kicked off the planned earthworks and the construction of the gabion rock wall. Other works including; installation of erosion control devices and erosion control jute matting, installation of a rock exit bed (rubble) as part of the soil and erosion plan, connection of town water to the Hot Springs toilet block and installation of new signage were carried out by Council Staff and various Contractors.

Council continued assisting the Department of Health with undertaking the Mosquito Monitoring Program.

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 a new light pole outside the McFarlane Street Primary School
- Removal of street lighting at Riverbank Drive.
- Development of a soil and erosion plan for the Hot Springs.
- Installation of drinking bubblers at exercise stations along the River corridor.
- Removal of graffiti on poles at Holtze Crescent.
- Installation of rubber soft-fall to the three (3) completed exercise stations along the Katherine Riverlink Trail and installation of equipment, including rubber soft-fall at the fourth exercise station located at the Katherine Hot Springs Top Park.
- Repairs to the Town Clock.
- Repairs to Glencoe Park fence.
- Removal of non-compliant play equipment from Acacia Park.
- Clean-up of the Hot Springs Top Park area in preparation for the reopening of the Pop Rocket Café.
- Removal of sand build up at Knotts Crossing.
- Retrofitting of Street Light Luminaires as per Tender T16/17
- Cleaning of laneways in Katherine East.
- Installation of the new RiverLink bollards from the Hot Springs to the Cemetery.
- Implement a weed/tree poison program at Low Level Reserve
- Installation of poles and shade sails over the four (4) exercise stations along the Katherine RiverLink Trail.
- Installation of a solar light on Giles Street near the exercise stations.
- Surveys at Railway Terrace drain, McAdam Road and Lindsay Street.
- Repairs to Dump Point.
- Road surface preparation for testing at First and Lindsay Streets roundabout.
- Completed subgrade testing at Lindsay Street roundabout.
- Pest control measures including the following works: baited ants at the Lindsay Street complex and the bore compounds throughout the Township.



New LED Street Light fitting

Works & Services Division Report

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

- Installation of a smaller water meter at the Stuart Highway Memorial Park.
- Repairs of the town water supply at the Warburton Street Complex.
- Completion of trenching at the Cultural Centre and along Giles Street.
- Completion of trenching at exercise stations and installation of concrete pads along O'Shea Park.
- Connection of a bore line and installation of a pump start at GYRACC.
- Irrigation works for GYRACC, Oval two (2) and Giles Street trees.
- Cleaning of pipe line at First Street culvert.
- Installation and repairs to sprinkler at the Netball facilities.
- Replaced water meter at Roney Park.
- Post wet season irrigation system check and associated works.
- Council contractors Stephen Murphy, All Regions Electrical and Top End Rural Supplies installed a new bore pump at the Police Bore.
- Council contractor McIntyre Irrigation in conjunction with Top End Backhoe Hire and All Regions Electrical completed the installation of a new bore, Sportsgrounds Bore 4, situated within the BMX compound enabling watering of the Cricket Ground.
- 393 sprinklers were replaced due to vandalism throughout urban parks this year, adding to the total cost of vandalism of some \$19,650.





Works & Services Division Report

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:

- Aerated and fertilised Rundle, Jukes and Dakota Parks.
- Vegetation maintenance:
- Removal of hazardous trees/branches from Callistemon Drive, on Light Court, Morris Park, O'Shea Park, Giles Street and in the CBD.
- Pruning of trees/branches from Sportsground Oval One (1), Ryan Park, Railway Terrace, Pioneer path, Lockheed Park, Civic Centre, Morris Park, Katherine East walkways, Cemetery, Wallace Court, Martin Terrace, Food Ladder site, Kirkpatrick and Shepherd Streets, Fourth Street, Callistemon Drive and Katherine East following on from a tree safety audit.
- Tree and ground stump removal on numerous termite damaged trees and palms along Riverbank Drive, at the intersection of Giles and Second Street, O'Shea Terrace, Second Street.
- Removal of two (2) unsafe snappy gums from the Wallace Street nature strip
- Pruning of a dangerous tree on Callistemon Drive.
- Removal of dead trees from Riverbank Drive, Coolibah Circuit, Hibiscus Court, Giles Street, Second Street, Third Street, Railway Terrace and opposite Katherine South School.
- Removal of unsafe trees from the Cinema carpark and at the Town Square.
- Conducted an audit of noxious weeds within the Katherine River Corridor.

Council staff conducted regular monitoring for weeds, largely throughout the rural areas, implementing eradication programs as follows:

- Ongoing identification and treatment of Neem trees throughout the entire Municipality with particular attention being paid to Shadforth Road and furniture.
- 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.
- Sprayed roadside furniture for caltrop at Katherine South streets.
- Sprayed along Lansdowne Road in preparation for slashing.
- Completed rubber bush spraying along Murnburly Road.
- Sprayed saplings and noxious weeds along Florina Road and Murnburly Road.
- Aerial spraying for Bellyache bush at the Waste Management Facility.
- Identified and treated caltrop outbreaks along urban nature strips.

Council staff and contractors carried out the following garden renovations to the Civic Centre front garden:

- Laid out stones at the new Civic Centre garden.
- Installation and repairs to sprinklers at the Civic Centre gardens.
- Repairs and resealing of rear decking at the Civil Centre.

Works & Services Division Report

Buildings

Council contractor ISKO Services produced concept plans/drawings for the Don Dale building extension, the showgrounds toilet block and a new roof over the adventure playground.

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.
- Installation of a new meter box at the Warburton Street Complex.
- 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 blocked Exeloo at the VIC
 - Repairs to blocked and leaking toilet at the Lindsay Street Complex, Katherine Hot Springs and Ryan Park.
 - Repairs to disabled toilets at the Works Depot, Lindsay Street Complex and a leak in the men's toilet at the Civic Centre
 - Repairs to an overflowing septic tank at the airport
 - Replaced power supply at the VIC Exeloo.
- Routine security panel and air conditioner servicing and maintenance throughout Council facilities, works also included:
 - Repairs to an air conditioner in the Katherine Civic Centre Arts Room.
- Routine servicing and maintenance to hand held fire equipment, smoke alarms, fire alarms and emergency lights throughout Council facilities, works also included:
 - Installation of two (2) fire hydrant heads at the airport.
 - Replacement of broken smoke detectors at the Katherine East Community Centre.
- Organised and cleaned up the Depot back area and installed steel racks and gravel bins.
- Tagged and tested electrical equipment at the Council Depot, Katherine Civic Centre, Katherine Library and Katherine Visitor Information Centre.
- Conducted a playground compliance check of 12 playgrounds.
- Cleaning of storage rooms at the Katherine Library, Katherine Civic Centre and Katherine Visitor Information Centre.
- Installation of a new flag pole at the Katherine Museum.
- Installation of a wheelie bin stand at the front of Dollar & Sense and at the Raymond Place walkway in preparation for the supply of 240L bins by contractor.
- Installation of an emergency generator at the Depot.
- Repairs to the pound door.
- Pest control measures required throughout Council owned facilities included the following works:
 - Ginger Ant treatment at the Visitor Information Centre
 - General pest control (ant and cockroach) at the Civic Centre and Visitor Information Centre



Works & Services Division Report

Katherine Sportsgrounds

Council contractor Steve Rose and Associates completed the lighting design plan for oval two (2) at Sportsgrounds.

Council contractor Sharyn Innis Consulting has been engaged to prepare a Sportsground Master Plan.

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

- Repairs to the alarm panel at the Don Dale Centre.
- Conduction of pest control for rats and ants at the Don Dale Centre and rats at the Netball toilets.
- Repairs to unblock the disabled toilets at the Fun Park.
- Removal of tree roots from Sportsground one (1).
- Repairs to a leaking tap at Sportsground one (1).
- Aerated and fertilised ovals one (1) and two (2).
- Re-seeding of Sportsground one (1) area.
- Cleaning of the Skate Park in preparation for repainting by Katherine Arts.
- Repairs to the bore at Sportsground Oval one (1) and two (2).
- Completed soil investigations at the Sportsground Oval two (2) for light tower installation.
- Installation of LED lighting at the BMX storeroom.
- Repairs to lights at the netball toilets and canteen areas
- Drilling of holes for footings for the lighting towers oval two (2).
- Repairs to the bore at Oval one (1).
- Installation of footings and electrical conduits in preparation for the installation for new lighting towers at Oval 2.
- Removal of three (3) Mahogany trees in the vicinity of the Don Dale Building.
- Repaired blocked sewer lines.
- Installation works for Bore No. 4 (near BMX facility).
- Installation of solar lights within the grounds.
- Ezy Pool Care supplied a new robotic pool cleaner.
- Removal of the old shade sail and installation of the new shade sail panel over the Adventure Play Park.
- Top dressing works on damaged areas of Oval 2.
- Installation of fencing around the spectator area at the Katherine Aquatic Centre.
- Poisoned along all fence lines and assets near the Don Dale Pavilion.
- Fitting of lights on the new towers on Oval 2.
- Repairs to a water leak located under the Don Dale Pavilion.
- Removal of old goal posts and goal post slippers from Oval 2.
- Repairs to damaged basketball/netball goal posts.
- Carried out asbestos testing and repair to the Tennis Club ceiling after a break-in. Asbestos testing results came back with a negative reading.
- Carried out work at Oval 2 filling low areas with washed sand from Holt Quarries.
- Repairs to the Skate Park flood lights.
- Repairs to irrigation at the YMCA.
- Repairs to water leaks around the area.
- Repairs to bore lines, irrigation repairs and trenching of new electrical lines between Bore 2 and Bore 3
- Disconnection of the old light towers at the Sportsground.
- Repairs to irrigation at Oval 2.



Works & Services Division Report

Katherine Showgrounds

Council contractor Sharyn Innis Consulting has been engaged to prepare a Showground Master Plan.

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

- Repairs to unblock the Rotary toilets.
- Repairs to the poultry shed toilets.
- Installation of a new irrigation system at the Model Aero Club and for trees along the Golf Course boundary.
- Cleaning up and clearing of the rear Showgrounds areas.
- Repairs to a water leak at Showgrounds.
- Repairs to ceiling fans at NORFORCE pavilion.
- Repairs to Showgrounds Oval bore line.
- Weed spraying of neem along Golf Club side of Showgrounds.
- Repairs to the new dripper system line at Rodeo grounds.
- Repairs to leaking toilets at the Buntine and NORFORCE pavilions.
- Repairs to rear gate and patching to the interior roads of the Showgrounds.
- Assembled seats for the Showground grandstand.
- Conducted electrical repairs on the McDouall Stuart Hall and Norforce Pavilion.
- Weed and grass spraying reduction program in the centre of the Racetrack and in and around the rodeo arena.
- Repairs to a burst water main at the facility.
- Installation of an internal access gate within the camp draft arena.
- Repairs to water leak on the town water supply and unblocked toilets.
- Removal of a dangerous branch from within the facility.
- Repairs to blocked septic at the Stuart McDowell Hall.
- Repairs to the oval light towers.

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:

- Replacement of a mechanical seal on the pool pump



Works & Services Division Report

Katherine Memorial Cemetery

Council staff and contractors arranged and facilitated 30 burials for the financial year.

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

- Cleaning up on the riverside bike path at the rear of the Cemetery.
- Aerated and fertilised the lawn.
- Pruning of trees within the Cemetery.
- Installation of a new backflow prevention device on the town water system.
- Repairs to blocked septs at the Cemetery.

Katherine Civil Airport

Council contractor Jason Rapley was engaged by Council to carry out the Reporting Officer Inspections until December 2016; this also included regular inspections and spot sweeping of the RPT and GA Aprons, as per standard operating procedures.

Council contractor Jason Rapley resigned from his Reporting Officer duties, as of 31 December 2016.

Renoflo recommenced drain cleaning at the Katherine Civil Airport.

Council contractor Arafura Street Sweeping was engaged by Council to carry out the Reporting Officer Inspections during February, March, April, May and June 2017; this also included regular inspections and spot sweeping of the RPT and GA Aprons, as per standard operating procedures.

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

- Repairs to the seal in a glass door and replacement of the door closure at the Civil Terminal.
- Replaced toilet seat in the female toilets at the Airport.
- Repairs to a leak in the fire hose.
- Replaced the collapsing ceiling at the Airports communications building workshop.
- Reinstated bathroom tiles and door seals and conduction of minor maintenance repairs to the Civil Terminal Building.
- Sprayed weeds in and around the area.
- Repainted the interior of the Terminal Building.
- Installation of air conditioners at the Terminal Building.
- Rehangng of the door to the Avdata room at the Terminal Building.
- Cleaning of roof guttering at the Terminal Building.
- Pumped out the septic tank.
- Inspection and carried out testing for asbestos at Katherine Airport Building; testing results has come back as no asbestos.



Works & Services Division Report

Katherine Town Council Waste Management Transfer Station

Council actively participates in several recycling initiatives at the Waste Management Transfer 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:

- Bailing of approximately 20.06 tonnes of car tyres and approximately 125.90 tonnes of shredded tyres
- Storing of 18.96 tonnes of car batteries for collection
- Storing of 351.64 tonnes of steel for collection
- Collection of approximately 8,000 litres of waste oil
- Storing of 3,262 compliant (emptied and triple washed) containers, part of the drumMuster scheme, for collection
- Degassing and capturing of refrigerant products from stockpiled whitegoods, condensers, compressors and air conditioners etc. prior to their final disposal

In line with legislative requirements the following works have taken place at the facility:

- Council dry hired a wheeled loader from Hat Creek Civil while repairs were being made to KTC waste handler.
- As per KTC EPA licence requirements ground water testing was undertaken throughout the facility:
 - Results from routine water sampling, carried out in May at the Waste Management Facility, were within acceptable limits and do not show any significant differences from previous testing. Due to the topical nature of perfluorinated chemicals, the ground and surface water at the landfill was also tested for these pollutants. Surface water samples taken at the creek didn't contain measurable levels of PFAS. Groundwater concentrations of PFOS/PFHxS, at the bore onsite, were 0.14µg/L. The national health based guidance values for PFOS/PFHxS are 0.07µg/L for drinking water and 0.7µg/L for recreational use. The Department of Defence was notified and further testing has been carried out as part of the broader investigation.

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

- Repairs to the Traxcavator; a D8 dozer was hired whilst repairs were being undertaken.
- Continued to spray noxious weed in the area.
- Replaced the floor in a hook bulk bin.
- Relocation of litter capture fence.
- Replaced a broken pressure pump.



Works & Services Division Report

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 24,920kg of litter being collected throughout the year.
- Removal of 52 abandoned vehicles to Katherine Waste Management Facility.
- Commenced with the design plans for the oval expansion.
- Removal of dangerous trees from top and bottom camps.
- Rewiring of basketball courts power supply.
- Continuation of the Binjari Dog Program.
- Aerial spraying for Bellyache bush.



Roads

Streetlights

Council contractor Green Frog Systems were awarded Tender T16/14 – Supply & Delivery of LED Street Lights to the Katherine Township.

Roads

Council contractor Hat Creek Civil commenced earthworks on the rehabilitation of McAdam Road.



Works & Services Division Report

Road Pavements

Council's annual Resealing Program (combined 2014/15 and 2015/16 budget allocations) was undertaken by contractor Fulton Hogan; works comprised of rehabilitating/resealing sections of road pavement along the following:

- Pavement Rehabilitation
 - Florina Road between Krilloff and Ivanoff Roads (Long Johns Soak)
- Resealing of Urban Intersections
 - Maluka Road and Acacia Drive
 - Crawford and Chardon Streets
 - Giles Street and O'Shea Terrace
- Resealing of Rural Roads and Urban Streets
 - Florina Road, Giles Street, Giles and O'Shea Terrace, Lockheed Road and Lindsay Street
- Excavation, widening and strengthening of First Street culvert.
- Completion of surveys of the Emungalan Road (bridge) and Lindsay Street.
- Completed line marking on the new Florina Road works.
- Installation of guideposts to new works on Florina Road.
- Road patching at the Caltex roundabout, Florina Road and various locations within the CBD.
- Repairs to the Second Street parking and Ronan Court pedestrian signage.
- Installation of new flagtrax banner systems in Lindsay Street and Victoria Highway.
- Conducted pavement testing on Florina Road, outside Phoenix Park.
- Repairs to the road surface at the intersection of Cormack and Casuarina Streets due to soil subsidence.
- Repairs to the bus turning lane on Collins Road.

Council engaged the services of Aldebaran Contracting to continue the culvert widening on First Street.

Council contractor Hat Creek Contracting completed road shoulder reconstruction on Helena and Bray Roads, conducted geo-spraying along Florina Road and repaired the Florina Road creek washout including the placement of armour rock on the banks.

Remote Civil completed resealing works on First Street and rehabilitation works on Niceforo Road.

Council contractors Top End Backhoe Hire, NT Geo-Testing, NT Bores and Hat Creek Civil in conjunction with Council staff conducted excavation in preparation for geo-testing at Leight Creek (Nixon's Crossing).

AAM Surveys completed surveying Florina Road in the vicinity of Rowlands Quarries Pty Ltd and Rockhole community in preparation for new slip lanes.

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

- Pavement repairs along Arndt Road, Crawford Street, Hibiscus Court, Donegan Crescent, Florina Road, Emungalan Road, Cossack Road, Morris Road, Quarry Road, Katherine Sportsgrounds internal roads including various sections throughout the CBD.
- Pothole repairs on the Gorge Road and Zimin Road edges.
- Installation of culverts on Quarry Road.
- Completed a crossover at Florina Road.
- Completed grade, water and roll works on Helena Road, Long John's Soak and Ivanoff Road on Florina Road.
- Grounds maintenance works at First Street culvert.
- Filled a sinkhole on Shadforth Road.
- Patched roads within the CBD at First Street roundabout, First Street at the Visitor Centre entrance and near the Kintore Clinic.
- Patched and repaired damaged sections of road pavements along Bicentennial Road, Needham Terrace and Gillard Crescent.
- Installation of stone on the nature strip at the intersection of Second Street and Giles Street in preparation of stoneset treatment.
- Applied second coat of line marking paint to Acacia Drive, Grevillea/Maluka Roads, Florina Road, First Street, Giles Street and Railway Terrace.

Works & Services Division Report

Carparks & Surrounds

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

- Installation of speed cushions in Rapide Street either side of the school crossing.
- Installation of speed bumps on Rapide Street.
- Installation of “No Standing” signs at the pedestrian walkway at the Lindsay Street Complex carpark.
- Placed rocks at Shady Lane Road to prevent vehicle entry.
- Installation of “No Pets” signage at the Lindsay Street Complex.
- Installation of fencing at First Street culvert and wheel stops at Lindsay Street carpark.
- Excavation of intended parking areas along First Street, near Kintore Clinic, in preparation for the of laying new stone pavement.
- Installation of parking wheel stops in the Lindsay Street car park.
- Excavation of holes at the Katherine Hot Springs and Lindsay Street Complex car parks in preparation for tree planting.
- Excavation of damaged section of concrete at the intersection of Giles and Second Streets in preparation for the installation of new concrete parking areas (three (3) new additional parks created) and the installation of stone set verge.
- Construction and installation of tree guards for use at Katherine Hot Springs and Lindsay Street Complex car parks; upon completion of these works, trees were then planted.



Works & Services Division Report

Footpaths/Cycle paths

Council contractor Katherine Plastering and Tiling completed kerb guttering and wheelchair access on Martin Terrace.

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

- Installation of concrete pads across Gory Road causeway.
- Excavation, plastering, tiling and repairs in Neal Place and Banksia Court footpaths.
- Alterations to Hot Springs pedestrian access.
- Repairs at Fourth Street and corner of Lindsay and Tindal Streets footpath.
- Installation of a new coloured footpath along First Street, near the Visitor Information Centre.
- Installation of bollards at Chambers Drive, along the boundary of Council owned land; works were undertaken as part of the conditions specified by the Development Consent Authority and at the request of the Department of Transport.
- Repairs to the foot/bike path in between Hot Springs and Low Level, the repairs required ground stabilisation and the damaged section of path was replaced with concrete.
- Repairs to four (4) damaged sections of footpath at Finnis Place.
- Repairs to Emungalan Road and the River bike path.



Drainage Networks

Council contractor Aldebaran Contracting cleaned and repaired drains on Florina and Ivanoff Roads and continued roadworks on Florina Road including pipe installation.

Council contractor Hat Creek Contracting and Grass Spray NT rehabilitated a drain easement on Tokmakoff Road.

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 on side entry pits lids in Hunt Court, Grevillea Road, Wallace Court, and at Katherine Civil Airport.
 - Repairs to a side entry pit on Elliot Street, Third Street and Wallace Court.
 - Repairs to a drain on Cossack Road due to erosion.
- Gate installation and fence repairs on Tokmakoff Road easement drain.
- Clearing of a drain at the intersection of Giles Street and Cameron Street in order to allow water to flow from the edge of the road into the drain.
- Cleaned out block drains on Morris Road and Giles Street.

Works & Services Division Report

Traffic Control Devices - Regulatory, Warning and Advisory Signage

Routine inspections of all signs throughout the Municipality resulted in the following general repairs and maintenance works being conducted by Council staff and contractors:

- Installation and repairs to damaged/missing street signs on Cox Crescent, Auster Street, Rapide Street, McDonald Street, Kurrajong Court, Second Street, Fourth Street, Elliot Street, Fuller Crescent, Lucy Street, Condon Street, Maluka Road, Riverbank Drive, Arndt Road, Acacia Drive and at the Lindsay Street and Giles/Second Streets roundabouts.
- Replacement of information bays signs.
- Installation of new School advisory signs on Grevillea Road and Rapide Street.
- Repairs to the chevron sign at the Courthouse roundabout.
- Installation of Traffic Control signage at Leight Creek, Chardon & Shadforth Roads, Campbell Terrace and Riverbank Drive.
- Installation of traffic control “give way” signage at Grevillea, Helena, Niceforo Roads and Callistemon Drive.
- Installation of “safety house” signage.
- Repairs to a school zone sign at Rapide Street and installation of new signage in and around Katherine South Primary School.
- Installation of new “Keep Left” signs at Martin Terrace.



Wet Season Operations

The 2016/17 'wet season' saw the following operations take place throughout the Municipality in preparation for ensuring 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.
- Secured the pedestrian handrail at the Low Level Bridge in preparation for the wet season onsets.
- Boat ramp and Katherine Hot Springs reserve due to rising river levels.
- Removal of sand and debris from the Low Level Bridge.
- Closing/reopening to all motorists and general public of Leight Creek (Nixon's Crossing) on Emungalan Road due to significant rain falls on one (1) occasion.
- 'Slashing of Open Areas and Rural Reserves' program which resulted in works being undertaken in and around Zimin Drive and Shadforth, Byers, Collins, Cragborn, Landsdowne, Quarry, Gorge, Murnburlu, Florina and Airport Roads including Bicentennial Road.
- Mowing a number of unkempt nature strips throughout Katherine East, Katherine South and along Giles Street.
- Continued Caltrop spraying program in and around Katherine South, Katherine North and the CBD.
- Continued with street furniture spraying throughout Katherine South and Katherine North.
- Removal of fallen branches/debris from the Katherine Sportsground, Katherine Memorial Cemetery and Jukes Park following a minor storm event.
- Cleaning of after storm damage in Katherine East removing numerous branches.
- "Water over the Road" signs on Florina and Emungalan Roads and conducted storm damage clean up along these roads and around the CBD.
- Repairs to the boat ramp boom gates.
- Sprayed noxious weeds along Florina, Uralla, Byers and Collins Roads.
- Repairs to a section of flood damage pavement along Florina Road.
- Repairs to the hand rail under the High Level Bridge.
- Repairs to a washed out driveway on Morris Road.
- Removals of sand build up from the Katherine Low Level.

Council's Ranger assisted the Department of Primary Industry and Fisheries in capturing/removing lost and/or stray animals from the Daly River Community after the evacuation of residents.



Works & Services Division Report

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:

- 22 Proposed Development Applications.
- 1 Proposed Subdivision Applications.
- 1 Proposed Exceptional Development Permit Application.
- 1 Proposed Variation of Development Applications.
- 3 Proposed Variation of Development Permit Applications.
- 2 Proposed Amendment to NT Planning Scheme Application.
- 2 Clearing of Native Vegetation

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:
 - 18 abandoned vehicles were impounded.
 - 63 parking infringements were issued.
- Animal impounding:
 - 65 returned to their owners.
 - 42 new owners were found.
 - 20 dogs were returned to the VET.
 - 81 dogs were euthanized.
 - 47 other animals were euthanized.
 - 57 animal control infringements were issued.



Works & Services Division Report

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, Mayoral Community Benefit Dinner Dance, Vietnam Veteran's (Long Tan) Day, National Police Remembrance Day, Remembrance Day, White Ribbon Day, Carols By Candlelight, Council's Annual Come & Try Sports Day, 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, this also involved installation of the new flagtrax systems.
- 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.
- Construction of a platform for the Christmas decorations at Lindsay Street complex.
- Erected Christmas banners along Katherine Terrace, Lindsay Street and Victoria Highway via the flagtrax banner systems.
- Installation of LED animated displays at the Lindsay Street Complex.
- Provided traffic control for the Christmas Street Parade and for School of the Air on Giles Street during their open day.





KATHERINE TOWN COUNCIL

ANNUAL FINANCIAL STATEMENTS

for the year ended

30th June 2017

Katherine Town Council

General Purpose Financial Reports

for the year ended 30 June 2017

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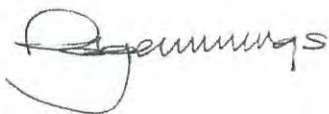
KATHERINE TOWN COUNCIL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2017

OFFICER'S STATEMENT

I, Robert Jennings, the 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 2017 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.



Robert Jennings
CHIEF EXECUTIVE OFFICER

Katherine, 15 November 2017

Katherine Town Council

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
INCOME			
Rates	2	6,930,391	6,303,218
Statutory charges	2	39,718	52,169
User charges	2	1,368,364	1,127,375
Grants, subsidies and contributions	2	2,810,167	1,792,336
Investment income	2	393,444	428,974
Reimbursements	2	108,750	176,822
Other income	2	158,000	42,033
Total Income		11,808,834	9,922,927
EXPENSES			
Employee costs	3	3,894,730	3,922,394
Materials, contracts & other expenses	3	5,145,020	4,692,176
Depreciation, amortisation & impairment	3	81,256	-
Total Expenses		9,121,006	8,614,570
OPERATING SURPLUS		2,687,828	1,308,357
Net loss on disposal of assets	4	(14,057)	(83,245)
Amounts received specifically for new or upgraded assets	2	935,322	1,008,639
Physical resources received free of charge	2	-	132,659
NET SURPLUS		3,609,093	2,366,410
transferred to Equity Statement			
Other Comprehensive Income			
Capital Depreciation Renewal Reserve	9	(2,741,418)	-
Asset Retirement Obligation Reserve	9	-	-
Prior period adjustments			
Revaluation of property, plant and equipment		-	19,388,293
Fair value of property, plant and equipment		-	3,238,170
Total Other Comprehensive Income		(2,741,418)	22,626,463
TOTAL PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		867,675	24,992,873

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

Katherine Town Council

STATEMENT OF FINANCIAL POSITION as at 30 June 2017

	Notes	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	14,629,943	15,132,352
Trade & other receivables	5	921,103	674,614
Inventories	5	17,826	29,670
		<u>15,568,872</u>	<u>15,836,636</u>
Total Current Assets		<u>15,568,872</u>	<u>15,836,636</u>
Non-current Assets			
Property, Plant & Equipment	7	65,070,620	62,398,433
Capital Works-in Progress	6	854,966	303,197
		<u>65,925,586</u>	<u>62,701,630</u>
Total Non-current Assets		<u>65,925,586</u>	<u>62,701,630</u>
Total Assets		<u>81,494,458</u>	<u>78,538,266</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	2,907,051	3,206,417
Provisions	8	306,536	653,717
		<u>3,213,587</u>	<u>3,860,134</u>
Total Current Liabilities		<u>3,213,587</u>	<u>3,860,134</u>
Non-current Liabilities			
Provisions	8	20,784	27,138
		<u>20,784</u>	<u>27,138</u>
Total Non-current Liabilities		<u>20,784</u>	<u>27,138</u>
Total Liabilities		<u>3,234,371</u>	<u>3,887,272</u>
NET ASSETS		<u>78,260,087</u>	<u>74,650,994</u>
EQUITY			
Accumulated Surplus		13,120,236	12,252,561
Asset Revaluation Reserves	9	62,398,433	62,398,433
Other Reserves	9	2,741,418	-
TOTAL EQUITY		<u>78,260,087</u>	<u>74,650,994</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 2017

		Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
	Notes	\$	\$	\$	\$
Balance at 1 July 2016		12,252,561	62,398,433	-	74,650,994
Net Surplus for Year		3,609,093	-	-	3,609,093
Other Comprehensive Income					
Transfer between reserves					
Capital Depreciation Renewal Reserve	9	(2,741,418)	-	2,741,418	-
Asset Retirement Obligation Reserve	9	-	-	-	-
Balance at 30 June 2017		<u>13,120,236</u>	<u>62,398,433</u>	<u>2,741,418</u>	<u>78,260,087</u>
Balance at 1 July 2015		(12,740,312)	81,786,726	-	69,046,414
Net Surplus for Year		2,366,410	-	-	2,366,410
Other Comprehensive Income					
Prior period adjustments		22,626,463	(19,388,293)	-	3,238,170
Balance at 30 June 2016		<u>12,252,561</u>	<u>62,398,433</u>	<u>-</u>	<u>74,650,994</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 2017

	Notes	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		6,983,479	6,209,617
Fees & other charges		1,192,430	3,342,200
Investment receipts		458,411	345,261
Grants utilised for operating purposes		3,015,668	1,926,761
Other operating receipts		234,721	966,435
<u>Payments</u>			
Employee Costs		(4,363,476)	(3,657,924)
Contractual services & materials		(5,433,080)	(4,591,048)
Other operating payments		(255,364)	(840,387)
Net Cash Provided by Operating Activities	11	<u>1,832,789</u>	<u>3,700,915</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		984,071	1,008,639
Sale of replaced assets		19,773	95,455
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(3,339,042)	(1,825,892)
Net Cash provided by (or used in) Investing Activities		<u>(2,335,198)</u>	<u>(721,798)</u>
Net Increase (Decrease) in cash held		<u>(502,409)</u>	<u>2,979,117</u>
Cash & cash equivalents at beginning of period		15,132,352	12,153,235
Cash & cash equivalents at end of period	5	<u>14,629,943</u>	<u>15,132,352</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 2017

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 15 November 2017.

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 2017 (2016: \$Nil).

Rounding

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

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 year the payment of untied financial assistance grants has varied from the annual allocation as follows:

	Cash Payment Received	Annual Allocation	Difference	
2014/15	\$373,788	\$370,648	+	\$3,140
2015/16	\$611,392	\$611,402	-	\$10
2016/17	\$551,781	\$552,509	-	\$728

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 at 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 are then systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Borrowings

Council has no borrowings as at 30th June 2017.

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 2017

Note 2 - INCOME

	2017 \$	2016 \$
RATES REVENUES		
<u>General Rates</u>	<u>5,831,558</u>	<u>5,284,428</u>
	<u>5,831,558</u>	<u>5,284,428</u>
<u>Annual Charges</u>		
Waste Management Service	1,034,376	934,342
Other	64,457	84,448
	<u>1,098,833</u>	<u>1,018,790</u>
	<u>6,930,391</u>	<u>6,303,218</u>
STATUTORY CHARGES		
Animal registration fees & fines	35,409	37,477
Parking fines / expiation fees	4,109	14,642
Other fines, penalties & expiations	200	50
	<u>39,718</u>	<u>52,169</u>
USER CHARGES		
Cemetery fees	64,015	68,569
Airport fees	317,325	228,802
Commission	107,749	108,369
Facility & equipment hire	37,055	54,704
Weighbridge fees	570,098	464,472
Sales - general	128,561	61,685
Rental income	136,173	131,831
Sundry	7,388	8,943
	<u>1,368,364</u>	<u>1,127,375</u>
INVESTMENT INCOME		
Interest on investments		
Banks & other financial institutions	393,444	428,974
	<u>393,444</u>	<u>428,974</u>

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

NOTE 2 - INCOME (continued)

	2017 \$	2016 \$
REIMBURSEMENTS		
- other	108,750	176,822
	<u>108,750</u>	<u>176,822</u>
OTHER INCOME		
Insurance refunds	78,000	2,033
Management fees	80,000	40,000
	<u>158,000</u>	<u>42,033</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Amounts received specifically for new or upgraded assets	935,322	1,008,639
Other grants, subsidies and contributions	2,810,167	1,792,336
	<u>3,745,489</u>	<u>2,800,975</u>

The functions to which these grants relate are shown in Note 12.

Sources of grants

Commonwealth government	390,380	615,247
Northern Territory government	3,257,749	2,782,686
Other	97,360	(596,958)
	<u>3,745,489</u>	<u>2,800,975</u>

On 13 June 2017, Council received payment of the first instalment of the 2017/18 Grant Commission (FAG) grant. This has materially improved Council's operating results in the current year, as these 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 2017

NOTE 2 - INCOME (continued)

	2017 \$	2016 \$
Conditions over grants & contributions		
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:		
Unexpended at the close of the previous reporting period	989,000	356,330
Less: expended during the current period from revenues recognised in previous reporting periods		
Roads to Recovery	(730,000)	-
Hot Springs Rehabilitation/Revitalisation	(150,000)	-
Formalisation of Lindsay St Car Park	(109,000)	(356,330)
Subtotal	(989,000)	(356,330)
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
Roads to Recovery	126,725	730,000
Wurli Wurlinjang Car Park	17,500	150,000
Formalisation of Lindsay St Car Park	-	109,000
Subtotal	144,225	989,000
Unexpended at the close of this reporting period and held as restricted assets	144,225	989,000
PHYSICAL RESOURCES RECEIVED FREE OF CHARGE		
Buildings & Other Structures	-	132,659
TOTAL PHYSICAL RESOURCES RECEIVED	-	132,659

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 3 - EXPENSES

	2017	2016
	\$	\$
EMPLOYEE COSTS		
Salaries and Wages	3,064,756	2,908,304
Employee leave expense	287,778	480,106
Superannuation	364,183	328,693
Workers' Compensation Insurance	37,469	32,274
Other	140,544	173,017
Total Operating Employee Costs	3,894,730	3,922,394
 Total Number of Employees	 46	 49
<i>(Full time equivalent at end of reporting period)</i>		
 MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	15,295	23,727
Elected members' expenses	225,685	209,259
Subtotal - Prescribed Expenses	240,980	232,986
 <u>Other Materials, Contracts & Expenses</u>		
Contractors	2,833,214	2,581,238
Electricity, water and sewerage	597,092	589,295
Insurance	186,380	191,399
Fuel and registration	124,136	97,183
Telephone	56,768	52,168
Legal expenses	68,273	208,711
Parts, accessories and consumables	451,310	323,376
Printing and stationery	21,674	20,885
Professional services	260,649	145,016
Advertising	79,113	54,925
Postage	15,998	14,879
Bank Charges	26,534	27,376
Community Grants	86,976	98,522
Subscriptions & Registrations	19,857	38,974
Sundry	76,066	15,243
Subtotal - Other Materials, Contracts & Expenses	4,904,040	4,459,190
	5,145,020	4,692,176

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 3 - EXPENSES (cont)

	2017	2016
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Improvements	4,556	-
Buildings & Other Structures	7,567	-
Infrastructure	40,274	-
Plant & Machinery	23,476	-
Furniture, Fittings & Equipment	1,853	-
Other Infrastructure	3,530	-
	<u>81,256</u>	<u>-</u>

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 4 - ASSET DISPOSAL

	2017 \$	2016 \$
PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	19,773	95,455
Less: Carrying amount of assets sold	<u>33,830</u>	<u>178,700</u>
Gain (Loss) on disposal	<u>(14,057)</u>	<u>(83,245)</u>
 NET LOSS ON DISPOSAL OF ASSETS	 <u>(14,057)</u>	 <u>(83,245)</u>

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 5 - CURRENT ASSETS

	2017	2016
	\$	\$
CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	71,112	19,750
Deposits at Call	<u>14,558,831</u>	<u>15,112,602</u>
	<u>14,629,943</u>	<u>15,132,352</u>
 TRADE & OTHER RECEIVABLES		
Rates - General & Other	274,110	327,198
Accrued Revenues	130,578	162,548
Debtors - general	448,384	124,134
Prepayments	29,913	21,829
Sundry	<u>38,118</u>	<u>38,905</u>
Total	<u>921,103</u>	<u>674,614</u>
 INVENTORIES		
Trading Stock	<u>17,826</u>	<u>29,670</u>
	<u>17,826</u>	<u>29,670</u>

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 6 - CAPITAL WORKS-IN-PROGRESS

	2017	2016
	\$	\$
Capital Works-in-Progress	<u>854,966</u>	<u>303,197</u>
	<u>854,966</u>	<u>303,197</u>

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 7 - PROPERTY, PLANT & EQUIPMENT

	2016 \$				2017 \$			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Land	6,636,200	-	-	6,636,200	6,636,200	-	-	6,636,200
Improvements	3,235,986	47,836	-	3,283,822	3,235,986	467,409	(4,556)	3,698,839
Buildings & Other Structures	15,129,850	22,900	-	15,152,750	15,129,850	116,576	(7,567)	15,238,859
Infrastructure	35,280,770	62,312	-	35,343,082	35,280,770	1,858,801	(40,274)	37,099,297
Plant & Machinery	760,945	50,485	-	811,430	732,465	299,231	(23,476)	1,008,220
Furniture, Fittings & Equipment	319,891	25,128	-	345,019	314,541	61,042	(1,853)	373,730
Other Infrastructure	826,130	-	-	826,130	826,130	192,875	(3,530)	1,015,475
TOTAL PROPERTY, PLANT & EQUIPMENT	62,189,772	208,661	-	62,398,433	62,155,942	2,995,934	(81,256)	65,070,620

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 2017

Note 7 - PROPERTY, PLANT & EQUIPMENT

	2016	CARRYING AMOUNT MOVEMENTS DURING YEAR					2017
	\$	\$					\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	CARRYING AMOUNT	
	New/Upgrade	Renewals					
Land	6,636,200	-	-	-	-	6,636,200	
Improvements	3,283,822	359,783	59,790	-	(4,556)	3,698,839	
Buildings & Other Structures	15,152,750	-	93,676	-	(7,567)	15,238,859	
Infrastructure	35,343,082	720,708	1,075,781	-	(40,274)	37,099,297	
Plant & Machinery	811,430	248,746	-	(28,480)	(23,476)	1,008,220	
Furniture, Fittings & Equipment	345,019	35,914	-	(5,350)	(1,853)	373,730	
Other Infrastructure	826,130	128,600	64,275	-	(3,530)	1,015,475	
TOTAL PROPERTY, PLANT & EQUIPMENT	62,398,433	1,493,751	1,293,522	(33,830)	(81,256)	65,070,620	

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 2017

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 2016/17 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 2017

Note 8 - LIABILITIES

	2017		2016	
	\$		\$	
TRADE & OTHER PAYABLES	Current	Non-current	Current	Non-current
Goods & Services	636,085	-	271,646	-
Unexpended grants	2,048,110	-	2,102,704	-
Accrued expenses - employee entitlements	29,928	-	150,647	-
Accrued expenses - other	49,230	-	479,018	-
Deposits, Retentions & Bonds	143,698	-	202,402	-
	<u>2,907,051</u>	<u>-</u>	<u>3,206,417</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 currently liability with the amounts normally paid within 30 days of recognition of the liability.

EMPLOYEE PROVISIONS

Employee entitlements (including oncosts)	306,536	20,784	652,676	27,138
Other	-	-	1,041	-
	<u>306,536</u>	<u>20,784</u>	<u>653,717</u>	<u>27,138</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 2017

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/07/2016	Transfers	30/06/2017
	\$	\$	\$
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
Total Property, Plant & Equipment	62,398,433	-	62,398,433

OTHER RESERVES	1/07/2016	Transfers	30/06/2017
Capital Depreciation Renewal Reserve	-	2,741,418	2,741,418
Asset Retirement Obligation Reserve	-	-	-
TOTAL OTHER RESERVES	-	2,741,418	2,741,418
TOTAL RESERVES	62,398,433	2,741,418	65,139,851

PURPOSES OF RESERVES

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of Property, Plant and Equipment.

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 nine to ten years from now.

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

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.

	2017	2016
	\$	\$
CASH & FINANCIAL ASSETS		
Unexpended grants from:		
Deferred revenue	1,500,000	2,101,958
Non-reciprocal agreement	548,110	989,000
Binjari Funds	229,936	338,839
Airport Funds	-	739,018
	<u>2,278,046</u>	<u>4,168,815</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS	<u>2,278,046</u>	<u>4,168,815</u>

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

<i>Provisions</i>	<u>327,320</u>	<u>680,855</u>
	<u>327,320</u>	<u>680,855</u>

Deferred revenue of \$1.5M is restricted by a funding agreement with the Northern Territory Government.

Non-reciprocal agreements of \$548,110 are restricted with the Northern Territory Government.

Binjari funds are restricted with the Northern Territory Government.

Provisions are compromised 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 2017

Note 11 - RECONCILIATION OF CASH FLOW STATEMENT FROM OPERATING ACTIVITIES

(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	2017 \$	2016 \$
Total cash & equivalent assets	5	<u>14,629,943</u>	<u>15,132,352</u>
Balances per Cash Flow Statement		<u>14,629,943</u>	<u>15,132,352</u>

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

Net Surplus (Deficit)		3,609,093	2,366,410
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		81,256	-
Net increase (decrease) in unpaid employee benefits		(473,213)	-
Non-cash asset acquisitions		-	(132,659)
Grants for capital acquisitions treated as Investing Activity		(984,071)	(1,008,639)
Net (Gain) Loss on Disposals		<u>14,057</u>	<u>83,245</u>
		<u>2,247,122</u>	<u>1,308,357</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(246,489)	(228,492)
Net (increase) decrease in inventories		11,844	(29,670)
Net increase (decrease) in trade & other payables		(178,647)	2,532,728
Net increase (decrease) in other provisions		<u>(1,041)</u>	<u>117,992</u>
Net Cash provided by (or used in) operations		<u>1,832,789</u>	<u>3,700,915</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	3	-	132,659
Amounts recognised in Income Statement		-	132,659
		-	<u>132,659</u>

(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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017
Note 12 - FUNCTIONS

Note 12 - FUNCTIONS

<u>TOTAL ASSETS UTILISED</u>	

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000
TOTAL ASSETS UTILISED																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

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 2017

Note 13 - FINANCIAL INSTRUMENTS

Accounting Policies

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 1.25% and 1.55% (2016: 1.25% and 1.55%). Short term deposits have an average maturity of 173 days and an average interest rates of 2.61% (2016: 133 days, 2.87%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Property, Plant & Equipment	<p>Accounting Policy: The depreciable amount of an asset is determined after deducting its residual value.</p> <p>Terms & conditions: The maximum residual value of an asset is recognised from external asset revaluation reporting.</p> <p>Carrying amount: 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>
Receivables - Rates & Associated Charges (including legals & penalties for late payment)	<p>Accounting Policy: Carried at nominal values.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 17% (2016: 17%). Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: 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>Terms & conditions: 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>Carrying amount: approximates fair value.</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: 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 & State.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2017	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & equivalents	14,629,943			14,629,943	14,629,943
Receivables	891,190			891,190	891,190
Total	15,521,133	-	-	15,521,133	15,521,133
Financial Liabilities					
Trade & other payables	2,907,051			2,907,051	2,907,051
Total	2,907,051	-	-	2,907,051	2,907,051
2016					
Financial Assets					
Cash & equivalents	15,132,352			15,132,352	15,132,352
Receivables	652,785			652,785	652,785
Total	15,785,137	-	-	15,785,137	15,785,137
Financial Liabilities					
Trade & other payables	3,206,417			3,206,417	3,206,417
Total	3,206,417	-	-	3,206,417	3,206,417

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:

	2017	2016
	\$	\$
Financial assets		
Cash & cash equivalents	14,629,943	15,132,352
Trade & other receivables	891,190	652,785
Total financial assets	15,521,133	15,785,137
Financial liabilities		
Trade & other payables	2,907,051	3,206,417
Total financial liabilities	2,907,051	3,206,417

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 2017

Note 14 - COMMITMENTS FOR EXPENDITURE

	2017 \$	2016 \$
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Capital Expenditure	<u>737,501</u>	<u>657,787</u>
These expenditures are payable:		
Not later than one year	<u>737,501</u> <u>737,501</u>	<u>657,787</u> <u>657,787</u>
Other Expenditure Commitments		
Other non-capital expenditure committed for in relation to investment properties:		
Other Expenditure	-	523,551
These expenditures are payable:		
Later than one year and not later than 5 years	-	342,251
Later than 5 years	<u>-</u>	<u>181,300</u>
Minimum lease payments	<u>-</u>	<u>523,551</u>
Net Lease Liability	<u>-</u>	<u>523,551</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 2017

Note 15 - FINANCIAL INDICATORS

	2017	2016
Current Ratio		
<u>Current Assets - Externally Restricted Assets</u>	4.14:1	3.02:1
Current Liabilities		
Rate Coverage Percentage		
<u>Rate Revenues</u>	49.38%	53.25%
Total Revenues		
Rates & Annual Charges Outstanding Percentage		
<u>Rates & Annual Charges Outstanding</u>	4.45%	5.93%
Rates & Annual Charges Collectible		

Katherine Town Council

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

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 Rental Income in Note 2.

Investment Property

Council does not hold Investment Property, accordingly no rentals received.

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 2017

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 2016/17; 9.50% in 2015/16). 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 2017**

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 2017

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 2017

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 2017

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 2017

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 2017

Note 23 - RELATED PARTY TRANSACTIONS

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:

	2017 \$
Salaries, allowances & other short term benefits	1,294,450
Post-employment benefits	-
Long term benefits	-
Termination benefits	-
TOTAL	1,294,450

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:

Two (2) prescribed officers and one (1) elected member have a close family member who is employed by suppliers to Katherine Town Council. However, the relevant officers and elected member are excluded from procurement process with the relevant suppliers.

One (1) prescribed officer has a close family member who is employed on a casual basis.

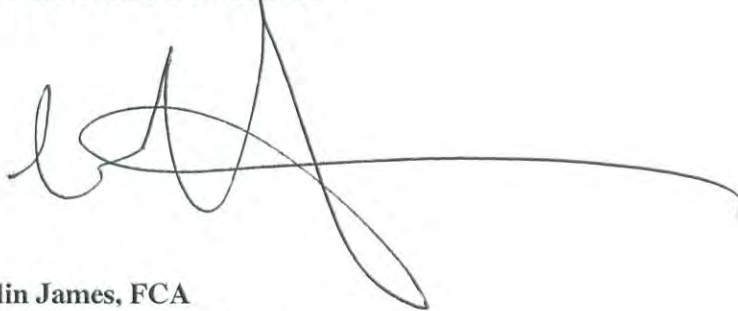
To the Council Members
Katherine Town Council
PO Box 1071
Katherine NT 0851

Auditors' Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 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, 15 November 2017

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 2017, 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 2017 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

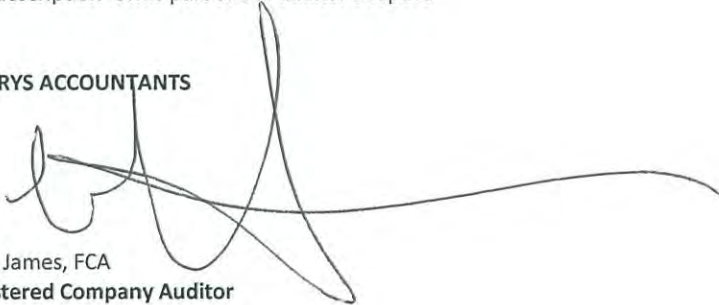
Auditor's Responsibilities for the Audit of the Financial Report

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

This description forms part of our auditor's report.

LOWRYS ACCOUNTANTS

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

Colin James, FCA
Registered Company Auditor

Darwin, 15 November 2017

15 November 2017

The Chief Executive Officer
Katherine Town Council
PO Box 1071
Katherine NT 0851

SWJR Nominees Pty Ltd
ABN 49 078 887 171
Cnr Coonawarra & Hook Roads
PO Box 36394, Winnellie NT 0821
Tel: 08 8947 2200
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Dear Chief Executive Officer

**AUDIT OF THE GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017**

We have completed our audit of Katherine Town Council for the financial year ended 30 June 2017 and have issued an unqualified audit opinion.

The report to the Council, including the 2017 management letter, includes all matters and issues arising from our audit which we consider appropriate for consideration by the Council.

Enclosures

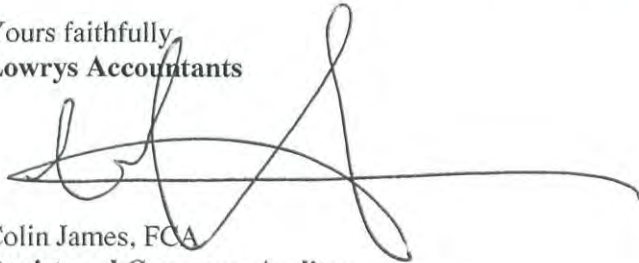
1. We have enclosed three copies of the 2017 General Purpose Financial Report for distribution as follows:
 - One bound copy is for your records;
 - One unbound copy is for your records; and
 - One unbound copy is to be forwarded to the Northern Territory Grants Commission.

We have also forwarded an electronic copy for e-mail distribution.

2. We have also enclosed a signed copy of the 2017 management letter.

Please contact this office should you require any further assistance.

Yours faithfully,
Lowrys Accountants



Colin James, FCA
Registered Company Auditor