



# AGENDA

## AUDIT AND RISK COMMITTEE MEETING

### MONDAY, 19 FEBRUARY 2024

Notice is given that the next Audit and Risk Committee Meeting of the Roper Gulf Regional Council will be held on:

Monday, 19 February 2024 at 10:00am  
The Roper Room, Roper Gulf Regional Council Support Centre,  
2 Crawford Street, Katherine, NT

Or via  
Microsoft Teams meeting  
(Join on your computer, mobile app or room device)

[Click here to join the meeting](#)

Meeting ID: 430 371 757 518

Passcode: 2b3v3M

**Or please call in (audio only)**

[+61 2 8320 9269](#)

When prompted, enter Conference ID: 886 817 54#

Your attendance at the meeting will be appreciated.

A handwritten signature in black ink, appearing to read "Marc Gardner", is positioned above the name and title of the Chief Executive Officer.

Marc GARDNER  
CHIEF EXECUTIVE OFFICER

## PLEDGE

“We pledge to work as one towards a better future through effective use of all resources.

We have identified these key values and principles of Honesty, Equality, Accountability, Respect and Trust as being integral in the achievement of our vision, that the Roper Gulf Regional Council is Sustainable, Viable and Vibrant.”

## PRAMIS BLA WI

“Mela pramis bla wek gudbalawei bla meigim futja bla wi wanwei, en bla yusim ola gudwan ting bla helpum wi luk lida.

Mela bin luk ol dijlod rul, ebrobodi gada tok trubalawei, wi gada meik so wi gibit firgo en lisiin misalp, abum rispek en trastim misalp bla jinggabat bla luk lida, Roper Galf Rijinul Kaunsul deya maindim en kipbum bla wi pramis, dum wek brabli gudbalawei, en im laibliwan.”

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	Nil.	
17	<b>CLOSED SESSION</b>	

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## 17.1 Confirmation of Previous Minutes of the Confidential Session

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv) (d), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person; AND information subject to an obligation of confidentiality at law, or in equity.*

## 17.2 Action List

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iii) (c)(iv) (d), information that would, if publicly disclosed, be likely to prejudice the security of the council, its members or staff; AND information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person; AND information subject to an obligation of confidentiality at law, or in equity.*

## 17.3 Nomination of a Chairperson

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.*

## 17.4 Terms of Reference

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.*

## 17.5 Audit Committee Workplan

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.*

## 17.6 Website Compliance

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.*

## 17.7 Update on current legal matters

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(a) (c)(i), information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual; AND information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on any person.*

## 17.8 Risk Register Update

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iii) (c)(iv), information that would, if publicly disclosed, be likely to prejudice the security of the council, its members or staff; AND information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.*

## 17.9 CDP Right Fit For Risk Cyber Security Accreditation Program and Progress

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(i) (c)(iii), information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on any person; AND information that would, if publicly disclosed, be likely to prejudice the security of the council, its members or staff.*

## 17.10 Executive Report – Corporate Services and Sustainability

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(i) (c)(iii), information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on any person; AND information that would, if publicly disclosed, be likely to prejudice the security of the council, its members or staff.*

## 17.11 Tender Award for Provision of Audit Services for a period of 3 years

*The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(i), information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on any person.*

**RESUMPTION OF MEETING****18 CLOSE OF MEETING**

**CONFIRMATION OF PREVIOUS MINUTES**

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<b>ITEM NUMBER</b>	6.1
<b>TITLE</b>	Confirmation of Audit and Risk Committee Previous Minutes - 23 October 2023
<b>REFERENCE</b>	1388465
<b>AUTHOR</b>	Bhumika ADHIKARI, Governance Officer

**RECOMMENDATION**

That the Audit and Risk Committee confirms the draft minutes of the Audit and Risk Committee Meeting held on 23 October 2023 and affirms them to be a true and accurate record of that meetings decisions and proceedings.

**BACKGROUND**

The Audit and Risk Committee last met on Monday, 23 October 2023 at 11:00am. Attached are the unconfirmed minutes of the Audit and Risk Committee Meeting for the Committee's review and confirmation.

**ISSUES/OPTIONS/SWOT**

The next Audit and Risk Committee Meeting is scheduled to be held on Wednesday, 12 June 2024.

**FINANCIAL CONSIDERATIONS**

Nil.

**ATTACHMENTS**

- 1 Audit and Risk Committee 2023-10-23 [2358] Minutes.DOCX



MINUTES OF THE ROPER GULF REGIONAL COUNCIL, AUDIT AND RISK COMMITTEE MEETING HELD AT THE ROPER ROOM, ROPER GULF REGIONAL COUNCIL SUPPORT CENTRE,  
2 CRAWFORD STREET, KATHERINE, NT  
ON MONDAY, 23 OCTOBER 2023 AT 11:00AM

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## 1 PRESENT MEMBERS/STAFF/GUESTS

### 1.1 Members

- Independent Member Ian SWAN (Chairperson);
- Independent Member Carolyn EAGLE;
- Independent Member Claudia GOLDSMITH (video conference);
- Councillor John DALYWATER; and
- Councillor Patricia FARRELL.

### 1.2 Staff

- Marc GARDNER, Chief Executive Officer;
- Cindy HADDOW, General Manager Corporate Services and Sustainability;
- Cristian COMAN, Manager Corporate Compliance;
- Maricar RHODES, Executive Assistant to the Chief Executive Officer; and
- Bhumika ADHIKARI, Governance Officer (minute secretary).

### 1.3 Guests

Nil.

## 2 MEETING OPENED

The Audit Committee Meeting opened at 11:07 am.

## 3 WELCOME TO COUNTRY

## 4 APOLOGIES AND LEAVE OF ABSENCE

### 4.1 APOLOGIES AND LEAVE OF ABSENCE

149/2023 RESOLVED (Patricia FARRELL/John DALYWATER)

**CARRIED**

That the Audit and Risk Committee receives and notes the apologies and leave of absence report.

## 5 QUESTIONS FROM THE PUBLIC

**6 CONFIRMATION OF PREVIOUS MINUTES****6.1 CONFIRMATION OF AUDIT AND RISK COMMITTEE PREVIOUS MINUTES - 16 AUGUST 2023****150/2023 RESOLVED (Patricia FARRELL/Carolyn EAGLE)****CARRIED**

That the Audit and Risk Committee confirms the draft minutes of the Audit and Risk Committee Meeting held on 16 August 2023 and affirms them to be a true and accurate record of that meetings decisions and proceedings.

**7 BUSINESS ARISING FROM PREVIOUS MINUTES****7.1 ACTION LIST****151/2023 RESOLVED (John DALYWATER/Patricia FARRELL)****CARRIED**

That the Audit and Risk Committee:

- (a) receives and notes the Action List; and
- (b) approves the removal of completed items.

**8 CALL FOR ITEMS OF GENERAL BUSINESS****9 DISCLOSURES OF INTEREST**

There were no declarations of interest at this Audit Committee Meeting.

**10 INCOMING CORRESPONDENCE**

Nil.

**11 OUTGOING CORRESPONDENCE**

Nil.

**12 GENERAL BUSINESS****13 EXECUTIVE REPORTS****13.1 PROCUREMENT OF AUDITING SERVICES FOR A PERIOD OF 3 YEARS****152/2023 RESOLVED (Claudia GOLDSMITH/Patricia FARRELL)****CARRIED**

That the Audit and Risk Committee receives and notes the procurement activity being undertaken for the provision of auditing services for a period of 3 years.

**13.2 AUDIT AND RISK COMMITTEE MEMBER ATTENDANCE REPORT****153/2023 RESOLVED (Claudia GOLDSMITH/John DALYWATER)****CARRIED**

That the Audit and Risk Committee receives and notes the Audit and Risk Committee Member Attendance Report.

**14 COMMUNITY SERVICES AND ENGAGEMENT DIVISIONAL REPORT**



**15 CORPORATE SERVICES AND SUSTAINABILITY DIVISIONAL REPORT****15.1 COUNCIL'S FINANCIAL REPORT AS AT 30 SEPTEMBER 2023**

154/2023 RESOLVED (Patricia FARRELL/Carolyn EAGLE)

**CARRIED**

That the Audit and Risk Committee:

- (a) receives and notes the Council's Financial Report as at 30 September 2023; and
- (b) requests provided with update (out of session) on the balance of Account Receivable amount.

**16 INFRASTRUCTURE SERVICES AND PLANNING DIVISIONAL REPORT****17 CONFIDENTIAL ITEMS****MOVE TO CONFIDENTIAL ITEMS**

155/2023 RESOLVED (Carolyn EAGLE/Claudia GOLDSMITH)

**CARRIED**

That pursuant to section 99(2) and 293(1) of the Local Government Act 2019 and section 51(1)(a) of the Local Government (General) Regulations 2021 the meeting be closed to the public to consider the Confidential items of the Agenda.

..

**17.1 Confirmation of Previous Minutes of the Confidential Session** - The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.

**17.2 Risk Register Update** - The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iii), information that would, if publicly disclosed, be likely to prejudice the security of the council, its members or staff.

**17.3 Executive Report - Corporate Services and Sustainability** - The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iii) (c)(iv), information that would, if publicly disclosed, be likely to prejudice the security of the council, its members or staff; AND information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.

**17.4 Draft Audit and Risk Committee Work Plan 23-24** - The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.

**17.5 Update on current legal matters** - The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(d), information subject to an obligation of confidentiality at law, or in equity.

**17.6 Unaudited Financial Statement** - The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.

**17.7 Terms of Reference Review** - The report will conducted in accordance with the Local Government Act 2019 and Local Government (General) Regulations 2021 s51(1)(c)(iv), information that would, if publicly disclosed, be likely to prejudice the interests of council or some other person.

The meeting moved to the Confidential Items at 12:11pm.

**RETURN TO OPEN****156/2023 RESOLVED (Carolyn EAGLE/Claudia GOLDSMITH)****CARRIED**

That pursuant to section 99(2) and 293(1) of the Local Government Act 2019 and section 51(1)(a) of the Local Government (General) Regulations 2021 the meeting be re-opened to the public.

*The meeting re-opened to the public at 1:45 pm.*

**18 ITEMS FOR NEXT MEETING****19 CLOSE OF MEETING**

The meeting closed at 1:46 pm.

This page and the preceding pages are the minutes of the Audit and Risk Committee Meeting held on Monday, 23 October 2023 and will be confirmed .

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Chairperson Ian SWAN  
Confirmed on {insert date}

**BUSINESS ARISING FROM PREVIOUS MINUTES**



<b>ITEM NUMBER</b>	7.1
<b>TITLE</b>	Action List
<b>REFERENCE</b>	1388480
<b>AUTHOR</b>	Bhumika ADHIKARI, Governance Officer

**RECOMMENDATION**

That the Audit and Risk Committee:

- (a) receives and notes the Action List; and
- (b) approves the removal of completed items.

**KEY OUTCOME AREA**

Governance: Increase the effectiveness and efficiency of the organisation, including in engagement with staff members, residents and external stakeholders.

**BACKGROUND**

**ACTION LIST**

**12.1 REVIEW OF THE AUDIT AND RISK COMMITTEE’S TERMS OF REFERENCE**

**REPORT IN AGENDA?**

*140/2023 RESOLVED (Claudia GOLDSMITH/Patricia FARRELL)*

**CARRIED**

That the Audit and Risk Committee recommends that the Terms of Reference review be resubmitted to incorporate all independent member’s comments and those of management including travel budget and amendments for notice for Agenda items.

*Completed*

**15.1 AUDIT AND RISK COMMITTEE WORKPLAN**

*143/2023 RESOLVED (Claudia GOLDSMITH/Patricia FARRELL)*

**CARRIED**

That the Audit and Risk Committee:

- (a) receives and notes the report in relation to the Audit and Risk Committee Work Plan for meeting inclusions; and
- (b) requests that an updated report is provided at the next Audit and Risk Committee Meeting.

*Report included in the Agenda*

**20.3 OUTSTANDING RATE BALANCES & ACTION UNDERTAKEN.****146/2023 RESOLVED (Carolyn EAGLE/Claudia GOLDSMITH)*****CARRIED***

That the Audit and Risk Committee:

- (a) accepts the report for Outstanding Rate Balance & Action Being Undertaken to Recover the Due Rates for The FY 2022-2023;
- (b) considers waiving the interest fees for outstanding rates for 17 Jose Street; and
- (c) makes public the resolution from this report in the open minutes of this Council meeting.

**12.3 REVIEW OF THE RISK MANAGEMENT FRAMEWORK, INCLUDING CONTRACT OUTSOURCING AND PURCHASING PROCEDURES****128/2023 RESOLVED (Carolyn EAGLE/Claudia GOLDSMITH)*****CARRIED***

That the Audit and Risk Committee deferred this item to the next Audit and Risk Committee Meeting on Tuesday, 15 August 2023.

**15.1 COUNCIL'S FINANCIAL REPORT AS AT 30 SEPTEMBER 2023****2/2023 RESOLVED (Patricia FARRELL/Carolyn EAGLE)*****CARRIED***

That the Audit and Risk Committee:

- (a) receives and notes the Council's Financial Report as at 30 September 2023; and
- (b) requests provided with update (out of session) on the balance of Account Receivable amount.

**ISSUES/OPTIONS/SWOT**

Nil

**FINANCIAL CONSIDERATIONS**

Nil

**ATTACHMENTS**

## EXECUTIVE REPORTS

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<b>ITEM NUMBER</b>	13.1
<b>TITLE</b>	Audit and Risk Committee Member Attendance Report
<b>REFERENCE</b>	1388481
<b>AUTHOR</b>	Bhumika ADHIKARI, Governance Officer

### RECOMMENDATION

That the Audit and Risk Committee receives and notes the Audit and Risk Committee Member Attendance Report.

### KEY OUTCOME AREA

Governance: Increase the effectiveness and efficiency of the organisation, including in engagement with staff members, residents and external stakeholders.

### BACKGROUND

The *Local Government Act 2019* states that the Committee Members will be disqualified from a member of a Committee if the person is absent, without permission or the approved apologies of the Committee in accordance with the regulations, from two (2) consecutive Committee meetings.

### Committee Member Attendance

Committee Members	12 April 2023	07 June 2023	16 August 2023	23 October 2023
Independent Member Ian SWAN	P	P	P	P
Independent Member Carolyn EAGLE	P	P	P	P
Independent Member Claudia GOLDSMITH	P	P	P	P
Councillor John DALYWATER	P	AP	AP	P
Councillor Patricia FARRELL	P	P	P	P

#### \*\* Table Key

P	Present
AP	Apologies given and accepted
NO AP	No apologies given and not present at meeting
N/A	Not a Committee Member

### ISSUES/OPTIONS/SWOT

Nil.

### FINANCIAL CONSIDERATIONS

Nil.

### ATTACHMENTS

## CORPORATE SERVICES AND SUSTAINABILITY DIVISIONAL REPORT

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<b>ITEM NUMBER</b>	15.1
<b>TITLE</b>	Actions to maximise Rates Revenue
<b>REFERENCE</b>	1392483
<b>AUTHOR</b>	Cindy HADDOW, General Manager Corporate Services & Sustainability

### RECOMMENDATION

That the Audit and Risk Committee receives and notes the actions to maximise rates revenue for Council.

### KEY OUTCOME AREA

Governance: Increase the effectiveness and efficiency of the organisation, including in engagement with staff members, residents and external stakeholders.

### BACKGROUND

Rates are a form of local taxation that are levied on properties in order to fund the provision of essential services by local councils. Rates are generally calculated based on the value of the property, and are due to be paid in instalments throughout the year.

Council and its Committees have been discussing through 2023 some of the challenges associated with rates calculations and collections. Particularly in relation to:

1. Conditional Rating that is imposed by the Northern Territory Government, limiting the rates charges that can be applied to Pastoral and Mining Properties
2. The decommissioning of Tech 1 and the need to find an alternative system to manage the administration of rates for Council.
3. Ensuring that all property details are up to date and that rates declarations are applied to all eligible properties in a fair, equitable manner that ensures maximum revenue for Council.
4. Determining an approach to particular property types, such as onshore gas operations and agricultural use (eg: cotton farming).

Overall the specialist nature and challenges associated with rates in the Northern Territory have proved difficult for Council to manage internally.

### ISSUES/OPTIONS/SWOT

Council is taking a multi faceted approach to address the identified challenges and risks with rating. An overview of these are provided for the Committee's information.

1. Council continues to work with LGANT on lobbying the Northern Territory Government on the inequities of the Conditional Rating System. LGANT has engaged the services of Mead Perry Group as a consultancy to expand on their work on benchmarking Conditional Rating that was conducted in 2021 and led to an increase of 150% on Conditional Rating Amounts.

2. Councilwise has been identified as the alternative system to manage rates on behalf of the Council. Council has utilised collective buying power through Councilbiz for a substantial reduction in the initiation and licencing costs of implementation.
3. Councilbiz has been engaged on a consultancy basis to that all property details are up to date and that rates declarations are applied to all eligible properties in a fair, equitable manner that ensures maximum revenue for Council.
4. Mead Perry has been engaged by Council on a consultancy basis to undertake a general rate review, investigate options for revised rating methodology, provide recommendations regarding options and support the implementation prior to the 2023/24 budget cycle.

### **FINANCIAL CONSIDERATIONS**

At this stage, it is expected that Council will see a substantial increase in rating revenue due to the work undertaken through both Councilbiz and Mead Perry. The actual increases will be monitored and reported to the Committee as the consultancy reports are reviewed.

### **ATTACHMENTS**

There are no attachments for this report.

**CORP SERVICES AND SUSTAINABILITY  
DIVISIONAL REPORT**

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<b>ITEM NUMBER</b>	15.2
<b>TITLE</b>	Council's Financial Report as at 31 December 2023
<b>REFERENCE</b>	1392536
<b>AUTHOR</b>	James SANDERS, Finance Manager

**RECOMMENDATION**

That the Audit and Risk Committee receives and notes the Council's Financial Report as at 31 December 2023.

**KEY OUTCOME AREA**

Economic Development: Foster strengthening and growing jobs, industries, and investment attraction.

**BACKGROUND**

Attached are the Council's financial reports as at 31 December 2023, including:

- Balance Sheet;
- Income and expenditure report by account category with explanation on variances;
- Financial Ratio Analysis;
- Cash-at-bank Statement and 12-month graph on cash balances;
- Investment Report;
- Capital Expenditure Report;
- Accounts Receivable Age Analysis report and a summary of outstanding rates;
- Accounts Payable Age Analysis report and list of top ten payments made to suppliers

The balance sheet has been prepared as per prevailing accounting standards, practice and in compliance with the applicable *Local Government Act 2019*. The Income and Expenditure Report as at the end of November shows that the net operating position is at a deficit of \$7,672,325 inclusive of depreciation and amortisation costs.

The bank balance as at 31 December is \$37.34M. Of this total bank balance, \$27M is invested in various interest earning term deposits. The total balance of untied cash after liabilities and commitments towards major projects is \$3.27M.

As per the *Local Government Act 2019*, the monthly financial reports has to be certified by the Chief Executive Officer

**Chief Executive Officer's Declaration**

To the Council,

I, Marc Gardner, Chief Executive Officer of the Council, certify that to the best of my knowledge, information and belief:

- (i) the internal controls implemented by the council are appropriate: and
- (ii) the council's financial report best reflects the financial affairs of the Council





Marc Gardner,  
Chief Executive Officer  
19 January 2024

## ISSUES/OPTIONS/SWOT

### Provision for Landfill Rehabilitation

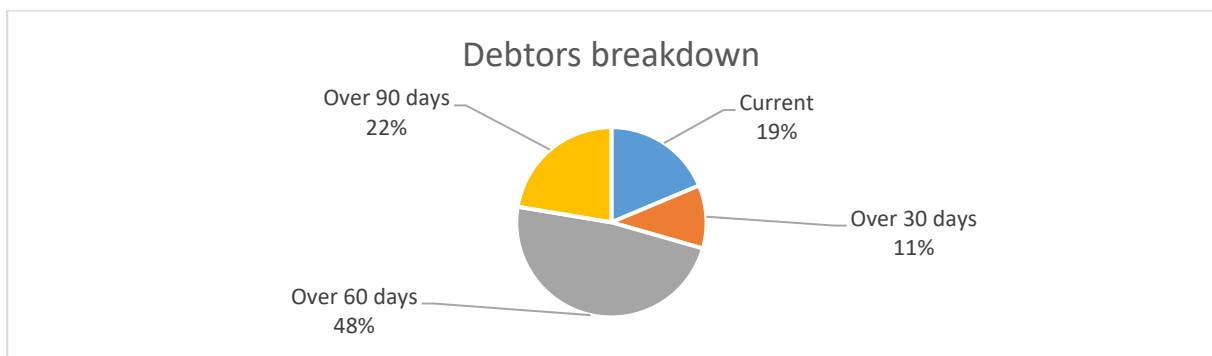
As per recent environmental regulations, Council's waste management operations give rise to obligations to rehabilitate certain sites. As such the liability component of the estimated future cost has to be included in the financial statement for a fair representation of Council's financial affairs.

### Statement on Australian Tax Office, Payroll and any other obligations.

The reported Payroll Tax obligations were paid by the due date as required by the Tax Office. The Business Activity Statement reporting for December 2023 will be processed prior to month end January. Furthermore all superannuation obligations and insurance premium have been paid by the due date.

### Debtors Analysis:

Debtors currently sit at 193K with 90 day plus debtors representing 22% of this figure. A review of 90 day debtors is currently underway to ascertain the validity of these amounts, transactions relating to internal staff are being reviewed in line with balance sheet liabilities as part of this process.



## FINANCIAL CONSIDERATIONS

Nil.

## ATTACHMENTS

- 1 Financial Reports - December Final 2023.pdf



# Financial Reports

## at 31 December 2023

# The Balance Sheet – a snapshot of the organisation’s financial status at a given point in time

**\$121,548,004**

What we own



**Assets**

**\$22,143,292**

What we owe



**Liabilities**

**\$99,404,712**

Council's Wealth



**Equity**

## Balance Sheet as at 31 December 2023

ASSETS (What we own)		LIABILITIES (What we owe)	
<b>Current Assets</b>		<b>Current Liabilities</b>	
Cash	10,353,274	Accounts payable	620,549
Accounts receivable	194,274	Taxes payable	602,705
(less doubtful accounts)		Accrued Expenses	-173,720
Rates & Waste Charges Receivable	929,490	Provisions (Annual Leave)	1,895,681
Inventory	577,065	Contractors Retention and Deposit Bonds	301,169
Investments	27,000,000	Operating Lease	92,497
Other current assets	233,204	Unspent Grant and Client Funds	10,710,297
<b>Total Current Assets</b>	<b>39,287,307</b>	Provision for Landfill Rehabilitation	579,384
		<b>Total Current Liabilities</b>	<b>12,505,306</b>
<b>Non-current Assets</b>		<b>Long-term Liabilities</b>	
Land	4,141,000	Non Current Provision Employee General	420,833
Right of Use - Land	4,589,323	Operating Lease Expense Property	4,845,574
Buildings	40,313,316	Provision for Landfill Rehabilitation	4,371,579
(less accumulated depreciation and impairment)	-6,886,317	<b>Total Long-term Liabilities</b>	<b>9,637,986</b>
Fleet, Plant, Infrastructure and Roads	36,327,449	<b>Total Liabilities</b>	<b>22,143,292</b>
(less accumulated depreciation)	-15,761,488		
Intangible Asset Acquisition(Landfill rehabilitation)	2,604,413	<b>EQUITY (Council's Wealth)</b>	
Work in Progress assets	14,919,154.61	Retained earnings	45,161,972
<b>Total Non-current Assets</b>	<b>82,260,696</b>	Asset Revaluation Reserves	54,242,740
		Roads Future Fund	0
		<b>Total Equity</b>	<b>99,404,712</b>
<b>TOTAL ASSETS</b>	<b>121,548,004</b>	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>121,548,004</b>

## Actual Cash at Bank as at 31 December 2023

<b>BANK:</b>	Closing balance as at 31 December 2023
Commonwealth - Business 10313307	\$7,096,336.65
Monthly interest earned	\$29,881.55
Commonwealth - Operating 10313294	\$116,128.11
Monthly interest earned	\$812.64
Commonwealth - Trust 103133315	\$5,050.97
Monthly interest earned	\$275.52
Commonwealth - Business online - 10381211	\$3,124,066.15
Monthly interest earned	\$10,981.10
Term Deposits in Various Banks	\$27,000,000
Monthly interest earned	\$0.00
<b>Total Cash at Bank</b>	<b>\$37,341,581</b>
<b>LESS:</b>	
Liabilities	\$22,143,292
Committed Funds to Major Projects in Design and Construction Phases and Other Capital Expenditure	\$11,925,497
<b>Total Untied Cash</b>	<b>\$3,272,792</b>
<b>Total Interest Earned for 2023-24 financial year</b>	<b>\$647,861</b>

Note: The "Total Cash at Bank" is the actual Money in the Bank at 31 December 2023.

# Liquidity ratio Analysis

## Current Ratio:

The Current ratio measures our council's ability to use its assets to generate income.

$$\frac{\text{Current Assets}}{\text{Current Liabilities}}$$

A Current ratio of 2:1 means the council has current untied assets of \$2 for every \$1 of current liabilities and is regarded as desirable.

The higher the current ratio, the better the capacity to meet short term financial Commitments.

Roper Gulf Current Ratio = **3 : 1 (2.89)**  
Including all cash and current assets, we have \$3 for every \$1 of Liability

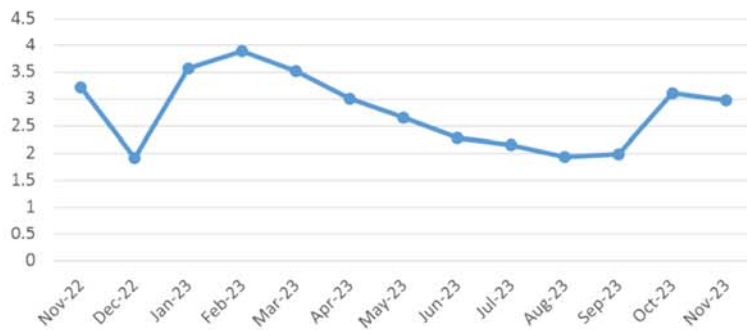
Untied Cash to Creditors Ratio = **32 : 1 (32.08)**  
It is desirable to have at least 1:1 ratio and we have \$32 untied cash for every dollar outstanding for our suppliers of Goods and Services.



# Liquidity Ratio Trend

The below graphs depict the progression of the Current and effective ratio for the financial year and Untied Cash to Creditors ratio for the last twelve months

Current Ratio Analysis  
November 2022 - November 2023



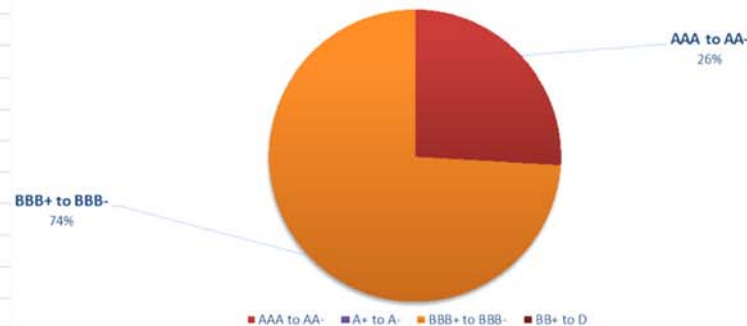
Untied Cash to Creditors  
November 2022 - November 2023



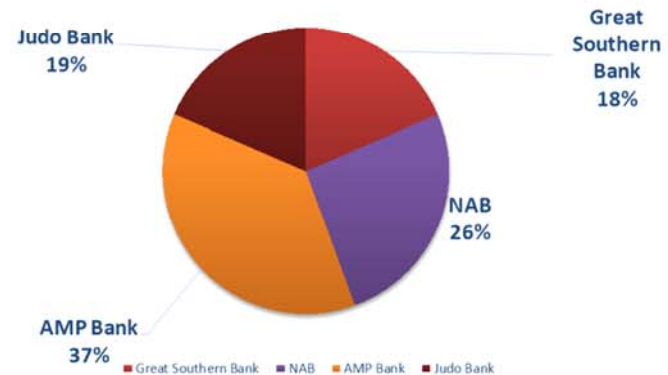
## Investment Report as at 31 December 2023

Classification of ADI's Under policy	Authorised Deposit-taking institution	Amount	% of Exposure	Rating	Lodgement Date	Maturity Date	Interest on Maturity	Interest rate	Within Diversification Limits
Major Bank	Commonwealth Bank - Working capital <b>Investments (Deposits)</b>	\$11,198,135	29.32%	A1+/AA-					
Major Bank	NAB	\$4,000,000	10.47%	A1+/AA-	17/08/2023	15/02/2024	\$ 101,000.00	5.05%	✓
Regional Bank	Great Southern Bank	\$5,000,000	13.09%	A2/BBB+	23/05/2023	23/05/2024	\$ 255,500.00	5.11%	✓
Regional Bank	AMP Bank	\$3,000,000	7.85%	A2/BBB+	17/07/2023	17/01/2024	\$ 85,446.58	5.65%	✓
Regional Bank	AMP Bank	\$3,000,000	7.85%	A2/BBB+	9/05/2023	8/05/2024	\$ 151,500.00	5.05%	✓
Regional Bank	AMP Bank	\$5,000,000	13.09%	A2/BBB+	16/11/2023	15/11/2024	\$ 265,000.00	5.30%	✓
Regional Bank	AMP Bank	\$2,000,000	5.24%	A2/BBB+	23/11/2023	22/02/2024	\$ 24,432.88	4.90%	✓
Regional Bank	Judo Bank	\$2,000,000	5.24%	A3/BBB-	22/11/2023	22/02/2024	\$ 101,000.00	5.05%	✓
Regional Bank	Beyond Bank Australia	\$3,000,000	7.85%	A3/BBB-	15/09/2023	15/03/2024	\$ 76,290.41	5.10%	✓
<b>Total cash and investments held</b>		<b>\$38,198,135</b>	<b>100.00%</b>				<b>\$1,060,169.87</b>		

**Credit Rating for Investments (S&P or equivalent)**



**Investment Per institution**





# Income & Expenditure Statement

A financial statement that summarizes the income and expenses incurred during a specific period of time

<b>Income &amp; Reserve</b>	<b>-</b>	<b>Expenditure</b>	<b>=</b>	<b>Net Operating position</b>
<b>\$14,693,194</b>		<b>\$22,365,518</b>		<b>-\$7,672,325</b>



## INCOME &amp; EXPENDITURE REPORT AS AT 31 DECEMBER 2023

	Year to Date Actual (\$)	Year to Date Budget (\$)	Variance (\$)	Full Year Budget (\$)
<b>Income</b>				
11 - Income Rates	3,095,669	1,584,640	1,511,029	3,169,280
12 - Income Council Fees and Charges	472,299	475,343	-3,044	950,686
13 - Income Operating Grants Subsidies	3,993,927	10,147,662	-6,153,735	20,295,323
14 - Income Investments	647,861	783,233	-135,371	1,566,465
16 - Income Reimbursements	17,380	1,010	16,370	2,020
17 - Income Agency and Commercial Serv	5,916,369	5,142,127	774,242	10,284,253
19 - Other Income	53,783	274,215	-220,432	548,430
<b>Total Operating Income</b>	<b>14,197,288</b>	<b>18,408,229</b>	<b>-4,210,940</b>	<b>36,816,457</b>
<b>Operating Expenditure</b>				
21 - Employee Expenses	8,296,243	10,870,206	-2,573,963	21,740,412
22 - Contract and Material Expenses	4,514,492	5,438,888	-924,396	10,877,775
24 - Depreciation, Amortisation & Impairme	2,930,676	2,875,000	55,676	5,750,000
25 - Other Operating Expenses	3,629,823	2,386,491	1,243,332	4,772,981
26 - Other Operating Expenses	345,700	0	345,700	0
27 - Finance Expenses	5,715	64,055	-58,340	128,110
31 - Internal Cost Allocations	-3	0	-3	0
<b>Total Expenditure</b>	<b>19,722,647</b>	<b>21,634,639</b>	<b>-1,911,992</b>	<b>43,269,278</b>
<b>Operating Surplus/Deficit</b>	<b>-5,525,358</b>	<b>-3,226,411</b>	<b>-2,298,948</b>	<b>-6,452,821</b>
<b>Capital Funding</b>				
18 - Income Capital Grants	495,906	2,812,222	-2,316,317	5,624,444
	<b>495,906</b>	<b>2,812,222</b>	<b>-2,316,317</b>	<b>5,624,444</b>
<b>Capital Expenditure</b>				
53 - WIP Assets	2,642,872	4,720,222	-2,618,716	9,440,444
<b>Total Capital Expenditure</b>	<b>2,642,872</b>	<b>4,720,222</b>	<b>-2,618,716</b>	<b>9,440,444</b>
<b>Net Operating Position</b>	<b>-7,672,325</b>	<b>-5,134,411</b>	<b>-1,996,549</b>	<b>-10,268,821</b>

## Variances in Income and Expenditure as at 31 December 2023

Income Rates	1,511,029	Rates Charges fully raised , timing issue
Income Council Fees and Charges	-3,044	
Income Operating Grants Subsidies	-6,153,735	service delivery revenue is down in line with staffing shortages in grant funded activities, major projects are also a contributing factor due to timing issues and should correct as we progress specific purpose project activity.
Income Investments	-135,371	On track with current budget, December interest journal not accrued
Income Reimbursements	16,370	Insurance recovery
Income Agency and Commercial Services	774,242	The major cause in variance is mostly due to CDP income received.
Other Income	-220,432	Budgeted fixed asset disposals are yet to occur, currently identifying obsolescent stock.
<b>Total Variance</b>	<b>-4,210,940</b>	
<b>Expenditure</b>		
Employee Expenses	-2,573,963	Staff vacancies associated with grant funded service activities.
Contract and Material Expenses	-924,396	The underspend is mostly due to Local Authority projects related expenses.
Depreciation, Amortisation & Impairment	55,676	The overspend is due to depreciation charged for Assets.
Other Operating Expenses	1,589,032	The overspend is due to payment of various operating expenses.
Finance Expenses	-58,340	The underspend is mostly due to the NLC payment for the leases for the financial year. This is purely due to a difference in accounting treatment for the expenditure. In reality this is within the budget as it is a recurring expense every financial year.
Internal Cost Allocations	-3	
<b>Total Variance</b>	<b>-1,911,992</b>	
<b>Capital Funding</b>		
Income Capital Grants	-2,316,317	Timing issue
<b>Total Variance</b>	<b>-2,316,317</b>	
<b>Capital Expenditure</b>		
WIP Assets	-2,618,716	Budgeted projects yet to commence, may be issue with classification codes will review this to confirm
<b>Total Variance</b>	<b>-2,618,716</b>	

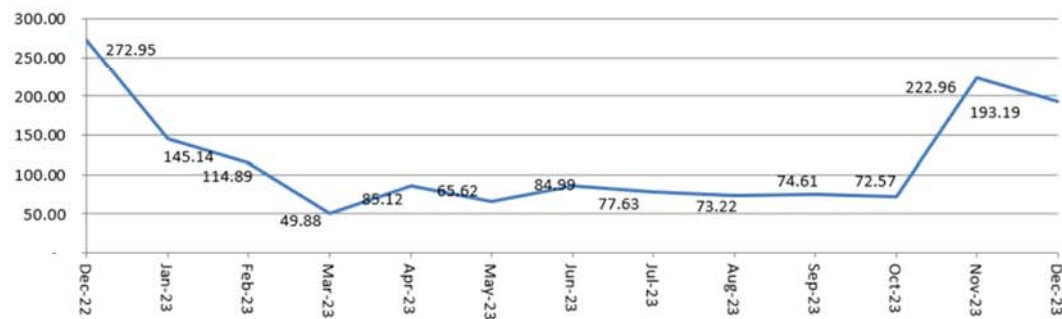
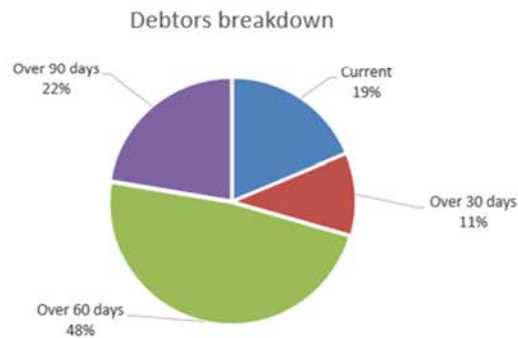
## Capital Expenditure as at 31 December 2023

Capital Expenditure	YTD Actual	YTD Budget	Variance	2023-24 Budget
Buildings	490,967	1,459,900	(968,934)	2,919,800
Infrastructure	756,376	1,735,000	(978,624)	3,470,000
Plant and Equipment	833,204	575,333	257,871	1,150,666
Motor Vehicles	562,325	460,700	101,625	921,400
Roads	0	489,289	(489,289)	978,578
<b>Total Capital Expenditure</b>	<b>2,642,872</b>	<b>4,720,222</b>	<b>-2,077,350</b>	<b>9,440,444</b>

# Accounts Receivable

Accounts Receivable represents the money owed by entities to the council on the sale of products or services on credit.

Current	Over 30 days	Over 60 days	Over 90 days	Total
\$36,090.08	\$20,791.46	\$93,120.17	\$43,191.43	\$193,193.14
Balance after accounting for Unapplied Credits (\$0.00)				\$193,193.14



The difference in balance as compared to the balance sheet is mainly due to a timing difference in the posting of some transactions

## Rates Outstanding as at 31 December 2023

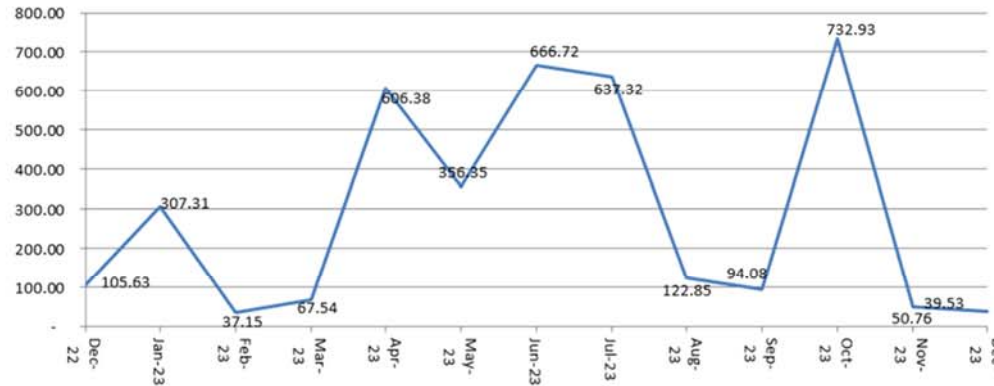
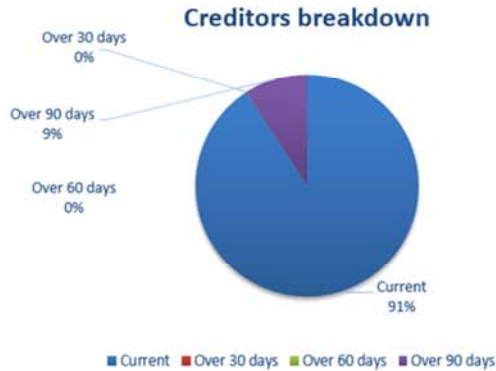
Financial Year	Total Balance (\$)	Percentage of Total Outstanding
2012-13	183.97	0.02%
2013-14	1,243.58	0.14%
2014-15	7,906.98	0.87%
2015-16	5,905.60	0.65%
2016-17	6,274.34	0.69%
2017-18	7,751.84	0.85%
2018-19	20,957.63	2.30%
2019-20	36,052.95	3.96%
2020-21	55,330.68	6.07%
2021-22	102,845.17	11.28%
2022-23	250,496.07	27.49%
2023-24	416,078.17	45.67%
<b>Total</b>	<b>\$911,026.98</b>	

The rates outstanding from the financial year 2014-15 and before are related to properties where we have statutory declarations from the court house. Please also note that the rates run for the year has been processed.

# Accounts Payable

Accounts Payable represents the money owed by the Council to entities for the purchase of goods and services on credit.

Current	Over 30 days	Over 60 days	Over 90 days	Total
\$42,752.42	\$0.00	\$0.00	\$4,342.18	\$47,094.60
Balance after accounting for Unapplied Credits (\$)-7,566.78				\$39,527.82



The difference in balance compared to the balance sheet is mainly due to a timing difference in the posting of some payroll transactions

The following table lists the top ten suppliers from whom invoices were received and processed during the month of December 2023. All amounts have been paid.

<b>Creditor</b>	<b>Amount \$</b>	<b>Transaction Description</b>
Merit Partners	41,470.00	Audit Fee for FY 2022-2023
Alawa Aboriginal Corporation	19,420.50	Night Patrol Service December 2023
Council Biz	19,881.57	Telstra migration charges December
Heath Motor Group Pty Ltd	121,423.75	Purchase of vehicle - Toyota
JLT Risk Solutions Pty Ltd	170,956.08	Subscription renewal for Worker Compensation
<u>Wex</u> Australia Pty Ltd	44,961.40	Fuel Cards
Telstra	31,867.24	Consolidated payment for November 2023
Territory Project Management Pty Ltd	43,395.00	Phase 1 – Roads <u>Beswick</u>
Better Cities Group	22,000.00	Sport and recreation master plan
ELearning force <u>Anz</u> Pty Ltd	25,091.00	User subscription for Roper Gulf Regional Council



## CORPORATE SERVICES AND SUSTAINABILITY DIVISIONAL REPORT

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<b>ITEM NUMBER</b>	15.3
<b>TITLE</b>	Annual Report 2022-23
<b>REFERENCE</b>	1392616
<b>AUTHOR</b>	Cristian COMAN, Manager Corporate Compliance

### RECOMMENDATION

That the Audit and Risk Committee receives and notes this report pertaining to Council's Annual Report for the Financial Year 2022-23

### KEY OUTCOME AREA

Governance: Increase the effectiveness and efficiency of the organisation, including in engagement with staff members, residents and external stakeholders.

### BACKGROUND

Council is required by law to, by no later than 15 November, compile and adopt a formal Annual Report for its preceding financial year on its activities and undertakings, and this must include an independently audited Annual Financial Statement.

### ISSUES/OPTIONS/SWOT

The Annual Report (the Report) was tabled for Council's consideration and formal adoption at its Special Meeting (held for that purpose) on 15 November 2023.

Council reviewed the Annual Report, including the audited financial statements, and upon being satisfied with the contents therein, formally adopted the Annual Report by way of Resolution which it made as follows:

#### 18.1 ADOPTION OF ANNUAL REPORT

**1/2023 RESOLVED (Helen LEE/Selina ASHLEY)**

**CARRIED**

That Council, in accordance with Chapter 14 of the *Local Government Act 2019* (the Act), formally adopts the Annual Report and all content therein, with edits, as a true and accurate record of:

- (a) Its audited Annual Financial Statement (in accordance with ss 207, 208, 290, 291 (1) of the Act);
  - (b) Its assessed performance against its stated goals as outlined in its Regional Plan; and
  - (c) All other reportable obligations according to applicable law;
- for the 2022-2023 Financial Year.

The Annual Report (in whole) was subsequently supplied to the Minister for Local Government, and to the Department of Chief Minister and Cabinet according to law, by way of formal correspondence.

There were some delays experienced arising out of formatting issues, before the Annual Report was finalised for publication (there were no changes made to its content) in January 2024.

The Annual Report is published on Council's website, and is being printed in hard copy, to be made available for public inspection and purchase.

The Annual Report is publicly available on Council's website at the following location:

<https://ropergulf.nt.gov.au/sites/default/files/2024-01/Roper%20Gulf%20Annual%20Report%202022-2023.pdf>

As part of the audit process pertaining to the audited Annual Financial Statement, Council's auditors shall provide a Management Report outlining their findings, risks, concerns, and recommended remedial action(s) for management. This Report is still pending.

**FINANCIAL CONSIDERATIONS**

Nil.

**ATTACHMENTS**

There are no attachments for this report.