

Local Government Association of the Northern Territory

Annual Report 2018-2019



This report is the 28th Annual Report of LGANT and it is for the financial year 1 July 2018 to 30 June 2019 and is prepared for members of LGANT and other parties.

This report has been prepared in compliance with clause 22.3 of the LGANT constitution which requires it to be tabled for the members of LGANT at an Annual General meeting. This meeting will take place on 7-8 November 2019 at the Alice Springs Town Council function room.

The report details the financial position and performance of LGANT for the financial year, as well as background material on local government in the Northern Territory, LGANT's membership, directions and achievements during the year.

If anyone has any queries about the report, they can contact LGANT, details are as follows:

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Cover image - Nyirripi, Central Desert Regional Council



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two ways :: one outcome

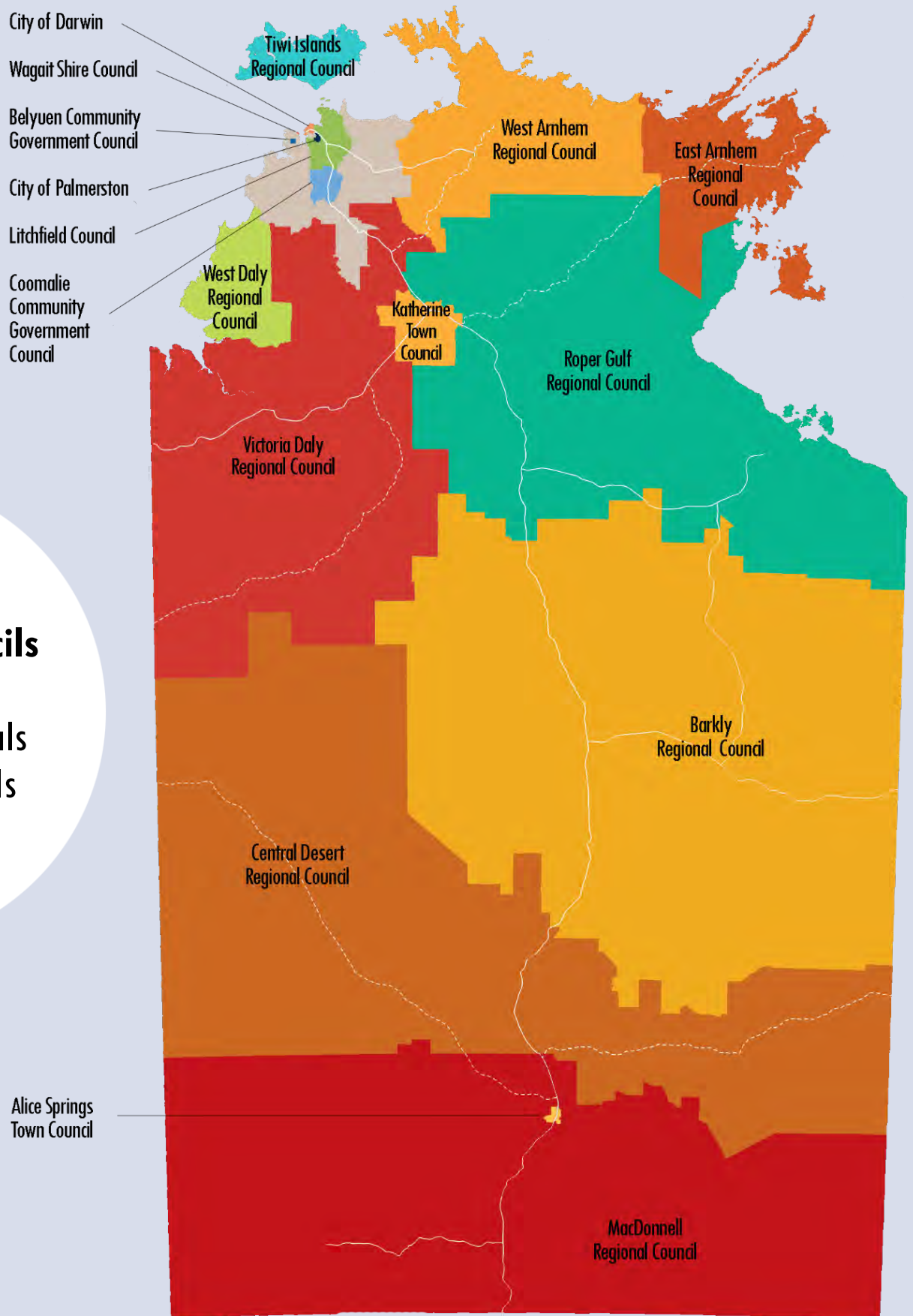


17 Councils

5 Municipals

9 Regionals

3 Shires



About the Association

The office of LGANT is located at the Parap Business Centre, 21 Parap Road, Parap, Northern Territory.

LGANT has been in existence since 1992 and is the single peak body representing and servicing the needs of its 17 local government councils and an associate member in the Northern Territory. LGANT is established as an incorporated body under section 242 of the *Local Government Act*.

LGANT has a nine member Executive Committee which has overall carriage of the Association's affairs as detailed in the Association's constitution and governance charter. LGANT's policy statements are regularly updated and reflect the local government sector response to issues.

The Executive and staff review the LGANT strategic plan each February and this report includes feedback on achievements against the plan for 2018-2019.

LGANT:

- **exists as a provider of support services, a coordinator of collective effort and as an advocate for its members and forms part of the system of local government in Australia** which includes:
 1. Councils
 2. State and Territory Local Government Associations
 3. the Australian Local Government Association
- **undertakes advocacy work for councils in the Northern Territory by being a 'voice' for member councils or representing their collective views to other spheres of government and the public.** This helps increase their understanding of the views and positions of local government in the Northern Territory
- **obtains views from its members through various communication channels**, most importantly at meetings where it calls for resolutions on a range of policies and actions. Progress reports are circulated regularly to members through minutes of meetings and reports
- **is a member of the Australian Local Government Association (ALGA)**, along with other State local government associations. ALGA is local government's voice at the national level with the Commonwealth Government and LGANT has two members of its Executive (President and one Vice President) on the ALGA Board which meets six times per year.
- **has a strong interest in the development of local government.**



Vision

For LGANT to lead, represent and be influential for the benefit of local government in the Northern Territory.

Our Business

To provide leadership, support and influential representation for the local government sector on all issues in the Northern Territory.



Core Values

To achieve the mission and vision identified, the guiding principle of LGANT is to be responsive and supportive to the needs of its members. Our values are:

- transparency
- honesty
- accountability
- responsiveness
- accessibility
- flexibility
- innovation.

Strategic Goals

LGANT's goals as stated in the 2018-2019 strategic plan are:

- *to enhance the status of local government (Local Government Understanding)*
- *to enhance the performance of local government (Local Government Capacity)*
- *to effectively advocate for and represent member councils (Local Government Influence)*
- *to maintain an effective and efficient service*

Chief Executive Officer's Report



Mayor Damien Ryan
President
Local Government Association of the Northern Territory
PO Box 2017
PARAP NT 0804

Dear President

This is the last LGANT annual report that I am required to give to you under Section 22.2 of the LGANT constitution due to my retirement next financial year. The report includes the audited annual financial statements for the 2018-2019 financial year.

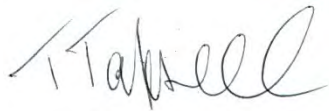
The financial position and performance of LGANT was sound as at 30 June 2019.

I would like to thank organisations for their support during the year including:

- **The Alice Springs Town Council, City of Darwin, Roper Gulf Regional Council, MacDonnell Regional Council and City of Palmerston** for providing venues for LGANT's general and reference group meetings
- **the Northern Territory government** in respect of grants for:
 - local government training
 - waste management
- **the Commonwealth government** in respect of grants for:
 - local roads – financial assistance grant
 - roads to recovery grant

- **sponsors** contributing to the cost of LGANT meetings:
 - Jardine Lloyd Thompson
 - Statewide Financial Management Services
 - Territory Insurance Office
 - MinterEllison
 - Mead Perry Group
 - Latitude 12
 - IT Vision
 - JLL Infrastructure Advisory
 - RDANT
 - Fleet Network

I thank the LGANT staff for their dedication and diligence throughout the year as well as the consultants and service providers that have assisted LGANT meet its objectives.

A handwritten signature in black ink, appearing to read 'Tapsell', with a stylized, cursive script.

Tony Tapsell

CHIEF EXECUTIVE OFFICER



President's Report on behalf of the Executive

Dear members,

The 2018-2019 financial year brought with it the many challenges that LGANT and councils have to deal with including, surprisingly, the departure of some of our Chief Executive Officers.

The Executive is pleased that councils submitted motions to general meetings and had them debated. General meetings are the right forum for such debate and I encourage councils to continue the effort.

August 2018 Federal Election

Much of the work on this event was dealt with by the Australian Local Government Association including the production and distribution of its 2018 Federal election document. Councils in the Northern Territory were asked to make contributory efforts by contacting Federal elected members and stressing the importance of financial assistance grants as well as acknowledging them in annual reports. Some were able to achieve this result for which both LGANT and ALGA were grateful.

Local Government Act

The most important piece of legislation affecting local government continued to be processed throughout the year, eventually culminating with the release of the *Local Government Bill 2019* in May 2019. The Executive agreed to have a submission done after talks with councils and one is planned for next financial year.

Cemeteries

Councils will have more surety over the management of public and community cemeteries now that legislation will soon be in force which requires councils to undertake certain works and services.

Land tenure over cemeteries sites will occur with councils taking out licences for cemeteries in the Northern Land Council area. LGANT contributed to this exercise with assistance from the Department of Local Government, Housing and Community Development whereby licence conditions were negotiated on behalf of councils. The work was necessary so that land tenure could be in place prior to the commencement of the *NT Burial and Cremation Act*. LGANT previously provided a submission on the draft Bill on 19 March 2019.

Professional Development for Elected Members and Council Staff

I am pleased that LGANT has been able to facilitate a range of courses and subject matter to councils courtesy of funds provided by the Department of Local Government, Housing and Community Development. Participation from councils was high with details published on page 27 of this report. This work is fundamental for LGANT and very necessary and relevant for councils. In many respects it reflects activities that are a permanent feature for the sector given learning is a lifelong exercise and local governments are subject to constant change including experiencing turnover of elected members either as casual vacancies or following four yearly elections.

Independent Commission Against Corruption

One significant change introduced during the year was with the Independent Commission Against Corruption (ICAC) commencing operations. It was most pleasing to have 14 out of the 17 councils attend the workshop facilitated by LGANT with the help of ICAC in Katherine on 11 April 2019. Councils learnt about the powers and functions of ICAC as well as the obligations councils now have under legislation.

Constitutional Change

At the April 2019 LGANT general meeting members approved changes to LGANT's constitution which resulted in the LGANT Executive being made up of five (5) members from regional and shire councils and four (4) from municipal councils. This composition will be achieved at the next LGANT Executive elections which are being held in November 2020 unless a casual vacancy occurs in the meantime (or the constitution is changed) and the Executive has to choose a replacement at one of its meetings amongst the nominations received from regional and shire councils.

LGANT meetings

The main meetings LGANT organised, prepared papers for, arranged presentations and circulated minutes and followed up on actions arising from them during the year included: 6 ALGA Board Meetings, 2 General Meetings, 1 Annual General Meeting, 9 Executive Meetings, 2 Mayors and Presidents Forums, 2 CEOs Forums and 8 Reference Group meetings.

These meetings constitute a very large part of LGANT's work and are annual priorities in LGANT's strategic plan as well as being the subject of previous LGANT general meeting resolutions.



Damien Ryan
President

Membership 2018-2019

Membership of LGANT is voluntary and open to all local governments in the Northern Territory and it is also able to admit associate members under Clause 6.4 of its constitution.

During 2018-2019, 17 local governments in the Northern Territory were members of LGANT and were made up of (see **Table 1**):

- 5 municipalities
- 9 regional councils
- 3 shires

The Nhulunbuy Corporation Limited continued as an associate member during 2018-2019 because of its role as an organisation involved in the delivery of local government-type services.

Table 1 LGANT Members as of 30 June 2019

Member	Type
Alice Springs Town Council	Municipal
Barkly Regional Council	Regional
Belyuen Community Government Council	Shire
Central Desert Regional Council	Regional
City of Darwin	Municipal
City of Palmerston	Municipal
Coomalie Community Government Council	Shire
East Arnhem Regional Council	Regional
Katherine Town Council	Municipal
Litchfield Council	Municipal
MacDonnell Regional Council	Regional
Roper Gulf Regional Council	Regional
Tiwi Islands Regional Council	Regional
Victoria Daly Regional Council	Regional
Wagait Shire Council	Shire
West Arnhem Regional Council	Regional
West Daly Regional Council	Regional
Nhulunbuy Corporation Limited (associate member)	Corporation

Executive Committee Members 2018-2019

Clause 14.4 of the constitution requires LGANT's Executive to be made up of nine (9) members, listed below. Member councils elect eight (8) members and there is also one (1) member appointed by the City of Darwin, all for two year terms. Of the nine member Executive, four (4) members (three elected and one appointed), make up the representation from municipal councils and the other four (4) members were elected from regional and shire councils and one (1) from all councils. The next general election for the Executive will be held at the Darwin Annual General Meeting in November 2020. **Table 2** lists attendances at LGANT Executive meetings.

LGANT Executive Committee as at 30 June 2019



Mayor
Damien Ryan

Alice Springs
Town Council

President

Damien was elected Mayor of Alice Springs in March 2008. He was elected to the LGANT Executive Committee as Vice President representing municipals at the Annual General Meeting in November 2010 and took on the position of President in April 2012.

Damien is a graduate of the Australian Institute of Company Directors, and a Justice of the Peace.

Damien represents LGANT as a Director on the Australian Local Government Association, LGANT representative on the Regional Development Australia Northern Territory Board, Member of the Alice Springs Regional Economic Development Committee, Northern Territory Grants Commission, Co-Deputy Chair of the Outback Highway Development Council and Board Member of the Central Australian Show Society.

Other positions Damien holds include; Local Government Representative on the Northern Territory Heritage Council, Centralian Girls Academy Advisory Committee, Araluen Cultural Precinct Community Reference Group and Patron of Holyoake Alice Springs.



**Mayor
Steven Edgington**

Barkly Regional Council

***Vice President
Regionals and
Shires***

Before being elected as Mayor of the Barkly Regional Council in August 2017, Steve completed over 29 years continuous service with the Northern Territory Police Force, the South Australian Government, the Commonwealth Government and the Northern Territory Government.

Steve has a number of tertiary qualifications including a Master of Public Policy & Administration, Graduate Diploma in Legal Practice, a Graduate Certificate in Applied Management, Bachelor of Laws, Bachelor of Business & Commerce, Bachelor of Policing (Investigations) and a Bachelor of Arts. Steve was admitted to the Supreme Court of the Northern Territory as a Legal Practitioner on 9 May 2017. He is a Fellow of the Institute of Managers and Leaders, a Member of the Australian Institute of Company Directors and an Associate Member of the Law Society NT.

Actively involved in a number of committees, Steve is presently the Chair of Regional Development Australia Northern Territory, Chair of the Tennant Creek Regional Economic Development Committee, a member of the Tennant Creek Alcohol Reference Group and the Battery Hill Mining Centre Management Committee. He has previously held the position of President of the Barkly Australian Football League from 2014-2015 and was instrumental in establishing the Tennant Creek Community Safety Committee.



**Alderman
Gary Haslett**

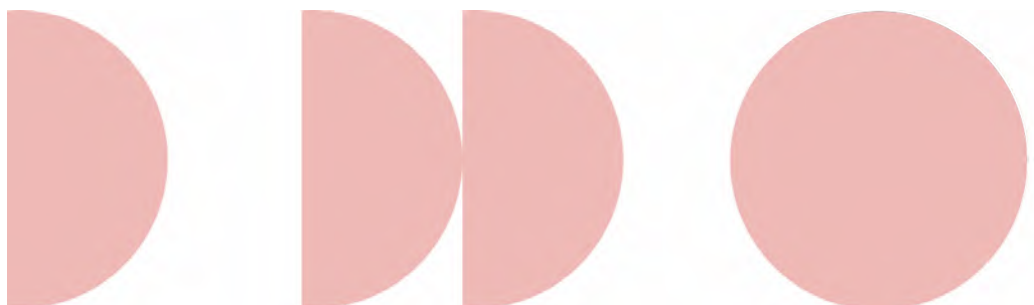
City of Darwin

***Vice President
Municipals***

Gary Haslett was born in Adelaide, South Australia and moved to Darwin in 1966 as a baby, his mother was adamant she was only staying for 3 years – they all still live here today. This is a very common story.

Alderman Haslett attended Rapid Creek Primary, Nightcliff Primary and after Cyclone Tracy NiMiRa Primary (for one year Nightcliff, Millner and Rapid Creek schools were combined). Later Alderman Haslett attended Nightcliff High School and Northern Territory University (now Charles Darwin University).

In 1982 Gary started his working life at Channel Eight (now Channel 9). In the 1990s he worked for ABC TV here in Darwin. His roles included directing local ABC news, 7.30 Report, Stateline NT and Australia Television News (ATV) – broadcast both nationally and internationally nightly. Gary received a silver medal at the prestigious New York Festival for his efforts directing ATV News.





**Mayor
Fay Miller**

Katherine Town
Council

*Executive Member
Municipals*

Fay was first elected as Alderman to Katherine Town Council in 2001. She was then elected as the Member for Katherine to the NT Legislative Assembly in 2003 (a by-election) and again at a general election in 2004. She held the position of Deputy Leader of the Opposition and seven Shadow portfolios in addition to five Select Committees until her retirement in 2008 following serious injury in a vehicle accident.

Fay was elected as Mayor of Katherine in the March 2012 local government elections and was elected to the LGANT Executive in May 2012. Positions held within the Katherine community have included Chairman of the Katherine Region Tourist Association, Chairman Katherine Hospital Board, Director Bendigo Bank, committee member of Neighbourhood Watch and committee member of the Katherine Flood Mitigation Committee.

Fay holds positions on a number of Katherine Town Council committees, is the Chairperson of the Big Rivers Regional Economic Development Committee, a board member of Savannah Way Ltd, a member of the Ministerial Advisory Group for Senior Territorians and the NT Seniors Advisory Council, Development Consent Authority, Katherine Cancer Working Group, Katherine Accommodation Action Group, Katherine Alcohol Action Group, Katherine Local Tourism Advisory Committee, Katherine Emergency Committee and board member of Nitmiluk Tours. Fay was recently appointed to the Onshore Petroleum Community Business Reference Group and GISERA NT Regional Research Advisory Committee.



**Alderman
Peter Pangquee**

City of Darwin

*Executive Member
Municipals*

Peter was elected as Alderman to City of Darwin Council in 2017 and joined the Executive as the City of Darwin appointed representative in November 2018.

Peter has a Bachelor's Degree in Aboriginal Community Management and Development, this degree is based on community development and policy.

He has worked in NT Health for over 30 year based in Darwin and Nhulunbuy as well as most Aboriginal Communities in the Top End and has also worked in Community Development and Correctional Services.

Peter is a registered Aboriginal Health Practitioner and was the Chair of the NT Aboriginal Health Worker (AHW) Registration Board and the National Aboriginal and Torres Strait Islander Health Practitioner (ATSIHP) Board of Australia for over 16 years.



Mayor
Maree Bredhauer
Litchfield Council

***Executive Member
representing all councils***

Maree was elected as Mayor of Litchfield Council in November 2015 and re-elected again in 2017.

As Mayor of Litchfield Council, Maree meets regularly with Federal and Territory elected members, departmental representatives, residents and business and community groups. Maree is an executive member of LGANT in the position of Executive Member All Councils and executive member of the Australian Local Government Women's Association of the Northern Territory (ALGWA NT).

Prior to being elected as Mayor, Maree held a number of senior corporate leadership roles within the NT Department of Education. She is a Board Member of Early Childhood Australia and the Australian Children's Education & Care Quality Assurance (ACECQA) and NT Government Key Stakeholder Advisory Group for Early Childhood Education and Care.

Along with Education degrees, Maree has a Masters in International Management and Leadership qualifications.



Councillor
Bobby
Wunungmurra
East Arnhem Regional
Council

***Executive Member
Regionals and Shires***

Bobby was elected as councillor to East Arnhem Regional Council in 2018 and joined the Executive in November 2018.

He is a member of the Northern Land Council's Executive Group, elected in November 2016, having also previously served at the Executive level, and was a member of the NLC in the late 1980's. He is also a Proxy Board Member for the Aboriginal Investment Group.

Bobby, a Dhulwangu man, was born at Blue Mud Bay and lives in Gapuwiyak. He completed his schooling at Shepherdson College and has six children, enjoying fishing and hunting in his spare time. As well as his work on various boards and Council, Bobby provides small business consultancy services to Yolnu wanting to start their own business.

Bobby is a strong advocate for education and passionate about economic growth and development in East Arnhem Land, lead by Yolnu for Yolnu.



**Mayor
Matthew Ryan**

West Arnhem Regional
Council

*Executive Member
Regionals and Shires*

A community leader in Maningrida for more than a decade, Mayor Matthew Ryan believes in promoting Indigenous rights.

Matthew was born in Royal Darwin Hospital and raised in Maningrida, where he lives with his wife Charlene Bonson and their four children.

After receiving his primary and secondary education at Maningrida School, Matthew joined Northern Territory Police, giving many years of service to his community as an Aboriginal Community Police Officer.

Matthew has held the position of Councillor for Maningrida Ward since West Arnhem Regional Council was established, as West Arnhem Shire Council, in 2008. Prior to the Shire days, Matthew was a Councillor with the Maningrida Council. He has also served as a Councillor with Northern Land Council since 2004 and has worked as a Liaison Officer with Bawinanga Aboriginal Corporation.

Outside of work Matthew is a keen hunter and fisherman.

Mayor Matthew Ryan is the Jongi for Benenbenbi (Stone Country), which is his mother's and grandfather's country.



**Mayor
Judy MacFarlane**

Roper Gulf Regional
Council

*Executive Member
Regionals and Shires*

Prior to being elected to Roper Gulf Regional Council in 2012, Judy was with the previous Community Government Council for six years as a councillor. She was Deputy Mayor of Roper Gulf Regional Council from 2012 until 2017 and is now Mayor.

Judy has lived in the NT her whole life predominately within the Roper area. She spent 18 years working for the Department of Education and the rest of her working life within the rural industry running small businesses and managing cattle stations.

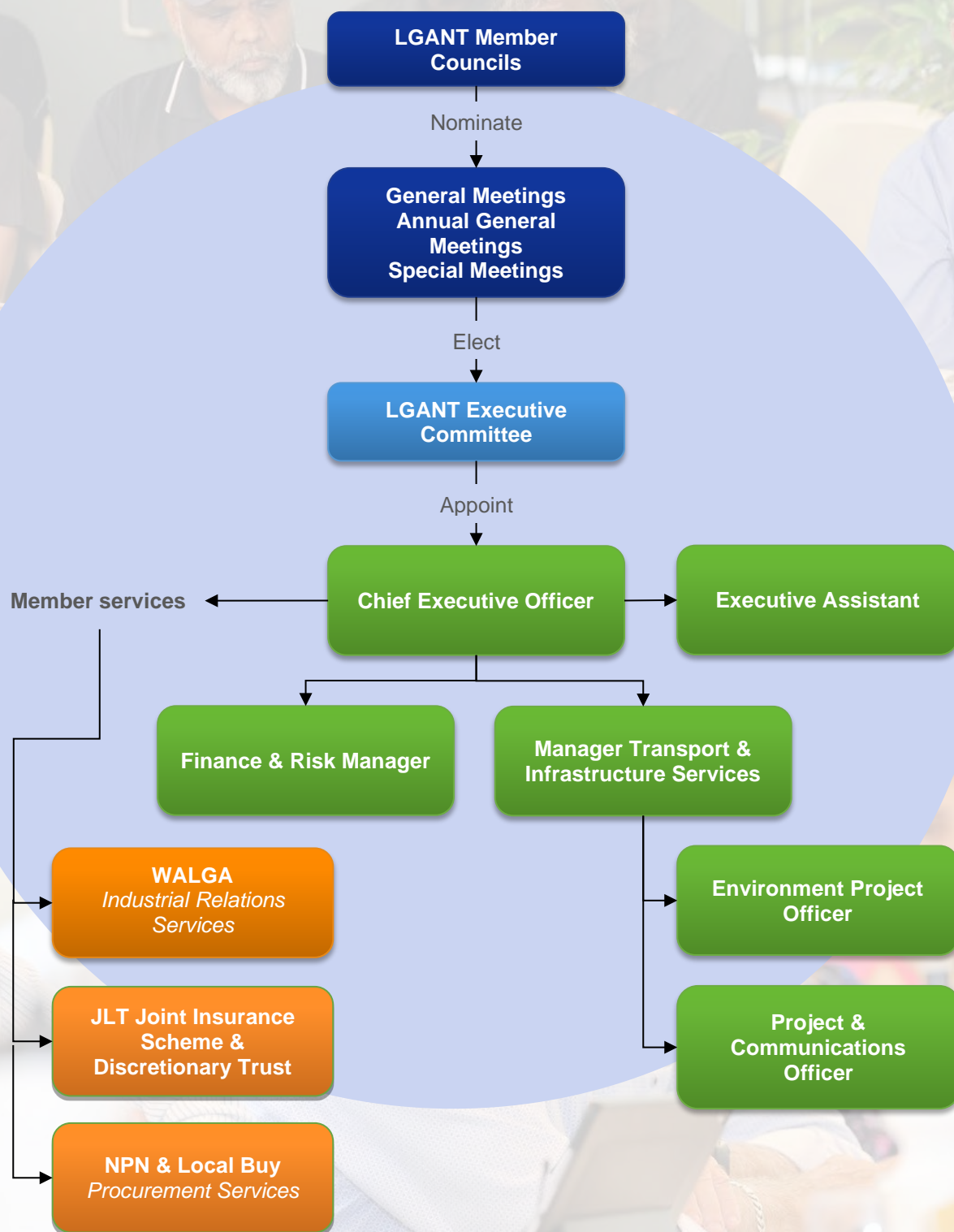
She is a strong advocate for rural and remote community residents and businesses and is particularly passionate about ensuring that there are adequate and appropriate services in remote communities in particular aged care and aged services.

Judy looks forward to the opportunity to share her experiences of a large regional council with the LGANT executive and will ensure that there is a strong voice within the executive on regional and remote issues.

Table 2 Executive Member Attendance Record July 2018 – June 2019

Executive Member	Appointed, resigned or term ended during the year	Meetings eligible to attend	Meetings attended
Damien Ryan		9	9
Gary Haslett		9	5
Fay Miller		9	8
Maree Bredhauer		9	7
Steven Edgington		9	8
Matthew Ryan	Term ended November 2018	4	0
Peter Clee	Term ended November 2018	4	4
Lynette De Santis	Term ended November 2018	4	1
Sherry Cullen	Term ended November 2018	4	3
Gawin Tipiloura	Appointed November 2018 resigned March 2019	3	2
Peter Pangquee	Appointed November 2018	5	5
Robert George	Appointed November 2018, vacated position June 2019	5	2
Bobby Wunungmurra	Appointed November 2018	5	2

LGANT Organisational Structure as at 30 June 2019



Annual Priority Achievements 2018-2019

The **2018-2019** financial year is the **fifth** of LGANT's updated five-year Strategic Plan ('the Plan') goals, outcomes, annual priorities and performance measures. These priorities are reviewed and updated each year to ensure they meet member expectations and the capacity of LGANT officers to deliver.

The 2018-2019 Strategic Plan is available on the LGANT website: www.lgant.asn.au

Goal 1 - To enhance the status of local government.

Local Government Understanding

LGANT shall pursue the improved standing of local government in the Northern Territory. LGANT will do this on behalf of, and in conjunction with its members, through fostering effective communication and activities between LGANT, member councils and all local government stakeholders. We will use available resources to disseminate information which assists all parties to better understand matters relating to local government including those that recognise its achievements and increase involvement in its activities.

1.1 Prepare and disseminate information products to member councils including:

- monthly Executive agendas and minutes
- biannual general meetings agendas and minutes
- LGANT communications
 - LGANT and ALGA News (electronic and paper)
 - Social media
- EasyGrants newsletter
- 2018 LGANT Directory
- 2018 LGANT Calendar
- Northern Territory and Federal Budget summaries
- Prepare information products for promoting local government at events.

1.2 Pursue the reinstatement of the office of the Minister for Local Government.

The administrative arrangements order of the Northern Territory Government was updated on 31 January 2019 to create an office for the Minister for Local Government.



**Goal 2 - To
enhance the
performance of
local
government**

Local Government Capacity

LGANT shall pursue the continued improvement of local government performance in the Northern Territory. LGANT will do this on behalf of, and in conjunction with, its members and will coordinate and run activities which focus on members councils' performance issues and assist with professional development.

2.1 Provide councils with specialist human resources and industrial relations services through WALGA

LGANT is required under its constitution to provide industrial relations services to its members. LGANT contracted the Western Australian Local Government Association (WALGA) Workplace Solutions to do much of this work which included amongst other things:

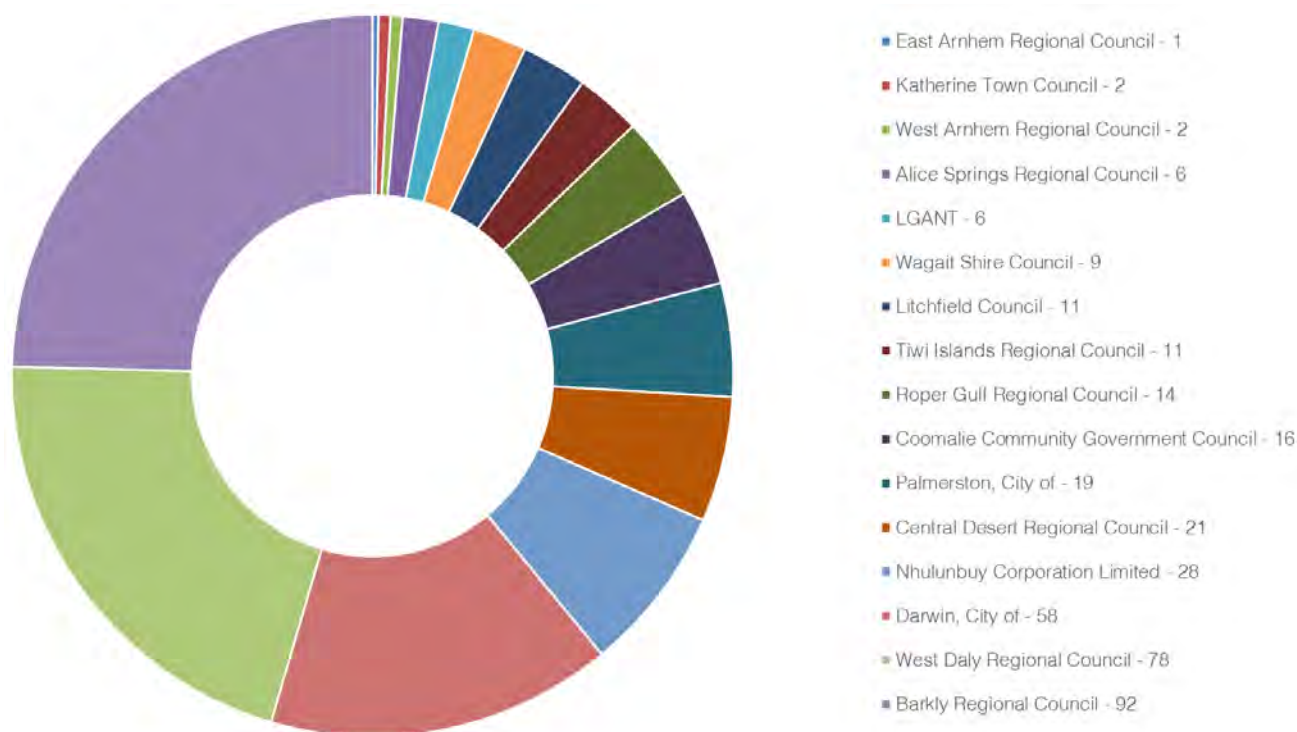
- disciplinary processes
- industrial claims
- terminations/resignations/negotiated exits
- contracts of employment
- other human resource and industrial relations advice
- representing councils in the Fair Work Commission.

WALGA attended the Governance and Human Resources reference group meeting on 6 September 2018 and 12-13 June 2019.

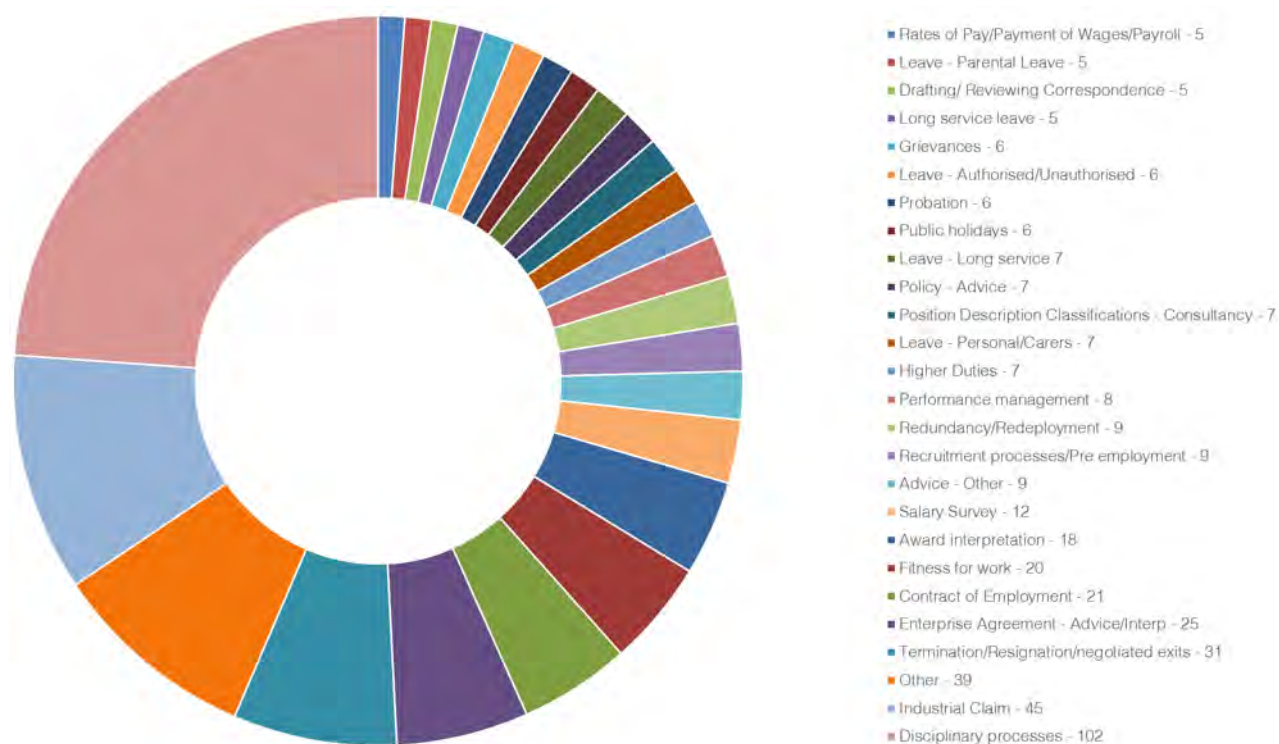
WALGA represented LGANT on the National Workforce Development Group which was looking at skills development in local government and workforce data metrics.

Individual contacts made to WALGA from councils totalling 469 were made throughout the year at an average of almost 39 contacts per month.

2018-2019 Proportion of council contacts with WALGA



2018-2019 Proportion of council contacts with WALGA by type



2.2 Facilitate training and professional development activities for elected and local authority members and staff including:

- waste management symposium
- procurement forum
- Independent Commission Against Corruption briefing
- rates workshop
- Australian Institute of Company Directors course.

LGANT in response to the above carried out the following activities listed in Table 3 below. LGANT has organised the Procurement Forum for August 2019.

Table 3 List of activities undertaken in support of the professional development of elected members and council staff

Audience and Training	Council	Location	Date
<i>Governance Essentials for Local Government and Finances for Directors</i> course Delivered by Australian Institute of Company Directors 16 elected members	6 councils	Alice Springs	2-3 October 2018
<i>Waste Management Symposium</i> 46 delegates	11 councils	Palmerston	23-24 October 2018
<i>Governance Essentials for Local Government and Finances for Directors</i> course Delivered by Australian Institute of Company Directors 18 elected members	5 councils	Katherine	2-3 April 2019
<i>Independent Commissioner Against Corruption</i> 25 elected members, 13 officers	14 councils	Katherine	11 April 2019
<i>Rates Workshop</i> 28 delegates	13 councils	Alice Springs	14 May 2019
<i>Waste Management Symposium</i> 62 delegates	12 councils	Darwin	26-28 June 2019

Environment Project Officer

The Environment Project Officer is a five year position funded by the NT EPA.

This position is responsible for rolling out Environmental Management Plans for the West Arnhem Regional Council starting with Maningrida. The Environmental Management Plan for Maningrida will be supported by:

- a litter management plan
- emergency procedures
- operational procedures.

The Environment Project Officer provides support to the Big Rivers and Central Australia Waste Management Group Coordinators.

One of the key areas of this position is the delivery of an annual Waste Management Symposium ('the Symposium').

The purpose of the Symposium is to bring together experts and practitioners to network and share information about best practice waste management.

Waste Management Symposium October 2018

The inaugural Symposium was held at the Rydges Palmerston on 23-24 October 2018. The Symposium attracted 46 delegates from 11 councils, both Coordinators from the Big Rivers and Central Australia Waste Management Groups and representatives from the NT Government.

Presentations included:

- new environmental grants program and a review of environmental legislation (NT EPA and the Department of Environment and Natural Resources)
- using the Litter Hot Spots App in remote communities (Central Australia Waste Management Working Group)
- the Tidy Towns Awards (different messages from three Central Australian projects)
- reducing construction waste going to council landfills (Charles Darwin University).

Included in the Symposium was a half-day technical tour of the Shoal Bay Waste Management Facility and the trial leachate project being the highlight.





Waste Management Symposium June 2019

The 2019 Symposium was held in the last week of June 2019 at the Novotel Darwin Airport with the theme 'Waste Planning for Action'. The Symposium was attended by more than 62 delegates from municipal and regional councils in the Northern Territory, industry and non-profit organisations. Officers from 12 NT councils attended the event along with delegates from Western Australia, New South Wales and Canberra.

Octief sponsored the Symposium dinner.

Topics this year included:

- community engagement in remote communities (WasteAid Australia consultants)
- single use plastics ban at council events (City of Darwin)
- environmental reforms and their impact on local government (NT EPA)
- hazardous household wastes (Department of Health)
- Remote Landfills Project – the licensing implications for remote landfills and how to apply for an Environmental Licence (NT EPA)
- panel discussion on product stewardship programs (mobile phones, batteries, tyres, e-waste and container deposit schemes)

The Symposium included a half day technical tour of Archer Transfer Station and its rehabilitation as well as the new NTRS material recovery facility.

2.3 Review LGANT policies, research and develop new policies for submission to the Executive and General meetings for approval.

Throughout the year the following LGANT Policy Statements were approved as additions or changes at Executive and General meetings:

Table 4 Changes to the LGANT Policy Statements

Section	Policy Statements
2.6 (b)	To promote inclusive and just communities and to foster harmonious relations amongst Australia's diverse peoples. LGANT believes that regardless of their first language, birthplace, religion, race, cultural background, gender or sexual orientation, all people should have the same rights and opportunities.
6.2 (a)	<p>LGANT supports councils providing services and facilities in Aboriginal Living Areas [town camps] on condition that councils are able to function, implement their shire or municipal plans and formulate policies with the same degree of autonomy as elsewhere within their council areas and:</p> <ul style="list-style-type: none"> the Territory and Federal governments upgrade infrastructure (including roads, drainage and street lighting as set out in Subdivision Development Guidelines adopted by councils. if councils obtain title to land over which they have care, control and management of infrastructure, buildings and service delivery individual allotments are leased and become rateable council by-laws are capable of being administered councils are involved in the development of Northern Territory policy and plans that deal with infrastructure and supporting services in town camps including roads, street lighting, footpaths, open space and other associated community infrastructure and services.
7.3 (c)	To support councils undertaking energy production, implementing energy efficiencies and making greater use of renewable energies to the extent they are able.
7.11 (c)	<p>LGANT supports councils using glyphosate products so long as:</p> <ul style="list-style-type: none"> there are no other practicable and affordable control measures that could be employed councils comply with the safety data sheets associated with its use there are no compelling legal and insurance reasons to stop using it the regulators continue to support its use

	<ul style="list-style-type: none"> • it is reasonable and practicable to avoid its use in areas such as playgrounds and parks.
7.13 (a)	LGANT supports councils taking water conservation measures including through increased water efficiency, landscaping design and community education.

2.4 Assist member councils with policy development.

LGANT mainly addresses policy development issues through reference groups and the Executive and CEO Forum meetings.

Most councils do their own research on policy development due to the large amount of material available on the internet including the policies of councils throughout Australia

2.5 Assist councils to implement policies and procedures that facilitate financial sustainability.

LGANT:

- produced the 2018-2019 local government cost index for use by councils as part of their deliberations in determining appropriate rates and charges for the 2019-20 financial year
- continued the MOU with Local Buy Pty Ltd which enables councils to access specialist procurement services and thereby potentially save on costs
- continued to support the reporting of financial sustainability ratios in the annual financial statements of councils largely through the work of the Finance Reference Group
- established a trust arrangement that will see the pooling of council insurance premiums in order to save on costs and bring more rigour to risk management practices
- supported councils in waste management resource sharing and collaboration to save on costs and to provide efficient service delivery
- provided monthly reports on mining tenements for levying rates on conditionally rateable properties
- facilitated the bulk purchase of parking disability permits for councils to save on procurement costs.

2.6 Work towards the full incorporation of the Northern Territory under the *Local Government Act (2013)* with the exception of special purpose areas.

LGANT held meetings during the year with councils that potentially could be affected by incorporation issues as well as the Department of Local Government, Housing and Community Development. However, no unincorporated areas were brought into council areas during the year.

Areas that could be considered for incorporation include the Marrakai, Dundee Beach, Douglas Daly and areas adjoining the municipalities of Darwin and Palmerston.

2.7 Work with councils to gather relevant data which can be included in a national Australian Local Government Association 'State of the Local Government Sector' report.

The State of the Local Government Sector report is a national report and there were plans for another one to be completed during the 2018-2019 financial year however, one was not done due to resource constraints and lack of appropriate available data at a national level.

2.8 Convene appropriate LGANT meetings with member councils to facilitate collaboration, sector policy development and bring about local government reforms and provide networking opportunities:

- **Executive meetings**
- **General and Annual General meetings**
- **Mayors and Presidents Forum**
- **CEO Forum**
- **Regional Forum**
- **Reference groups:**
 - **Community Services**
 - **Environment, Transport and Infrastructure**
 - **Finance**
 - **Governance and Human Resources.**

The above meetings are the primary mechanism LGANT uses to both engage with councils and coordinate work with them.

At any one time LGANT deals with numerous agenda items at its meetings.

Some agenda items are not referenced in the following tables however a portion of them are reported in other sections of this Annual Report.

Review of the Terms of Reference for LGANT reference groups

A review of the Terms of Reference governing LGANT reference groups was conducted and approved by the CEO Forum in November 2018 and endorsed by the LGANT Executive at its meeting in July 2019.

Table 5 LGANT Executive Meetings

Date	Key Actions Arising from Executive Meetings
17 July 2018	<ul style="list-style-type: none"> • endorsed the actions taken to date on the draft subdivision guidelines • approved LGANT seeking funding to hold further procurement and contract management training workshops in Darwin and Alice Springs • endorsed LGANT continuing its efforts on work zone traffic management • approved the LGANT submission on the Regional Telecommunications Review 2018 • approved the grant principles for health, safety and security projects as part of the agreement proposed by the Department of Local Government, Housing and Community Development
28 August 2018	<ul style="list-style-type: none"> • approved letter to the Minister on the <i>Pastoral Land Management Act</i> • amended the submission on Land Use Planning Reforms • encouraged councils to investigate the potential of the Regional Australia Institute's Pathfinder Initiative • advocated for all communities to be included in the NT Planning Scheme
18 September 2018	<ul style="list-style-type: none"> • endorsed the actions proposed for LGANT with the 2018-2028 Northern Territory Population Growth Strategy • approved the 2017-18 LGANT annual report for tabling at the LGANT AGM • reviewed the LGANT Members' Satisfaction Survey
16 October 2018	<ul style="list-style-type: none"> • approved the criteria for the LGANT life membership award • discussed the ALGA Election Campaign survey • reviewed council motions for the general meeting • endorsed the President's nomination for the position of Vice President to ALGA
12 December 2018	<ul style="list-style-type: none"> • made amendments to the 2019/20 Budget Submission • endorsed the submission on Environment Regulatory Reform • reviewed and extended the LGANT CEO contract • endorsed the selection panel for recruiting the new CEO

21 February 2019	<ul style="list-style-type: none"> • endorsed the 2019-2020 draft LGANT annual budget • endorsed the 2019-2020 Draft Strategic Plan and Annual Priorities • approved the LGANT organisational structure and CEO delegations • updated the LGANT policy on Aboriginal Urban Living Areas (town camps) • adopted a policy to allow not for profit organisations to access Local Government National Procurement Network contracts • endorsed three nominations to the Joint Insurance Scheme Discretionary Trust • endorsed nominations to the NT Grants Commission for the Minister's consideration
18 March 2019	<ul style="list-style-type: none"> • approved the LGANT submission on the <i>Burial and Cremation Bill 2018</i> • endorsed Robert Jennings to represent LGANT on the NT Planning Commission • endorsed Mayor Damien Ryan and Mayor Steven Edgington to represent LGANT on the Australian Logistics Council Northern Australia Working Group
20 May 2019	<ul style="list-style-type: none"> • endorsed ALGA taking up licensing with OneMusic Australia on behalf of all local government associations • endorsed amendments to the <i>Local Government Act</i> to be incorporated into a LGANT submission • endorsed Mayor Steven Edgington to the position of LGANT Vice President Regional and Shires • endorsed the actions taken to date on closing the gap on Aboriginal disadvantage • endorsed several internal LGANT policies <ul style="list-style-type: none"> ○ LGANT Financial Management and Reports Policy ○ Portability of Long Service Leave Policy ○ LGANT Employment Policy ○ LGANT Revenue and Investment Management Policy
24 June 2019	<ul style="list-style-type: none"> • endorsed Mayor Judy MacFarlane and Mayor Matthew Ryan to the positions of LGANT Executive Member – Regional and Shires • reviewed LGANT Policy Statements update • agreed to workshop the review of the <i>Local Government Act</i> • discussed with the Deputy NT Electoral Commissioner the eligibility criteria for a candidate to stand for election as a member of council

Table 6 General and Annual General Meetings

Date	Key Actions Arising from General and the Annual General Meetings
8 November 2018 General Meeting	<p>LGANT convened meetings of this group which:</p> <ul style="list-style-type: none"> called on the NT Government to recommit to adopting and enacting the values, principles and objectives of the Remote Engagement and Coordination Strategy asked LGANT to lobby the NT Government to grant a stamp duty exemption to councils within the Northern Territory requested LGANT investigate and develop a model policy and resources to provide guidance to Northern Territory local governments about family friendly policies to attract and retain elected members approved a uniform policy on the use of glyphosate asked LGANT to lobby the Northern Territory Government to introduce Northern Territory uniform domestic animal management legislation supported councils undertaking energy production, implementing energy efficiencies and making greater use of renewable energies
9 November 2018 Annual General Meeting	<ul style="list-style-type: none"> endorsed the 2017-2018 annual report held biannual LGANT Executive elections endorsed the appointment of Merit Partners as LGANT's auditor for 2018-2019 and 2019-2020 financial years presented Local Government Long Service Awards received and noted reports from delegates of LGANT committees
11 April 2019 General Meeting	<ul style="list-style-type: none"> endorsed the 2019-2024 LGANT Strategic Plan and 2019-2020 annual priorities endorsed the 2019-2020 LGANT annual budget endorsed changes to the LGANT Constitution approved the LGANT Executive motion on fair superannuation for elected members approved a review of the by-laws development process with the Department of Local Government called on the NT Government to support the inclusion of heat stress in Emergency Management Plans approved the policy on the use of glyphosate

Table 7 CEO Forum

Date	Key Actions Arising from CEO Forum Meetings
7 November 2018	<p>LGANT convened meetings of this group which:</p> <ul style="list-style-type: none"> received and noted the recommendations of the LGANT reference groups recommended the LGANT Executive adopts the LGANT policy on protective security agreed to put in place measures for dealing with Disaster Recovery Funding Arrangements discussed street lighting innovations and charges.
10 April 2019	<ul style="list-style-type: none"> endorsed the amended governance charter for LGANT reference groups endorsed the work done by LGANT for inclusion in a submission on the Provisional Guidelines for Disaster Recovery Funding agreed to participate in the review of the draft legislation of the <i>Traffic Act</i> and <i>Control of Roads Act</i> discussed the impact on council revenue with the loss of rates income.



Table 8 Environment, Transport and Infrastructure Reference Group (ETIRG)

Date	Key Actions Arising from Environment, Transport and Infrastructure Reference Group Meetings
30 August 2018	<p>LGANT convened meetings of this group which agreed to discuss with their council CEOs:</p> <ul style="list-style-type: none"> • Environment and Waste Management Symposium • becoming active participants of Regional Roads Committees • policies and practices regarding road works and work zone traffic management plans • the LGANT submission on Environmental Regulatory Reform • supporting and promoting attendance to the procurement training
22 May 2019	<ul style="list-style-type: none"> • the public tender threshold and having it increased • the requirements and eligibility criteria in the provisional guidelines to access financial assistance under the Australian Government's Disaster Recovery Funding Arrangements • new funding for Roads to Recovery and Roads Safety Black Spots Programs as well as the need for annual program audit reports to be completed in a timely manner • LGANT representation on the Australian Logistics Council Northern Australia Working Group



Table 9 Finance Reference Group (FRG)

Date	Key Actions Arising from Finance Reference Group Meetings
28 August 2018	<p>LGANT convened meetings of this group which agreed to discuss with their council CEOs:</p> <ul style="list-style-type: none">• the need for a formal agreement with a service provider for the repairs and maintenance of street lights within council areas• LGANT requesting financial support from the NT Government in light of increased insurance costs experienced which is believed to be from the sale of TIO and increasing vandalism claims experienced in communities• fines recovery procedures• councils investigating potential grant opportunities offered in the 2018-2019 Federal Government budget and to apply for them
14 May 2019	<ul style="list-style-type: none">• increasing the procurement threshold as currently stands in the regulations• endorsing Gary Pemberton as the FRG representative to the Local Government Accounting Advisory Committee• rates on mining tenements and pastoral properties

Table 10 Rates Officers Workshop

Date	Key Actions Arising from Rates Officers' Workshop
14 May 2019	<p>LGANT convened meetings of this group which agreed to discuss with their council CEOs:</p> <ul style="list-style-type: none">• Rates Declarations

Table 11 Community Services Reference Group

Date	Key Actions Arising from Community Services Reference Group Meetings
3 October 2018	<p>LGANT convened meetings of this group which agreed to discuss with their council CEOs:</p> <ul style="list-style-type: none"> • the ALGA Election Advocacy Campaign • LGANT seeking data from councils to update the National Local Government Skills Plan 2017/18 • amendments to LGANT policies • a report provided on the review of the Local Government Training Package • the PWC report being drafted on work it is undertaking on various models of service delivery for specific community services in remote areas
23-24 May 2019	<ul style="list-style-type: none"> • about applying for grants to support elderly constituents to improve their digital literacy through the “Be Connected” grants being administered by the Good Things Foundation • the NT Tobacco Action Plan and the potential for councils to align with it through their policies • LGANT policies on Language, Literacy and Numeracy for consideration by councils • supporting LGANT’s efforts to secure a fee-for-service agreement to assist the Australian Electoral Commission to improve electoral enrolments and voter participation in elections



Table 12 Governance and Human Resources Reference Group

Date	Key Actions Arising from Governance and Human Resources Reference Group Meetings
6 September 2018	<p>LGANT convened meetings of this group which agreed to discuss with their council CEOs:</p> <ul style="list-style-type: none"> • promoting the ALGA campaign for an increased share of the Australian taxation revenue within their councils • adopting and trialling the proposed NT Metrics using 2017/18 data • councils contributing data annually to update the NT portion of the National Local Government Skills Plan 2017-18 • councils making plans to comply with the new requirements of the Local Government Award and consider what to do in respect of the WALGA salary and workforce survey 2017-18
12-13 June 2019	<ul style="list-style-type: none"> • LGANT seeking data from councils to update the National Local Government Skills Plan 2017/18 • an increase in the public tender threshold from \$100 000 to \$200 000 as per the <i>Local Government Accounting Regulations</i> Part 13 Division 1 Clauses 28 and 29 • that assessments are conducted of council procedures and policies dealing with drugs and alcohol in their workplaces • improving participation rates in the 2021 Census, estimated residential populations and the use of ABS data • the new national Local Government Training Package • support of the LGANT Procurement and Contract Management Training Workshop

2.9 Work with regional councils to finalise arrangements with cemeteries on Aboriginal land.

LGANT worked with the Department of Local Government, Housing and Community Development and the Northern Land Council to finalise licences to operate cemeteries on Aboriginal land.

Goal 3 – To effectively advocate for and represent member councils

Local Government Influence

LGANT shall represent the interests of local government in the Northern Territory as a sector and in doing so we will act as the conduit to other spheres of government, non-government organisations, media, industry groups and other relevant individuals and organisations through our activities and those of the Australian Local Government Association (ALGA).

3.1 Work with councils to secure tenure on land for council assets.

LGANT continued to:

- update the list of Section 19 leases councils hold on Aboriginal land
- encourage councils to take out leases on Aboriginal land.

3.2 Submit proposals in response to legislation, policy or programs which are enacted or proposed by the Northern Territory and Commonwealth Governments including:

- the *Local Government Act*
- the *Remuneration Act*
- the *Planning Act*
- the *Cemeteries Act*
- the *Environment Protection Act*.



LGANT completed the following submissions:

Table 13 LGANT 2018-2019 Submissions

Date Submitted	Submission Topic
24 July 2018	Regional Telecommunications Review 2018
7 September 2018	Planning Reform Directions Paper
2 December 2018	Draft <i>Environmental Protection Act 2019</i>
11 January 2019	PWC's Revised 2019-2024 Proposal for Electricity Network Distribution Pricing
22 February 2019	NT EPA Draft Guidance for Proponents – Stakeholder Engagement
6 March 2019	NT Electricity Market Design Consultation
18 March 2019	Draft Burial and Cremation Bill
1 May 2019	Remote Area Tax Concessions and Payments

As of 30 June 2019, the submissions for which outcomes were known were:

- Regional Telecommunications Review 2018
- Planning Reform Directions Paper
- PWC's Revised 2019-2024 Proposal for Electricity Network Distribution Pricing

LGANT is still awaiting responses for the remaining submissions. Where outcomes are known they are reported at LGANT Executive meetings.

3.3 Facilitate appropriate local government representation on up to 20 relevant boards and committees.

LGANT was represented on the following committees during the year:

- Animal Welfare Advisory Committee
- Australian Logistics Council Working Group
- Coastal and Marine Management Strategy Partnership Group
- CouncilBIZ
- Employment Assistance Service NT (EASA)
- Heritage Council
- Local Government Accounting Advisory Committee
- Local Government Administration and Legislation Advisory Committee
- Minister's Advisory Council on Multicultural Affairs

- Minister's Advisory Council on Senior Territorians
- Local Government Safe Cities Network
- NT Grants Commission
- NT Library Community Reference Group
- NT Neighbourhood Watch Board
- NT Place Names Committee
- NT Planning Commission
- NT Settlement Planning and Outcomes Committee
- NT Tobacco Control Action Committee
- NT Water Safety Advisory Council
- Regional Development Australia NT
- Road Safety Black Spots Committee.

Throughout the year LGANT managed processes which required calling for nominations from councils to be representatives on Territory and Commonwealth government committees as detailed in **Table 14**.

Table 14 Nominations submitted and approved during 2018-2019

Nominee	Committee	Date of Executive Meeting
CEO Robert Jennings (Katherine Town Council)	NT Planning Commission	18 March 2019
Mayor Damien Ryan (Alice Springs Town Council) Mayor Steven Edgington (Barkly Regional Council)	Australian Logistics Council	18 March 2019
President Kaye Thurlow (East Arnhem Regional Council)	NT Grants Commission	29 April 2019

LGANT officers represented local government on the following committees and provided reports at Executive meetings:

- the Top End Regional Organisation of Councils held meetings which were attended by the LGANT CEO (and when available, the President) at which updates on LGANT activities were provided to members
- the ALGA National Local Government Cultural Forum
- the Local Government Workforce Development Group – national group of policy officers
- the CouncilBIZ Board

- the ALGA Roads and Transport Advisory Committee

3.4 Provide information and support to ALGA and other State local government associations.

In addition to attending to standard governance matters at ALGA Board meetings, the LGANT CEO, President and the Vice President Regional and Shires participated in the following ALGA meetings:

- the ALGA Post General Assembly Teleconference
- the National Local Roads and Transport Congress
- all ALGA general meetings and the annual general meeting
- the ALGA strategic planning meeting
- the National General Assembly of Local Government.

Some of the issues dealt with at ALGA Board meetings included those listed in **Table 15** below about which reports were provided at Executive meetings:

Table 15 Significant issues deliberated at the ALGA Board meetings

Date	Highlights
19 July 2018	<ul style="list-style-type: none"> • processing of the resolutions of National General Assembly of Local Government (teleconference)
20 September 2018	<ul style="list-style-type: none"> • Federal funding of local government • waste and recycling • Fight Food Waste program • preparation of ALGA's 2019-20 Federal budget submission • ALGA Federal Election document and Advocacy Strategy • population, settlement and migration
19 November 2018	<ul style="list-style-type: none"> • Federal funding of local government consultancy • regional tourism issues • planning for the ALGA 2019 strategic planning workshop • domestic and family violence • emergency management and the new National Disaster Recovery Funding arrangements
14 March 2019	<ul style="list-style-type: none"> • outcomes of 2019 strategic planning meeting • campaign for increased Federal funding • the future of State of the Assets Report • waste and recycling • Government Skills Australia funding • 2019 National General Assembly of Local Government

15 June 2019

- Federal election campaign outcome
- ALGA Action Plan 2019-20
- waste and recycling
- Review of Telecommunications
- 2019-20 ALGA draft budget
- OneMusic licensing
- funding proposal for arts and culture
- 2019 National Local Roads and Transport Congress

LGANT also provided email advice to ALGA policy officers on the following subjects:

- the use of glyphosate
- *Local Government Act* reform
- new priorities in the ALGA Election Document
- aged care
- cost shifting
- Treasurer's Forum on Population
- *Modern Slavery Act*
- Terms of Reference for Royal Commission into Violence, Abuse, Neglect and Exploitation People with a Disability

3.5 Facilitate engagement and collaboration between local and Northern Territory governments through meetings and correspondence with Ministers of the government and senior officers.

The LGANT President met with the Minister, the Hon Gerry McCarthy MLA on 13 July 2018.

The Minister also attended LGANT's two general meetings on 9 November 2018 in Darwin and 11 April 2019 in Katherine.

The Minister addressed the LGANT Waste Management Symposium on 27 June 2019.

The LGANT CEO attended 11 meetings with Department of Local Government, Housing and Community Development staff during the year which does not include those related to committees mentioned above.

3.6 Contribute to ALGA's Federal election document.

LGANT attended meetings which resulted in the ALGA Board agreeing to a 12 point plan which set out local government's election priorities which was delivered to political parties.

**Goal 4 -
Maintain an
effective and
efficient
service**

Maintaining and improving LGANT capacity

LGANT shall ensure quality management services including human, financial and physical resources to achieve successful outcomes.

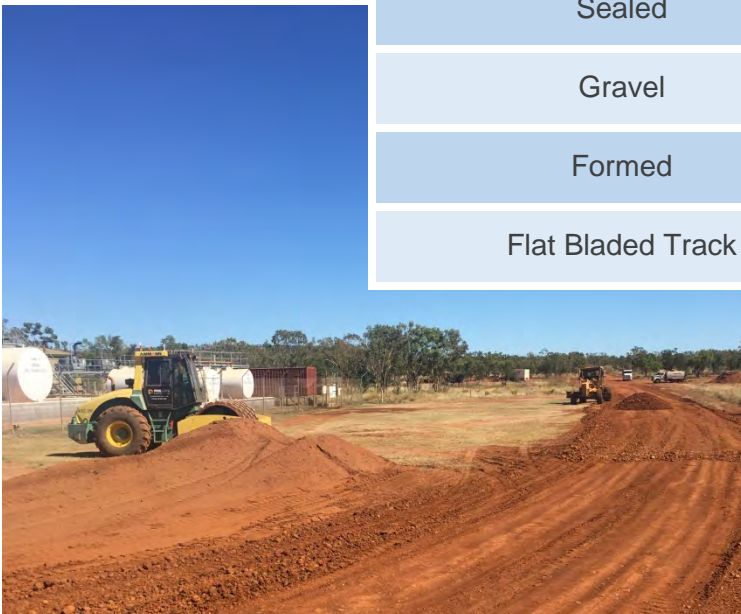
4.1 Maintain the servicing of the LGANT local road network as identified by the Northern Territory Grants Commission.

LGANT is responsible for the maintenance of a 2,097 km local road network on behalf of local government in the Northern Territory in the Central Desert, MacDonnell, Barkly, East Arnhem, Victoria Daly and Roper Gulf Regional Council areas.

The LGANT road network consists of the following road length by type as recorded in **Table 16** below:

Table 16 LGANT's Road Types and Road Lengths

Road Type	Road Length
Sealed	11 km
Gravel	434 km
Formed	419 km
Flat Bladed Track	1,233 km



LGANT allocated funds and performed road maintenance work in the following local government areas:

Table 17 Allocation of Expenditure in Regional Council Areas

Council	Road Length	Allocation
Central Desert Regional Council	157 km	\$112,255
MacDonnell Regional Council	277 km	\$198,055
East Arnhem Regional Council	442 km	\$316,030
Roper Gulf Regional Council	121 km	\$85,395
Victoria Daly Regional Council	12 km	\$8,580
Barkly Regional Council	1088 km	\$777,920

The projects completed during 2018-2019 under the Roads to Recovery Program were as listed in Table 18.

2018-2019 is the final year of the existing program with the allocation for LGANT being \$614,455.

Table 18 Roads to Recovery Projects during 2018-2019 financial year

Road	Council Area	Amount	Project
Barrkira Road	East Arnhem	\$192,384	Realignment and gravel sheeting of road pavement
Robinson River Road	Police Station /Powerhouse Road	\$422,071	Lift of road pavement and sealing of road and floodway

The identified local road grant, through the Federal Assistance Grants (FAGs), currently paid to LGANT is \$1,580,454 per annum. There was a further advance payment in June 2019 of \$821,861 from the 2019/20 allocation. Quarterly payments were \$198,017.

Expenditure on the network is in consultation with road users based on an agreed level of service, routine maintenance regime and priorities as determined by the LGANT road hierarchy.

LGANT continued a program of erecting road signs in 2018-2019 following road safety audits in 2014/15. Local contractors installed the signs using *'The Central Australian Remote Community Traffic Management Manual'* that was developed in collaboration with Central Desert, MacDonnell and Barkly regional councils and with technical assistance from the Australian Road Research Board.

Aligned with LGANT's Transport Asset Management Plan the internal roads of the community of Robinson River were resealed at a cost of \$821,565.

LGANT continued to work collaboratively with the Department of Infrastructure, Planning and Logistics regional offices in planning its maintenance programs and using the Department's appointed contractors.

4.2 Review and refine LGANT's internal systems and processes.

Reviews are often an important activity for improving operations and throughout the year LGANT adopted internal policies on:

- Joint procurement and National Procurement Network (NPN) panel contracts for member councils and associates and Indigenous enterprise, not for profit organisations and charity institutions servicing the Northern Territory
- Financial Recognition of Employee Entitlements
- Financial Management and Annual Reports
- Portability of Long Service Leave
- Employment
- Employee Delegations
- Revenue/Investment Management

Staff also completed training from the following courses:

- webinars on taxation, payroll and superannuation
- procurement and contract management
- payroll training
- change management
- infoXpert
- IAP2 Engagement Essentials
- project management

- fire warden training
- first aid

Videoconferencing facilities were installed to improve meeting outcomes and provide an alternative to travelling to meetings.

A review of IT systems and Records Management including records retention and disposal commenced.

4.3 Adopt a long term asset and financial management plan and ensure processes are in place for integration with annual budget and financial reporting.

LGANT purchased three new laptop computers. LGANT also continued to upgrade its information technology and security systems through its period contractors.

4.4 Manage the leasing and maintenance requirements for Units 1 - 5, and contribute to the effective management of 21 Parap Road through the body corporate.

LGANT has one major building asset being its office premises at 21 Parap Rd, Parap NT. Management of the loan and insurances for the premises were in accordance with the approved budget.

LGANT purchased and installed new blinds in Units 1 & 2.

LGANT maintained ownership of units 1-5, 21 Parap Road, Parap. In managing this asset LGANT:

- Negotiated a five plus two year lease for Unit 5 with SLR Consulting Pty Ltd.
- Renewed the lease for Unit 3 & 4 with PWC for a further three years with a two year option.
- Liaised with the body corporate to ensure the regular maintenance and upkeep of the common areas of 21 Parap Road.

Financial Statements for the Year Ended 30 June 2019

STATEMENT BY THE PRESIDENT

I, Damien Ryan, President of the Local Government Association of the Northern Territory, state that in my opinion, the financial statements (as set out) are properly drawn up so as to present fairly the state of affairs of the Association as at 30 June 2019 and of the results and cash flows of the Association for the year then ended.

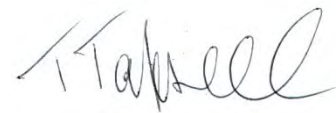
A handwritten signature in dark ink, appearing to read 'Ryan', with a stylized, looping initial 'D'.

26 September 2019

PRESIDENT

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

I, Tony Tapsell, being the Chief Executive Officer of the Local Government Association of the Northern Territory, state that to the best of my knowledge and belief the financial statements (as set out) present fairly the state of affairs of the Association as at 30 June 2019 and of the results and cash flows of the Association for the year then ended.

A handwritten signature in dark ink, appearing to read 'Tapsell', with a stylized, flowing script.

26 September 2019

CHIEF EXECUTIVE OFFICER

Independent auditor's report to the members of the Local Government Association of the Northern Territory

Auditor's Opinion

We have audited the accompanying special purpose financial report of the Local Government Association of the Northern Territory ("the Association"), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes, and the Statement by the President and the Statement by the Chief Executive Officer.

In our opinion, the accompanying financial report of the Association presents fairly, in all material respects, the financial position of the Local Government Association of the Northern Territory as at 30 June 2019 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of 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 Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the needs of the members. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Local Government Association of the Northern Territory and should not be distributed to parties other than the members of the Local Government Association of the Northern Territory. Our opinion is not modified in respect of these matters.

Material Uncertainty Regarding Continuation as a Going Concern

We draw attention to Note 17 of the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Association's ability to continue as a going concern, and therefore, the Association may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Responsibility of the Chief Executive Officer for the Financial Report

The Chief Executive Officer (CEO) of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and for such internal controls as the CEO determines necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

The Executive Committee are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

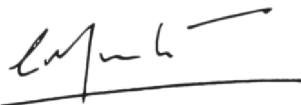
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Association'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 registered entity 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.

We communicate with management 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.

Merit Partners

Merit Partners



MunLi Chee
Director

Darwin

26 September 2019

**LOCAL GOVERNMENT ASSOCIATION
OF THE NORTHERN TERRITORY**

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Notes	2019 \$	2018* \$
ASSETS			
<i><u>Current Assets</u></i>			
Cash and cash equivalents	3	9,781,065	10,807,021
Trade and other receivables	4	97,478	110,754
Other assets		10,935	10,309
		<u>9,889,478</u>	<u>10,928,084</u>
<i><u>Non-Current Assets</u></i>			
Property, plant and equipment	5	2,184,228	2,686,308
		<u>2,184,228</u>	<u>2,686,308</u>
Total Assets		<u>12,073,706</u>	<u>13,614,392</u>
LESS LIABILITIES			
<i><u>Current Liabilities</u></i>			
Trade and other payables	6	4,735,996	5,605,306
Borrowings	7	115,157	107,339
Provisions	8	251,308	267,132
		<u>5,102,461</u>	<u>5,979,777</u>
<i><u>Non-Current Liabilities</u></i>			
Borrowings	7	438,828	561,803
Provisions	8	42,316	29,070
		<u>481,144</u>	<u>590,873</u>
Total Liabilities		<u>5,583,605</u>	<u>6,570,650</u>
NET ASSETS		<u>6,490,101</u>	<u>7,043,742</u>
ACCUMULATED FUNDS			
Accumulated Surplus		1,760,564	1,899,919
Asset Revaluation Reserve		213,505	641,243
Property, Mobile Equipment & Other Assets Reserve		316,032	302,580
Other Reserves	18	4,200,000	4,200,000
Balance at the end of the year		<u>6,490,101</u>	<u>7,043,742</u>

* Restated - see Note 2

The accompanying notes form part of these financial statements

**LOCAL GOVERNMENT ASSOCIATION
OF THE NORTHERN TERRITORY**

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018* \$
INCOME			
User Charges and Fees	9	952,071	958,794
Interest		122,066	121,560
Other Revenues from ordinary activities		12,500	13,194
NT Government Contributions for Operating Purposes	10	240,007	444,175
Federal Government Contributions for Operating Purposes	11	2,253,089	2,551,903
Total Income		3,579,733	4,089,626
EXPENDITURE			
Employee Costs		721,702	712,244
Materials and contracts		2,626,036	2,680,662
Depreciation		97,902	92,263
Other operating expenses	12	230,435	231,453
Interest Charges		29,623	46,062
(Profit)/Loss on disposal of assets		(62)	704
Total Expenditure		3,705,636	3,763,388
Surplus (Deficit) for the year		(125,903)	326,238
Other comprehensive income		-	-
NET (DEFICIT)/SURPLUS FOR THE YEAR		(125,903)	326,238

* Restated - see Note 2

The accompanying notes form part of these financial statements

**LOCAL GOVERNMENT ASSOCIATION
OF THE NORTHERN TERRITORY**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
Cash Flows from Operating Activities			
Receipt of grants		2,425,076	6,524,103
Receipts from members		679,412	665,494
Other Charges and User Fees		251,618	199,162
Sponsorship - Association		46,818	30,227
Payments to suppliers and employees		(4,152,232)	(2,502,001)
Interest received		122,066	121,560
Borrowing costs		(29,623)	(46,062)
Other expenses		(229,564)	(230,096)
Finance costs		(871)	(1,356)
Net cash flows (used in)/generated from operating activities	13	(887,300)	4,761,031
Cash flows from Investing Activities			
Payment for property, plant and equipment		(23,561)	(43,518)
Proceeds from sale of property, plant and equipment		62	(704)
Bonds held for units 3 and 4		-	(11,650)
Net cash flows used in investing activities		(23,499)	(55,872)
Cash flows from Financing Activities			
Loans - Redraw Facility		-	(266,666)
Loans - Parap Building Principal Repayments		(100,000)	(403,334)
Loans - Motor Vehicles		-	46,481
Loans - Motor Vehicle Principal Repayments		(15,157)	(7,339)
Transfers to Reserves		-	(4,018)
Net cash flows used in financing activities		(115,157)	(634,876)
Net Increase/(Decrease) in cash held		(1,025,956)	4,070,283
Cash at the beginning of the year		10,807,021	6,736,738
Cash at the end of the year		9,781,065	10,807,021

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1 STATEMENT OF ACCOUNTING POLICIES

a) Basis of Accounting

This special purpose financial report has been prepared in accordance with Australian Accounting Standards for distribution to the members.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by measurement of 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.

b) Economic Dependence

The Association is reliant upon the receipt of government grants and members' subscriptions to operate as a going concern. Further information regarding the Association's ability to continue as a going concern is provided in note 17.

c) Revenue Recognition

The Association has elected to early adopt AASB 15 and AASB 1058. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Grants

Grant revenue is recognised in profit or loss when the entity satisfies performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Where the Association receives contributions of assets from the government and other parties for zero or a nominal value, these assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Interest revenue

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

Other income

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

d) 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.

Property

Property is shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the property is not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the property is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of property 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.

Plant & 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 the estimated recoverable amount, the carrying amount is written down immediately to the 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.

Depreciation

The depreciable amount of all fixed assets 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.

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

Class of fixed asset	Depreciation Rate
Property	2-10%
Furniture, fittings and equipment	5-20%
Motor Vehicles	10-20%

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.

e) 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 borrowings in current liabilities on the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

f) Employee Benefits

Short-term employee benefits

Provision is made for the entity'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, annual leave and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

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

Other long-term employee benefits

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

g) Taxation

The Local Government Association of the Northern Territory is an exempt body under the Income Tax Assessment Act.

h) Trade and Other Receivables

Receivables are carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (an re-assessed annually) when collection is no longer probable.

Receivables are unsecured, and do not bear interest.

i) Provisions

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

j) Trade and Other Payables

Creditors are amounts due to external parties for the supply of goods and services to the end of the financial year and remain unpaid. Creditors are normally paid within 30 days after receipt of the invoice. No interest is payable on these amounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

k) Superannuation

The Association makes employer superannuation contributions to the superannuation funds nominated by its employees. Contributions are based on a fixed percentage of ordinary time earnings in accordance with the superannuation guarantee legislation.

The contribution made to the Statewide Superannuation Fund was at the rate of 11.50% for contributory Association employees and 9.50% for non-contributory Association employees.

The contribution made to employee nominated superannuation funds was at the rate of 11.50% for contributory Association employees and 9.50% for non-contributory Association employees.

l) Borrowings

Vehicles:

The Association has a loan with the National Australia Bank for a new vehicle purchased in the 2017/18 financial year. See note 7 for commitment details.

Office Building:

The Association has a Commercial Loan with the National Australia Bank for the purchase of this asset. See note 7 for commitment details.

m) Leases

Lease payments for short-term leases and leases for which the underlying asset is of low value are recognised as expenses on a straight-line basis over the lease term.

For all other leases the entity recognises a right-to-use asset that is measured at cost and a lease liability measured at the present value of the lease payments not paid. The lease payments are discounted using the interest rate implicit in the lease.

n) Financial Instruments

A financial asset is recognised at amortised cost if the objective is to hold assets to collect contractual cash flows. All other financial assets are classified and measured at fair value through profit or loss.

Financial liabilities are measured at amortised cost calculated using the effective interest method.

o) Comparative Figures

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

p) New and Amended Accounting Standards Adopted by the Entity

Initial application of AASB 9: Financial Instruments

The entity has adopted AASB 9 with a date of initial application of 1 July 2018. As a result the entity has updated its accounting policies as detailed in this note.

There has not been any major financial impact on the Association from the adoption of AASB 9.

Initial application of AASB 15: Revenue from Contracts with Customers and AASB 1058: Income of Not-for-Profit Entities

The entity has adopted AASB 15 and AASB 1058 with a date of initial application of 1 July 2018. As a result the entity has updated its accounting policies as detailed in this note.

There has not been any major financial impact on the Association from the adoption of AASB 15 and AASB 1058.

Initial application of AASB 16: Leases

The entity has adopted AASB 16 with a date of initial application of 1 July 2018. As a result the entity has updated its accounting policies as detailed in this note.

There has not been any major financial impact on the Association from the adoption of AASB 16.

**LOCAL GOVERNMENT ASSOCIATION
OF THE NORTHERN TERRITORY**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2 RESTATEMENT OF FINANCIAL STATEMENTS

The Association's financial statements have been restated. The restated financial information for Property, Plant and Equipment is now in accordance with AASB 116: Property, Plant and Equipment and the restated financial information for reserves is now in accordance with AASB 137: Provisions, Contingent Liabilities and Contingent Assets and AASB 101: Presentation of Financial Statements.

Resated financial information for the year ended 30 June 2018 is presented below:

	Original Balance	Adjustments AASB 116	Adjustment AASB 137 / AASB 101	Restated Balance
	\$	\$	\$	\$
Statement of Comprehensive Income				
Depreciation	24,210	68,053	-	92,263
Net surplus for the year	394,291	(68,053)	-	326,238
		-	-	
Statement of Financial Position				
Property, plant and equipment	3,079,908	(393,600)	-	2,686,308
Provisions	(598,782)	-	302,580	(296,202)
Retained earnings	(6,796,099)	393,600	4,502,580	(1,899,919)
Other reserves	-	-	(4,200,000)	(4,200,000)
Property, mobile equipment and other assets reserve	302,580	-	(605,160)	(302,580)
		-	-	

3 CASH AND CASH EQUIVALENTS

Cash at bank at 30 June 2019 at National Australia Bank Darwin comprised the following:

	Note	2019	2018
		\$	\$
LGANT Reserve Term Deposit Account		401,550	391,406
Transport, Infrastructure & Environment Account		604,402	1,839,547
Infrastructure Holding Term Deposit Account		4,114,578	4,010,914
Tied & Committed Funds Account		656,127	897,735
Local Government Excellence Account		-	24,235
Health, Safety & Security Initiatives Account		3,587,982	3,500,000
Operating Account		415,926	142,684
		9,780,565	10,806,521
Petty Cash		500	500
		9,781,065	10,807,021

4 TRADE AND OTHER RECEIVABLES

	2019	2018
	\$	\$
Trade receivables	97,478	110,754
Provision for Doubtful Debts	-	-
	97,478	110,754

**LOCAL GOVERNMENT ASSOCIATION
OF THE NORTHERN TERRITORY**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

5 PROPERTY, PLANT AND EQUIPMENT

	Note	2019 \$	2018* \$
Motor Vehicles, at cost		94,859	94,859
Accumulated Depreciation		(49,764)	(36,684)
Total Motor Vehicles		<u>45,095</u>	<u>58,175</u>
Furniture, fittings and equipment, at cost		152,019	148,195
Accumulated Depreciation		(112,887)	(113,285)
Total Furniture and Fittings		<u>39,132</u>	<u>34,910</u>
Office Building - Parap, at valuation		2,976,311	2,981,291
Revaluation adjustment		(427,738)	-
Accumulated Depreciation		(448,573)	(388,068)
Total Office Building - Parap		<u>2,100,000</u>	<u>2,593,223</u>
Total property, plant and equipment		<u>2,184,228</u>	<u>2,686,308</u>

* Restated - see Note 2

Asset Valuations

Colliers International performed a revaluation of the office building in Parap on 26 August 2019. The Association reviewed the key assumptions adopted by the valuers and do not believe there has been a significant change in the assumptions between 30 June 2019 and 26 August 2019. The Association therefore believes the carrying amount of the office building correctly reflects the fair value less costs of disposal at 30 June 2019.

6 TRADE AND OTHER PAYABLES

		2019 \$	2018 \$
Trade payables		128,469	914,249
Unexpended grants*	16	3,772,744	3,865,087
Grants received in advance	16	821,861	797,538
Accruals		12,922	28,432
		<u>4,735,997</u>	<u>5,605,306</u>

* Unexpended grants includes \$3.5million of one-off grant funding from the Department of Local Government, Housing and Community Development for the development of initiatives and/or projects to support regional and shire councils in the broad areas of health, safety and security. The Department will approve the projects and instruct the Association to pay over the funds to the successful Council/s. The Association expects to receive instruction in the next 12 months and hence the balance is included within current liabilities.

7 BORROWINGS

	2019 \$	2018 \$
CURRENT		
Bank Loan - Vehicles	15,157	7,339
Bank Loan - Parap Building Purchase **	100,000	100,000
	<u>115,157</u>	<u>107,339</u>
NON-CURRENT		
Bank Loan - Vehicles	8,828	31,803
Bank Loan - Parap Building Purchase **	430,000	530,000
	<u>438,828</u>	<u>561,803</u>
Total Borrowings	<u>553,985</u>	<u>669,142</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

7 BORROWINGS (CONT.)

** This loan was renegotiated in November 2017 with the National Australia Bank, as a Flexible Rate Loan to run over three years with \$630,000 being principal and fixed interest and \$300,000 being variable interest. The variable portion has a redraw facility of \$300,000 attached to it. Interest payments are made on a quarterly basis. Principal payments of \$100,000 were made against the loan in the 2018/19 financial year.

The status of this loan is as follows:

	2019	2018
	\$	\$
Current Liability - Fixed & Variable Components Flexible Rate Loan	100,000	100,000
Non current liability - Fixed & Variable Components Flexible Rate Loan	430,000	530,000
	<u>530,000</u>	<u>630,000</u>

8 PROVISIONS

	2019	2018*
	\$	\$
CURRENT		
Annual Leave	139,781	156,186
Long Service Leave	111,527	110,946
	<u>251,308</u>	<u>267,132</u>
NON-CURRENT		
Long Service Leave	31,022	17,776
Bond Units 3 & 4	11,294	11,294
	<u>42,316</u>	<u>29,070</u>
Total Provisions	<u>293,624</u>	<u>296,202</u>

* Restated - see Note 2

9 USER CHARGES AND FEES

	2019	2018
	\$	\$
Subscriptions, Meeting Charges and Sponsorship	786,566	727,102
Rental Charges	165,505	198,873
Project Management, Consultancy and Training Charges	-	32,819
Total User Charges and Fees	<u>952,071</u>	<u>958,794</u>

10 NT GOVERNMENT CONTRIBUTIONS

	2019	2018
	\$	\$
Local Government Excellence Programme	-	406,345
Regional Infrastructure Development Fund	6,070	-
Waste Management Programmes	13,501	34,271
Local Government Environment Officer	137,624	3,559
Elected Member AICD Courses	82,811	-
Total NT Government Contributions	<u>240,007</u>	<u>444,175</u>

11 FEDERAL GOVERNMENT CONTRIBUTIONS

	2019	2018
	\$	\$
Local Roads Federal Assistance Grants	1,580,255	1,519,809
AusLink Roads to Recovery - LGANT	672,834	1,032,094
Total Federal Government Contributions	<u>2,253,089</u>	<u>2,551,903</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

12 OTHER OPERATING EXPENSES

	2019	2018
	\$	\$
Internal Management, Advocacy, Representation and Information Services	176,581	167,801
Human Resource Support and Development	2,593	4,565
Engineering and Environment Project Management	32,081	43,797
Natural Resource Management	19,180	15,289
Total Other Operating Expenses	<u>230,435</u>	<u>231,452</u>

13 STATEMENT OF CASH FLOWS

	2,019	2018*
	\$	\$
a) Reconciliation of Cash		
Cash at Bank	9,780,565	10,806,521
Petty Cash Imprest	500	500
	<u>9,781,065</u>	<u>10,807,021</u>
b) Reconciliation of Change in Net Assets to Cash from Operating Activities		
Operating result	(125,903)	326,238
Depreciation	97,902	92,263
(Profit)/loss on sale of fixed assets	(62)	704
	<u>(28,063)</u>	<u>419,205</u>
Increase/(Decrease) in trade and other payables	(869,310)	4,430,990
Increase/(Decrease) in provisions	(2,579)	(11,519)
(Increase)/Decrease in trade and other receivables	13,276	(77,105)
(Increase)/Decrease in other assets	(625)	(540)
Net cash used in operating activities	<u>(887,300)</u>	<u>4,761,031</u>

* Restated - see Note 2

14 SEGMENT INFORMATION

The Local Government Association manages some government grants and monies on behalf of councils in the Northern Territory. The Association operates in Darwin, Australia.

15 CONTINGENT LIABILITIES

The Association is not aware of any contingent liabilities as at 30 June 2019 (30 June 2018: \$nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

**16 UNEXPENDED GRANT MONIES CARRIED FORWARD TO THE 2019/2020
FINANCIAL YEAR**

The Association has recognised liabilities for grants received but not fully expended at year end for projects of \$4,594,605. Included in this figure are unexpended grants totaling \$821,861 being income received in advance for the 2019/2020 financial year.

	Opening Balance 1 July 2018	Movements		Closing Balance 30 June 2019
		Received/ Receivable	Expended	
	\$	\$	\$	\$
Local Roads Funding	788,187	792,069	1,580,256	-
Local Roads Funding received in advance (refer note 6)	-	821,861	-	821,861
Grant income unexpended at end of 2018/19 financial year (refer note 6)				
Big Rivers Mentoring Program	24,600	-	-	24,600
Big Rivers Waste Management Project	13,501	-	13,501	-
Regional Economic Infrastructure Development	20,227	-	6,070	14,157
Local Government Environment Officer	116,440	150,000	137,624	128,816
Facilitate AICD Courses for Elected Members	-	100,000	82,811	17,189
Health, Safety & Security Initiative	3,500,000	87,982	-	3,587,982
Roads To Recovery	190,319	482,515	672,834	-
Other	9,352	-	9,352	-
TOTAL UNEXPENDED GRANTS	4,662,626	2,434,427	2,502,448	4,594,605

17 GOING CONCERN AND EVENTS AFTER THE REPORTING PERIOD

During the year the Association has made a net deficit of \$125,903 and had negative operating cash flows of \$877,300. However the Association has \$9.7million in cash at bank and reserves of \$6.5million with net working capital of \$4.8million. Therefore if funding ceased, the Association has sufficient cash and reserves to continue to operate on existing levels of operation for at least the next 12 months from the date of the financial report.

The Association is dependent on grant funding from the Australian Government for the majority of its revenue used in its roads operations. Should grant funding not be received, the Association will not be able to generate sufficient other revenue to meet future road expenditure.

At the date of this report there exist plans for the Association to be removed from the Local Government Act. As a result, when the new Local Government Act is passed and becomes effective, the Association will incorporate as a Company Limited by Guarantee. The Association currently anticipates this to be no earlier than 1 July 2020. It is envisaged that all assets and liabilities will be transferred from the Association to the new Company once it is established. These financial statements have not taken into account the impact of this change.

The above condition to remove the Association from the Local Government Act indicates the existence of a material uncertainty that may cast significant doubt about the Association's ability to continue as a going concern and therefore the Association may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding that there is a material uncertainty the Executive believes that the Australian and Territory governments will continue to provide funding to the Association. There are also continued plans for control of costs as well as plans to increase self-generated revenue. The executive believes that the Association will continue as a going concern for the ensuing 12 months from the date of this report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

18 RESERVES

	2019	2018*
	\$	\$
OTHER RESERVES		
Local Roads Replacement and Renewal Reserve	2,000,000	2,000,000
Local Roads Future Works Reserve	1,200,000	1,200,000
Legal and Research Reserve	200,000	200,000
Project and Policy Reserve	480,000	480,000
Procurement Services Reserve	120,000	120,000
Property Loan Principal Reserve	200,000	200,000
Total Other Reserves	4,200,000	4,200,000

* Restated - see Note 2

Local Roads Replacement and Renewal Reserve

The reserve is for the renewal or upgrade of the Local Roads managed by the Association.

Local Roads Future Works Reserve

The reserve covers operational and maintenance expenditure on local roads that is carried forward from previous financial years.

Legal and Research Reserve

This reserve is for obtaining legal advice and to commission research on issues.

Project and Policy Reserve

This reserve assists the Association to continue ongoing project delivery and policy development.

Procurement Services Reserve

This reserve assists in the development of procurement services and associated training.

Property Loan Principal Reserve

This reserve will be used to reduce the principal portion of the Association's building loan on the occasion of the loan being renegotiated.

Service Providers

Auditor

Merit Chartered Accountants
Level 2, 9 Cavenagh Street
DARWIN NT 0800

Bank

National Australia Bank
Smith Street
DARWIN NT 0800

Insurance

Jardine Lloyd Thompson
PO Box 2321
FORTITUDE VALLEY BC QLD 4006

Association Sponsors

LGANT offers thanks and acknowledges the assistance provided to it by sponsorships in the 2018-2019 year.

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