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Roper Gulf Regional Council

ABN: 94 746 956 090

Annual report for the financial year ended 30 June 2016

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Chief executive officer's statement

I, Michael Berto, the Chief Executive Officer of Roper Gulf Regional Council, certify that to the best of my knowledge, information and belief:

(a) the financial statements have been properly drawn up in accordance with Australian Accounting Standards, the Local Government Act, and the Local Government (Accounting) Regulations so as to present fairly the financial position of the Council as at 30 June 2016 and the results for the year then ended; and

(b) the financial statements are in accordance with the accounting and other records of the Council.

....

Michael Berto
Chief Executive Officer
Katherine
Dated: 25 October 2016

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Independent Auditor's Report to the members of Roper Gulf Regional Council

We have audited the accompanying financial report of Roper Gulf Regional Council ("the Council"), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Chief Executive Officer's certificate as set out on pages 2 and 5 to 27.

Management's Responsibility for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with that Australian Accounting Standards and the *Local Government Act* and the *Local Government (Accounting) Regulations*, and for such internal control as management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

Deloitte.

Opinion

In our opinion, the financial report of Roper Gulf Regional Council presents fairly, in all material respects, the Council's financial position as at 30 June 2016 and its financial performance for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act* and the *Local Government (Accounting) Regulations*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

L C Girolamo
Partner
Chartered Accountants
Darwin, 25 October 2016

Statement of profit or loss and other comprehensive income for the financial year ended 30 June 2016

	Note	Year end 30 June 2016 $	Year end 30 June 2015 $
Revenue			
Grants and contributions	4(a)	**21,422,232**	22,448,490
User charges and fees	4(b)	**361,349**	292,249
Rates and other charges	4(c)	**1,433,941**	1,201,890
Other revenue	4(d)	**16,525,691**	13,740,172
Gains on disposal of assets		**382,797**	395,787
Investment income		**284,624**	270,438
Total Revenue		**40,410,634**	38,349,026
Expenses			
Employee costs	5(a)	**18,779,581**	18,735,428
Materials and contracts	5(b)	**7,394,238**	8,121,415
Depreciation and amortisation		**4,494,952**	3,636,140
Other expenses	5(c)	**7,958,318**	8,804,040
Total Expenses		**38,627,089**	39,297,023
Surplus (Deficit) for the year		**1,783,545**	(947,997)
Other comprehensive income for the year			
Items that will not be reclassified subsequently to profit or loss:			
Gain on revaluation of property, plant and equipment		**-**	23,725,559
Total comprehensive income for the year		**1,783,545**	**22,777,562**

Notes to the financial statements are included on pages 9 to 29

Statement of financial position
as at 30 June 2016

	Note	2016 $	2015 $
Current assets			
Cash and cash equivalents	17	**11,096,774**	13,229,260
Trade and other receivables	6	**1,389,090**	1,341,947
Other financial assets	7	**2,571,822**	599,336
Inventories		**129,356**	230,377
Other assets		**71,543**	39,296
Total current assets		**15,258,586**	15,440,216
Non-current assets			
Property, plant and equipment	8	**55,634,801**	54,097,451
Total non-current assets		**55,634,801**	54,097,451
Total assets		**70,893,386**	69,537,667
Current liabilities			
Trade and other payables	9	**3,646,903**	3,964,237
Provisions	10	**1,527,202**	1,665,201
Total current liabilities		**5,174,105**	5,629,438
Non-current liabilities			
Provisions	10	**411,796**	384,289
Total non-current liabilities		**411,796**	384,289
Total liabilities		**5,585,901**	6,013,727
Net assets		**65,307,485**	63,523,940
Equity			
Revaluation reserve	16	**44,170,031**	44,170,031
Accumulated funds		**21,137,454**	19,353,909
Total equity		**65,307,485**	63,523,940

Notes to the financial statements are included on pages 9 to 29

Statement of changes in equity
for the financial year ended 30 June 2016

	Revaluation Reserve $	Accumulated Funds $	Total $
Balance as at 1 July 2014	20,444,472	20,301,906	40,746,378
Total comprehensive income for the year	23,725,559	(947,997)	22,777,562
Balance at 30 June 2015	44,170,031	19,353,909	63,523,940
Balance as at 1 July 2015	**44,170,031**	**19,353,909**	**63,523,940**
Total comprehensive income for the year	**-**	**1,783,545**	**1,783,545**
Balance at 30 June 2016	**44,170,031**	**21,137,454**	**65,307,485**

Notes to the financial statements are included on pages 9 to 29

Statement of cash flows
for the financial year ended 30 June 2016

	Note	Year end 30 June 2016 $	Year end 30 June 2015 $
Cash flows from operating activities			
Grants received		**21,422,232**	22,448,490
Receipts from customers		**18,342,612**	16,854,607
Interest received		**284,624**	270,438
Payments to suppliers and employees		**(34,559,962)**	(35,236,898)
Net cash generated by/(used in) operating activities	17(b)	**5,489,506**	4,336,637
Cash flows from investing activities			
Payments for property, plant and equipment		**(6,137,168)**	(1,290,409)
Proceeds from sale of property, plant and equipment		**487,661**	734,183
Acquisitions of short-term investments		**(1,972,486)**	(19,050)
Net cash used in investing activities		**(7,621,992)**	(575,276)
Cash flows from financing activities			
Net cash (used in)/ provided by financing activities		**-**	-
Net increase/(decrease) in cash and cash equivalents		**(2,132,486)**	3,761,361
Cash and cash equivalents at the beginning of the financial year		**13,229,260**	9,467,899
Cash and cash equivalents at the end of the financial year	17(a)	**11,096,774**	13,229,260

Notes to the financial statements are included on pages 9 to 29

1. General information

The Roper Gulf Regional Council (the "Council" or "RGRC") was established as a body corporate by a restructuring order under section 114C of the Local Government Act on 16 October 2007. The Council came into full operation on 1 July 2008, when it merged with other constituent councils to form the local government authority, also referred to as the Roper Gulf Regional Council. The new council incorporated six (6) local government bodies:

1. Borroloola Community Government Council;
2. Jilkminggan Community Government Council;
3. Mataranka Community Government Council;
4. Numbulwar Numburindi Community Government Council;
5. Nyirranggulung Mardulk Ngadberre Regional Council;
6. Yugul Mangi Community Government Council; and
   a large area of currently unincorporated land, the Gulf, Roper Valley, Stuart Plateau and Southern Arnhem Land.

Roper Gulf Regional Council registered office and its principal place of business is as follows:

Registered office	**Principal place of business**
P.O. Box 1321,	29 Crawford Street
Katherine, NT 0851	Katherine, NT 0850

The Council has its main office located in Katherine, Northern Territory. The business of the Council is conducted within the community government area situated in the Northern and Eastern Regions around Katherine.

The purpose of this financial report is to provide users with information about the stewardship of the Council and accountability for the resources entrusted to it, information about the financial position, performance and cash flow of the Council.

2. Application of new and revised Accounting Standards

2.1 Amendments to AASBs and the new Interpretation that are mandatorily effective for the current year

In the current year, the Council has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has resulted in no significant changes to the Council's accounting policies.

Standards affecting presentation and disclosure

AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	This amendment completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. The application of the amendments does not have any material impact on the disclosures or on the amounts recognised in the Council's financial statements.
AASB 2015-4 'Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent	The amendments to AASB 128 align the relief available in AASB 10 and AASB 128 in respect of the financial reporting requirements for Australian groups with a foreign parent. The amendments require that the ultimate Australian entity shall apply the equity method in accounting for interests in associates and joint ventures if either the entity or the group is a reporting entity, or both the entity and group are reporting entities. The application of these amendments does not have any impact on the disclosures in the Council's financial statements.

The application of these amendments does not have any material impact on the disclosures or the amounts recognised in the Council's financial statements.

2.1 Amendments to AASBs and the new Interpretation that are mandatorily effective for the current year

At the date of authorisation of the financial report, the following Standards and Interpretations were in issue but not yet effective:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers', AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15', AASB 2015-8 'Amendments to Australian Accounting Standards – Effective Date of AASB 15', and AASB 2016-3 'Amendments to Australian Accounting Standards – Clarifications to AASB 15'	1 January 2018	30 June 2019
AASB 16 'Leases'	1 January 2019	30 June 2020
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2016-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107'	1 January 2017	30 June 2018
AASB 2016-4 'Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities'	1 January 2017	30 June 2018

The Council has not yet assessed the full impact of these amendments.

3. Significant accounting policies

Financial reporting framework

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, the requirements of the Local Government Act, the Local Government (Accounting) Regulations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). The Council is a not-for-profit entity for financial reporting purposes.

The financial statements were authorised for issue by the councillors on 26 October 2016.

The Local Government Reporting Entity

The resources Council controls to carry on its functions have been included in the financial statements forming part of the report.

A summary of activities listing along with their contribution to the operating result is provided in the notes to the financial statements. In the process of reporting on the local government as a single unit, all transactions and balances between those activities (for example, loans and transfers between activities) have been eliminated.

Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for certain properties that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Council takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 'Inventories' or value in use in AASB "Impairment of Assets"

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) **Revenue and Other Income**

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

<u>Grants, Donations and other Contributions</u>
Grants, Donations and other Contributions are recognised in the statement of profit or loss and other comprehensive income when the entity obtains control or the right to receive the grant, donation or other contribution, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes.

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

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

(b) **Leasing**

Council as lessor
Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Council as lessee
Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(c) **Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Council in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(d) **Income tax**

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

(e) **Property, plant and equipment**

Property plant and equipment other than Land, Building, Site Improvement and Structure and Roads is carried at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Asset Recognition Threshold
Purchase of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than $5,000 which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Revaluations
Land, Building, Site Improvement and Structure and Roads are measured at fair value, in accordance with AASB 116 Property, Plant and Equipment and AASB 13 Fair Value Measurement.

Following initial recognition at cost, Land, Building, Site Improvement and Structure and Roads are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted in sufficient frequency (from 3 to 5 years) to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the end of reporting date. The regularity of independent valuations depends upon the volatility of movements in market values of relevant assets.

A comprehensive revaluation of entire Land, Building, Site Improvement and Structure and Roads of the Council as of 30 June 2015 was conducted by Maloney Field Services. Accordingly, the carrying amount of the assets (Land, Building, Site Improvement and Structure and Roads) after revaluation is the restated amount calculated by eliminating any accumulated depreciation as at revaluation date against the gross carrying amounts of the assets.
Revaluation adjustments are made on a class basis. Any revaluation increment upon appraisal is recognised in other comprehensive income and credited to the asset revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income.

Revaluation decrements are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any asset revaluation reserve in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation reserve remaining in equity on disposal of the asset is transferred to accumulated funds.

Depreciation
Depreciable property, plant and equipment are written off to their estimated residual values over their estimated useful lives to the Council using, in all cases, the straight line method.

Useful lives, residual values and depreciation methods are reviewed at each reporting period and necessary adjustments are recognised in the current or current and future reporting periods, as appropriate.

The estimated useful lives used for each class of depreciable assets are:

Class of Fixed Asset	**Useful Life**
Buildings and Infrastructure	10-40 years
Plant and Equipment	4-10 years
Furniture, Fixtures and Fittings	4-10 years
Motor Vehicles	5 years
Roads	20 years

Impairment
Property, plant and equipment were assessed for impairment at 30 June 2016. Where indications of impairment exists, the assets' recoverable amount is estimated and an impairment adjustments is made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less cost to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows and the asset would be replaced if the Council were deprived of the asset, value in use is taken to be its depreciated replacement cost.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or where no future economic benefits are expected from its use or disposal.

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

Land under Roads
The Council has elected not to value or recognise as an asset land under roads acquired prior to 1 July 2008 in accordance with the election available under AASB 1051 *Land Under Roads*. Land under roads acquired after 1 July 2008 will be recognised at cost. The cost of the land under roads will be the fair value as at the date of the acquisition.

(f) Provisions

Provisions are recognised when the Council has a present obligation (legal or constructive) as a result of a past event, it is probable that the Council will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(g) Financial instruments

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Loans and receivables
Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Derecognition of financial assets
The Council derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Council neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Council recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Council retains substantially all the risks and rewards of ownership of a transferred financial asset, the Council continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Council retains an option to repurchase part of a transferred asset), the Council allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities

Financial liabilities
Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities
Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities
The Council derecognises financial liabilities when, and only when, the Council's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(h) **Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:
- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

(i) **Critical accounting judgments and key sources of estimation uncertainty**

In the application of the Council's accounting policies, which are described in note 2, the directors are required to make judgments, estimates and assumptions about carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are significant management judgements and estimates in applying the accounting policies of the Council that have the most significant effect on the financial statements.

Useful Lives of Depreciable Assets
The Council estimates the useful lives of depreciable assets based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Fair Value of Non-Financial Assets
Management uses valuation techniques to determine the fair value of non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the asset. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (see Note 8).

(j) **Functions**

Revenues, expenses and assets have been attributed to the following functions/activities. The Council believes that it is not practical at this stage to reliably attribute the carrying amounts of the assets to the functions/activities. Functions have been broken down to the following components:

General Public Services
Administrative, legislative and executive affairs, financial and fiscal affairs, general research and general services.

Economic Affairs
General economic, agriculture and forestry, fuel and energy, other labour and employment affairs, CDEP/RJCP, transport and other industries, saleyards and tourism.

Environmental Protection
Waste management, pollution reduction, protection of biodiversity and landscape and protection and remediation of soil, groundwater and surface water.

Housing and Community Amenities
Housing, housing and community development, water supply and street lighting.

Health
Well baby clinics, dental health services and home nursing services, nursing and convalescent home services, immunisation, infant nutrition and child health, family planning services.

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

Education
Administration, inspection, support, operation, etc of education programs and services.

Social Protection
Outlays on day care services, family day care, occasional care and outside school hours care, aged services, shelter protection, drug and alcohol treatment programs.

4. Revenue and other income

a) Grants and contributions

	2016 $	2015 $
Operating grant - Australian Government	**2,971,004**	2,831,577
Operating grant - NT Government	**3,467,756**	3,457,527
Special purpose grant - Australian Government	**8,256,032**	8,954,577
Special purpose grant - NT Government	**4,649,514**	4,549,058
Capital grant - Australian Government	**161,434**	1,361,056
Capital grant - NT Government	**1,864,016**	1,199,640
Other grants and contributions	**52,477**	95,055
Total grants and contributions	**21,422,232**	22,448,490

b) User charges and fees

	2016 $	2015 $
Property lease rental fee	**152,728**	140,441
Other user charge	**208,621**	151,808
Total user charges and fees	**361,349**	292,249

c) Rates and annual charges

	2016 $	2015 $
General rate income base	**872,220**	716,033
Domestic waste charge income base	**561,720**	485,857
Total rates and annual charges	**1,433,941**	1,201,890

d) Other revenue

	2016 $	2015 $
Reimbursement income[1]	**656,382**	5,078,728
Fuel and Sundry Sales	**662,622**	476,089
Service fee	**555,240**	709,037
Contract fees – Federal and NT Government	**14,228,995**	6,636,866
Other operating income	**422,452**	839,452
Total other revenue	**16,525,691**	13,740,172

[1]Due to the change in working modality of CDP (Previously RJCP), income recorded under “Reimbursement Income” during 2014-15 is recorded under the Contract fees – Federal and NT Government during 2015-16.

5. Expenses

a) Employee costs

	2016 $	2015 $
Salaries wages and leave entitlements	**15,318,219**	15,475,297
Superannuation	**1,500,377**	1,412,256
Workers compensation	**564,529**	557,523
Allowances and other staff costs	**1,396,455**	1,290,352
Total employee costs	**18,779,581**	18,735,428

b) Materials and contracts

	2016 $	2015 $
Consultants	**1,158,663**	1,279,115
Contractors	**5,178,340**	4,986,326
Materials	**1,057,236**	1,855,974
Total materials and contracts	**7,394,238**	8,121,415

c) Other expenses

	2016 $	2015 $
Accounting and audit fees	**68,924**	89,683
Advertising	**22,320**	23,655
Bad debts expense	**57,447**	5,505
Bank fees and charges	**12,309**	13,351
Chairman and councillor payments	**313,531**	307,408
Communication	**452,963**	462,879
Contributions and donations	**34,157**	35,673
Cost of sales	**292,917**	249,981
Food and catering	**346,984**	515,595
Freight	**154,041**	177,255
Fuel and oil	**540,646**	694,373
Insurance	**501,879**	565,333
Leases	**1,160,649**	648,216
Legal fees	**30,918**	4,403
Licenses and registrations	**146,785**	201,766
Memberships and subscriptions	**79,770**	63,161
Repairs and maintenance	**332,224**	329,352
Printing and stationeries	**132,759**	137,316
Software and computer expenses	**49,723**	21,441
Trainings and seminars	**243,652**	1,030,871
Travel and accommodation	**755,393**	1,108,006
Utilities	**851,701**	892,051
Other expenses	**1,376,628**	1,226,766
	7,958,318	8,804,040

6. Trade and other receivables

	2016 $	2015 $
Trade receivables	**1,070,715**	1,064,596
Allowance for doubtful debts	**(27,500)**	(19,208)
	1,043,215	1,045,388
Rates receivable	**454,614**	375,352
Allowance for doubtful rates receivable	**(108,739)**	(78,792)
	345,875	296,559
	1,389,090	1,341,947

The average credit period on sales of goods and services is 30 days. No interest is charged on trade receivables however, interest is charged at 18% per annum on outstanding rates. The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment.

The following table details Council's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Council and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Council. The balances of receivables that remain within initial trade terms are considered to be of high credit quality.

Ageing of receivables that are past due but not impaired

				Past Due		
	Gross Amount	**Past Due and Impaired**	**Not Past Due**	**31-60 days**	**61-90 days**	**> 90 days**
2016						
Trade receivables	**1,070,715**	**27,500**	**478,005**	**559,504**	**5,247**	**459**
Other receivables	**454,614**	**108,739**	**-**	**-**	**-**	**345,875**
	1,525,329	**136,239**	**478,005**	**559,504**	**5,247**	**408,407**
2015						
Trade receivables	1,064,596	19,208	926,674	3,416	3,007	24,153
Other receivables	375,352	78,792	-	-		296,559
	1,439,948	98,000	926,674	3,416	3,007	320,712

The Council does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired. The other classes of receivables do not contain impaired assets. The Council does not hold any collateral over any receivables balances. The Council holds a charge over rateable property allowing it to collect impaired receivables on sale.

Movement in the allowance for doubtful debts

	2016 **$**	2015 $
Balance at the beginning of the year	**98,000**	73,000
Impairment losses recognised on receivables	**57,447**	25,000
Impairment loss reversed	**(19,208)**	-
Balance at the end of the year	**136,239**	98,000

7. Other financial assets

	2016 **$**	**2015** **$**
Held-to-maturity investments carried at amortised cost		
Short-term deposits (i)		
Term Deposit - Credit Union Australia	**1,000,000**	
Term Deposit – National Australia Bank	**1,521,822**	-
Traditional Credit Union	**-**	549,336
Investments at cost		
Other (ii)	**50,000**	50,000
	2,571,822	599,336

(i) The Council holds term deposits that carry a fixed rate of interest. The term deposits are held in Australian banks. The term deposits have an average interest of 3% and a maturity period of less than three months after year end.

(ii) Upon the incorporation of CouncilBiz, the Council made an initial funding contribution of $50,000

CouncilBiz was incorporated as a Local Government subsidiary on 10 June 2008 and commenced operations on 1 July 2008 providing administrative, ICT and Business Systems support services to the 8 member Shires. It is a Local Government subsidiary, created as part of the Northern Territory Local Government Reform Agenda, under the Local Government Act 2008 and Regulations.

Under the terms and conditions of CouncilBIZ Constitution, the debts and liabilities of CouncilBiz are guaranteed by the members in equal shares or on the basis of the formula agreed by the members.

Upon the dissolution of CouncilBiz, the amount that remains after such dissolution and the settlement of all debts and liabilities shall be transferred to another organisation with a similar purpose as agreed to by the members with similar rules to CouncilBiz, such as prohibiting the distribution of assets and income to its members.

8. Property, plant and equipment

	2016 $	**2015 $**
Carrying amounts of:		
Land and improvements	**4,101,715**	2,513,080
Buildings and infrastructure	**44,053,938**	43,707,713
Roads	**3,118,406**	3,337,168
Plant and equipment	**2,514,722**	2,040,555
Furniture and fixtures	**4,550**	10,645
Motor vehicles	**1,781,886**	2,488,290
Capital work in progress	**59,584**	-
	55,634,801	54,097,451

The Council's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements of the Council's freehold land and buildings as at 30 June 2015 were performed by Maloney Field Services, independent valuers not related to the Council. Messrs. Maloney Field Services are members of the Institute of Valuers of Australia, and they have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations.

Details of the Council's freehold land and buildings and information about the fair value hierarchy as at 30 June 2016 are as follows:

	Level 1	**Level 2**	**Level 3**	**Fair value as at 30/06/2016**
Land	1,588,635	-	2,513,080	4,101,715
Buildings and Infrastructure	2,998,008	-	84,108,769	87,106,777
Roads	-	-	7,156,835	7,156,835
	4,586,643	-	93,778,684	98,365,327

Impairment losses recognised in the year

Property, plant and equipment were assessed for impairment at 30 June 2016. Where indications of impairment exists, the assets' recoverable amount is estimated and an impairment adjustments is made if the asset's recoverable amount is less than its carrying amount.

No impairment losses have been recognised in the current year profit or loss. (2015: nil)

8. Property, plant and equipment (cont'd)

	Capital Work in Progress	Land and improvements	Buildings and infrastructure	Roads	Plant and Equipment	Furniture and Fixture	Motor Vehicle	Total
Cost or valuation	Cost	Fair Value	Fair Value	Fair Value	Cost	Cost	Cost	
Balance at 1 July 2014	-	435,000	29,822,280	1,820,508	10,390,053	135,898	9,400,699	52,004,437
Additions	-	557,770	343,627	-	116,331	-	272,681	1,290,409
Disposals	-				(943,796)		(865,869)	(1,809,665)
Revaluation Adjustment	-	1,520,310	54,000,062	5,336,327	-	-	-	60,856,699
Balance at 30 June 2015	-	2,513,080	84,165,969	7,156,835	9,562,588	135,898	8,807,511	112,341,880
Additions	59,584	1,588,635	2,998,008	-	1,139,500	-	351,441	6,137,168
Disposals	-	-	(57,200)		(384,461)		(1,325,400)	(1,767,062)
Revaluation Adjustment	-	-	-	-				-
Balance at 30 June 2016	59,584	4,101,715	87,106,777	7,156,835	10,317,627	135,898	7,833,552	116,711,986
Accumulated depreciation and								
Balance at 1 July 2014	-		5,065,243	364,100	7,562,193	114,290	5,842,592	18,948,418
Depreciation Expense	-		1,626,415	91,025	750,196	10,963	1,157,541	3,636,140
Eliminated on disposals of assets	-				(790,356)	-	(680,913)	(1,471,269)
Revaluation Adjustment	-		33,766,598	3,364,541	-		-	37,131,139
Balance at 30 June 2015	-	-	40,458,256	3,819,666	7,522,033	125,253	6,319,220	58,244,428
Depreciation Expense			2,612,406	218,763	644,237	6,094	1,013,453	4,494,953
Eliminated on disposals of assets			(17,824)		(363,365)	-	(1,281,007)	(1,662,197)
Revaluation Adjustment			-	-	-		-	-
Balance at 30 June 2016	-	-	43,052,838	4,038,429	7,802,904	131,347	6,051,666	61,077,185
Consolidated book value as at 30 June 2016	59,584	4,101,715	44,053,938	3,118,406	2,514,722	4,550	1,781,886	55,634,801
Range of estimated useful life in years			40 - 100	20-60	5-20	5-15	3-7	-

9. Trade and other payables

	2016 $	2015 $
Trade payables	**3,153,838**	3,089,703
Accrued expenses	**334,905**	853,055
Other	**158,160**	21,479
	3,646,903	3,964,237

The average credit period on purchases of goods and services from the suppliers is one month. Generally no interest is charged on the Trade Payables

10. Provisions

	2016 $	2015 $
Employee benefits	**1,938,998**	**2,049,489**
Current		
Annual leave	**1,196,169**	1,265,784
Long service leave	**331,033**	399,417
	1,527,202	1,665,201
Non-current		
Long service leave	**411,796**	384,289

The provision for employee benefits represents annual leave and vested long service leave entitlements accrued by employees. The increase or decrease in the carrying amount of the provision for the current year results from the change in the number of employees as well as leave encashment by the eligible employees.

11. Commitments

Leases

Operating leases relate to property, equipment and motor vehicles. The property leases have term from one to three years with no option to extend. The rent is a fixed monthly amount and the Council does not have an option to purchase the building at the expiry of the lease term. A rent review may be performed annually to allow for Consumer Price Index changes. The equipment and motor vehicle operating leases have fixed periods from three to five years. There is no option to purchase the leased equipment and vehicles at the expiry of the leases.

	2016 $	2015 $
Non-cancellable operating lease commitments		
Within 1 year	**215,406**	362,545
More than 1 year but less than 5 years	**227,787**	220,800
Balance at end of financial year	**443,193**	583,345

12. Grant Liabilities

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows;

(a) Unexpended Grants

	2016 $	2015 $
Special purpose grant - Australian Government	**1,066,589**	1,997,496
Special purpose grant - NT Government	**1,756,227**	1,104,797
Capital grant - Australian Government	**133,066**	1,353,522
Capital grant - NT Government	**1,568,618**	70,633
Other grants and contributions	**2,727**	-
Total grants and contributions	**4,527,227**	4,526,448

(b) Reconciliation of unexpended grants

	2016 $	2015 $
Unexpended grants as at 1 July	**4,526,488**	4,540,809
Grants received during the year	**21,422,232**	22,448,490
Grants expended during the year	**21,421,453**	22,462,851
Total unexpended grants at 30 June	**4,527,227**	4,526,448

13. Contingent Liabilities

The contingent liabilities have arisen as a result of ongoing litigation. The amount disclosed represents the aggregate amount of such contingent liabilities for which the Council is liable. The extent to which an outflow of funds will be required is dependent on the future outcome of pending litigation.

The Local Court proceeding is in the final interlocutory stages and is expected to be listed for trial in early 2017. Settlement negotiations are ongoing.

As at 30 June 2016, the estimate of financial settlement (including costs and disbursements) is between $40,000 and $150,000.

14. Financial Risk Management

The main risks Roper Gulf Regional Council is exposed to through its financial instruments are credit risk, liquidity risk, market risk and interest rate risk.

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

(a) Risk Management Objectives

The Council has given the Chief Executive Officer (CEO) the power to invest funds of the Council. The Council's objective is to minimise financial risk by investing only in short term deposits with local banks. Before any investments are made, banks are contacted by the Finance Committee to obtain available rates; the Finance Committee will present the information to the CEO who will approve the investment to be made. Monthly reports on investments are prepared and given out at council meetings. The CEO and Finance Committee of the Council receive monthly investment summaries from banks confirming the amount of investments.

(b) Credit Risk

Credit risk is the risk that counterparty may fail to discharge an obligation to the Council. The Council is exposed to this risk for various financial instruments arising from receivables in the conduct of its operations.

The Council minimises risk by only investing cash in government guaranteed financial institutions or one of Australia's big four banks.

The Council continuously monitors defaults of customers and believes that it does not have any significant credit risk exposure to any other counter party or group of counter parties as the Council actively manages credit risk by following up outstanding debtors.

The Council does not have a material credit risk exposure relating to term deposits and bank accounts held with the Traditional Credit Union and Commonwealth Bank of Australia.

The Council believes that it does not have any significant credit risk exposure to any other counter party or group of counter parties as the Council actively manages credit risk by following up outstanding debtors.

None of the Council's financial assets are secured by collateral or other credit enhancements. An ageing analysis of the Council's trade and other receivables is disclosed in Note 7.

(c) Liquidity Risk

Liquidity risk or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may also result from the inability to sell financial assets quickly at their fair values.

The Council reduces its exposure to liquidity risk by monitoring its cash flows closely through rolling future cash flows and monitoring the ageing of receivables and payables.

The Council maintains cash and cash equivalents deemed sufficient to finance its operations. Excess cash are invested in short-term investments to achieve maximum returns.

The tables below summarise the maturity profile of the Council's financial assets held for liquidity purposes and financial liabilities based on remaining contractual undiscounted payments.

		30 June 2016				
	Notes	**Within one year**	**> 1 year < 2 years**	**> 2 year < 5 years**	**> 5 years**	**Total**
Trade and other payables	**9**	**4,459,268**	**-**	**-**		**4,459,268**
		5,986,470	**293,716**	**81,421**	**36,659**	**6,398,266**
		30 June 2015				
Trade and other payables	9	3,964,237	-	-	-	3,964,237
		5,240,814	399,417	213,306	160,189	5,240,814

(d) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Council is exposed to market risk through its use of financial instruments and specifically to interest rate risks from its operating, investing and financing activities.

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Council is exposed to interest rate risk primarily from its cash surpluses invested in short term interest bearing deposits. The deposits are only made with reputable financial institutions with maturity dates generally being no more than 30 days.

	Note	2016 $	2015 $
Short-term deposit	7	**2,521,822**	**549,336**

The Council has not entered into any loans or other financial commitments that present exposure to interest rate risk as at the end of reporting period. Credit cards are the only short term financial instrument used by the Council and balances are cleared at month end.

Interest earned on term deposits after they mature may be affected by changes in market interest rates. The following table represents the effect to the statement of profit or loss and other comprehensive income (and corresponding effect to the cash value in the statement of financial position) when the current market interest rate is varied by a 100 basis point is anticipated to be a reasonable estimate of the maximum movement in market interest rates in financial year 2015-16.

	2016	
	+ 100 basis points	**- 100 basis points**
Effect on statement of profit or loss and other comprehensive income	**25,218**	**(25,218)**

	2015	
	+ 100 basis points	- 100 basis points
Effect on statement of profit or loss and other comprehensive income	5,493	(5,493)

15. Key management personnel compensation

	2016 $	2015 $
Short-term employee benefits	**1,069,373**	899,325
Post-employment benefits	**56,607**	81,019
	1,125,979	980,344

16. Reserves

	2016 $	2015 $
Properties revaluation	**44,170,031**	44,170,031
Balance at beginning of year	**44,170,031**	20,444,472
Increase arising on revaluation of properties	**-**	23,725,559
Balance at end of year	**44,170.031**	44,170,031

The properties revaluation reserve arises on the revaluation of property, plant and equipment. When revalued property, plant and equipment are sold, the portion of the revaluation reserve that relates to that asset is not transferred directly to retained earnings. Items of other comprehensive income included in the revaluation reserve will not be reclassified subsequently to profit or loss.

17. Notes to the statement of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items at the general ledger level as follows:

	2016 $	2015 $
Cash and cash equivalents	**11,096,774**	13,229,260

Interest rates on business account ranged from 1.5% to 1.05% in 2016 and 2.4% to 1.5% in 2015.

Interest income earned from cash and cash equivalents and short-term-deposits (refer to Note 9) amounted to $284,624 (2015: $270,438) and is presented as Investment income in the statement of profit or loss and other comprehensive income.

(b) Reconciliation of loss for the year to net cash flows from operating activities

	2016 $	2015 $
Surplus (Deficit) for the year	**971,180**	(947,997)
Adjustment For :		
Depreciation and amortisation	**4,494,952**	3,636,140
Net profit on disposal of assets	**(382,797)**	(395,787)
Operating profit before changes in working capital	**5,083,335**	2,292,357
Change in working capital:		
Decrease/(increase) in trade and other receivables	**(47,143)**	1,560,019
Increase in inventories	**101,021**	(64,211)
Decrease/(increase) in other assets	**(32,247)**	124,486
Increase/(decrease) in trade and other payables	**495,031**	412,242
Increase in provisions	**(110,491)**	11,744
Net change in working capital	**406,171**	2,044,279
Net cash flows generated from/(used in) Operating activities	**5,489,506**	4,336,637

18. Remuneration of auditors

	2016 $	2015 $
Audit or review of the financial report	**69,003**	**87,328**

The auditor of Roper Gulf Regional Council is Deloitte Touche Tohmatsu.

19. Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the Council, the results of those operations, or the state of affairs of the Council in future financial years.

20. Local Government Reporting

A summary of activities listing along with their contribution to the operating result and their net assets is provided below.

$ in '000'

	General Public Services		Economic Affairs		Environmental Protection		Housing and Community Amenities		Health		Recreation, Culture and Religion		Education		Social Protection		TOTAL	
	Budget 2016 $	***Actual 2016 $***	***Budget 2016 $***	***Actual 2016 $***	***Budget 2016 $***	***Actual 2016 $***	***Budget 2016 $***	***Actual 2016 $***	***Budget 2016 $***	***Actual 2016 $***	***Budget 2016 $***	***Actual 2016 $***	***Budget 2016 $***	***Actual 2016 $***	***Budget 2016 $***	***Actual 2016 $***	***Budget 2016 $***	***Actual 2016 $***
OPERATING REVENUE																		
Income Rates	835	872	-	-	-	-	527	562	-	-	-	-	-	-	-	-	1,362	1,434
Income Council Fees and Charges	83	81	551	580	-	-	148	144	-	-	0	0	-	0	-	-	782	806
Income Operating Grants Subsidies	8,359	8,196	1,828	1,688	20	15	1,154	1,573	15	15	1,283	1,286	910	910	5,693	5,714	19,263	19,397
Income Investments	244	274	-	-	-	-	-	0	-	-	-	1	-	0	-	9	244	285
Income Contributions Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income Reimbursements	24	103	53	5	-	-	6	7	-	-	-	-	-	-	590	542	672	656
Income Agency and Commercial Services	42	53	1,693	1,767	-	-	1,984	1,932	-	-	2	-	25	34	10,887	10,699	14,631	14,484
Income Capital Grants	980	980	135	135	-	-	505	880	-	-	30	30	-	-	-	-	1,651	2,025
Other Income	442	478	3	3	-	-	24	24	-	-	1	1	3	0	19	5	491	511
TOTAL OPERATING REVENUE	11,008	11,037	4,263	4,178	20	15	4,348	5,122	15	15	1,317	1,319	938	945	17,189	16,967	39,096	39,598
OPERATING EXPENSE																		
Employee Expenses	6,151	6,335	785	742	-	-	3,692	3,738	-	-	929	862	881	846	6,449	6,217	18,887	18,741
Contract and Material Expenses	2,776	2,417	2,019	1,078	15	7	3,095	3,025	-	13	818	605	116	93	1,750	2,081	10,589	9,320
Fleet, Plant & Equipment	353	338	16	18	-	-	573	745	-	0	16	12	20	14	361	355	1,339	1,483
Asset Expense	4,478	4,495	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,478	4,495
Other Operating Expenses	2,892	2,716	76	56	2	4	493	438	-	-	97	99	128	117	1,107	1,147	4,795	4,576
Finance Expenses	13	12	0	0	-	-	0	0	-	-	-	-	-	-	0	0	13	12
Internal Cost Allocations	(10,311)	(10,381)	955	829	0	0	2,536	2,576	1	1	912	967	518	486	5,389	5,522	0	(0)
TOTAL EXPENSE	6,352	5,932	3,850	2,724	17	11	10,388	10,522	1	15	2,772	2,545	1,663	1,556	15,058	15,323	40,101	38,627
NET RESULT	4,656	5,105	413	1,454	3	4	(6,041)	(5,400)	14	0	(1,455)	(1,226)	(725)	(611)	2,131	1,644	(1,005)	971