

Wagait Shire Council ANNUAL REPORT 2019-2020

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Introduction

Wagait Shire Council is pleased to present its Annual Report for the 2019-2020 reporting period. This report describes the Wagait Shire Council's deliverables throughout the year against the objectives and performance indicators, as contained in the Wagait Shire Council Shire Plan 2019-2020.

The Annual Report is Council's primary tool for reporting to its community and stakeholders on service delivery and financial performance and is a vital part of the overall governance framework and commitment to transparency and accountability.

In accordance with the Local Government Act, Part 14.1, all councils must present an annual report to the Minister by 15 November each year.

The annual report must include a copy of the council's audited financial statements for the relevant financial year and it must contain an assessment of the council's performance against the objectives stated in the relevant municipal plan, including indicators of performance.

This Annual Report also includes the President's and Chief Executive Officer's reports and accounts of performance, activities and challenges faced during the reporting period, 2019-2020. Council's audited financial statements for the year ending 30 June 2019 form an essential element of this report.

Our Mission

Delivering improved social, economic, environmental and cultural life of residents in the Wagait Shire Council area through emphasis on an involved community, in alternate energy, maintaining and developing our infrastructure, providing core services, promoting investment, ensuring accessibility and capitalising on our natural advantages with an emphasis on long term stability and sustainability.

Our Vision

The vision of the Wagait Shire Council is to sustain and nurture the lifestyle of residents and visitors. This will be achieved through improvements to economic, cultural and ecological opportunities and will work on creating an involved and supportive community, promoting investment, ensuring accessibility and capitalising on our natural advantages with an emphasis on sustainability.

President's Message

2019-2020 proved to be a very positive and productive 12 months for the Wagait Shire Council.

I am delighted to report that our latest Chief Executive Officer, Renita Glencross, has brought a new cohesion to the Shire's operations. Her inclusive approach to include community members in matter that could impact on them appears to have significantly improved the trust in our Council and its operations.

Several community meetings were held during the year which gave residents the opportunity to have input to a range of issues that may affect them and to better understand the workings of the council and its staff.

The first steps have been taken to implement the long-awaited dog bylaws. While there are a number of issues still to be resolved, we expect to see this program in place in the near future.

The year saw a new modern computer system brought on-line which has significantly improved our financial records and the day-to-day Shire administration. The value of this equipment is obvious in the Council's financial reporting and we can confidently look forward to vastly improved records and filing systems in future.

This will be my final President's report.

After serving on the Cox Peninsula Community Government Council in 1997/8 and subsequently on the Wagait Shire Council since 2008, I would like the thank all those with whom I have worked in those 23 years. We may not have always agreed and there may have been a terse word or two – or even – three, but I trust we always put the interests and welfare of the Wagait Beach community first.

I am certainly not leaving town and will be around for a long time to come.

A particular thank you to our first CEO Graham Watson, who worked tirelessly to get the Council on its feet, and to Renita who is working hard to put it back on its feet.

Neil White has taken on the President's position and I trust the community gives him the same level of support I have enjoyed over many years. Thank you all.

Peter Clee President, June 2020 Wagait Shire Council

Chief Executive Officer's Message

The 2019-20 financial year has been one of many challenges and changes for Wagait Shire Council including another change of leadership in February 2020 when CEO Renita Glencross replaced Anna Malgorzewicz, who accepted the CEO position to serve Coomalie Community Council.

In March 2020, COVID-19 completely altered all Council intentions for the final quarter of 2019-20 and in all likelihood, our lifestyle and capacity for the foreseeable future. As has occurred in past disaster response and recovery situations, the Wagait Beach community rallied and in observing all new restrictions and protocols remained safe and without incident. Interestingly, COVID-19 has also provided a welcome hiatus from expectations, unexpected stimulus support from Government and an opportunity to get our house in order.

Council Governance

In 2019, the new NT Local Government Act was legislated and as a result of COVID-19 interventions, planned implementation was rescheduled for 2020-21. Council has met all Local Government Act, regulatory and guideline statutory requirements for the year and has commenced working towards a review of all policies to be aligned with the new Act by June 2021.

A Compliance Review by the Department of Local Government, Housing and Community Development commenced in September 2018 and the recommendation report, considered by Council at the commencement of 2019, included fifteen (15) actions that Council needs to address to improve performance, mitigate risk exposure and meet legislative compliance. This important body of work continued through 2019-20 and has strengthened the policies and procedures needed to take Wagait Shire Council into the future.

Council Staff Team

This year saw no changes to the staffing structure of Council however the approach to daily business and the integrity with which business is done has improved significantly. This is partly due to the work carried out to implement new HR and WHS policies, strengthening our workplace environment and ethics. The Council staff team have shown commitment and dedication to both Council and community and look forward to further improved efficiencies and service delivery going forward.

Council Finance

In 2019-20 the overall income totalled \$860,359. Council increased rates from \$571.60 to \$596.90 per annum and the waste management charge of \$300 per allotment remained static, bringing revenue of \$352,817. Council received operational grants of \$301,115 and generated contract income of \$144,222. The Council's financial position for the Financial Year ending 30 June 2020 saw an operating surplus of \$150,945 (including depreciation expense of \$150,806). Cash available at the end of the financial year was \$1,536,103.

Funds for new projects consistent with Council's Shire Plan and long-term Strategic Plan were received in 2019-20, totalling \$46,205 in additional revenue. Project funds of \$297,966 were carried forward including grants for stimulus funds and road upgrades received in June 2020, and grants from previous projects with timeline variation approvals.

Project	Value	Current Status
Australia Day	2,000	Completed and acquitted
Water tank (2018-19)	7,607	Partially completed and c/f to 2020-21
Dog Pound (2018-19)	30,537	Partially completed and c/f to 2020-21
Electronic Records System (2018-19)	34,889	Partially completed and c/f to 2020-21
Local Government Stimulus Funds	100,000	Received June 2020 and c/f to 2020-21
Local Community Roads and Infrastructure	25,116	Received June 2020 and c/f to 2020-21
Roads 2 Recovery	125,000	Received June 2020 and c/f to 2020-21
Seniors Month Grant	2,000	Completed and acquitted
Youth Vibe Holiday Program, QRS Grants	4,000	Completed and acquitted

Roads

Expenditure in relation to road maintenance and repairs was approximately \$26,973 for the 2019-20 financial year. In January 2020 a 1/100 year rainstorm tested the estate culverts and drains with extensive flooding experienced throughout; notably at Wagait Tower Road, Forsyth Rd and Cox Drive floodway. This identified the need for further drainage remediation and culvert protection as well as property driveways and an audit is being undertaken by Council for works in 2020-21. Funding for Cox Drive floodway resurfacing was received in June 2020 and this will be undertaken with other priority works, in 2020-21.

Waste Management

Household waste continues to be collected locally and transported to the Shoal Bay Waste Management Facility for disposal. In April 2020, use of the Hard Waste compound was reviewed and new terms and conditions were established. As much as possible, hard waste is now upcycled or recycled and then sorted for transport to Shoal Bay. The Green Waste facility on the eastern side of the sportsground at Cloppenburg Park is being well used and while the access track has been maintained but is deteriorating and plans for a new all-weather road are underway for construction in 2020-21. Residents are able to dispose of green waste at the facility and contractors will be brought in seasonally to woodchip the waste. Woodchips are provided back to the community free of charge.

Acknowledgement

I would like to thank all Councillors for their support and guidance through my first year in the position, as well as the staff for their hard work and dedication to Council and community. That they are able to operate effectively within resource constraints demonstrates an exceptional level of professionalism and adaptability.

And most importantly, I am so very grateful for the dedicated, professional, and hardworking residents and volunteers who have ensured that the community is safe, the gardens are watered, the kids enjoy regular movie-nights, and the business of serving the community continues unaffected during this time of great change.

Renita Glencross Chief Executive Officer

Our Community – Growing Together

Wagait (S) () (74560)

		Year	Wagait (S)	Australia
2	Estimated Resident Population - persons (no.)	2018	508	24,992,860
Population & People	Working Age Population (aged 15-64 years) (%)	2018	65.4	65.5
	Estimated Resident Aboriginal and Torres Strait Islander Population - persons (no.)		No Data Available	798,365
Aboriginal & Torres Strait Islander Peoples	Speaks an Aboriginal or Torres Strait Islander language at home (%)		No Data Available	10.3
	Total number of businesses (no.)	2019	35	2,375,753
Economy & Industry	Main employing industry:			
8	Median equivalised total household income (weekly) (\$)	2015	1,010	877
Income	Median total income (excl. Government pensions and allowance) (\$)	2017	61,366	48,360
	Proportion completed Year 12 or equivalent - total population aged 15 years and over (%)	2016	46.7	51.9
Education & Employment	Unemployment rate (%)	2016	7.7	6.9
Health & Disability	Persons who have need for assistance with core activities (%)	2016	4.5	5.1
A	Average household size (no. of persons)	2016	2.2	2.6
	Average monthly household rental payment (\$)	2016	1,010	1,524
Family & Community	Average monthly household mortgage payment (\$)	2016	1,883	1,958
	Total Population (no.)	2016	82	6,149,388
Persons Born Overseas	Proficient in English (%)	2016	92.7	88.7
0	Land area (ha)	2018	563.8	768,812,631.9
Land & Environment	Small-scale solar panel system installations (no.)	2018	9	2,039,894

Our Councillors

The Wagait Shire Council consists of 5 elected members. Elected Members are elected through local government elections, by elections or may be co-opted.

At the beginning of the 2019-20 Financial year, Council consisted of : President Peter Clee, Vice President Tom Dyer, Councillor Graham Drake, Councillor Michael Vaughan and Councillor Neil White. In May 2020, President Clee resigned as President effective 30 June 2020 and Cr Neil White was nominated to the position from 1 July 2020. Cr Tom Dyer remains as Vice-President.

As at 30 June 2020, members of Council were:

[Photo to come]	[Photo to come]	
President Peter Clee	Vice President Tom Dyer	

[Photo to come]	[Photo to come]	[Photo to come]
Cr Graham Drake	Cr Michael Vaughan	Cr Neil White

Councillor Attendance at Ordinary Meetings of Council in 2019-20 (from total of 11 Meetings held)

- President Peter Clee 9
- Vice President Tom Dyer 11
- Councillor Graham Drake 9
- Councillor Michael Vaughan 10
- Councillor Neil White 10

Pursuant to Section 71(3) of the *Local Government* Act 2008, Council resolved an Elected Member allowances total of \$2000 for 2019-20. Some Elected Members nominated to donate their allowances back to Council, consistent with the provisions of General Instruction No. 2.

Our Council Committees

Audit Committee

The Audit Committee is an advisory committee to Council and is established pursuant to Part 5.2 of the *Local Government Act* 2008 Part 5.2, and Section 10 (3) of the *Local Government (Accounting) Regulations.*

The Audit Committee provides independent advice and assistance regarding internal control processes on the effectiveness of the financial and corporate governance practices of Council to ensure compliance with legislative and regulatory requirements. The Audit Committee also takes an active role in reviewing and advising Council on its policies and risk management matters. Key activities during the reporting period included:

- Review of policies relating to governance, financial and human resource management matters
- Review of the Draft Annual Shire Plan and Budget
- Annual review of the audited financial statements

In 2019-20 the Audit Committee comprised five members: Chair Claire Milikins, community representatives Barry Bamford and Maureen Newman, and Councillors Neil White and Graham Drake. In September Barry Bamford resigned from the Committee and Council are seeking a replacement.

The Audit Committee met on four occasions in the 2019-20 Financial Year.

- 10 November 2019
- 22 January 2020
- 18 May 2020
- 8 September 2020

Emergency Management Committee

The Emergency Management Committee was reconvened in March 2020 when a National Emergency was declared by the Chief Medical Officer due to the global pandemic of COVID-19 virus.

The Terms of Reference were reviewed and COVID-19 Emergency Management Arrangements and a Community Action Plan were prepared.

In 2019-20 the Audit Committee initially comprised six members: Chair (CEO); NTES representative Jason Murphy; community representatives Chris Tyzack, Kim Dye and Chris Chaplin; and Councillor Peter Clee. Additional members specifically included for COVID-19 included Cathy Winsley (CEO Belyuen), Belyuen Health Services Manager Nick Barclay and Kelly Murphy (Belyuen Aged Care).

The Emergency Management Committee met weekly during the early stages of the COVID pandemic, a total of 6 meetings between 27 March to 13 May 2020.

- 27 March 2020
- 6 April 2020
 - 27 April 2020
 13 May 2020

20 April 2020

• 14 April 2020 • 13 May 2020

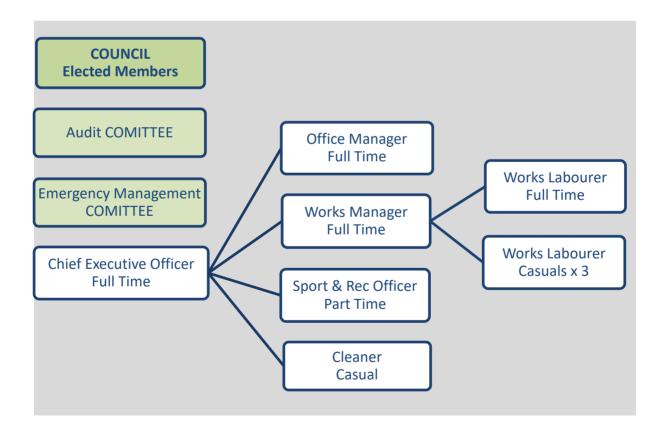
Our Organisational Structure

The staff structure established in 2019-20 supports ongoing flexible workplace arrangements under the Local Government Industry Award. The Award was reviewed and consolidated in 2020 by the Fair Work Commission to include additional measures for COVID-19 arrangements. Council elect employs a CEO fulltime to manage the business of Council and four permanent staff support the CEO in the daily operations.

The employment of additional casual staff has been critical to providing extra ordinary services such as Covid-19 maintenance and cleaning, waste management and other commercial contracts maintained by Council during 2019-20.

Current funding for the part-time Sports and Recreation Officer supports 14 hours/week contacttime, with an additional 6 hours for the Sports and Recreation program planning and coordination funded by Council rates. Resources for special activities and school holiday programs are also delivered by the Council Sports and Recreation Program, with additional funds provided by oneoff project grants for each activity.

An additional 10 administrative support hours were made available in 2019-20 to provide assistance to the CEO in Work Health Safety (WHS) and HR matters. This will be reviewed in 2020-21 as the requirements for administration in Council business have increased significantly with implementation of the new Local Government Act 2019 and Regulations in 2020.



Performance Against Objectives in Shire Plan

1 Local Infrastructure

1.1 Maintenance and Upgrade of Parks, Reserves and Open Space			
Objective: Develop and maintain Council's parks, gardens and open space facilities.			
Tasks and Activities Performance Indicators			
 Regular mowing Spraying of weeds Collection of litter Provision of new facilities 	 Less than six complaints per year Number of times mowing, weed control and litter collected; daily, weekly and seasonal actions Operational costs met within budget Masterplan for Cloppenburg Park facilities considered 		
1.2 Maintenance and Upgrade o	f Public Buildings, Facilities and Fixed Assets		
Objective: Manage and maintain Coun	cil's public buildings, facilities and fixed assets.		
 Tasks and Activities Attend to maintenance needs as required Undertake regular inspections of Council buildings 	 Performance Indicators ✓ Less than 2 complaints per month ✓ Compliance with budget ✓ All air conditioning units serviced ✓ All generators tested monthly and serviced annually ✓ Al septic facilities inspected and serviced annually 		
1.3 Local Roads Upgrade and Con	nstruction		
Objective: Construction of new and up	grading of existing sealed and unsealed roads.		
 Tasks and Activities Consider roads requiring major upgrades or construction 	 Performance Indicators ✓ Funds secured for major repairs to Cox Drive floodway and other priority works in 2020/21 ✓ Green waste track maintained and options for upgrade considered, pending funding 		
1.4 Local Roads Maintenance			
Objective: Maintenance of sealed and	unsealed roads including drainage footpaths and curbing.		
 Tasks and Activities Repair potholes when evident Repair or replace damaged barriers Clear silt and weeds from drains and road shoulders Monitor road surface conditions 	 Performance Indicators ✓ Repair all potholes greater than 20mm in depth ✓ Repair/replaced all damaged barriers ✓ Road and drain audit commenced following 1/100 year flood from storms in January 2020 		

1.5 Traffic Management on Local Roads				
Objective: Provision of adequate street signage and traffic control devices to increase the safety of users of the road network.				
 Tasks and Activities Regular inspection of condition of street name plates and where necessary arrange replacement. Ensure that traffic control devices are operated effectively 	 Performance Indicators ✓ Signs displayed the same day when notification of a road hazard is received ✓ Directional signage monitored and replaced as required ✓ Request for reduction of speed limit on WTR 			
1.6 Fleet, Plant and Equipment Maintenance Objective: Provision of routine maintenance on Council's plant fleet.				
 Tasks and Activities Regular inspection of plant and equipment Regular routine maintenance undertaken Log books updated each time plant is used Major maintenance to be undertaken by authorised dealer Regular running of generators 	 Performance Indicators ✓ Planned servicing completed no more than one month after due date ✓ Down time of fleet, plant and equipment less than 5% of operational requirements ✓ Planned procurement for changeover of CEO vehicle undertaken and operational lease investigated 			

2 Local Environment Health

2.1 Waste Management and Litter Reduction		
Objective: Collection and disposal of domestic, hard and green waste. Management and maintenance of waste collection contract and general litter reduction within Wagait Beach.		
 Tasks and activities Manage waste in public areas Manage putrescible waste contract Manage Hard waste compound Manage Green waste compound Community education 	 Performance Indicators ✓ Less than four complaints per year about wheelie bin emptying service ✓ Public spaces cleaned after community events ✓ Public roadsides litter free ✓ Quarterly Hard waste collections provided to Nov19 then new arrangements and conditions established in Mar20 for recycling/upcycling in compound and sorting prior to transfer to Shoal Bay ✓ Green waste facility burned regularly as permitted and woodchips made available free to residents seasonally 	

2.2 Weed control and Fire Hazard Reduction			
Objective: Reduce fire hazards and increase the amenity of the area through the control of noxious weeds around Council controlled roads and facilities.			
 Tasks and activities Spray weeds on a regular basis Slash grassed areas that may become a fire hazard Fulfil jetty carpark weed control contract Community education 	 Performance Indicators ✓ Less than six complaints about weeds annually ✓ Weed outbreaks identified and managed including provision of glyphosate to residents for Gamba control ✓ Jetty contract fulfilled ✓ Community planning meeting with NT Weeds Branch 		
2.3 Animal Welfare and Control			
Objective: The administration of delegated Territory legislation in relation to the care, custody and control of domestic and feral animals to protect health, safety, amenity and environment of the community; and promotes responsible ownership of animals.			
 Tasks and activities Annual renewal of firearms license Maintenance and promotion of dog management policy and register Community education campaign 	 Performance Indicators ✓ By-law gazette and adopted Nov19 ✓ Community education campaign implemented Mar20 ✓ Policies prepared for adoption May20 ✓ Preparation for construction of dog enclosure ✓ Dog complaints actioned within 24 hrs 		

3 Local Civic Services

3.1 Library, Culture and Heritage			
Objective: Provision of access to library programs and material designed to meet the diverse needs			
 Tasks and Activities Encourage more users and ascertain future needs. 	 Performance Indicators ✓ Library to be open for public use >200 days ✓ Campaign for volunteers undertaken successfully 		
3.2 Civic Events			
Objective: Conduct and manage agreed community events such as the senior's ball, Anzac Day celebrations, Australia Day celebrations and Territory Day.			
 Tasks and Activities Conduct Australia Day activities and celebrations Conduct ANZAC Day celebrations Conduct Seniors' Month activities Conduct Territory Day celebrations 	 Performance Indicators Deliver at least four community events in FY; ANZAC Day and Territory Day celebrations were cancelled due to COVID-19 restrictions, however Seniors' month activities/excursions expanded to 4+ activities 		

3.3 Local Emergency Services	
0 1	 br local emergencies through participation in relevant preventative measures. Performance Indicators CEO and Office Manager attended all local and regional cyclone shelter meetings and briefings Wagait Shire Emergency Management Committee reconvened in Mar20 to consider community response and recovery for COVID-19 pandemic Disaster management arrangements for fire, flood and cyclone reviewed and action plans considered

4 Community Engagement in Local Government

4.1 Administration of Local Laws		
Objective: Monitoring and enforcement of Council local laws.		
 Tasks and Activities Continue to monitor community expectations and behavior Enact Dog Management By-laws 	 Performance Indicators ✓ Dog Management By-laws enacted with policies and campaign for dog registration implemented ✓ Present all requests from the community at Council meetings, that reflect changes in attitude or expectations 	
4.2 Customer Relationship Management		
Objective: The provision of high standards of service and assistance to the community and other customers; effective service delivery; and the achievement of corporate and community objectives.		
 Tasks and Activities Continue to utilise notice boards Maintain and upgrade the Council web site Conduct community meetings to seek community feedback on major issues 	 Performance Indicators ✓ No more than four complaints annually regarding Council staff performance; two complaints regarding staff conduct lodged with CEO, and one to President ✓ Mailchimp template established and Council newsletter delivered monthly ✓ Two general community meetings held and two other community forums and info-sessions held 	

4.3 Governance	
-	the Council including elected members expenses, elections, membership of representative organisations and elected ts.
 Tasks and Activities Conduct monthly Council meetings Produce and publish agendas and minutes Provide ongoing Councilor training Induction training given to all new Councilors 	 Performance Indicators ✓ Report number of elected members attendance at meetings (statistics provided p9) ✓ Governance procedures are reviewed and continue to be updated in line with new Local Government Act 2020 ✓ No new Councilors were inducted in 2019-20 however President Clee resigned effective 30 June 2020 and Cr Neil white was nominated for President commencing July 2020.
4.4 Advocacy and Representatio	n on Local and Regional Issues
Objective: Participate on regional relevant local and regional issue	boards or committees to represent the Council's views on es.
 Tasks and Activities Continue participation at all functions that may be regionally significant to the Cox Peninsula 	 Performance Indicators ✓ CEO and President attended LGANT, TOPROC and NTG Agency meetings ✓ Reports and updates on work under-taken with LGANT, NTG agencies and other stakeholders provided to Council and community via monthly Council meeting minutes ✓ Climate Change Plan (LGANT 2010) acknowledged by Council and adaptation strategies considered

5 Commercial Services

5.1 Commercial Contracts	
Objective: Undertake ongoing mai	ntenance of assets as per contractual arrangements.
 Tasks and Activities Wash and clean jetty Remove waste from jetty Maintain jetty parking area Undertake maintenance to jetty as required Undertake water sampling at predetermined intervals Monitor bores at predetermine intervals Attend water supply faults 	 Performance Indicators ✓ Successful completion, acquittal, and renewal of contracts with all KPI's met ✓ Additional contract undertaken for COVID-19 safety cleaning of the jetty handrails

6 Agency Services

6.1 Sports and Recreation	
Objective: Provision of sport and r	ecreation activities to the community.
 Tasks and Activities Conduct sporting and recreational activities for the whole of the community Continue to lobby for additional funds Provide support to community groups in staging events 	 Performance Indicators Deliver at least four different types of activities every month across Seniors, Youth, children, and adults Maintain current attendance and participation numbers; all ages Walkers and Runners participation increased significantly in 2019-20 and included multiple fun-run events; 5 in the 5th / 10 in the 10th. New user-pay programs run by local professionals were introduced (Pilates) Assistance given to coordinate Australia Day activities Additional \$8000 in activity funds secured for School Holiday Programs, Seniors Month and Youth Week Walk/Ride to School and Darwin Harbour Clean-up postponed due to COVID-19 restrictions Support given to community-initiated activities such as Big Bash Cricket Community consultation under-taken to identify and forward planning objectives Maintain Safe NT registration

7 Other community services

7.1 Local Welfare and Social Serv	7.1 Local Welfare and Social Services	
Objective: Provision of miscellaneous community services that enhance participation or amenity, including seniors programs, access to the Wagait Beach Medical Clinic and other welfare and social services identified by the Council from time to time.		
 Tasks and Activities Continue to support Wagait Beach Medical Clinic Continue to support Seniors' program Encourage expansion of medical clinic and a locum doctor Monitor funding opportunities for new services 	 Performance Indicators Attendance numbers at events and services Australia Day - 220 Seniors Week excursion - 36 Walk/Ride to School and Darwin Harbor Clean-up postponed due to COVID-19 restrictions Regular outreach medical services from Belyuen Health were disrupted due to COVID-19 and restricted shared arrangements were introduced; residents were not allowed into Belyuen and Council worked with Top end Health to provide adequate community health service MoU with NAAJA for outreach legal services support commenced in May 2020 Agreements with Ironbark CDP for work activities and programs at Council considered for 2020-21 Council is informed with suggestions and feedback about events and services at monthly meetings 	

7.2 Visitor Accommodation and Tourism	
Objective: Promotion and encouragement of economic development and local businesses through promoting and improving tourist attractions.	
 Tasks and Activities Encourage community groups in promoting the cultural significance of the area Lobby Government for a regional tourism plan Work closely with any persons or group wishing to undertake tourism activities Participate in the Cox Peninsular Economic Develop Committee 	 Performance Indicators ✓ Cost benefit analysis and business case for Caravan Park not undertaken at Council's request ✓ Wagait Arts Group Festival/Exhibition and MUFF both cancelled due to COVID-19 restrictions ✓ Wagait Shire Placemaking concept introduced to Council, requiring ToR and Action Plan ✓ 'Welcome to Wagait Beach' signage competition with design and development of entrance statement to community underway ✓ Directional signage project underway

8 Council Administration

8.1 Asset Management	
Objective: Planning and support se and fittings, and any oth	rvices for Council assets land, buildings, plant, equipment fixtures er asset.
 Tasks and Activities Prepare plant and equipment replacement schedule Prepare maintenance schedules for plant and equipment. Prepare maintenance schedules for Council buildings. Develop strategy to increase standard of roads Develop asset management plans and policies 	 Performance Indicators ✓ Review and maintain asset management register that includes valuation and depreciation ✓ Valuation of Capital Assets (infrastructure) undertaken for insurance purposes ✓ Development of an Asset Management policy underway in line with new LGA 2020 requirements ✓ Funding sought for major roads project (resheeting of all estate roads)
8.2 Council planning and reporti	ng
	gic plans, including business and service delivery plans, to ng-term sustainability to deliver services to the community.
 Tasks and Activities Continue to meet legislated deadline for the completion of planning documentation 	 Performance Indicators ✓ Annual Report for 2018-19 prepared, adopted and submitted on time. ✓ A draft 5-year strategic plan from 2020-2025 developed, adopted and submitted on time

8.3 Financial management	
	cording and reporting and other support services associated ncil's financial resources.
 Tasks and Activities Ensure financial data is up to date to produce accurate reporting Regular reports to Council meetings Maintain accurate property and rate records 	 Performance Indicators ✓ Increase contract income by >5% - achieved through additional COVID-19 contracts with DIPL ✓ Increase bank investment returns by >4% - not achieved due to reduced interest rates ✓ Council Wise were contracted to implement new cloud-based accounting system 'Xero' ✓ Monthly financial reports continue to be produced by outsourced bookkeeper ✓ Financial Reports were submitted to acquit grants in a timely manner ✓ Rates Assessment Record was reviewed, and new software introduced to manage property and rates records (PropertyWise)
8.4 Human Resources	
Objective: Services and support for h training and development	uman resources administration including recruitment, induction,
 Tasks and Activities Conduct annual performance reviews Prepare annual training plan for all employees Develop HR policy Maintain 	 Performance Indicators Employsure were contracted to provide HR services including a review of all HR processes WALGA services were secured under license with LGANT and Employsure contract rescinded HR policies developed with support from Employsure and WALGA Staff performance reviews were undertaken with support from WALGA One industrial relations complaint requiring mediation and conflict management, professional services EASA contracted to assist WHS workplace training session delivered to all staff Cert IV HR training provided to Sports and Rec Officer Professional development opportunities for staff included: Australia Day conference in Alice Springs; Sports Medicine workshops x2; Authorised Officer training x2.
8.5 Information Technology and	
	T) support services and advice associated with the operation and hardware, software and internet systems
 Tasks and Activities Develop IT policy & procedure Implement best practice IT Infrastructure Library and digital record-keeping systems 	 Performance Indicators ✓ Major hardware and software upgrades were undertaken including installation of cloud-based server and migration of Council records to digital record keeping systems ✓ Record-keeping Policy and Procedure in development

8.6 Public and Corporate Relations	
Objective: Communication with the gen media information.	eral public through personal contact, public meetings and
 Tasks and Activities Council meetings are open to the public Identify issues for public meetings Regular maintenance and updating of the Council website 	 Performance Indicators ✓ At least 10 community members at public meetings ✓ All statutory reports completed on time ✓ Community satisfaction with corporate relations ✓ Feedback to the monthly Council meetings ✓ Web page maintain and funding sought for redesign ✓ Website and Face Book statistics and analysis undertaken and considered in development of new website
8.7 Records Management	
	ning and outgoing correspondence and the availability and ds in accordance with statutory requirements.
 Tasks and Activities Records filed on a regular basis Explore computer integration 	 Performance Indicators ✓ No more than 14 days to complete a freedom of information request – none received and reported in Annual Statistical return ref Sections 18 and 38 of the Information Act 2002 ✓ Information required is readily available, Following review of application of Section 53 (c) of the Information Act 2002.
8.8 Revenue Growth	
	ons through appropriate rating policies and the and charges and other available income sources.
 Tasks and Activities Pursue opportunities for grant funding and new service contracts Implement job costing measures to avoid over expenditure Preparation of realistic budgets Avoid non-budgeted expenditure 	 Performance Indicators ✓ Budget balanced without shortfall ✓ New grant funding for community programs and activities secured ✓ End of year position \$1,536,103 cash equivalents ✓ Contract income increased by >5% was not achieved ✓ New contract acquired and contract variation to increase scope of works for COVID-19 secured
8.9 Risk Management	
Objective: Provision of internal risk ma	anagement systems
 Tasks and Activities Conduct annual audit Maintain asset register Ensure assets have sufficient insurance coverage Update fraud protection plan 	 Performance Indicators ✓ Satisfactory audit of the asset register completed by Audit Committee Chair ✓ Fraud protection plan updated ✓ Comprehensive risk management plan underway

8.10 Work, Health and Safety

Objective:	Provision of a framework to protect the health, safety and welfare of all workers at wo		
	and also the health and safety of all other people who might be affected by the work of		
	Council.		

Tasks and Activities

- Maintain a work environment without risks to health and safety
- Maintain plant and structures to keep them in a safe operating state
- Provide and maintain safe systems of work
- Ensure the safe use, handling, storage and transport of plant, structures and substances
- Provide adequate facilities for the welfare of workers at work when carrying out work for the Council
- Provide information, training, instruction or supervision that is necessary to protect all persons from risks to their health and safety arising from work carried out as part of the conduct of Council business
- Monitor the health of workers and the conditions at the workplace for the purpose of preventing illness or injury of workers arising from the conduct of Council business

Performance Indicators

- ✓ No workplace injuries sustained that affected an employee's ability to work
- ✓ WHS training presented by professional contractor and undertaken by all staff
- ✓ Conduct more than 40 weekly Toolbox Meetings
- ✓ All workplace incidents documented
- ✓ All staff provided with appropriate PPE
- All staff attended info-session on COVIDsafe operations of Council facilities and workplace environments

WAGAIT SHIRE COUNCIL

ABN: 65 843 778 569

Financial Report For The Year Ended 30 June 2020

WAGAIT SHIRE COUNCIL

ABN: 65 843 778 569

Financial Report For The Year Ended 30 June 2020

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WAGAIT SHIRE COUNCIL

ABN: 65 843 778 569

Council Certificate

We have been authorised by the Council to certify the financial statements in their final form. In our opinion:

(a) the accompanying financial statements comply with the Local Government Act 2008, Local Government Accounting Regulations and Australian Accounting Standards.

(b) the financial statements present a true and fair view of the Council's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.

(c) internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the year.

1

(d) the financial statements accurately reflect the Council's accounting and other records

10/20.

Dated 20/10/2020

NCC

20

Dated



AUDITOR'S INDEPENDENCE DECLARATION UNDER THE LOCAL GOVERNMENT ACT AND LOCAL GOVERNMENT ACCOUNTING REGULATIONS TO THE COUNCIL MEMBERS OF WAGAIT SHIRE COUNCIL

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been no contraventions of:

(a) the auditor independence requirements of the Northern Territory of Australia Local Government Act 2008 and Northern Territory of Australia Local Government (Accounting) Regulations 2008; and

(b) any applicable code of professional conduct in relation to the audit.

Muchall NT

Nexia Edwards Marshall NT Chartered Accountants

Noel Clifford Partner

Darwin Northern Territory

Date: 23 October 2020

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WAGAIT SHIRE COUNCIL ABN: 65 843 778 569 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
INCOME			•
Rates and annual charges		252 047	0.40.000
	3A	352,817	348,092
User charges and fees Grants and contributions	3B	144,222	120,601
	3C	347,320	349,430
Interest	3D	16,000	18,467
Gain on sale of property, plant and equipment	3E		9,633
TOTAL INCOME	-	860,359	846,223
EXPENSES			
Employee Cost	4A	436,059	393,496
Materials and Contracts	4B	204,408	208,255
Depreciation	4C	150,806	152,788
Other operating expenses	4D	68,947	76,022
TOTAL EXPENSES	-	860,220	830,561
NET SURPLUS	_	139	15,662
OTHER COMPREHENSIVE INCOME			
Gains on revaluation of buildings and other structures for the year		-	
TOTAL OTHER COMPREHENSIVE INCOME	-	•	
	8.		
TOTAL COMPREHENSIVE INCOME		139	15,662

WAGAIT SHIRE COUNCIL ABN: 65 843 778 579 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS CURRENT ASSETS		Ŷ	·
Cash on Hand and at Bank	5	1,536,103	1,287,229
Trade and Other Receivables	- 6	39,553	22,700
Prepayments		7,397	7,397
TOTAL CURRENT ASSETS		1,583,053	1,317,326
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	2,835,928	2,913,281
TOTAL NON-CURRENT ASSETS		2,835,928	2,913,281
TOTAL ASSETS		4,418,981	4,230,607
LIABILITIES CURRENT LIABILITIES			
Trade and Other Payables	8	26,944	48,426
Contract liabilities	9	297,966	112,148
Employee Provisions	10	69,769	50,191
TOTAL CURRENT LIABILITIES		394,679	210,765
NON-CURRENT LIABILITIES			
Employee Provisions	10	4,641	320
TOTAL NON-CURRENT LIABILITIES		4,641	320
TOTAL LIABILITIES		399,320	211,085
NET ASSETS		4,019,661	4,019,522
EQUITY			
Retained Earnings		1,649,637	1,649,498
Reserves	11	2,370,024	2,370,024
TOTAL EQUITY		4,019,661	4,019,522
The accompanying notes form part of these financial statements.			

WAGAIT SHIRE COUNCIL ABN: 65 843 778 569 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Retained Earnings	Asset Revaluation Reserve	Asset Replacement and Maintenance Reserve	Total Equity
	\$		\$	s
Balance at 1 July 2018	1,633,836	1,870,024	500,000	4,003,860
Comprehensive income:				
Surplus for the year	15,662		-	15,662
Other comprehensive income for the year	-	-	-	-
Total comprehensive income attributable to Members of the entity				
for the year	15,662		-	15,662
Balance at 30 June 2019	1,649,498	1,870,024	500,000	4,019,522
Balance at 1 July 2019	1,649,498	1,870,024	500,000	4,019,522
Comprehensive income:				
Surplus for the year	139	-	-	139
Other comprehensive income for the year	-	-	-	-
Total comprehensive income attributable to Members of the entity				
for the year	139	-	-	139
Balance at 30 June 2020	1,649,637	1,870,024	500,000	4,019,661

WAGAIT SHIRE COUNCIL ABN: 65 843 778 579 STATEMENT OF WORKING CAPITAL AS AT 30 JUNE 2020

	Note	2020	2019
ASSETS		\$	\$
CURRENT ASSETS			
Cash on Hand and at Bank	5	1,536,103	1,287,229
Trade and Other Receivables	6	39,553	22,700
Prepayments		7,397	7,397
TOTAL CURRENT ASSETS		1,583,053	1,317,326
Less:			
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	8	26,944	48,426
Contract liabilities	9	297,966	112,148
Employee Provisions	10	69,769	50,191
TOTAL CURRENT LIABILITIES		394,679	210,765
NET CURRENT ASSETS		1,188,374	1,106,561
CURRENT RATIO		4	6

WAGAIT SHIRE COUNCIL ABN: 65 843 778 569 STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2020

	Note	2020	2019
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		476,909	511,077
Grants and contributions receipts		533,138	367,960
Interest received		16,000	18,467
Payments to suppliers and employees		(703,720)	(633,074)
Net cash provided by operating activities	13	322,327	264,430
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposals of property, plant and equipment		-	13,584
Payment for property, plant and equipment		(73,453)	(129,597)
Net cash (used in) investing activities		(73,453)	(116,013)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash provided by (used in) financing activities			-
Net increase in cash held		248,874	148,417
Cash and cash equivalents at beginning of the financial year		1,287,229	1,138,812
Cash and cash equivalents at end of the financial year	13	1,536,103	1,287,229

The financial statements cover Wagait Shire Council as an individual entity, incorporated and domiciled in Australia. Wagait Shire Council is operating pursuant to the NT Local Government Act 2008 and NT Local Government (Accounting) Regulations.

The financial statements were authorised for issue on 20 0 chober by the Councillors of the Council.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), the requirements of the Local Government Act 2008, Local Government (Accounting) Regulations and other authoritative pronouncements of the Australian Accounting Standard Board.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Rates are recognised as revenue when the Council obtains control over the asset comprising the receipt. Rates are an enforceable debt linked to rateable property that will be recovered when the property is sold, and therefore control normally passes at the time of levying, or where earlier upon receipt of rates paid in advance. The rating period and reporting period for the Council coincide and accordingly, all rates levied for the year are recognised as revenue.

Uncollected rates are recognised as receivables.

The Council has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Notfor-Profit Entities(AASB1058) using the cumulative effective method of initially applying AASB15 and AASB1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The details of accounting policies under AASB118 and AASB1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058. The impact of changes is disclosed in Note 1(u).

In the Current Year

The Council receives assets from the government and other parties for Nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the Council recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The Council recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

Note 1

Summary of Significant Accounting Policies (Cont.)

(a) Revenue and Other Income (Cont.)

Operating Grants, Donations and Bequests

When the Council receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Council :

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Council:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (AASB 9, AASB 116 and AASB138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Council recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the Council receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Council recognises income in profit or loss when or as the Council satisfies its obligations under the terms of the grant.

Interest Income

Interest income is recognised using the effective interest method.

Donation Income

Donations and bequests are recognised as revenue when received.

Income from Sale of Goods

Revenue from the sales of goods and the rendering of a service is recognised upon the delivery of the goods and services to the customers.

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

Note 1

Summary of Significant Accounting Policies (Cont.)

(a) Revenue and Other Income (Cont.)

In the Comparative Period

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Wagait Shire Council receives non-reciprocal contributions of assets from the government and other parties for a zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold Property

Freehold land and Buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the Freehold Land and Buildings are not subject to an independent valuation, the Councillors conduct Councillors' valuations to ensure the carrying amount for the Land and Buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of Land and Buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold Land and Buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Note 1 Summary of Significant Accounting Policies (Cont.)

(b) Property, Plant and Equipment (Cont.)

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate Life (years)
Buildings and improvements	20-40
Infrastructure	10
Plant and equipment	3-10
Office equipment and furniture	3
Motor vehicles	5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(c) Leases

At inception of a contract, the Council assess if the contract contains or is a lease. If there is a lease present, a right-ofuse asset and a corresponding lease liability is recognised by the Council where the Council is a lessee. However all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating lease on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Council uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows :

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Note 1

Summary of Significant Accounting Policies (Cont.)

(c) Leases (Cont.)

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Council anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for low-value assets - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2020, Council has no leases to which this treatment will need to be applied.

Concessionary Leases

For leases that have significantly below market terms and conditions principally to enable the Council to further its objectives (commonly known as peppercorn / concessionary leases), the Council has adopted the temporary relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

(d) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

Classification and Subsequent Measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.
- A financial liability is measured at fair value through profit or loss if the financial liability is:
 - a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
 - held for trading; or
 - initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit-taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Summary of Significant Accounting Policies (Cont.)

(d) Financial Instruments (Cont.)

Financial assets

Note 1

Financial assets are subsequently measured at:

- amortised cost; or
- fair value through comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and
 interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Council initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise
 required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Council made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss. Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Council's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Note 1

Summary of Significant Accounting Policies (Cont.)

(d) Financial Instruments (Cont.)

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Council no longer controls the asset (ie has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the Council elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Council recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Council uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Council assesses whether the financial instruments are creditimpaired, and:

- if the credit risk of the financial instrument has increased significantly since initial recognition, the Council measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there is no significant increase in credit risk since initial recognition, the Council measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Note 1

Summary of Significant Accounting Policies (Cont.)

(d) Financial Instruments (Cont.)

Purchased or originated credit-impaired approach

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the Council measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Council assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the Council applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

- A financial asset is considered to have low credit risk if:
- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Council recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(e) 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 profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual 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.

Note 1

Summary of Significant Accounting Policies (Cont.)

(f) Employee Benefits

Short-term employee benefits

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 within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

OR : The Council's obligations for short-term employee benefits such as wages, salaries, annual leave and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Council classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are 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. Provision is made for the Council's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the Council receive defined contribution superannuation entitlements, for which the Council pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's ordinary average salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Council's obligation with respect to employees' defined contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Council's statement of financial position.

(g) 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.

(h) Trade and Other Debtors

Trade and other debtors include amounts due from clients for fees and goods and services provided, from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for measurement. Refer to Note 1(e) for further discussions on the determination of impairment losses.

(i) Contract Assets

Contract assets are recognised when the Council has transferred goods or services to the customer and or completed required performance obligations, but has yet to establish unconditional rights to consideration. Contract assets are treated as financial assets for impairment purposes.

Note 1

Summary of Significant Accounting Policies (Cont.)

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST receivable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(I) Intangibles

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

(m) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Council during the reporting period that remain unpaid at the end of the reporting period. Trade payables are recognised at their transaction price. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Contract Liabilities

Contract liabilities represent the Council's obligation to transfer goods or services to a customer or complete required performance obligations and are recognised when a customer pays consideration, or when the Council recognises a receivable to reflect its unconditional right to consideration (whichever is earlier), before the Council has transferred the goods or services to the customer and or completed required performance obligations.

(o) Provisions

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 reporting period.

(p) Comparative Figures

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

Note 1

Summary of Significant Accounting Policies (Cont.)

(q) Critical Accounting Estimates and Judgements

The Councillors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Council.

Key Estimates

(i) Valuation of buildings

The buildings were independently valued at year 2015/ 2016 by Integrated Valuation Services NT. At 30 June 2020, the Councillors have performed a Councillors' valuation on the buildings. The Councillors have reviewed the key assumptions adopted by the valuers and do not believe there has been a significant change in the assumptions at 30 June 2020. The Councillors therefore believe, that based on the expected utility of the assets, the carrying amount of the buildings reflects the fair value at 30 June 2020.

(ii) Useful lives of property, plant and equipment

As described in Note 1(c), the Council reviews the estimated useful lives of property, plant and equipment at the end of each reporting period, based on the expected utility of the assets.

(iii) Impairment- General

The Council assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Council that may be indicative of impairment triggers.

Impairment of leasehold improvements and plant and equipment

The Council assesses impairment of infrastructure and 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 infrastructure and plant and equipment at 30 June 2020 (2019: \$Nil).

Impairment of accounts receivable

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position. Provision for impairment of receivables at 30 June 2020 amounted to \$4,237 (2019: Nil).

Key judgments

(i) Performance Obligations Under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature / type, cost /value, quantity and the period of transfer related to the goods or services promised.

(ii) Coronavirus (COVID-19) Pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Council based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Council operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Council unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Note 1

Summary of Significant Accounting Policies (Cont.)

(r) Fair Value of Assets and Liabilities

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

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.

"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 (ie unforced) transactions 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 values 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.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the Council's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

(s) Economic Dependence

The Council is dependent upon the ongoing receipt of grants from the Northern Territory Government to ensure the continuance of its activities. At this date of this report management has no reason to believe that Council will not continue to receive funding support from the Government

(t) Adoption of New and Revised Accounting Standards

The Council has implemented three new Accounting Standards that are applicable for the current reporting period. AASB 15: Revenue from Contracts with Customers, AASB 1058: Income of Not-for-Profit Entities and AASB 16: Leases have been applied using the cumulative effective method; that is, by recognising the cumulative effect of initially applying AASB 15, AASB 1058 and AASB 16 as an adjustment to the opening balance of equity as at 1 July 2019. Therefore, the comparative information has not been restated and continues to be reported under AASB 118: Revenue, and AASB 117: Leases and AASB 1004: Contributions. Also to note in relation to AASB 16 is that the Council applied the temporary relief for peppercorn leases under AASB 2018-8 to measure the right of use assets at cost on initial recognition.

Note 1

Summary of Significant Accounting Policies (Cont.)

(t) Adoption of New and Revised Accounting Standards (Cont.)

The Council has adopted AASB 16: Leases with a date of initial application of 1 July 2019. As a result, the Council has changed its accounting policy leases recognition as detailed in this note.

The Councillors assessed that there is no material difference in the result of the Council between applying AASB 117 and AASB 16 as the Council only has photocopier rental lease expenses related to low value and or short term leases.

The Northern Territory Government allows the Council to use their Sports Ground for free. As a result the Council has a Crown lease and expiring date in Perpetuity with the NT Government for its Sports Ground Property Section 110 (50) plans S98/294 Wagait Tower Road. As previously noted the Council has adopted the temporary relief under AASB 2018-8.

Initial Application of AASB 15 and AASB 1058

The Council has applied AASB 15 : Revenue from Contracts with Customers and AASB 1058: Income of Not-for-Profit Entities using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions.

The Council has elected to apply AASB 1058 retrospectively only to contracts that are not completed contracts at the date of initial application.

The Councillors have assessed that the application of AASB 15 and AASB 1058 has had minimal effect on the accounting and reporting practices of the Council and a corresponding insignificant impact on the Council's operating results for the year ended 30 June 2020. There is no material difference in the results of the Council between applying AASB 15 and AASB 1058 and AASB 118. No adjustments were deemed necessary to the opening balance of equity at 1 July 2019.

A classification change occurred which resulted in Grants Received in Advance now being classified as Contract Liability in line with wording used in AASB 15.

The table below provides details of the significant changes and quantitative impact of these changes on initial date of application 1 July 2019:

Statement of Financial Position	As presented on 30 June 2019	Application Impact of AASB 15 & AASB 1058	As at 1 July 2019
CURRENT		40	
LIABILITIES			
Unexpended			
Grants &	112,148	(112,148)	
Deferred Income		(,	-
Contract		110 110	
Liabilities	-	112,148	112,148
EQUITY			
Retained			
Earnings	-	-	

(u)

New Accounting Standards and Interpretations Not Yet Mandatory Or Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Council for the annual reporting period ended 30 June 2020. The Council has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3	Revenue and Other Income		
3A	Rates and annual charges	2020 \$	2019 \$
34	Ordinary rates	Ŷ	\$
		000 447	004.000
	Residential, business and rural flat rate Waste management levy	236,417 116,400	231,992 116,100
	waste management levy	110,400	110,100
	Total rates and annual charges	352.817	348.092
		2020	2019
3B	User charges and fees	\$	\$
	Jetty and boat ramp maintenance	83,492	61,394
	Power and water contract income	37,205	36,150
	Weed management income	1,993	-
	Other fees and charges	20,072	21,075
	Other income	1,460	1,982
	Total User charges and fees	144.222	120.601
		2020	2019
3C	Grants and Contributions	\$	\$
	General purpose grants (untied)		
	FAA - General purpose component	11,282	11,969
	FAA - Roads to recovery component	56,010	55,755
	Northern Territory Government operating grants		
	General purpose component	208,021	189,860
	Department of Tourism, Sport and Culture Department of Infrastructure and Regional	25,802	21,000
	Northern Territory Government non- recurring grants		
	Specific purpose	42,205	60,964
	Other	2,000	8,382
	Non Government grants and contributions		
	Australia Day Council	2,000	1,500
	Total grants and contributions	347.320	349.430
		2020	2019
3D	Interest	\$	\$
	Financial Institutions	16,000	18,467
	Total Interest	16.000	18,467
		2020	2019
3E	Gains/ (loss) on disposal property, plant and equipment	\$	\$
	Gains and Losses	-	9,633
	Total Gains/ (loss) on disposal property, plant and equipment	-	9.633

Note 4

Expenses

		2020	2019
4A	Employee Cost	s	\$
	Salaries and Wages	370,157	332,195
	Superannuation	33,988	29,710
	Leave Expense	23,901	23,454
			23,434
	Recruitment	2,727	
	Training and development	5,286	8,137
	Total employee cost	436.059	393,496
4B	Materials and contracts	2020	2019
		\$	\$
	Regular Bin and Waste Collection	83,744	77,555
	Insurance	33,175	25,230
	Repairs & Maintenance	37,137	43,578
	Accounting	10,904	7,880
	Motor Vehicle Expenses	11,284	18,166
	Other Grant Expenses	6,308	13,191
	Consultant fees	6,633	11,794
	Travel & Accommodation	5,375	2,661
	Community Activities and Functions	5,101	5,539
	Safety Supplies & Equipment	4,747	2,661
	Total materials and contracts	204.408	208.255
4C	Depreciation	2020	2019
		\$	\$
	Buildings	55,569	56,158
	Sports Ground	37,996	-
	Plant and equipment	36,728	37,224
	Office equipment	120	113
	Infrastructure	4,283	43,183
	Motor vehicles	16,110	16,110
	Total Depreciation	150.806	152.788
40	Other enceting automatic	2020	2010
4D	Other operating expenses	2020	2019 \$
	Audit services	15,050	6,750
	Other services	-	4,875
	Admin expenses	22,781	22,625
	Power Water & Gas	6,265	7,612
	Other Expenses	24,851	34,160
	Total Other operating expenses	68.947	76.022

Note 5

Note 6

Cash on Hand and at Bank

CURRENT	Note	2020 \$	2019 \$
Cash at Bank Cash on hand		1,536,103	1,287,101
Total Cash on Hand and at Bank		1.536.103	1.287.229
Restricted cash and cash equivalents summary <i>Purpose</i> External restrictions Included in liabilities			
Contract liability	9	297,966	112,148
Included in revenue Total external restrictions		297,966	112,148
Internal restrictions Included in liabilities Employee leave entitlements	10	69,769	50,191
Included in revenue Total external restrictions		69,769	50,191
Total unrestricted		1,168,368	1,124,890
Total Cash on hand and at bank	13(a), 17	1,536,103	1,287,229
Trade and Other Receivables			
	Note	2020 \$	2019 \$
CURRENT	545	•	
Receivables :			
Rates and annual charges Less :Provision for impairment of receivables		42,830 (4,237)	22,700
Total Unrestricted accounts receivable and other debtors		38,593	22,700
Other Receivables :			
GST		960	-
Total Other receivables		960	
Total current trade and other receivables	17	39,553	22,700

The Council normal credit term is 30 days. No interest is charged for the first 30 days from the date of invoice. Thereafter, interest is charged at 17% per annum, which is calculated on a daily basis, on the outstanding balance.

Movement (recoveries) in allowance for impairment of receivables	2020 \$	2019 \$
Balance at beginning of the year Increment/ (Reduction) in allowance	4,237	-
Balance at the end of the year	4,237	-

Note 7

Property, Plant and Equipment

		2020	2019
		\$	\$
Land			
At cost		400,000	400,000
Total Land		400,000	400,000
Buildings			
At independent valuation 6 July 2015		2,222,727	2,222,727
At cost		14,741	14,741
Less Accumulated depreciation		(111,727)	(56,158)
Consta Constal		2,125,741	2,181,310
Sports Ground		379,958	
At cost			
Less Accumulated depreciation		(339,980)	
		39,978	
Total Buildings		2,165,719	2,181,310
Total Land and Buildings	18	2,565,719	2,581,310
Infrastructure at cost:			
At cost		484,500	864,460
Less Accumulated depreciation		(466,519)	(764,222)
		17,981	100,238
Plant and equipment:			
Plant and equipment:			10000000
At cost		561,504	488,050
Less Accumulated depreciation		(350,219)	(313,490)
		211,285	174,560
Office equipment:			
At Cost		175,930	175,930
Less Accumulated depreciation		(175,037)	(174,917)
Less Accumulated depreciation		893	1,013
Motor vehicles:			
At Cost		118,733	118,733
Less Accumulated depreciation		(78,683)	(62,573)
		40,050	56,160
		270,209	331,971
Total Plant and Equipment			

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land \$	Buildings \$	Sports Ground \$	Plant and Equipment \$	Infrastructure \$	Office equipment \$	Motor Vehicles \$	Total \$
Carrying amount at 1 July 2019	400,000	2,181,310		174,560	100,238	1,013	56,160	2,913,281
Transfer		-	77,974	-	(77,974)			-
Additions at cost	-	-	-	73,453	-	-	-	73,453
Disposals	-	-	-	-	-	-	-	-
Depreciation expense	-	(55,569)	(37,996)	(36,728)	(4,283)	(120)	(16,110)	(150,806)
Carrying amount at 30 June 2020	400,000	2,125,741	39,978	211,285	17,981	893	40,050	2,835,928

Valuation of Building and Improvements

The buildings were independently valued at year 2015/ 2016 by Integrated Valuation Services NT. At 30 June 2020, the Councillors have performed a Councillors' valuation on the buildings. The Councillors have reviewed the key assumptions adopted by the valuers and do not believe there has been a significant change in the assumptions at 30 June 2020. The Councillors therefore believe, that based on the expected utility of the assets, the carrying amount of the buildings reflects the fair value at 30 June 2020.

Note 8	Trade and Other Payables				
		Note	2020 \$		2019 \$
	CURRENT		3		\$
	Sundry creditors and accrued expenses		18,104		42,216
	Payroll and Super liabilities		8,840		5,294
	GST payable (net)				916
	Total Trade and Other Payables		26,944		48,426
	(a) Financial liabilities at amortised cost are classified as trade and other payables.				
	Trade and other payables:		00.044		40.400
	Total Current Total Non Current		26,944		48,426
	Total trade and other payables		26,944		48,426
	Total trade and other payables		20,544		40,420
	Financial liabilities as trade and other payables	17	26,944		48,426
Note 9	Contract Liabilities				
		Note	2020		2019
	CURRENT		\$		\$
	Deferred Income				36,073
	Unexpended grant funding				76,075
	Contract Liabilities - grant funded programmes		297,966		-
	Total Contract Liabilities and Deferred Income		297,966		112.148
	(b) Contract liabilities - movement in amounts :			2020	
	Balance at the beginning of the year			-	
	Reclassified from Deferred income / Unexpended grants				
	on initial application of AASB 15			112,148	
	Additions: Grants for which performance obligations will only be satisfied in subsequent years			222,523	
	Expended : Grants acquitted or utilised during the year			(36,705)	
	Closing balance			297,966	
Note 10	Employee Provisions				1010-0004
			2020		2019
	CURRENT		\$		\$
	Provision for employee benefits: annual leave		39,517		23,116
	Provision for employee benefits: long service leave		30,252		27,075
			69,769		50,191
	NON-CURRENT				
	Provision for employee benefits: long service leave		4,641		320
			4,641		320
	Total provisions for employee benefits		74,410		50,511
	Analysis of total provisions:		Total		
			\$ 50,511		
	Opening balance at 1 July 2019				
	Net change in the provision during the year		23,899		
	Balance at 30 June 2020		74,410		

Provision For Employee Benefits

Employee provisions represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amount accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Council does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Council does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(f).

		Reserves	Note 11
2019	2020	Note	
\$	\$		
		Asset Revaluation Reserve	
1,870,024	1,870,024	Balance at beginning of reporting year	
-	14	Revaluation/ Increment	
1,870,024	1,870,024	Balance at end of the reporting year	
y, plant ar erred dire	lued item of property,	Balance at end of the reporting year The asset revaluation reserve arises on the revaluation of buildings and improvements. Where a reva	

500,000	500,000
	•
500,000	500,000
2,370,024	2,370,024
	500,000

The asset replacement and maintenance reserve is maintained to replace roads and motor vehicles as the need arises.

Key Management Remuneration	2020 \$	2019 \$
employment benefits	122,592	95,558
	11,170	9,214
Management Remuneration	133,762	104,772
	Key Management Remuneration employment benefits oyment benefits Management Remuneration	s employment benefits 122,592 11,170

Other Related Party Disclosure

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel or individual or collectively with their close family members.

Transactions between related parties are on commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

There were no other related party transactions in 2020 (2019 :\$Nil).

Note 13

Note

N

Cash Flow Information

	Note	2020 \$	2019 \$
(a) Reconciliation of cash and cash equivalents to Statement of Cash Flows :			
Cash on hand and at bank	5	1,536,103	1,287,229
Total cash as stated in the Statement of cash flows		1,536,103	1,287,229
(b) Reconciliation of Cash Flow from Operating Activities with Current Year Profit			
Profit for the current year		139	15,662
Non-cash flows:			
Depreciation and amortisation expense		150,806	152,78
Gain/ (losses) on disposal of property, plant and equipment		•	(9,633
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(16,853)	47,07
(Increase)/decrease in Prepayments			(7,397
Increase/(decrease) in accounts payable and other payables		(21,482)	27,843
Increase/(decrease) in Unexpended Grant, Contract liabilities and Deferred Income		185,818	18,530
Increase/(decrease) in employee provisions		23,899	19,562
Net cash provided by operating activities		322,327	264,430

Note 14

Lease and Capital Expenditure Commitments Outstanding:

(a) Lease Commitments	2020	2019
Leasehold rental commitments	\$	\$
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	1,929	1,517
One to five years	2,986	-
More than 5 years	-	-
	4,915	1,517

The non-cancellable operating leasing commitments in 2019 and in 2020 is for a low valued asset photocopier.

The Northern Territory Government allows the Council to use their Sports Ground for free. As a result the Council has a Crown lease and expiring date in Perpetuity with the NT Government for its Sports Ground Property Section 110 (50) plans S98/294 Wagait Tower Road. As previously noted the Council has adopted the temporary relief under AASB 2018-8 in relation to Peppercorn Lease.

(b) Capital Expenditure Commitments

The Council has no capital expenditure commitments as at 30 June 2020 (2019:\$Nil).

Note 15

Contingent Liabilities and Contingent Assets

The Council has no Contingent Liabilities and Contingent Assets as at 30 June 2020 (2019:\$Nil).

Note 16

Events After the Reporting Period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had little financial impact on the Council up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, guarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the Council's operations, the results of those operations, or the Council's state of affairs in future financial years.

Note 17 Financial Risk Management

The Council's financial instruments consist mainly of deposits with banks accounts, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets	Note	2020 \$	2019 \$
Cash on hand	5	1,536,103	1,287,229
Trade and other receivables	6	39,553	22,700
Total financial assets		1,575,656	1,309,929
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	8	26,944	48,426
Total financial liabilities		26,944	48,426
		The second s	

Financial Risk Management Policies

Management is responsible for mentoring and managing the Council's compliance with its risk management strategy. The committee's overall risk management strategy is to assist the Council in meeting its financial targets whilst minimising potential adverse effects on financial performance. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Council is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk. There has been no substantive change in the types of risk the Council is exposed to, how these risks arise, management's objectives, policies and procedures for managing or measuring risks from the previous period.

Note 17

Financial Risk Management (Cont.)

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Council.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Legislative restrictions on Council's investment powers effectively limit investments to financial instruments issued or guaranteed by Australian Governments, banks and authorised deposit taking institutions. Rates and other receivables are monitored on an ongoing basis with the result that the Council's exposure to bad debts is not significant.

The Council has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 6.

b. Liquidity risk

Liquidity risk arises from the possibility that the Council might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Council manages this risk through the following mechanisms:

- > preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities.
- > maintaining short term investments to cater for unexpected volatility in cash flows.
- > monitoring the ageing of receivables and payables.
- > maintaining a reputable credit profile.
- > managing credit risk related to financial assets.
- > only investing surplus cash with major financial institutions.

c. Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Council is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the Council to interest rate risk are limited to cash and cash equivalents.

The Council also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

(ii) Sensitivity analysis

The following table illustrates sensitivities to the Council's exposures to changes in interest. The table indicates the impact on how profit reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

(
(+/- 1% in interest rates)	14,116	10,743
Surplus \$		
	\$	S
	2020	2019

No sensitivity analysis has been performed on foreign exchange risk as the entity has no material exposures.

Refer to Note 18 for detailed disclosures regarding the fair value measurements of the Council financial assets.

Note 18

Fair Values Measurements

Fair value estimation

The Council measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income; and
- freehold land and buildings.

The Council does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities on a non-recurring basis.

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position.

	2020		2019		
	Note	Carrying		Carrying Amount \$	Fair Value \$
		Amount	Fair Value		
		\$	\$		
Financial assets					
Cash on hand and at bank	5,17	1,536,103	1,536,103	1,287,229	1,287,229
Trade and other receivables	6,17	39,553	39,553	22,700	22,700
Total financial assets		1,575,656	1,575,656	1,309,929	1,309,929
Financial liabilities					
Trade and other payables	8, 17	26,944	26,944	48,426	48,426
Total financial liabilities		26,944	26,944	48,426	48,426

(i)

(b)

Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

(a) in the principal market for the asset or liability; or

in the absence of a principal market, in the most advantageous market for the asset or liability."

		2020 Carrying		2019 Carrying	
	Note	Amount	Fair Value	Amount	Fair Value
Non-Financial assets		*	\$	*	\$
Land and Buildings	7	2,165,719	2,165,719	2,181,310	2,181,310
Total non- financial assets		2,165,719	2,165,719	2,181,310	2,181,310

(i) The buildings were independently valued at year 2015/ 2016 by Integrated Valuation Services NT. At 30 June 2020, the Councillors have performed a Councillors' valuation on the buildings. The Councillors have reviewed the key assumptions adopted by the valuers and do not believe there has been a significant change in the assumptions at 30 June 2020. The Councillors therefore believe, that based on the expected utility of the assets, the carrying amount of the buildings reflects the fair value at 30 June 2020.

Note 18

Council Details

Wagait shire council is a local government body formerly called Cox Peninsular Government Council.

The Principal place of business is:

142 Wagait Tower Road Wagait Beach NT 0822



INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF WAGAIT SHIRE COUNCIL

Opinion

We have audited the financial report, being a general-purpose financial report, of Wagait Shire Council, which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and comprehensive income, statement of changes in equity, the statement of working capital, statement of cash flows, the chief executive officer's statement and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of the Wagait Shire Council has been prepared in accordance with the Northern Territory of Australia Local Government Act 2008; including:

(i) give a true and fair view of the Council's financial position as at 30 June 2020 and of its performance and its cash flows for the year then ended; and

(ii) Complying with Australian Accounting Standards and the Northern Territory of Australia Local Government (Accounting) Regulations 2008.

Basis for Opinion

We conducted our audit in accordance with the 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 Northern Territory of Australia Local Government Act 2008 and the Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have 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.

Responsibilities of the Chief Executive Officer and Councillors for the Financial Report

The Chief Executive Officer of the Council is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the Northern Territory of Australia Local Government Act 2008 and Northern Territory of Australia Local Government (Accounting) Regulations 2008, and is appropriate to meet the needs of the members. The Chief Executive Officer is also responsible for such internal control as the Council determine is 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.

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INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF WAGAIT SHIRE COUNCIL (CONT)

Responsibilities of the Chief Executive Officer and Councillors for the Financial Report (Cont.)

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 Council members either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

The Chief Executive Officer and Councillors are responsible for overseeing the Council's financial reporting process.

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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or
 error, design and perform audit procedures responsive to those risks, and obtain audit evidence that
 is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material
 misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve
 collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Council members' use of the going concern basis of accounting
 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or
 conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we
 conclude that a material uncertainty exists, we are required to draw attention in our auditor's report
 to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our
 opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's
 report. However, future events or conditions may cause the Council to cease to continue as a going
 concern.



INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF WAGAIT SHIRE COUNCIL (CONT)

Auditor's Responsibilities for the Audit of the Financial Report (Cont.)

• Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Mushel N Napia Educor

Nexia Edwards Marshall NT Chartered Accountants

Noel Clifford Partner

Darwin Dated: 23 October 2020

