



ANNUAL REPORT

2022-2023



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Introduction

Wagait Shire Council is pleased to present its Annual Report for the 2022-23 reporting period. This report describes Wagait Shire Council's deliverables throughout the year against the objectives and performance indicators, as contained in the Wagait Shire Council Shire Plan 2022-23.

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 (the 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, 2022-23. Council's audited financial statements for the year ending 30 June 2023 form an essential element of this report.

Our Vision

To protect and nurture the lifestyle of residents; achieved through sustainable improvements to economic, cultural and environmental opportunities that creates an involved and supportive community, promotes investment, ensures accessibility and encourages respect for our natural assets.

Our Mission

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

Report from the President and Chief Executive Officer

The 2022-23 financial year has again been one of many challenges and changes for Wagait Shire Council, which has seen an increase of residents and tourism visitation to our beautiful (and not so secret anymore) part of the planet, and further testing our capacity and resilience in dealing with progress, or the lack of it in some major infrastructure projects.

Throughout the earlier part of the reporting period, post-Covid impacts continued to be felt in council activities and programs however most were back up and running to pre-Covid numbers within a few months.

The changes introduced in 2021-22 through the Local Government Act 2019 and its associated Regulations and Guidelines were further embedded into council policies and business, and the NT Government undertook further consultation to create a stronger and more supportive, action-based approach in its relationship with local government.

Representation at regular Regional Committee meetings led by the Department of Chief Minister and Cabinet and the Top End Regional Organisation of Councils (TOPROC), have ensured that our community is recognised as an active contributor to the local government action plans and policy-making environment. We look forward to using this to achieve our future strategic planning goals.

The highlights for the year include actions towards both our immediate and long-term strategic goals, including:

- Employment of additional administrative support for the Office Manager, Policy Officer and Finance Officer; further enabling strong and confident leadership, increased legislative compliance, administrative order, and financial accountability.
- Recruitment of a Sports and Active Recreation Manager and Youth Development Officer to deliver the Youth Leadership Program and the Seniors' Healthy Lifestyle Program.
- Improved transparency and community engagement through maintaining regular communications to residents in newsletters, discussion forums and the council website.
- Strategic planning and development for council infrastructure, maintenance and services including roads and verges, waste management, coast-care responsibilities, and recreational amenities.
- Securing additional grants income to establish new projects, replace core plant and machinery and provide ongoing services and programs.
- Enhanced community participation and well-being through public events and celebrations while supporting local community groups and sustainable businesses to grow.

Council Governance

During 2022-2023 Council continued improvements to ensure our policies and risk exposure met new legislative requirements of the Local Government Act (2019) and mandatory training across governance, decision-making, finance and reporting was undertaken by all elected members.

In September 2022, council held a by-election to replace Cr Noeletta McKenzie who resigned in June 2021. Three nominations were received with Dr Sarah Smith duly elected as councillor.

During 2022-23 council also reviewed and updated workplace HR and WHS manuals, administrative

and financial policies, processes and procedures to strengthen and consolidate our daily operations, business and administration.

Council Staff Team

In 2022-23 the council staffing structure was dynamic & reactivated through employment of a part-time Administrative Officer to assist with daily council business and a Sports and Active Recreation Manager to coordinate the Sports and Active Rec program as well as supervise the Youth Development Officer. This has further increased our agility, improved the integrity of our daily business and service delivery to the community, and the general well-being of our young people.

During the reporting period council also farewellled the Works Manager who has provided services to the community for 20 years. A new Works Manager was appointed from within the team, and a new Works and Services Officer position was created and recruited to support the civil works and asset maintenance program.

Again, the council staff have shown extraordinary commitment to their roles and responsibilities and risen to the challenge of increased program and service delivery, as well as undertaken training as required to develop their professional capacity and strengthen general safety of our workplace environment. Their dedication to both council and community will continue to improve efficiencies and quality of service going forward. Continued investment to improving the overall workplace culture of council will also ensure accountability and strengthen our capacity to meet future responsibilities of a growing community.

Council Finance

In 2022-23 council's total income was \$1.36 million, which was a slight decrease from the 2021-22 total of \$1.4 million. Council rates were increased by 3.5% from \$627 to \$659 per annum and the waste management charge remained the same at \$317 per allotment, bringing a rates revenue total of \$373,256. Additional 2022-23 revenue included operational grants of \$502,010 and other income generated through contracts, fees and charges of \$178,176. Council's financial position for the financial year ending 30 June 2022 included a depreciation expense of \$204,428 and still achieved an operating surplus of \$289,897.

The infrastructure revaluation loss in 2021-22, which significantly reduced council's equity to \$3.203 million has regained another substantial lift in 2022-23 to \$3.845 million through capitalisation of new assets, maintaining council's good operational viability with a working capital ratio of 4.

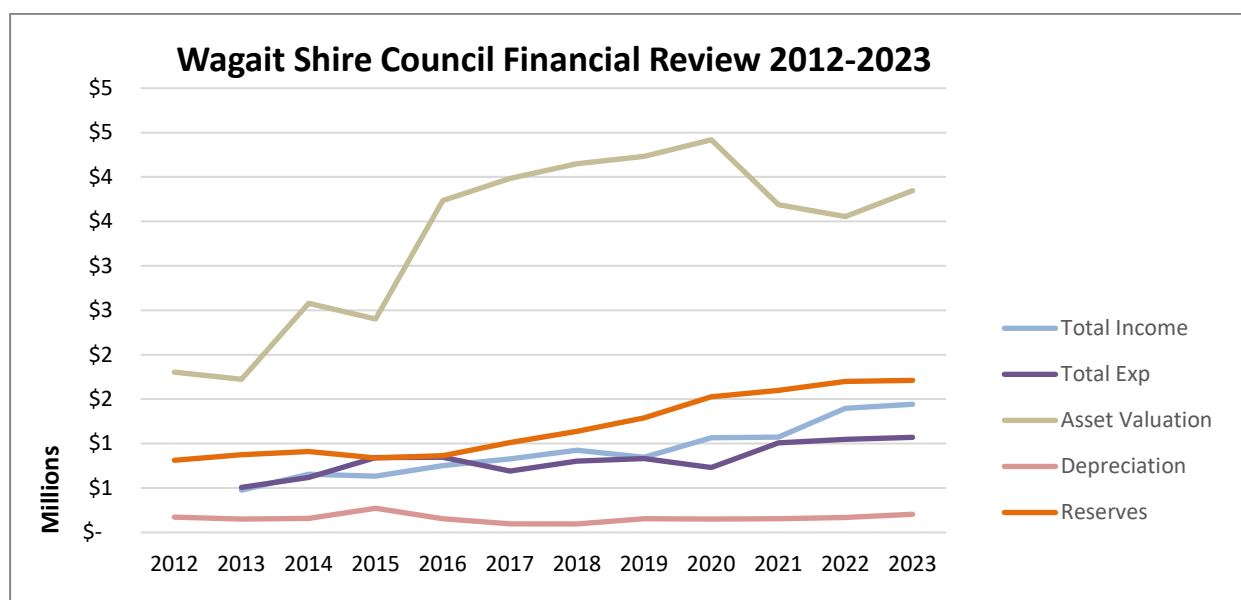
New project and program grants of \$480,076 were received in 2022-23 and, together with funds carried forward from 2021-22, delivered project initiatives consistent with Council's Shire Plan and long-term Strategic Plan. Remaining project funds are carried forward to 2023-24, including stimulus funds for waste management and recycling, and program grants for seniors and youth which are funded on a calendar year basis.

Council was successful in securing contractors to deliver several road infrastructure projects that had been delayed since the previous year, including the Cloppenburg carpark culvert remediation and Green-Waste track grading, as well as verge maintenance for a large part of the estate.

Other significant projects, commenced and completed in 2022-23 include:

| <i>Project</i> | <i>Value</i> | <i>Current Status</i> |
|--|--------------|--------------------------------|
| Australia Day & Territory Day | 5,000 | Completed in 2022-23 |
| Youth Vibe Holiday Program Grants | 8,000 | Completed in 2022-23 |
| Local Community Roads and Infrastructure P2 | 30,587 | Completed in 2022-23 |
| Local Community Roads and Infrastructure P3 | 50,358 | Partially completed in 2022-23 |
| Local Community Roads and Infrastructure P4 | 39,603 | Carried fwd to 2023-24 |
| NTG Immediate Priority Grant – Tipper truck | 90,100 | Completed in 2022-23 |
| NTG Immediate Priority Grant – Sports Equip | 142,640 | Carried fwd to 2023-24 |
| NTG Waste & Resource Management #2 | 75,000 | Partially completed in 2022-23 |
| NTG Waste & Resource Management #3 | 75,000 | Carried fwd to 2023-24 |
| NT Health Alcohol & Other Drugs (Youth Program) 22 | 20,000 | Completed 2022-23 |
| NT Health Alcohol & Other Drugs (Youth Program) 23 | 20,000 | Carried fwd to 2023-24 |
| Healthy Lifestyles (Seniors Program) 2022 | 20,000 | Completed in 2022-23 |
| Healthy Lifestyles (Seniors Program) 2023 | 20,000 | Carried fwd to 2023-24 |
| NTG Tourism Town Grant – Solar lighting | 52,000 | Partially completed in 2022-23 |
| NTG Community, People, Places 2023 – Beach access | 53,400 | Carried fwd to 2023-24 |

A review of council finances over a 10+ year period indicate that council is tracking well to stay ahead of inflation as well as its service delivery without unreasonable impost to residents and ratepayers. Council does however have aging infrastructure which will require an injection of significant funding in addition to supplementary reserves, within the next 5 years.



Community Roads & Verges

In 2022-23 council engaged accredited engineers to undertake a Road Safety Audit and Condition Report for the purposes of establishing a prioritised road infrastructure replacement strategy, and to identify linkages between key public spaces and high-use areas for the purpose of designing

pedestrian and other safe access pathways through the community. This report will be used to secure significant funding needed to keep our roads and verges in a safe condition.

The Verge Management policy and permit framework established in 2021-22 was further developed in 2022-23 with a verge audit, and a public campaign was delivered to promote awareness of verge management.

Works to repair council road edges and shoulders were commenced in Q4 2022-23 which will be completed in Q1 2023-24, and council considered funding options for new major works following the outcome of the Road Safety Audit and Condition Report.

Capital Investment to Parks & Recreation Infrastructure

The Cloppenburg Masterplan continued to roll out with further project elements being funded and commenced, including:

- Resurfacing of the sports court, completed at a cost of \$28,600;
- Site clearing and preparations for the Skate-park and Pump-track at a cost of \$20,000; and
- Funds received for installation of a condensed ninja-exercise-station with shade sails at a cost of \$145,000, which is anticipated to commence in Q1 2023-24.
- Funds of \$54,000 received for upgrades to beach access & carparks at Imaluk and Baluria, likely to commence in Q1 2023-24.

Waste Management

During Q1 2022-23 council worked with Belyuen Community Council and Tropics Consulting to finalise the Waste Management and Recycling Strategy for our region.

The document provides a framework for the next 10-years towards a more sustainable circular economy with both short-term and long-term goals, including a waste transfer station, recycling and recovery hub as well as community education and awareness. Council has shared the strategy with community at a public consultation, and other key stakeholders including NTG departments for investment consideration as pipeline infrastructure projects in 2023-24.

Council will continue to manage household waste collection, hard-waste and green waste locally with transport to the Shoal Bay Waste Management Facility for disposal until a local waste transfer station & recycling hub is built.

The community use of the Hard-Waste facility decreased slightly during 2022-23 with a total of 664 site visits (down from 743 in 2021-22) however an increase of waste was reported with 49.54 tonnes being taken to landfill (compared to 47.7 in 2021-22). Hard-Waste terms & conditions were reviewed during the reporting period and as much as possible, hard waste is now upcycled or recycled and then separated for transport to Shoal Bay.

The pre-cyclone kerbside collection was also provided by council in early October 2022, with an additional 3.88 tonnes of waste collected and transferred to Shoal Bay. This coincides with the annual Darwin Harbour Clean up coordinated by Larrakia Nation, and council participates and contribute in-kind to this activity by providing staff to assist, coordinating volunteers, and provides access to hook-bins for waste transport.

The Green-waste facility on the eastern side of the sportsground at Cloppenburg Park continues to be well used by residents. The facility is monitored by council and the waste regularly pushed up and burned with the assistance of the Cox Peninsula Volunteer Bushfire Brigade (CPVBB).

The total cost of community waste services during 2022-23 was \$164,278 and council is anticipating significant increases to this in 2023-24. Council has confirmed that new user-pay fees will be introduced in 2023-24 for disposal of specific items such as whitegoods.

Community Engagement

The Council Community Grants (CCG) opportunities continued in 2022-23 with uptake slightly improved from previous years. The CCG supported three local community groups to deliver projects, programs and events that encouraged community participation and well-being and a portion of the remaining funds were used to assist other donations and special requests from residents and organisations.

| Community Group | Activity | Funding \$ | Attendances |
|----------------------|-----------------------------------|------------|-------------|
| Cox Country Club | Lawn Bowls purchase of equipment | \$ 1000 | 0 |
| Wagait Arts Group | Festival, markets and exhibition | \$ 1000 | 350+ |
| Wagait Fishing Group | Junior fishing workshops and comp | \$ 1000 | 20+ |
| TOTAL | | \$ 2000 | 500+ |

Activities coordinated by local groups such as the Wagait Arts Group, Makers & Creators, Runners and Walkers, also receive in-kind support such as printing, facility & equipment hire and if required, administration assistance from council.

The tables below highlight council efforts to increase community engagement in council business and activities during the reporting period through notices and information sharing. A total of 25 newsletters and e-bulletins were published to an audience of 270+ subscribers, with a unique open rate range of 39-63%, well above industry average. Public meeting attendance was again moderate during 2022-23 and trends continue to indicate that traditional methods of community consultations such as meetings and forums may be declining in favour of more regular events, activities and communications through social media, newsletters, and the website as an information resource.

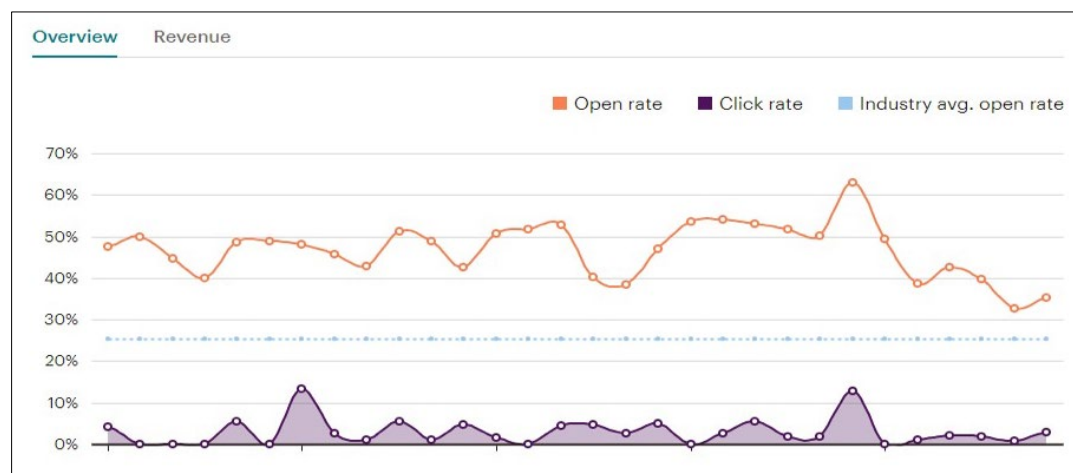


Fig 1. Council newsletters published in 2022-23 (Mailchimp analytics)

| <i>Council Community Activities & Programs</i> | <i>Cost</i> | <i>Engagements</i> |
|---|-------------|--------------------|
| Christmas celebrations for seniors & volunteers | \$ 3000 | 200 |
| Darwin Harbour Cleanup 2022 | \$ 600 | 26 |
| Territory Day 2022 | \$ 1000 | 150 |
| Seniors' Month activities and workshops 2022 | \$ 2000 | 120 |
| Seniors Program activities and workshops | \$ 20,000 | 1000+ |
| Youth Program activities and school holiday workshops | \$ 26,000 | 1000+ |
| Community Consultation Forums (2) | \$ 500 | 54 |
| Communications, newsletters and updates (25) | \$ 8000 | 6911 |
| Community Grant Fund projects, events & requests | \$ 4500 | 503 |
| ANZAC Day 2023 | \$ 1000 | 80 |
| Australia Day 2023 | \$ 3000 | 180 |
| TOTAL | \$ 69,600 | 10,224 |

Acknowledgement

We would like to thank the elected members for their support and guidance through another big year, as well as the staff employed at council for their hard work and dedication to council and community. That the team is able to operate cheerfully and effectively within resource constraints demonstrates an exceptional level of professionalism and agility.

And most importantly, we are so very grateful for the dedicated, professional and altruistic support of many residents and volunteers who, despite our differences, have given their time and energy to ensure that the community is safe, the gardens are watered, the kids are active, and the business of serving the community continues efficiently for another year.

President Neil White

**Renita Glencross
Chief Executive Officer**

Our Community – Key Statistics (ABS)

| Description | Year | Region | Australia |
|---|------|-------------------|---------------|
| Estimated resident population (no.) | 2022 | 465 | 25 996 144 |
| Working age population (aged 15-64 years) (%) | 2021 | 57.2 | 64.7 |
| Aboriginal and Torres Strait Islander Peoples (no.) | 2021 | 34 | 812 728 |
| Speakers of an Aboriginal or Torres Strait Islander language who identify as Aboriginal and/or Torres Strait Islander (%) | 2021 | 35.3 | 10 |
| Persons born overseas (no.) | 2021 | 75 | 7 029 262 |
| Children enrolled in a preschool or preschool program (no.) | 2021 | 6 | 339 015 |
| Age pension (no.) | 2022 | 73 | 2 554 053 |
| Median total income (excl. Government pensions and allowances) (\$) | 2019 | 65 407 | 51 389 |
| Total number of businesses | 2022 | 25 | 2 569 900 |
| Number of jobs | 2020 | 375 | 19 990 090 |
| Median weekly household rental payment (\$) | 2021 | 250 | 375 |
| Median monthly household mortgage payment (\$) | 2021 | 1 597 | 1 863 |
| Land area (ha) | 2021 | 566.3 | 768 809 493.8 |
| Total protected land area (ha) | 2020 | No data available | 151 619 268 |

* ABS source data

Our Councillors

On commencement of the 2022-23 FY, council were preparing to go to a By-Election after the resignation of Cr Noeletta McKenzie. President Neil White, Vice-President Tom Dyer, Cr Michael Vaughan and Cr Peter Clee welcomed Dr Sarah Smith to council in September 2022.

Pursuant to Section 71(3) of the *Local Government Act 2008*, Council resolved for the 2022-23 Elected Member allowances to be 14% of the base allowance set for a Category 4 council by the Minister under Ministerial Guideline 2, being a total of \$6,764.12 for the year. Three of five Elected Members nominated to donate their allowances back to Council, consistent with the provisions of the *Local Government Guidelines*.

At 30 June 2023, members of Council were:

President
Neil White



Vice-President
Tom Dyer



Councillor
Peter Clee



Councillor
Sarah Smith



Councillor
Michael Vaughan



Councillor Attendance at Ordinary Meetings of Council in 2022-23 (from total of 11 Meetings held).

- President Neil White - 11
- Vice President Tom Dyer - 6
- Councillor Peter Clee - 9
- Councillor Michael Vaughan - 11
- Councillor Sarah Smith - 9 (elected October 2022)

A special meeting of council was held in December 2022 to discuss Australia Day Awards, with 4 out of 5 councillors attending.

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, operations, financial and human resource management matters
- Review of risk management processes and mitigation strategies
- Review of the Draft Annual Shire Plan and Budget
- Annual review of the audited financial statements

In 2022-23 the audit committee comprised five members: Independent Chair Clare Milikins, independent professional Shelley Hewitt, community representative Maureen Newman, and Councillors Neil White and Michael Vaughan.

The Audit Committee met on four occasions in the 2022-23 Financial Year.

- 30 August 2022
- 01 November 2022
- 14 February 2023
- 09 May 2023

Emergency Management Committee

The emergency management committee was reconvened in 2020, responding to the National Emergency declared by the Chief Medical Officer due to the Covid-global pandemic.

In 2022-23 the emergency management committee comprised eight members: Cox Peninsula Volunteer Bushfire Brigade (CPVBB) Captain Doug Chalmers, NTES representative Jason Murphy; community representatives Chris Tyzack and Kim Dye, Belyuen CEO Dave Ferguson, Belyuen Health Services Manager Nick Barclay, Kelly Murphy from Belyuen Aged Care and Councillor Neil White.

During the year, the committee reviewed the local emergency arrangements for pandemic, flood, fire and cyclone. The committee also met with the Top End Regional Emergency Committee to progress a dedicated Local Emergency Plan for Wagait Shire and establish arrangements under the current Darwin Emergency Plan for emergency response and recovery services to our community.

In 2022-23 the Emergency Management Committee met on three occasions:

- 13 September 2022
- 13 December 2022
- 15 March 2022

Our Organisational Structure

The staff structure overall supports ongoing flexible workplace arrangements under the Local Government Industry Award 2020. Further updates to the Award were received during 2022-23 regarding casual employment, family and domestic violence leave, and increases to the minimum wage.

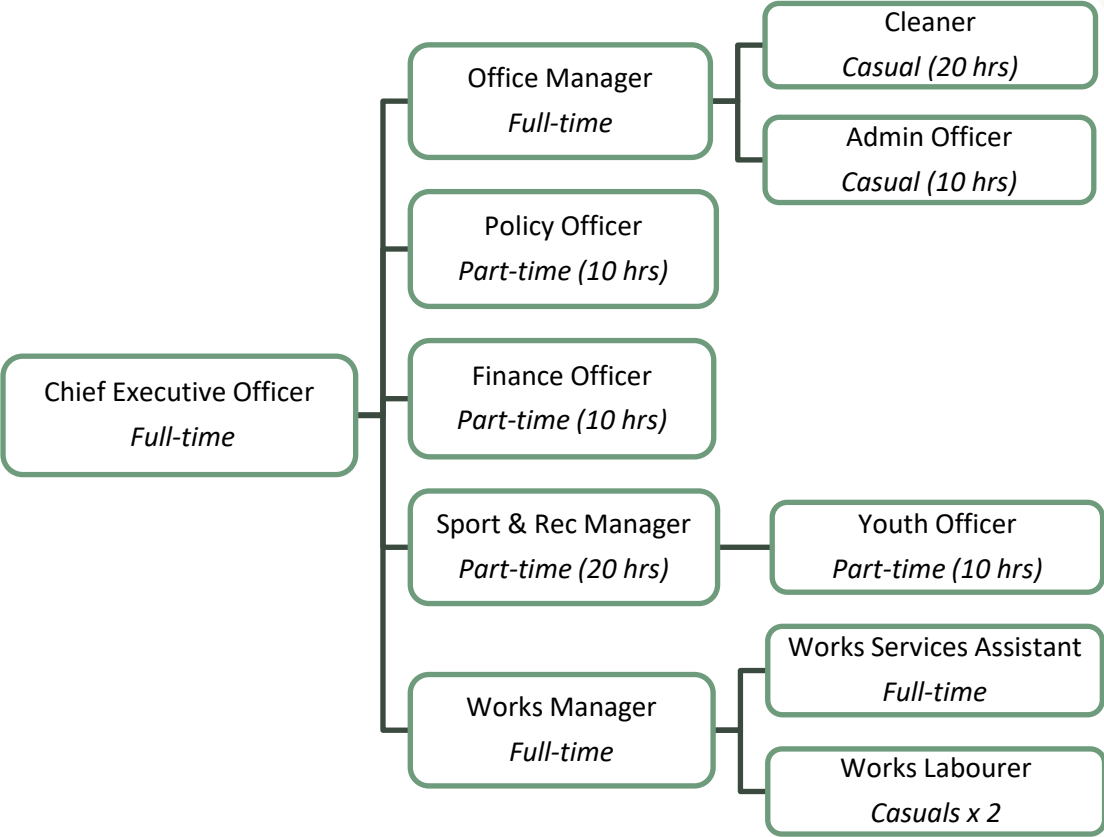
During 2022-23, council employed a fulltime CEO to manage the business of council and six permanent staff (4.1 FTE) to support the CEO in the daily delivery of council operations. The

successful recruitment of a part-time Sports and Active Recreation Manager enabled further development and delivery of both the seniors and youth programs to the community.

The employment of casual staff has been critical to servicing commercial contracts held by Council, and transitions to permanent placement of casuals was considered and offered during the year.

Dedicated funding for the permanent part-time Sports and Recreation Officer supports 14 hours/week contact-time, with an additional 6 hours for the Sports and Recreation program planning and coordination funded by council's operational budget. During 2021-22, additional funds were secured to deliver the Youth Leadership Program, Seniors' Healthy Lifestyle Program & school holiday programs which are also delivered under the council Sports and Recreation Program.

Further consideration will be given in 2023-24 to developing capacity within our organisational structure to ensure it is relevant to meet the future needs of our community and council.



Shire Report Card

1. Local Infrastructure & Assets

| 1.1 Maintenance and Upgrades of Parks, Reserves and Open Space | |
|--|--|
| DEVELOP AND MAINTAIN COUNCIL'S PARKS, GARDENS AND OPEN SPACE FACILITIES. | |
| Total Budget: \$ 175,100 | Council Funds Used: \$ 2,100 |
| Total Expenditure: \$ 52,664 | Grant Funding Secured: \$ 173,000 |
| What we said we would do <ul style="list-style-type: none"> Regular mowing & snipping Weed control Waste management Planning for new facilities Irrigation monitoring and bore maintenance | What we did <ul style="list-style-type: none"> ✓ Regular mowing, weed control and rubbish collected; daily, weekly and seasonal actions ✓ Operational costs met within budget ✓ Monthly reporting to the water controller ✓ Completed Stage 1 of the skate-park and pump-track ✓ Sought funding for Stages 2 & 3 of the skate-park and pump-track ✓ Funding secured for new exercise station and shade-area ✓ Funding secured for new sports-court resurfacing |
| 1.2 Maintenance and Upgrades of Public Buildings, Facilities and Fixed Assets | |
| MANAGE AND MAINTAIN COUNCIL'S PUBLIC BUILDINGS, FACILITIES AND FIXED ASSETS. | |
| Total Budget: \$ 18,400 | Council Funds Used: \$ 21,889 |
| Total Expenditure: \$ 21,889 | Income Secured: \$ 7,881 |
| What we said we would do <ul style="list-style-type: none"> Attend to routine cleaning and maintenance needs to keep Council buildings safe and accessible for public use Undertake regular inspections of Council buildings, facilities and fixed assets | What we did <ul style="list-style-type: none"> ✓ No cleaning complaints ✓ Budgeted maintenance achieved on time and additional maintenance provided as required ✓ All air conditioning units serviced ✓ All septic facilities inspected and serviced quarterly ✓ New reln drains were installed at both council office and community centre (including removal of trees) |
| 1.3 Local Roads Upgrades and Construction | |
| CONSTRUCTION OF NEW AND UPGRADING OF EXISTING SEALED AND UNSEALED ROADS. | |
| Total Budget: \$ 88,409 | Council Funds Used: \$ 24,950 |
| Total Expenditure: \$ 88,409 | Grant Funding Secured: \$ 63,459 |
| What we said we would do <ul style="list-style-type: none"> Consider roads requiring major upgrades or construction Prepare funding submissions for construction costs Engage contractors to deliver road upgrades | What we did <ul style="list-style-type: none"> ✓ Consult with LGANT and NTG, seeking funding for road report critical to future major roadworks and drainage ✓ Contractors engaged to deliver a Road Safety Audit and Road Condition report (draft completed June 2023) |

| 1.4 Local Roads Maintenance | |
|---|--|
| MAINTENANCE OF SEALED AND UNSEALED ROADS INCLUDING DRAINAGE, FOOTPATHS AND VERGES. | |
| Total Budget: \$ 5,000 | Council Funds Used: \$ 5,000 |
| Total Expenditure: \$ 5,000 | Grant Funding Expended: \$ 58,459 |
| What we said we would do <ul style="list-style-type: none"> • Repair potholes when evident • Repair damaged barriers • Clear silt and weeds from drains and road shoulders • Monitor road surface conditions | What we did <ul style="list-style-type: none"> ✓ Verge management policy and permit reviewed & updated ✓ Regular weed control and rubbish collection ✓ Silt clearing from paths and drains as prioritised ✓ Repair all potholes greater than 20mm in depth ✓ Repair/replaced all damaged barriers & delineators ✓ Contractors engaged for road edge and shoulder works ✓ Green waste track graded and maintained |
| 1.5 Traffic Management on Local Roads | |
| PROVISION OF ADEQUATE STREET SIGNAGE AND TRAFFIC CONTROL DEVICES TO INCREASE SAFETY. | |
| Total Budget: \$ 0 | Council Reserve Funds Used: \$ 24,950 |
| Total Expenditure: \$ 24,950 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Regular inspection of condition of street name plates and where necessary arrange replacement. • Ensure that traffic control devices are operated effectively • Consider other safety measures within the road audit report | What we did <ul style="list-style-type: none"> ✓ Signs displayed the same day when notification of a road hazard is received ✓ Street signs replaced as required ✓ Contractors engaged to deliver a Road Safety Audit and Road Condition report (draft completed June 2023) |
| 1.6 Fleet, Plant and Equipment Maintenance | |
| PROVISION OF ROUTINE MAINTENANCE ON COUNCIL'S PLANT and FLEET. | |
| Total Maintenance Budget: \$ 18,100 | Council Reserve Funds Used: \$ 14,862 |
| Total Expenditure: \$ 123,872 | Capital Grant Funding Secured: \$ 90,910 |
| What we said we would do <ul style="list-style-type: none"> • Regular inspection of plant and equipment • Regular routine maintenance undertaken • Logbooks updated each time plant is used • Major maintenance to be undertaken by authorised dealer • Regular running of generators | What we did <ul style="list-style-type: none"> ✓ Planned servicing completed no more than one month after due date ✓ Down time of fleet, plant and equipment less than 5% of operational requirements ✓ All generators tested monthly and serviced annually ✓ Replaced tractor and tipper-truck (grant-funded) ✓ Replaced water and poison pumps and hoses |

2. Local Environment Health

| 2.1 Waste Management and Litter Reduction | |
|---|---|
| MANAGEMENT AND MAINTENANCE OF DOMESTIC COLLECTION CONTRACT, HARDWASTE AND GREENWASTE FACILITIES, AND GENERAL LITTER REDUCTION WITHIN WAGAIT BEACH. | |
| Total Budget: \$ 122,996 + \$ 24,450 | Council Funds Used: \$ 182,007 |
| Total Expenditure: \$ 182,007 | Grant Funding Secured: \$ 75,000 |
| What we said we would do <ul style="list-style-type: none"> • Manage waste in public areas • Manage domestic putrescible waste collection contract • Manage Hard-waste facility • Manage Green-waste facility • Community education and awareness of recycling and toxic waste management • Develop new Waste Strategy • Investigate EPA approvals required for existing facilities | What we did <ul style="list-style-type: none"> ✓ Action to issues regarding bin-damage & replacements ✓ Public spaces cleaned after community events ✓ Local estate roadsides litter free ✓ Weekly kerb-side collection delivered by contractors ✓ Quotes received for 2yr extension for weekly service ✓ Hard-waste facility open 50 weekends ✓ Pre-cyclone kerb-side collection provided ✓ Green-waste burned-down regularly assisted by CPVBB ✓ Strategic planning for increased recycling and future waste transfer station ✓ Design and tender for repurposing the caretaker's compound as a recycling hub, including approvals |
| 2.2 Weed control and Fire Hazard Reduction | |
| REDUCE FIRE HAZARDS AND INCREASE AMENITY OF THE AREA THROUGH THE CONTROL OF WEEDS. | |
| Total Budget: \$ 15,000 | Council Funds Used: \$ 0 |
| Total Expenditure: \$ 15,000 | Contract Funding Secured: \$ 15,000 |
| What we said we would do <ul style="list-style-type: none"> • Spray weeds on a seasonal basis • Slash grassed areas to reduce fire hazard • Community education • Work with government programs & other stakeholders | What we did <ul style="list-style-type: none"> ✓ Received less than five complaints about weeds annually ✓ Weed outbreaks identified and managed including provision of glyphosate to residents for Gamba control ✓ Working with CPVBB to ensure delivery of community awareness & estate fire-safety management plans ✓ Working with Crown Land Office to manage weeds in the coastal Restricted Use Area (RUA) |
| 2.3 Animal Welfare and Control | |
| THE ADMINISTRATION OF LOCAL BY-LAWS IN RELATION TO THE CARE, CUSTODY AND CONTROL OF DOMESTIC AND FERAL ANIMALS TO PROTECT HEALTH, SAFETY, AMENITY AND ENVIRONMENT OF THE COMMUNITY; AND PROMOTE RESPONSIBLE OWNERSHIP OF ANIMALS. | |
| Total Budget: \$ 500 | Council Funds Used: \$ 0 |
| Total Expenditure: \$ 145 | Income Secured: \$ 1,863 |
| What we said we would do <ul style="list-style-type: none"> • Maintain annual renewal of firearms license & equipment • Maintain and promote dog management by-laws & policy • Maintain dog register • Work with TOPROC councils towards agreed standards • Community education campaign | What we did <ul style="list-style-type: none"> ✓ Maintained firearms, licenses and ammunition registers ✓ Supported coordinated and reciprocal dog registration with other Top End councils ✓ Maintained council dog enclosure ✓ Implemented dog registration campaign >100 dogs ✓ Dog complaints actioned within 24 hrs ✓ Commenced planning for feral cat community education campaign, policies and by-laws |

3. Civic Services

| 3.1 Civic Events | |
|---|---|
| PROVIDE OPPORTUNITIES FOR, & MANAGE COMMUNITY EVENTS INCLUDING, ANZAC DAY, AUSTRALIA DAY, TERRITORY DAY AND OTHER ANNUAL CELEBRATIONS. | |
| Total Budget: \$ 18,500 | Council Funds Used: \$ 11,242 |
| Total Expenditure: \$ 17,242 | Grant Funding Secured: \$ 6,000 |
| What we said we would do <ul style="list-style-type: none"> • Conduct Australia Day activities • Conduct ANZAC Day celebrations • Conduct Seniors' Month activities • Conduct Territory Day celebrations • Facilitate citizenship ceremonies • Provide an events calendar • Support local arts & craft groups and engage local artists | What we did <ul style="list-style-type: none"> ✓ Delivered the agreed community events ✓ Celebrated council volunteers and elected members at an end-of-year event ✓ Delivered International Women's Day and International Men's Day events ✓ Provided opportunity for residents to celebrate and share experiences using the council facilities for many other public events including markets, festivals, youth discos, activities and creative workshops ✓ Engaged local artists to deliver a range of workshops |
| 3.2 Library Services | |
| PROVISION OF ACCESS TO LIBRARY PROGRAMS AND SERVICES DESIGNED TO MEET THE DIVERSE NEEDS OF ALL AGES AND GROUPS WITHIN THE COMMUNITY. | |
| Total Budget: \$ 0 | Council Funds Used: \$ 0 |
| Total Expenditure: \$ 0 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Provide public access to library • Encourage more users and ascertain future needs | What we did <ul style="list-style-type: none"> ✓ Library opened for public use >200 days ✓ Campaign for volunteers undertaken ✓ Maintained 24hr book-cupboard at Com Centre |
| 3.3 Arts, Culture and Heritage | |
| PROVIDE SUPPORT AND DEVELOPMENT ADVICE TO LOCAL ARTS AND CULTURAL GROUPS AND EVENTS, LOCAL HISTORY RESEARCH AND HERITAGE PROJECTS TO CREATE A VIBRANT COMMUNITY THAT CELEBRATES & SHARES LOCAL KNOWLEDGE AND VALUES. | |
| Total Budget: \$ 0 | Council Funds Used: \$ 2,000 |
| Total Expenditure: \$ 0 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Work with local arts and culture groups to develop a calendar of arts and cultural events • Support local arts & craft groups with in-kind support for events • Engage local artists for creative supply wherever possible • Work with Sealink, Darwin Festival and others to encourage cultural tourism in the region | What we did <ul style="list-style-type: none"> ✓ Provided opportunity for residents to celebrate and share experiences using the council facilities for many public events including markets, festivals, youth discos, activities and creative workshops ✓ Engaged local artists to deliver a range of workshops for the youth program; and supply various art & design projects for council including mosaic picnic tables, youth program branding and posters |

3.4 Sports and Recreation

PROVISION OF SPORT AND RECREATION ACTIVITIES TO THE COMMUNITY.

Total Budget: \$ 61,700

Council Funds Used: \$ 4,821

Total Expenditure: \$ 61,669

Funding Secured: \$ 56,848

What we said we would do

- Conduct sporting and recreational activities for the whole of the community
- Continue to lobby for additional funds & program delivery
- Provide support to community groups in staging regular and one-off activities and events

What we did

- ✓ Delivered at least four different types of activities every month across Seniors, Youth, children, and adults
- ✓ Additional \$6000 in activity funds secured for School Holiday Programs and Youth Week
- ✓ Youth Program funded to continue all year
- ✓ Pop-up after school sessions at the Park twice per week
- ✓ School Holiday Program attendance increased with more active recreation including, waterslides, movie-nights
- ✓ Balanced Choice Leadership Program sessions x6
- ✓ Build-up skate sessions x6
- ✓ Seniors Pilates and yoga sessions run 2-3 days per week
- ✓ Assistance given to coordinate Australia Day activities
- ✓ Walk/Ride to School
- ✓ Support given to community-initiated activities such as Big Bash Cricket, Makers and Creators
- ✓ Community consultation undertaken to assist with forward planning objectives
- ✓ Planning undertaken for new skate-park
- ✓ Funding secured for Seniors' Program
- ✓ Staff maintained Safe NT registration and other qualifications required for the position

3.5 Tourism and Destination Management

PROMOTION AND ENCOURAGEMENT OF ECONOMIC DEVELOPMENT AND LOCAL BUSINESSES THROUGH PROMOTING AND IMPROVING TOURIST ATTRACTIONS.

Total Budget: \$ 0

Council Funds Used: \$ 0

Total Expenditure: \$ 0

Funding Secured: \$ 0

What we said we would do

- 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
- Work with Sealink & Heritage NT to encourage cultural tourism

What we did

- ✓ Supported local camping and caravan proposals with a view to establishing regulated visitor accommodation
- ✓ Liaison with Larrakia Nation and Larrakia Development Corp to establish future planning
- ✓ Worked with Tourism NT to contribute to the Darwin Destination Management Plan
- ✓ Worked with Sealink NT to encourage local cultural tourism
- ✓ Supported local groups and businesses
- ✓ Destination signage replacement project underway

4. Community Engagement

| 4.1 Administration of Local Laws | |
|--|--|
| MONITORING AND ENFORCEMENT OF COUNCIL LOCAL LAWS. | |
| Total Budget: \$ 0 | Council Funds Used: \$ 99,015 |
| Total Expenditure: \$ 99,015 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Continue to monitor community expectations and behaviour • Enact Dog Management By-laws • Consider Cat Management By-laws and policies • Monitor RUA compliance • Employ a Policy Officer to assist with policy development & review | What we did <ul style="list-style-type: none"> ✓ Petitions and complaints presented to Council noted ✓ Dog Management By-laws enacted ✓ Research undertaken for Cat Management By-laws and policies; awareness campaign delivered ✓ All council policies reviewed ✓ Policy Officer employed ✓ Non-compliance with RUA regulations raised with relevant authorities and planning for further regulatory and protection measures underway |
| 4.2 Governance | |
| COSTS OF GOVERNANCE TO THE COUNCIL INCLUDING ELECTED MEMBERS' EXPENSES, ELECTIONS, CIVIC AND CEREMONIAL FUNCTIONS, MEMBERSHIP OF REPRESENTATIVE ORGANISATIONS AND ELECTED MEMBERS, POLICY OFFICER AND CEO SUPPORT COSTS. | |
| Total Budget: \$ 65,000 | Council Funds Used: \$ 64,550 |
| Total Expenditure: \$ 64,550 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Council Elections • Conduct monthly Council meetings • Produce and publish agendas and minutes • Provide ongoing Councillor training and development • Elected members to undertake mandatory training | What we did <ul style="list-style-type: none"> ✓ Council By-election was held on 17 September 2022 with Cr Sarah Smith duly elected ✓ Elected members attendance at meetings (see p10) ✓ Elected members undertook mandatory training ✓ Meeting agendas and minutes published according to local government regulations |

| 4.3 Customer Service, Public and Corporate Relations | |
|---|--|
| THE PROVISION OF HIGH STANDARDS OF SERVICE AND ASSISTANCE TO THE COMMUNITY AND OTHER CUSTOMERS; EFFECTIVE SERVICE DELIVERY; CLEAR COMMUNICATIONS OF COUNCIL ACTIVITIES AND THE ACHIEVEMENT OF CORPORATE AND COMMUNITY OBJECTIVES. | |
| Total Budget: \$ 145,000 | Council Funds Used: \$ 142,276 |
| Total Expenditure: \$ 142,276 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Ensure staff are well-informed and trained for public service • Provide information through regular newsletters and notices • Maintain Council web site • Conduct biannual community meetings to seek community feedback on major issues | What we did <ul style="list-style-type: none"> ✓ No more than five complaints annually regarding Council staff performance; one complaint regarding staff conduct referred to CEO ✓ Council newsletters and updates delivered regularly with more than 9,286 total engagements ✓ Council website updated regularly ✓ Two general community meetings held and two other community forums and info-sessions held |
| 4.4 Advocacy and Representation on Local and Regional Issues | |
| PARTICIPATE ON REGIONAL BOARDS OR COMMITTEES TO REPRESENT THE COUNCIL'S VIEWS ON RELEVANT LOCAL AND REGIONAL ISSUES. | |
| Total Budget: \$ 2,100 | Council Funds Used: \$ 2,616 |
| Total Expenditure: \$ 2,616 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Continue participation at all functions that may be significant to community and the greater Cox Peninsula area | What we did <ul style="list-style-type: none"> ✓ CEO and President attended all LGANT, TOPROC and NTG Agency meetings ✓ Reports and updates on work undertaken with LGANT, NTG agencies and other stakeholders provided to Council and community via monthly Council meeting minutes ✓ CEO attended all Darwin Local Emergency Committee (LEC) meetings ✓ Mandorah Marine Facility progress updates provided to council and community by DIPL ✓ Elected members representation on other boards and committees including LGANT Executive and ALGA ✓ Provided council responses to NTG surveys and 'have-your-say' discussion papers for Boundary Reform, Greater Darwin Destination Management Plan, Darwin Water Catchment & Container Deposit Scheme ✓ Provided council responses to NTG regarding development submissions from local residents |

5. Commercial Services & Contracts

| 5.1 Commercial Contracts | |
|---|--|
| UNDERTAKE ONGOING MAINTENANCE OF ASSETS AS PER CONTRACTUAL ARRANGEMENTS. | |
| Total Budget: \$ 2,000 | Council Funds Used: \$ 0 |
| Total Expenditure: \$ 1,187 | Income Secured: \$ 164,543 |
| What we said we would do <ul style="list-style-type: none"> • 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 predetermined intervals • Attend water supply faults • Maintain water compound area • Monitor and maintain RUA | What we did <ul style="list-style-type: none"> ✓ Maintained DIPL contract for Jetty Maintenance and completed to satisfactory standard ✓ PowerWater contract for compound maintenance and bore testing completed to satisfactory levels ✓ Attended PowerWater faults and issues x 7 ✓ Secured DIPL Crown Land contract for weed maintenance & monitoring of the RUA |

6. Community Services

| 6.1 Welfare and Social Services | |
|--|---|
| 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. | |
| Total Budget: \$ 23,000 | Council Funds Used: \$ 3,000 |
| Total Expenditure: \$ 23,000 | Funding Secured: \$ 20,000 |
| <p>What we said we would do</p> <ul style="list-style-type: none"> • Encourage serviceability of health centre and consider plan to engage locum medical staff • Continue to support seniors' programs • Establish and maintain relationships with service providers • Monitor funding opportunities for new services | <p>What we did</p> <ul style="list-style-type: none"> ✓ Attendance numbers at community events and services have increased (see table p6) ✓ Regular outreach medical services from Belyuen Health remain restricted to triage and post-op care ✓ Council is informed with suggestions and feedback about events and services at monthly meetings ✓ Council hosted morning tea with Carers NT to increase service awareness in the community ✓ Hosted workshops and private consults with Darwin Community Legal Service ✓ Seniors' activity program maintained with funding from NTG Department of Health ✓ Darwin Harbour Clean-up with Belyuen School, Larrakia Nation and Kenbi Rangers ✓ Submissions made to establish childcare services unsuccessful (federal) |
| 6.2 Emergency Services | |
| PREPARATION AND PLANNING FOR LOCAL EMERGENCIES THROUGH PARTICIPATION IN RELEVANT COMMITTEES AND FACILITATION OF PREVENTATIVE MEASURES. | |
| Total Budget: \$ 0 | Council Funds Used: \$ 0 |
| Total Expenditure: \$ 0 | Grant Funding Secured: \$ 0 |
| <p>What we said we would do</p> <ul style="list-style-type: none"> • Operate cyclone shelter when cyclone is present • Attend regional cyclone shelter briefings • Liaise with police and emergency services during disasters • Provide support to local brigade and emergency services units • Encourage community to have annual clean-up • Endorse and support local disaster recovery plans | <p>What we did</p> <ul style="list-style-type: none"> ✓ CEO attended all Darwin and Regional Local Emergency Control and cyclone shelter meetings and briefings ✓ Wagait Shire Emergency Management Committee met regularly to consider emergency priorities and update emergency arrangements ✓ Council evacuation plans in place for all public spaces ✓ Disaster management arrangements for fire, flood and cyclone reviewed and action plans considered ✓ Pre-cyclone cleanup for all properties and cyclone preparation workshop for new residents ✓ Business continuity planning commenced |

7. Council Administration

| 7.1 Asset Management | |
|---|--|
| PLANNING AND SUPPORT SERVICES FOR COUNCIL ASSETS LAND, BUILDINGS, PLANT, EQUIPMENT FIXTURES AND FITTINGS, AND ANY OTHER ASSET. | |
| Total Budget: \$ 189,690 | Council Reserve Funds Used: \$ 24,950 |
| Total Expenditure: \$ 189,690 | Grant Funding Secured: \$ 293,190 |
| What we said we would do <ul style="list-style-type: none"> • 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 | What we did <ul style="list-style-type: none"> ✓ Reviewed and maintained asset management register that includes current valuations and depreciation ✓ Insurances maintained for all assets at value ✓ Road condition & safety report progressed ✓ Waste Management Strategy delivered (funded) ✓ CEO vehicle fleet-lease (right-of-use asset) ✓ Planned procurement for changeover of tractor and tipper completed (funded) ✓ Sport-court surface upgrades completed (funded) ✓ Skate-park design completed (funded) ✓ Condensed exercise station design in progress (funded) |
| 7.2 Council Planning and Reporting | |
| DEVELOPMENT OF STRATEGIC PLANS, INCLUDING BUSINESS AND SERVICE DELIVERY PLANS, TO ENSURE THE COUNCIL'S LONG-TERM SUSTAINABILITY TO DELIVER SERVICES TO THE COMMUNITY. | |
| Total Budget: \$ 24,500 | Council Funds Used: \$ 0 |
| Total Expenditure: \$ 19,500 | Grant Funding Secured: \$ 24,500 |
| What we said we would do <ul style="list-style-type: none"> • Continue to meet legislated deadline for the completion of annual plans and reports • Undertake strategic planning for future services & critical assets | What we did <ul style="list-style-type: none"> ✓ Shire Plan for 2022-23 prepared and adopted ✓ Annual Report for 2021-22 prepared and adopted ✓ Updated 5-year strategic plan 2020-2025 adopted ✓ Waste & Recycling Strategy delivered & adopted ✓ Darwin Destination Management Plan completed with Cox Peninsula new infrastructure included ✓ Road Safety and condition report progressed |
| 7.3 Financial Management | |
| ACCOUNTING, FINANCIAL RECORDING AND REPORTING AND OTHER SUPPORT SERVICES ASSOCIATED WITH MANAGING THE COUNCIL'S FINANCIAL RESOURCES. | |
| Total Budget: \$ 60,000 | Council Funds Used: \$ 60,000 |
| Total Expenditure: \$ 60,000 | Income Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Ensure financial data is up to date to produce accurate reporting, provided monthly at council meetings • Maintain accurate property and rates records • Increase contract income • Ensure all grants and liabilities are managed within budget | What we did <ul style="list-style-type: none"> ✓ Employed a Finance Officer ✓ Secured Auditor (contracted for 3 years) ✓ Xero cloud-based accounting systems implemented and used to produce accurate reports and reconciliations ✓ Monthly financial reports provided to council ✓ Financial Reports were submitted to acquit grants ✓ Rates Assessment Record was reviewed ✓ Business continuity planning commenced |

7.4 Human Resources

SERVICES AND SUPPORT FOR HUMAN RESOURCES ADMINISTRATION INCLUDING RECRUITMENT, INDUCTION, TRAINING AND DEVELOPMENT.

Total Budget: \$ 6,000

Council Funds Used: \$ 6,174

Total Expenditure: \$ 6,174

Grant Funding Secured: \$ 0

What we said we would do

- Develop and implement best-practice recruitment and induction procedures
- Conduct annual performance reviews and prepare annual training plans for employees
- Review HR policies, procedures, and the Employee Manual
- Maintain professional approach to team development
- Ensure support for mental health & well-being in the workplace

What we did

- ✓ HR policies and procedures reviewed and updated
- ✓ Staff annual performance reviews undertaken
- ✓ Staff training undertaken as requested
- ✓ Professional development planning undertaken with all permanent staff
- ✓ Professional development opportunities for staff offered including attendance at Australia Day Council conference, attendance at the LGANT waste management symposium
- ✓ Employee Assistance Program available
- ✓ WHS workplace training session delivered to all staff
- ✓ Mental Health first-aid training for staff

7.5 Information Technology and Record Keeping

INFORMATION TECHNOLOGY (IT) SUPPORT SERVICES AND ADVICE ASSOCIATED WITH THE OPERATION AND MANAGEMENT OF COUNCIL'S HARDWARE, SOFTWARE AND INTERNET SYSTEMS

Total Budget: \$ 16 ,000

Council Funds Used: \$ 18,252

Total Expenditure: \$ 18,252

Grant Funding Secured: \$ 0

What we said we would do

- Review IT and recordkeeping policies & procedures
- Implement best practice IT and digital record-keeping systems

What we did

- ✓ Met all compliance issues regarding record-keeping; policy and procedures are in place with completion of review in-line with new LG Act 2019
- ✓ Initiated ICT policy & procedures review

7.6 Revenue Growth

FUNDING OF COUNCIL'S OPERATIONS THROUGH APPROPRIATE RATING POLICIES AND THE MAXIMISATION OF GRANTS, FEES AND CHARGES AND OTHER AVAILABLE INCOME SOURCES.

Total Budget: \$

Council Funds Used: \$

Total Expenditure: \$

Income Secured: \$

What we said we would do

- 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

What we did

- ✓ Budget balanced without shortfall once depreciation was included to expenses
- ✓ \$480,076 in new grant funding for community projects, programs and activities

| 7.7 Risk Management | |
|---|---|
| PROVISION OF INTERNAL RISK MANAGEMENT SYSTEMS | |
| Total Budget: \$ 53,181 (insurance) | Council Funds Used: \$ 52,716 |
| Total Expenditure: \$ 52,716 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • Conduct annual audit • Maintain asset register • Ensure assets have sufficient insurance coverage • Update fraud protection plan | What we did <ul style="list-style-type: none"> ✓ Satisfactory update of the asset register completed ✓ Insurances maintained for all assets at value ✓ Valuation of capital assets undertaken for financial reporting purposes ✓ Fraud protection policies updated ✓ Risk management training undertaken with JLT ✓ Risk management reporting to council & the Audit Committee schedule set up biannually |
| 7.8 Work, Health, and Safety | |
| PROVISION OF A FRAMEWORK TO PROTECT THE HEALTH, SAFETY AND WELFARE OF ALL WORKPLACE STAKEHOLDERS WHO MIGHT BE AFFECTED BY THE WORK OF COUNCIL. | |
| Total Budget: \$ 1000 | Council Funds Used: \$ 1182 |
| Total Expenditure: \$ 1182 | Grant Funding Secured: \$ 0 |
| What we said we would do <ul style="list-style-type: none"> • 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 facility for the wellbeing and welfare of workers at work when carrying out their work while at council • Provide information, training, instruction or supervision to protect all persons from risks in their work while conducting council business • Monitor the health of workers and workplace conditions to prevent illness or injury of workers arising from the conduct of council business | What we did <ul style="list-style-type: none"> ✓ All policies, procedures, SOPs and JSA's reviewed and updated ✓ Toolbox meetings held regularly with permanent staff and 2 half-yearly WHS meetings with all staff ✓ All workplace incidents documented ✓ All staff provided with appropriate PPE facilities and workplace environments ✓ A total of 2 incidents reported: <ul style="list-style-type: none"> • Major - 0 • Minor - 2 |







WAGAIT SHIRE COUNCIL

ABN: 65 843 778 569

**Financial Report For The Year Ended
30 June 2023**

WAGAIT SHIRE COUNCIL

ABN: 65 843 778 569

Financial Report For The Year Ended 30 June 2023

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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 2019 , Local Government General Regulations 2021 and Australian Accounting Standards.

(b) the financial statements present a true and fair view of the Council's financial position at 30 June 2023 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.

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



PRESIDENT NEIL WHITE

Dated 17 October 2023



CEO RENITA GLENCROSS

Dated 17 October 2023

AUDITOR'S INDEPENDENCE DECLARATION

UNDER THE PROVISIONS OF NORTHERN TERRITORY LOCAL GOVERNMENT ACT 2019 AND NORTHERN TERRITORY LOCAL GOVERNMENT (GENERAL) REGULATIONS 2021

TO THE COUNCILLORS OF WAGAIT SHIRE COUNCIL

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the *Northern Territory Local Government Act 2019 and Northern Territory (General) Regulations 2021*, and
- (ii) any applicable code of professional conduct in relation to the audit.



Nexia Edwards Marshall NT
Chartered Accountants



Noel Clifford
Partner, Assurance Services

Darwin
Dated 18 October 2023

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

| | Note | 2023 \$ | 2022 \$ |
|--|------|-----------------------|-----------------------|
| INCOME | | | |
| Rates and annual charges | 2A | 378,770 | 373,256 |
| User charges and fees | 2B | 178,167 | 212,670 |
| Grants and contributions | 2C | 743,755 | 808,560 |
| Interest | 2D | 52,237 | 4,066 |
| Gain on sale of property, plant and equipment | 2E | 6,986 | - |
| TOTAL INCOME | | <u>1,359,915</u> | <u>1,398,552</u> |
| EXPENSES | | | |
| Employee Cost | 3A | 522,966 | 501,517 |
| Materials and Contracts | 3B | 260,445 | 306,748 |
| Depreciation | 3C | 204,428 | 169,989 |
| Other operating expenses | 3D | 82,179 | 69,084 |
| TOTAL EXPENSES | | <u>1,070,018</u> | <u>1,047,338</u> |
| NET SURPLUS | | <u>289,897</u> | <u>351,214</u> |
| OTHER COMPREHENSIVE INCOME | | | |
| Revaluation of buildings and other structures for the year | | - | - |
| TOTAL OTHER COMPREHENSIVE INCOME (LOSS) | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) | | <u>289,897</u> | <u>351,214</u> |

The accompanying notes form part of these financial statements.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 579
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

| | Note | 2023 \$ | 2022 \$ |
|--------------------------------------|------|-------------------------|-------------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash on Hand and at Bank | 4 | 2,248,519 | 1,728,249 |
| Trade and Other Receivables | 5 | 25,098 | 8,989 |
| TOTAL CURRENT ASSETS | | <u>2,273,617</u> | <u>1,737,238</u> |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 6 | 2,195,289 | 2,168,811 |
| Right of Use Assets | 7 | 18,098 | 31,671 |
| TOTAL NON-CURRENT ASSETS | | <u>2,213,387</u> | <u>2,200,482</u> |
| TOTAL ASSETS | | <u>4,487,004</u> | <u>3,937,720</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 8 | 59,067 | 56,204 |
| Other Contract liabilities | 9 | 456,341 | 176,250 |
| Lease Liabilities | 10 | 14,459 | 13,678 |
| Employee Provisions | 11 | 103,103 | 106,973 |
| TOTAL CURRENT LIABILITIES | | <u>632,970</u> | <u>353,105</u> |
| NON-CURRENT LIABILITIES | | | |
| Lease Liabilities | 10 | 4,908 | 19,367 |
| Employee Provisions | 11 | 4,037 | 10,056 |
| TOTAL NON-CURRENT LIABILITIES | | <u>8,945</u> | <u>29,423</u> |
| TOTAL LIABILITIES | | <u>641,915</u> | <u>382,528</u> |
| NET ASSETS | | <u>3,845,089</u> | <u>3,555,192</u> |
| EQUITY | | | |
| Retained Earnings | | 2,133,622 | 2,063,725 |
| Reserves | 12 | 1,711,467 | 1,491,467 |
| TOTAL EQUITY | | <u>3,845,089</u> | <u>3,555,192</u> |

The accompanying notes form part of these financial statements.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 579
STATEMENT OF WORKING CAPITAL
AS AT 30 JUNE 2023

| | Note | 2023 \$ | 2022 \$ |
|----------------------------------|------|------------------|------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash on Hand and at Bank | 4 | 2,248,519 | 1,728,249 |
| Trade and Other Receivables | 5 | 25,098 | 8,989 |
| TOTAL CURRENT ASSETS | | 2,273,617 | 1,737,238 |
| Less: | | | |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 8 | 59,067 | 56,204 |
| Contract liabilities | 9 | 456,341 | 176,250 |
| Lease Liabilities | 10 | 14,459 | 13,678 |
| Employee Provisions | 11 | 103,103 | 106,973 |
| TOTAL CURRENT LIABILITIES | | 632,970 | 353,105 |
| NET CURRENT ASSETS | | 1,640,647 | 1,384,133 |
| CURRENT RATIO | | 3.59 | 4.92 |

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 2023

| | Note | Retained Earnings | Asset Revaluation Reserve | Asset Replacement and Maintenance Reserves | Total Equity |
|---|------|-------------------|---------------------------|--|------------------|
| | | \$ | | \$ | \$ |
| Balance at 1 July 2021 | | 1,712,511 | 991,467 | 500,000 | 3,203,978 |
| Comprehensive income: | | | | | |
| Surplus for the year | | 351,214 | - | - | 351,214 |
| Other comprehensive income (loss) for the year | | - | - | - | - |
| Total comprehensive income (Loss) attributable to Members of the entity for the year | | 351,214 | - | - | 351,214 |
| Balance at 30 June 2022 | | 2,063,725 | 991,467 | 500,000 | 3,555,192 |
| Balance at 1 July 2022 | | 2,063,725 | 991,467 | 500,000 | 3,555,192 |
| Comprehensive income: | | | | | |
| Surplus for the year | | 289,897 | - | - | 289,897 |
| Other comprehensive income for the year | | - | - | - | - |
| Total comprehensive income attributable to Members of the entity for the year | | 289,897 | - | - | 289,897 |
| Transfers to and from Reserves | 12 | (220,000) | - | 220,000 | - |
| Balance at 30 June 2023 | | 2,133,622 | 991,467 | 720,000 | 3,845,089 |

The accompanying notes form part of these financial statements.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30 JUNE 2023

| | Note | 2023 \$ | 2022 \$ |
|--|------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 542,193 | 575,299 |
| Grants and contributions receipts | | 1,023,846 | 678,658 |
| Interest received | | 52,211 | 1,886 |
| Payments to suppliers and employees | | (872,069) | (821,289) |
| Net cash provided by operating activities | 14 | <u>746,181</u> | <u>434,554</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from disposals of property, plant and equipment | | 6,986 | - |
| Payment for property, plant and equipment | | (217,333) | (459,547) |
| Net cash (used in) investing activities | | <u>(210,347)</u> | <u>(459,547)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payments for lease liabilities | | (15,564) | (15,564) |
| Net cash provided by (used in) financing activities | | <u>(15,564)</u> | <u>(15,564)</u> |
| Net increase (decrease) in cash held | | 520,270 | (40,557) |
| Cash and cash equivalents at beginning of the financial year | | 1,728,249 | 1,768,806 |
| Cash and cash equivalents at end of the financial year | 14 | <u>2,248,519</u> | <u>1,728,249</u> |

The accompanying notes form part of these financial statements.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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 2019* and *NT Local Government (General) Regulations 2021*.

The financial statements were authorised for issue on October 2023 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 2019*, *Local Government (General) Regulations 2021* 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 and Other Income

The Council is first required to determine whether amounts received are accounted for as Revenue per AASB 15: Revenue from Contracts with Customers or Income per AASB 1058: Income of Not-for-Profit Entities.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB15. Otherwise, such arrangements are accounted for under AASB 1058, where upon initial recognition of an asset, the Association is required to consider whether any other financial statement elements should be recognised (for example financial liabilities representing repayable amounts), with any difference being recognised immediately in profit or loss as income.

Rates

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.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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.

Other Income

Contributed Assets

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.

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.

A receivable will be recognised when the goods are delivered. The Council's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. There is no significant financing component because sales are made within a credit term of 30 to 45 days.

The Council's historical experience with sales returns show that they are negligible and considered to be highly improbable. As such no provision for sale refunds is recognised by the Council at the time of sale of goods.

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

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(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.

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.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(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-of-use 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.

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.

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 2019-8 and measures the right of use assets at cost on initial recognition.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(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.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 1 **Summary of Significant Accounting Policies (Cont.)**

(d) Financial Instruments (Cont.)

Financial assets

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.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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 approach to impairment, as applicable under AASB 9: Financial Instruments:

- the simplified approach.

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).

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 1 Summary of Significant Accounting Policies (Cont.)

(d) Financial Instruments (Cont.)

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.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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 annual leave and superannuation. 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 superannuation 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. The Company based on past experience records employee's long service leave entitlements on commencement of their employment within the Council.

Retirement benefit obligations

Superannuation benefits

All employees of the Council receive accumulated contribution superannuation entitlements, for which the Council pays the fixed superannuation guarantee contribution to the employee's superannuation fund of choice. For the period 1 July 2022 to 30 June 2023 this was 10.5% of the employee's ordinary average salary. From 1 July 2023 this rate has increased to 11%. 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 contribution entitlements is limited to its obligation for any unpaid superannuation guarantee 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 receivables

Trade and other receivables 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.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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 recoverable 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*.
- (l) **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.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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 Council assesses impairment of land and buildings 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 land and buildings impairment at 30 June 2022.

During 2021 the Council based on an independent valuation which was performed on three properties, impaired these properties by \$878,557.

(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.

The Council determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

(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 2023 (2022: \$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 2023 amounted to \$5,510 (2022: \$5,838).

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.

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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) New and Amended Accounting Standards and Policies Adopted By The Corporation

AASB 2022-3: Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments.

The Corporation adopted AASB 2020-3 which makes some small amendments to a number of standards including the following : AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2021-7a : Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.

AASB 2021-7a makes various editorial corrections to a number of standards effective for reporting periods beginning on or after 1 January 2022. The adoption of the amendment did not have a material impact on the financial statements.

AASB 2022-3 : Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB15.

AASB 2022-3 amends the Australian illustrative examples for not-for-profit entities accompanying AASB 15 Revenue from Contracts with Customers to illustrate how AASB 15 applies to the recognition and measurement of upfront fees. The amendments do not change the requirements of AASB 15.

The Basis for Conclusions also document the Board's decision to retain the accounting policy on an ongoing basis for NFP private sector lessees to elect to initially measure a class of ROU assets arising under concessionary leases at cost or at fair value.

The adoption of the amendment did not have a material impact on the financial statements.

WAGAIT SHIRE COUNCIL
 ABN: 65 843 778 569
 NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

| Note 2 | Revenue and Other Income | Note | 2023 \$ | 2022 \$ |
|-----------|---|------|----------------|----------------|
| 2A | Rates and annual charges | | | |
| | <i>Ordinary rates</i> | | | |
| | Residential, business and rural flat rate | | 255,774 | 250,260 |
| | Waste management levy | | 122,996 | 122,996 |
| | Total rates and annual charges | | <u>378,770</u> | <u>373,256</u> |
| 2B | User charges and fees | | | |
| | Jetty and boat ramp maintenance | | 112,549 | 137,603 |
| | Power and water contract income | | 47,662 | 33,088 |
| | Other fees and charges | | 3,658 | 1,673 |
| | Rent income | | 7,882 | 5,501 |
| | Other income | | 6,416 | 34,805 |
| | Total User charges and fees | | <u>178,167</u> | <u>212,670</u> |
| 2C | Grants and Contributions | | | |
| | <i>General purpose grants</i> | | | |
| | FAA - General purpose component | | 15,644 | 4,875 |
| | FAA - Roads to recovery component | | 63,459 | 30,155 |
| | <i>Northern Territory Government operating grants</i> | | | |
| | General purpose component | | 402,540 | 217,000 |
| | Remote Sport Program | | 20,367 | 20,568 |
| | <i>Federal and Northern Territory Government non-recurring grants</i> | | | |
| | <i>Specific grants</i> | | 56,414 | 421,120 |
| | <i>Capital purpose grants</i> | | | |
| | IPG-Tipper | | 90,910 | - |
| | LRCI 2 | | 4,896 | - |
| | LRCI 3 | | 22,564 | 11,880 |
| | Tourism Town Asset 2022 | | 53,862 | - |
| | WRM #1 21-21 | | - | 75,000 |
| | WRM #2 21-22 | | 9,220 | 16,663 |
| | <i>Non Government grants and contributions</i> | | | |
| | Australia Day Council | | 2,500 | 5,000 |
| | FRRR | | 1,079 | 6,000 |
| | Carers NT | | 300 | 300 |
| | Total grants and contributions | | <u>743,755</u> | <u>808,560</u> |
| 2D | Interest | | | |
| | Financial Institutions | | 52,237 | 4,066 |
| | Total Interest | | <u>52,237</u> | <u>4,066</u> |
| 2E | Gains/ (loss) on disposal property, plant and equipment | | | |
| | Gains and Losses | | 6,986 | - |
| | Total Gains/ (loss) on disposal property, plant and equipment | | <u>6,986</u> | <u>-</u> |

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

| Note 3 | Expenses | Note | 2023 | 2022 |
|-----------|--|------|----------------|----------------|
| | | | \$ | \$ |
| 3A | Employee Cost | | | |
| | Salaries and Wages | | 476,012 | 432,865 |
| | Superannuation | | 53,533 | 44,564 |
| | Leave Expense | | (12,754) | 17,638 |
| | Recruitment | | - | - |
| | Training and development | | 6,175 | 6,450 |
| | Total employee cost | | <u>522,966</u> | <u>501,517</u> |
| 3B | Materials and contracts | | | |
| | Regular Bin and Waste Collection | | 84,391 | 78,245 |
| | Insurance | | 52,705 | 45,561 |
| | Repairs & Maintenance | | 31,858 | 41,491 |
| | Accounting | | - | 7,865 |
| | Motor Vehicle Expenses | | 13,383 | 13,190 |
| | Other Grant Expenses | | 60,293 | 91,678 |
| | Consultant fees | | 1,096 | 8,213 |
| | Travel & Accommodation | | 5,485 | 8,174 |
| | Community Activities and Functions | | 11,234 | 12,331 |
| | Total materials and contracts | | <u>260,445</u> | <u>306,748</u> |
| 3C | Depreciation | | | |
| | Buildings | | 49,218 | 49,000 |
| | Sports Ground | | 32,393 | 31,000 |
| | Plant and equipment | | 54,677 | 47,159 |
| | Office equipment | | 2,209 | 367 |
| | Infrastructure | | 43,784 | 21,844 |
| | Motor vehicles | | 8,574 | 7,045 |
| | Right of Use Assets -Motor Vehicles | | 13,573 | 13,574 |
| | Total Depreciation | | <u>204,428</u> | <u>169,989</u> |
| 3D | Other operating expenses | | | |
| | Audit services | | 12,986 | 8,000 |
| | Administration expenses | | 34,145 | 30,539 |
| | Bad and doubtful debt expenses | | (191) | (5,302) |
| | Councillor expenses - allowances | 13 | 4,719 | 4,774 |
| | Councillor expenses - professional development | | 2,045 | 740 |
| | Power, water & gas | | 9,164 | 10,913 |
| | Other expenses | | 17,425 | 16,795 |
| | Interest expense on lease liabilities | | 1,886 | 2,625 |
| | Total Other operating expenses | | <u>82,179</u> | <u>69,084</u> |

WAGAIT SHIRE COUNCIL
 ABN: 65 843 778 569
 NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 4

Cash on Hand and at Bank

| CURRENT | Note | 2023 \$ | 2022 \$ |
|--|-----------|------------------|------------------|
| Cash at Bank | | 2,248,519 | 1,728,249 |
| Total Cash on Hand and at Bank | | <u>2,248,519</u> | <u>1,728,249</u> |
| Restricted cash and cash equivalents summary | | | |
| <i>Purpose</i> | | | |
| External restrictions | | | |
| Included in liabilities | | | |
| Contract liability | 9 | 456,341 | 306,152 |
| Included in revenue | | | |
| Total external restrictions | | <u>456,341</u> | <u>306,152</u> |
| Internal restrictions | | | |
| Included in liabilities | | | |
| Employee leave entitlements | 11 | 107,140 | 99,391 |
| Total internal restrictions | | <u>107,140</u> | <u>99,391</u> |
| Total unrestricted | | 1,685,038 | 1,322,706 |
| Total Cash on hand and at bank | 14(a), 18 | <u>2,248,519</u> | <u>1,728,249</u> |

Note 5

Trade and Other Receivables

| CURRENT | Note | 2023 \$ | 2022 \$ |
|---|------|---------------|--------------|
| Receivables : | | | |
| Rates and annual charges | | 28,252 | 9,636 |
| Less :Provision for impairment of receivables | | (5,510) | (5,838) |
| Total Unrestricted accounts receivable and other debtors | | <u>22,742</u> | <u>3,798</u> |
| Other Receivables : | | | |
| GST (net) receivable | | 150 | 3,011 |
| Accrued interest | | 2,206 | 2,180 |
| Total Other receivables | | <u>2,356</u> | <u>5,191</u> |
| Total current trade and other receivables | 18 | <u>25,098</u> | <u>8,989</u> |
| 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 | | | |
| | | 2023 \$ | 2022 \$ |
| Balance at beginning of the year | | 5,838 | 12,115 |
| Increment/ (Reduction) in allowance | | (328) | (6,277) |
| Balance at the end of the year | | <u>5,510</u> | <u>5,838</u> |

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 6

Property, Plant and Equipment

| | Note | 2023 \$ | 2022 \$ |
|--|------|------------------|------------------|
| Property | | | |
| Land : | | | |
| At independent valuation 2021 | | 350,000 | 350,000 |
| Total Land | | <u>350,000</u> | <u>350,000</u> |
| Buildings : | | | |
| At independent valuation 2021 | | 980,000 | 980,000 |
| At cost | | 9,220 | - |
| | | <u>989,220</u> | <u>980,000</u> |
| Less Accumulated depreciation | | <u>(102,301)</u> | <u>(53,083)</u> |
| | | 886,919 | 926,917 |
| Sports Ground : | | | |
| At independent valuation 2021 | | 310,000 | 310,000 |
| At cost | | 71,883 | - |
| | | <u>381,883</u> | <u>310,000</u> |
| Less Accumulated depreciation | | <u>(68,560)</u> | <u>(36,167)</u> |
| | | 313,323 | 273,833 |
| Total Buildings | | <u>1,200,242</u> | <u>1,200,750</u> |
| Total Land and Buildings | 20 | <u>1,550,242</u> | <u>1,550,750</u> |
| Plant and Equipment : | | | |
| Infrastructure | | | |
| At cost | | 894,075 | 853,576 |
| Less Accumulated depreciation | | <u>(536,421)</u> | <u>(492,637)</u> |
| | | 357,654 | 370,939 |
| Plant and equipment: | | | |
| At cost | | 674,766 | 674,766 |
| Less Accumulated depreciation | | <u>(493,729)</u> | <u>(439,052)</u> |
| | | 181,037 | 235,714 |
| Office equipment: | | | |
| At Cost | | 193,788 | 179,888 |
| Less Accumulated depreciation | | <u>(177,733)</u> | <u>(175,524)</u> |
| | | 16,055 | 4,364 |
| Motor vehicles: | | | |
| At Cost | | 165,230 | 73,399 |
| Less Accumulated depreciation | | <u>(74,929)</u> | <u>(66,355)</u> |
| | | 90,301 | 7,044 |
| Total Plant and Equipment | | <u>645,047</u> | <u>618,061</u> |
| Total Property, Plant and Equipment | | <u>2,195,289</u> | <u>2,168,811</u> |

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 \$ | Infrastructure \$ | Plant and Equipment \$ | Office equipment \$ | Motor Vehicles \$ | Total \$ |
|--|------------|-----------------|------------------------|----------------------|------------------------------|---------------------------|-------------------------|-------------|
| Carrying amount at 1 July 2022 | 350,000 | 926,917 | 273,833 | 370,939 | 235,714 | 4,364 | 7,044 | 2,168,811 |
| Increment/ (Decrement) | - | - | - | - | - | - | - | - |
| Additions at cost | - | 9,220 | 71,883 | 30,499 | - | 13,900 | 91,831 | 217,333 |
| Disposals | - | - | - | - | - | - | - | - |
| Depreciation expense | - | (49,218) | (32,393) | (43,784) | (54,677) | (2,209) | (8,574) | (190,855) |
| Carrying amount at 30 June 2023 | 350,000 | 886,919 | 313,323 | 357,654 | 181,037 | 16,055 | 90,301 | 2,195,289 |

Valuation of Building and Improvements

The properties located at Section 62 (142) Wagait Tower Road, Wagait Beach NT and Section 110 (50) Forsyth Road, Wagait Beach NT were revalued on 4 May 2021, by an independent licensed and registered valuer Mr R Copland, Certified Practising Valuer (Bus, Prop), B Comm. (Ag VFM), F.A.P.I., C.P.P. The valuation of these properties is based on the fair value of each identifiable property. The fair value of existing assets has been established by reference to their most probable price in a competitive and open market and included the provision of services and was made on the basis of their existing use. The valuation of these properties resulted in an impairment loss recognised in the 2021 other comprehensive income of \$878,557.

Grant Funded Asset Additions:

| Project Name | Capital Grants Description | Grant Income Received \$ | Council Contribution \$ | Asset Addition Cost \$ | Asset Class |
|-------------------------|--|--------------------------|-------------------------|------------------------|----------------|
| IPG-Tipper | Specific capital grant for purchase of tipper truck | 90,910 | 921 | 91,831 | Motor Vehicles |
| LRCI 2 | Specific grant for verge remediation and signage | 4,896 | 3,039 | 7,935 | Infrastructure |
| LRCI 3 | Specific grant for Skatepark and Pumptrack design and construction | 33,329 | - | 22,564 | Infrastructure |
| Tourism Town Asset 2022 | Specific capital grant to install solar light at Sports Court | 53,862 | 18,021 | 71,883 | Sports Ground |
| WRM #2 21-22 | Specific capital grant for ReDiscovery Centre construction | 58,338 | - | 9,220 | Buildings |

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

| | | | | |
|---------------|--|-------------|-----------------------|----------------|
| Note 7 | Right of Use Assets | | | |
| | (a) AASB 16 Related Amounts Recognised in the Balance Sheet | | | |
| | Right of Use Assets | Note | 2023 | 2022 |
| | | | \$ | \$ |
| | Leased Motor Vehicles | | 54,294 | 54,294 |
| | Less Accumulated depreciation | | (36,196) | (22,623) |
| | Total right of use assets | | <u>18,098</u> | <u>31,671</u> |
| | The Council's lease portfolio includes motor vehicles. These leases have an average of 4 year as their lease term. | | | |
| | Movements in Carrying Amounts | | Motor Vehicles | Total |
| | | | \$ | \$ |
| | Carrying amount at 1 July 2022 | | <u>31,671</u> | <u>31,671</u> |
| | Additions at cost | | - | - |
| | Depreciation expense | | (13,573) | (13,573) |
| | Carrying amount at 30 June 2023 | | <u>18,098</u> | <u>18,098</u> |
| | (b) AASB 16 Related Amounts Recognised in the Statement of Profit and Loss | | 2023 | 2022 |
| | | | \$ | \$ |
| | Depreciation charge related to right of use assets | | 13,573 | 13,574 |
| | Interest expense on lease liabilities | | 1,886 | 2,625 |
| | Short Term leases expense | | 1,598 | 1,903 |
| | | | <u>17,057</u> | <u>18,102</u> |
| Note 8 | Trade and Other Payables | | 2023 | 2022 |
| | | | \$ | \$ |
| | CURRENT | | | |
| | Trade creditors | | 8,241 | 18,686 |
| | Sundry creditors and accrued expenses | | 24,804 | 23,437 |
| | Payroll and Super liabilities | | 13,501 | 7,441 |
| | Credit card liabilities | | 2,009 | - |
| | Rates in advance | | 10,512 | 6,640 |
| | Total Trade and Other Payables | | <u>59,067</u> | <u>56,204</u> |
| | (a) Financial liabilities at amortised cost are classified as trade and other payables. | | | |
| | Trade and other payables: | | | |
| | — Total Current | | 59,067 | 32,041 |
| | — Total Non Current | | - | - |
| | Total trade and other payables | | <u>59,067</u> | <u>32,041</u> |
| | Financial liabilities as trade and other payables | 18 | <u>59,067</u> | <u>32,041</u> |
| Note 9 | Other Contract Liabilities | | 2023 | 2022 |
| | | | \$ | \$ |
| | CURRENT | | | |
| | Contract Liabilities - grant in advance | | 84,477 | 53,980 |
| | Contract Liabilities - grant funded programmes | | 371,864 | 122,270 |
| | Total Other Contract Liabilities | | <u>456,341</u> | <u>176,250</u> |
| | Total Contract and Unspent liabilities comprising the following grant funding amounts: | | | |
| | LRCI | | 10,765 | 24,613 |
| | WRM 21-22 | | 124,117 | 58,338 |
| | Healthy Lifestyle | | 20,000 | 18,219 |
| | Wagait Youth Program- FRRR | | - | 1,079 |
| | Wagait Youth Program- DOH | | 10,769 | 17,901 |
| | CBF - Makers 2022 | | 76 | 2,121 |
| | Financial Assistance Road- Early Release | | 84,477 | 53,980 |
| | DCMC - CPP Community Place for People 2023 | | 53,400 | |
| | DCMC IPG-Sportsground | | 142,640 | |
| | NT Men's Places Grant | | 8,115 | |
| | Quick Response Youth 2023 | | 1,965 | |
| | Youth Vibe School Holiday 2022-23 | | 17 | |
| | Total Other Contract Liabilities | | <u>456,341</u> | <u>176,250</u> |
| | (b) Contract liabilities - movement in amounts | | 2023 | 2022 |
| | | | \$ | \$ |
| | Balance at the beginning of the year | | 176,250 | 306,152 |
| | Additions: Grants for which performance obligations will only be satisfied in subsequent years | | 456,341 | 176,250 |
| | Expended : Grants acquitted or utilised during the year | | (176,250) | (306,152) |
| | Closing balance | | <u>456,341</u> | <u>176,250</u> |

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

| Note 10 | Lease Liabilities | Note | 2023 | 2022 |
|----------------|--------------------------------|-------------|---------------|---------------|
| | | | \$ | \$ |
| | CURRENT | | | |
| | Leases - Motor Vehicles | | 14,459 | 13,678 |
| | | | <u>14,459</u> | <u>13,678</u> |
| | NON-CURRENT | | | |
| | Leases - Motor Vehicles | | 4,908 | 19,367 |
| | | | <u>4,908</u> | <u>19,367</u> |
| | Total Lease Liabilities | 18, 20 | <u>19,367</u> | <u>33,045</u> |

The lease liabilities are secured by the underlying assets and are subject to the terms of their individual lease agreements.

| Note 11 | Employee Provisions | 2023 | 2022 |
|----------------|---|----------------|----------------|
| | | \$ | \$ |
| | CURRENT | | |
| | Provision for employee benefits: annual leave | 59,384 | 57,594 |
| | Provision for employee benefits: long service leave | 43,719 | 49,379 |
| | | <u>103,103</u> | <u>106,973</u> |
| | NON-CURRENT | | |
| | Provision for employee benefits: long service leave | 4,037 | 10,056 |
| | | <u>4,037</u> | <u>10,056</u> |
| | Total provisions for employee benefits | <u>107,140</u> | <u>117,029</u> |
| | Analysis of total provisions: | Total | |
| | | \$ | |
| | Opening balance at 1 July 2022 | 117,029 | |
| | Net change in the provision during the year | (9,889) | |
| | Balance at 30 June 2023 | <u>107,140</u> | |

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).

WAGAIT SHIRE COUNCIL
ABN: 65 843 778 569
NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 12

Reserves

| | Note | 2023 \$ | 2022 \$ |
|--|------|----------------|----------------|
| Asset Revaluation Reserve | | | |
| Balance at beginning of reporting year | | 991,467 | 991,467 |
| Revaluation/ Increment (decrement) | | - | - |
| Balance at end of the reporting year | | <u>991,467</u> | <u>991,467</u> |

The asset revaluation reserve arises on the revaluation of buildings and improvements. Where a revalued item of property, plant and equipment is sold, that portion of asset revaluation reserve which relates to that asset and is effectively realised, is transferred directly into retained earnings.

Asset Replacement and Maintenance Reserves

| | | |
|--|----------------|----------------|
| Balance at beginning of reporting year | 500,000 | 500,000 |
| Transfers to and from reserves | 220,000 | - |
| Balance at end of the reporting year | <u>720,000</u> | <u>500,000</u> |

Total reserves

| | |
|------------------|------------------|
| <u>1 711 467</u> | <u>1 491 467</u> |
|------------------|------------------|

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

Note 13

Key Management Remuneration

| | | 2023 \$ | 2022 \$ |
|--|----|----------------|----------------|
| Short-term employment benefits | | 181,235 | 173,614 |
| Long-term employment benefits | | 11,058 | 7,932 |
| Councillor Allowances | 3D | 4,719 | 4,774 |
| Total Key Management Remuneration | | <u>197,012</u> | <u>186,320</u> |

| CEO Remuneration | 2022-23 |
|---------------------------|---|
| | Actual CEO Renita Glencross 1/7/2022 - 30/06/2023 |
| Short-term benefits | \$ 160,835 |
| Non-cash benefits | \$ 20,400 |
| Other long-term benefits | \$ 11,058 |
| Total remuneration | \$ 192,293 |

Note 13 B

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 2023 (2022: \$Nil).

Note 14

Cash Flow Information

| | | 2023 \$ | 2022 \$ |
|---|---|------------------|------------------|
| (a) Reconciliation of cash and cash equivalents to Statement of Cash Flows : | | | |
| Cash on hand and at bank | 4 | 2,248,519 | 1,728,249 |
| Total cash as stated in the Statement of cash flows | | <u>2 248 519</u> | <u>1 728 249</u> |
| (b) Reconciliation of Cash Flow from Operating Activities with Current Year Profit | | | |
| Profit for the current year | | 289,897 | 351,214 |
| Non-cash flows: | | | |
| Depreciation and amortisation expense | | 204,428 | 169,989 |
| Gain/(losses) on disposal of property, plant and equipment | | (6,986) | - |
| Interest expense on lease liabilities | | 1,886 | 2,625 |
| Changes in assets and liabilities: | | | |
| (Increase)/decrease in Trade and Other Receivables | | (16,109) | (1,174) |
| Increase/(decrease) in Trade and Other payables | | 2,863 | 24,164 |
| Increase/(decrease) in Other Contract liabilities | | 280,091 | (129,902) |
| Increase/(decrease) in Employee Provisions | | (9,889) | 17,638 |
| Net cash provided by operating activities | | <u>746 181</u> | <u>434 554</u> |

WAGAIT SHIRE COUNCIL
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NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 15 **Lease and Capital Expenditure Commitments Outstanding:**

| (a) Lease Liability Commitments | 2023 | 2022 |
|--|---------------|---------------|
| | \$ | \$ |
| <i>Motor Vehicles</i> | | |
| Within one year | 15,564 | 15,564 |
| One to five years | 6,485 | 22,049 |
| More than 5 years | - | - |
| Total Future Lease Payments at the End of the Reporting Period: | 22,049 | 37,613 |

| (a) Operating Lease Commitments | 2023 | 2022 |
|---|-------------|--------------|
| | \$ | \$ |
| <i>Leasehold rental commitments</i> | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| Within one year | - | 1,104 |
| One to five years | - | - |
| More than 5 years | - | - |
| | - | 3,007 |

The non-cancellable operating leasing commitments in 2023 is for a low valued asset photocopier.

The Northern Territory Government allows the Council to use their Sports Ground Land 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 Peppercom Lease.

(b) Capital Expenditure Commitments

The Council has no capital expenditure commitments as at 30 June 2023 (2022:\$Nil).

Note 16 **Contingent Liabilities and Contingent Assets**

The Council has no Contingent Liabilities and Contingent Assets as at 30 June 2023 (2022:\$Nil).

Note 17 **Events After the Reporting Period**

The Councillors are not aware of any significant events since the end of the reporting period that have significantly affected, or may significantly affect the Corporation's operations, the results of those operations, or the Corporation's state of affairs in future financial years.

Note 18 **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:

| | Note | 2023 | 2022 |
|--|-------------|------------------|------------------|
| | | \$ | \$ |
| Financial assets | | | |
| Cash on hand | 4 | 2,248,519 | 1,768,806 |
| Trade and other receivables | 5 | 25,098 | 7,815 |
| Total financial assets | | 2,273,617 | 1,776,621 |
| Financial liabilities | | | |
| Financial liabilities at amortised cost: | | | |
| Trade and other payables | 7 | 59,067 | 32,041 |
| Lease liabilities | 10 | 19,367 | 45,984 |
| Total financial liabilities | | 78,434 | 78,025 |

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.

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Note 19 **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.

(i) 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.

| | 2023 | 2022 |
|-----------------------------------|--------|--------|
| | \$ | \$ |
| Surplus \$ | | |
| (+/- 1% In Interest rates) | 19,884 | 17,485 |

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.

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Note 20 **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.

| | Note | 2023 | | 2022 | |
|------------------------------------|-------|------------------|------------------|------------------|------------------|
| | | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| | | \$ | \$ | \$ | \$ |
| Financial assets | | | | | |
| Cash on hand and at bank | 4,18 | 2,248,519 | 2,248,519 | 1,768,806 | 1,768,806 |
| Trade and other receivables | 5,18 | 25,098 | 25,098 | 7,815 | 7,815 |
| Total financial assets | | 2,273,617 | 2,273,617 | 1,776,621 | 1,776,621 |
| Financial liabilities | | | | | |
| Trade and other payables | 7,18 | 59,067 | 59,067 | 32,041 | 32,041 |
| Lease Liabilities | 10,18 | 19,367 | 19,367 | 33,045 | 33,045 |
| Total financial liabilities | | 78,434 | 78,434 | 65,086 | 65,086 |

(i) 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.

(ii) Lease liabilities fair values are assessed on an annual basis by Management and the Directors. Current available data is used in assessing their carrying and fair values.

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

| | Note | 2023 | | 2022 | |
|-----------------------------------|------|------------------|------------------|------------------|------------------|
| | | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| | | \$ | \$ | \$ | \$ |
| Non-Financial assets | | | | | |
| Land and Buildings | 6 | 1,550,242 | 1,550,242 | 1,550,750 | 1,550,750 |
| Total non-financial assets | | 1,550,242 | 1,550,242 | 1,550,750 | 1,550,750 |

(i) The properties located at Section 62 (142) Wagait Tower Road, Wagait Beach NT and Section 110 (50) Forsyth Road, Wagait Beach NT were revalued on 4 May 2021, by an independent licensed and registered valuer Mr R Copland, Certified Practising Valuer (Bus, Prop), B Comm. (Ag VFM), F.A.P.J., C.P.P. The valuation of these properties is based on the fair value of each identifiable property. The fair value of existing assets has been established by reference to their most probable price in a competitive and open market and included the provision of services and was made on the basis of their existing use. The valuation of these properties resulted in an impairment loss recognised in the 2021 other comprehensive income of \$878,557.

Note 21 **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 COUNCILLORS OF WAGAIT SHIRE COUNCIL
REPORT ON THE AUDIT OF THE FINANCIAL REPORT****Opinion**

We have audited the financial report of Wagait Shire Council ("the Council"), which comprises the statement of financial position as at 30 June 2023, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Council's Certificate.

In our opinion the accompanying financial report of Wagait Shire Council, is in accordance with *Northern Territory Local Government Act 2019*, including:

- (a) Giving a true and fair view of the Council's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) Complying with Australian Accounting Standards and the *Northern Territory Local Government (General) Regulations 2021*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (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.

Information Other than the Financial Report and Auditor's Report Thereon

The Councillors are responsible for the other information. The other information comprises the information included in the Council's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF WAGAIT SHIRE COUNCIL
REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONT.)****The Responsibility of the Chief Executive Officer and Those Charged with Governance 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 in accordance with Australian Accounting Standards and the *Northern Territory Local Government Act 2019* and for such internal control as the Chief Executive Officer determines 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.

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

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

Auditor's Responsibility 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's 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.
- 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.

**INDEPENDENT AUDITOR'S REPORT TO THE COUNCILLORS OF WAGAIT SHIRE COUNCIL
REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONT.)****Auditor's Responsibility for the Audit of the Financial Report (Cont.)**

We communicate with the 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 those charged with governance 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, related safeguards.



Nexia Edwards Marshall NT
Chartered Accountants



Noel Clifford
Partner, Assurance Services

Darwin
Dated 18 October 2023