

Members of the Association

I am pleased to present the 11th Annual Report of the Local Government Association of the Northern Territory. This report covers the period from 1 July 2001 to 30 June 2002.



The intent of this Annual Report is to advise all Municipal Councils, Special Purpose Towns, Community Government Councils and Incorporated Associations in the Northern Territory that are members of the Association as well as other interested parties of the state of finances and of the activities and achievements of their Association for the year.

The Constitution of the Association provides that this report be prepared and tabled at the Annual General Meeting, which this year is being held in Alice Springs on Saturday 2 November 2002 at the Rydges Plaza Hotel.

I commend this report to members.

Dave Elliott
President
October 2002

Local Government in the Northern Territory

Characteristics of Local Government

Local Government provides a range of functions and services which benefit all people living, working, doing business and visiting in the Northern Territory.

The cities, towns and communities of the Territory benefit from effective and efficient Local Government operating locally to provide representation, improve the quality of life of citizens and make localities more attractive for people to enjoy.

There are special features of Local Government's operations in the Northern Territory. These include:

- significant population variation in the communities under local government;
- diverse social structures including Aboriginal Councils representing one clan or a number of groups;
- remoteness and isolation; *and*
- for some Councils functions which go beyond 'normal' local government services.

Local Government makes a significant contribution to the Territory economy as collectively Councils employ 1,400 Territorians, manage and control assets valued at over \$900 million, and receive and expend over \$220 million in the Territory annually.

Local Government in the Northern Territory

Brief History

Local Government in the Northern Territory predates the formation of both the Commonwealth and Northern Territory Governments.

The history of Local Government in the Northern Territory dates back 126 years to the establishment of the Palmerston District Council in 1874. This Council was replaced by the Darwin Town Council in 1915 which operated until 1937.

In 1957 the Municipality of Darwin was formed. New Municipal Councils were established in Alice Springs in 1971, Katherine and Tennant Creek in 1977, Jabiru in 1984 (special purpose town) and Litchfield and Palmerston in 1985.

In 1978 immediately following achievement of Self Government for the Northern Territory the Legislative Assembly legislated for a Community Government system as an equal partner with municipalities and with a wider range of functions in small communities if the community so decided. There are now 32 Community Government Councils in the Northern Territory.

In addition, 29 Incorporated Associations are recognised by the Commonwealth and Northern Territory Governments as 'local governing bodies' in order to receive local government funding for the provision of services.

The locations of towns (often with the same names as Councils) serviced by local governing bodies throughout the Northern Territory appear on page five.

Area and Population within Local Government

Only 5% of the Northern Territory land area is incorporated into local government areas, however, 90% of the population of the Northern Territory live in the cities, towns and communities within this area.

Darwin City Council is the largest Local Government body in the NT with a population of 74,000 followed by the Alice Springs Town Council with 27,000 people and Palmerston City Council with 25,000.

There are 54 local governing bodies on Aboriginal land in the NT. These Councils provide services to a population of 28,000 people. Individually the Council's populations range from around 150 people in communities such as Wallace Rockhole near Alice Springs or Milyakburra on Bickerton Island to around 2,000 at Galiwinku on Elcho Island. They may represent a number of language groups or one or more clans within a language group.

Local Government in the Northern Territory

Services Provided by Local Governing Bodies in the Northern Territory

Municipal Councils in the NT provide a similar range of services to other Councils around Australia but there are two major exceptions. They do not have responsibility for building control or town planning. Road construction, maintenance, community services, dog control, libraries, parks, gardens and facilities and rubbish collection are some of the services Municipal Councils provide in the NT.

Community Government Councils and Incorporated Associations generally are expected to provide a wider range of services to their communities and often on an 'agency' basis for the NT or Commonwealth Governments. These services can include the postal service, Centrelink services, policing and correctional services, power and water services and the community store.

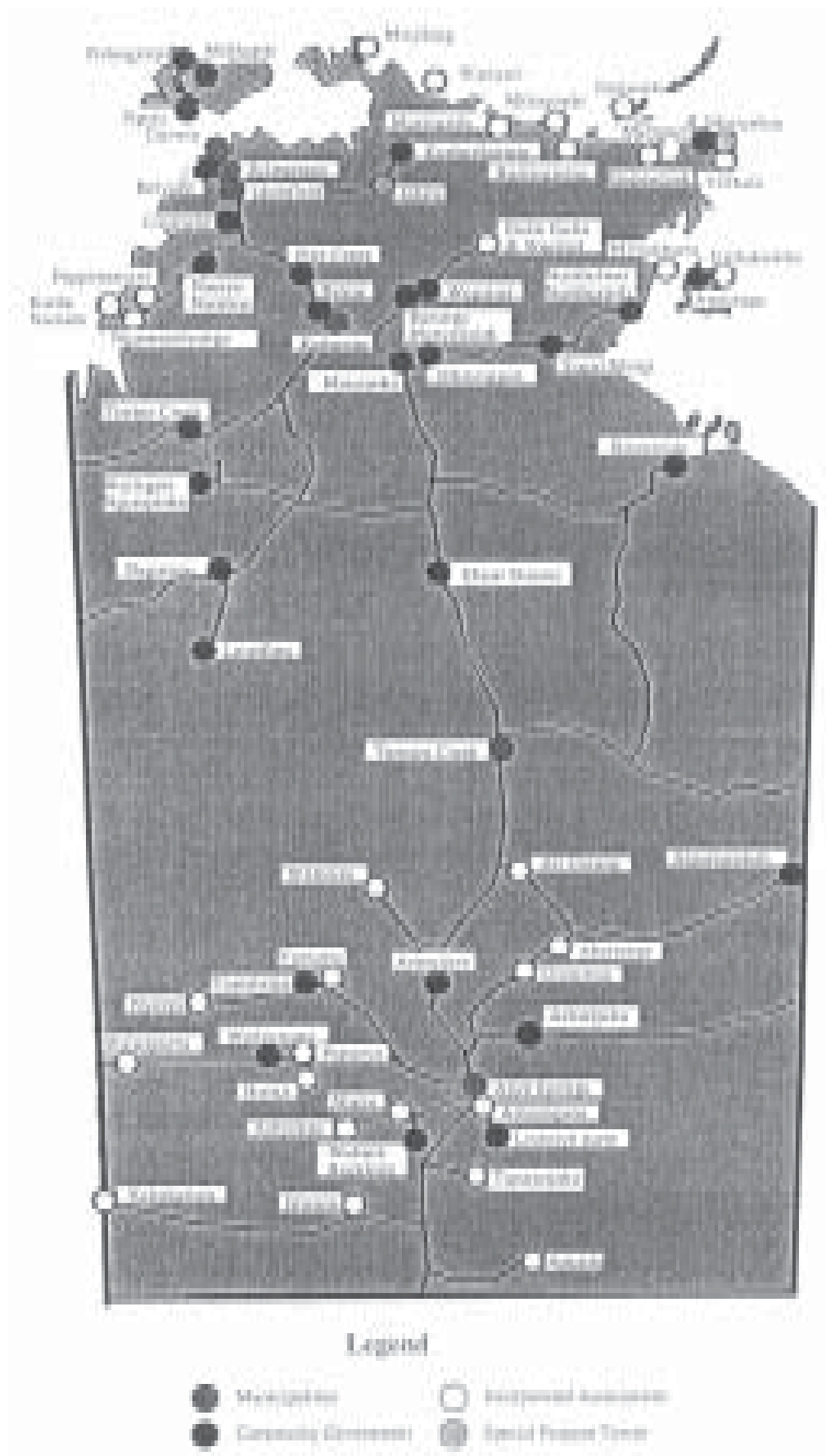
Number of Local Governing Bodies in the Northern Territory as at 30 June 2002

Municipalities	6
Community Government Councils	32
Incorporated Associations	26
Special Purpose Towns	<u>1</u>
TOTAL	<u>65</u>

The Challenge

Local Government in the Northern Territory faces a number of challenges. These include Councils responding to reform and change, ensuring the quality of services provided at the local level, sustaining operations, upgrading the skills of staff and attracting more qualified personnel to manage operations in remote areas.

Local Government in the Northern Territory



Local Government Association of the Northern Territory - Overview

The Local Government Association of the Northern Territory (LGANT) was first incorporated in 1992 as the single peak body representing Local Government in the Northern Territory. It succeeded two separate organisations the members of whom agreed that the best interest of Local Government would be served by a single Association. The NT Local Government Association and the Community Government Association were dissolved at the date of incorporation of LGANT.

LGANT is established as an incorporated body by Section 224 of the *Local Government Act* of the Northern Territory. For the purposes of expending Commonwealth road funds in some areas of the Territory not covered by Local Government, the Association has been recognised as a local governing body.

Membership of LGANT is voluntary and is open to all local governing bodies who have been approved by the Commonwealth and Northern Territory Governments for the receipt of Commonwealth Financial Assistance Grants. These are grants paid to local government throughout Australia.

The office of LGANT was housed in the Darwin City Council premises from 1992 - 1995 but growth in staff necessitated a move to the 1st floor, CML Building, 59 Smith Street, Darwin during 1995. At this location LGANT has expanded its personnel and services at a convenient CBD location in the Capital City of the Northern Territory.

LGANT now provides a wide range of services of benefit to Councils in the Northern Territory the details of which are included in this report.

A Strategic Plan for 2000 - 2005 was adopted during the year and this report includes a report back by the LGANT Chief Executive Officer on achievements against the plan.

LGANT is recognised as the peak representative body for Local Government in the Northern Territory and has federated nationally with all interstate Local Government Associations to form the Australian Local Government Association.

LGANT is a member driven organisation. All policies and actions taken are circulated to members on a regular basis. Between meetings the eight (8) person LGANT Executive elected by members has power to make decisions and report back.

The Chief Executive Officer has delegated authority for staff matters and reports through the Executive and also direct at general meetings. A policy manual has been prepared and is regularly updated.

Local Government Association of the Northern Territory - Values and Directions

LGANT has chosen not to invest in property or significant assets and has no loans outstanding. Operations are conducted from leased premises in the Darwin CBD.

At all times the Association seeks to be:

- Professional in its approach;
- Accountable for what it does;
- Open and transparent in its actions;
- Honest and act with integrity;
- Responsive to its members;
- Entrepreneurial in its search for projects and other beneficial initiatives;
- Informed and well prepared;
- Cost effective in its resourcing and its financial stewardship;
- Proactive to change;
- Open minded in its approach; *and*
- Consultative in its approach to working with Government, businesses and the community.

Objectives

The Constitution provides that the objectives of the Association are to:

- initiate, promote and foster the development of strong, effective Local Government throughout the Territory;
- represent, promote, maintain and protect the interests of members and Local Government generally;
- provide information and advice to members on matters affecting Local Government;
- monitor proposed legislation and keep members informed on proposals of governments affecting Local Government;
- make legislative proposals to governments on issues that the Association considers necessary;
- provide services as agreed to by resolution of members and / or the Executive;
- support the Australian Local Government Association and State Local Government Associations and any other organisation committed to objectives similar to those of the Association.

Local Government Association of the Northern Territory - Membership 2001/2002

There are 65 local governing bodies in the Northern Territory which are eligible to join the Association as full members. There were two Councils that were not financial for the 2001/2002 year.

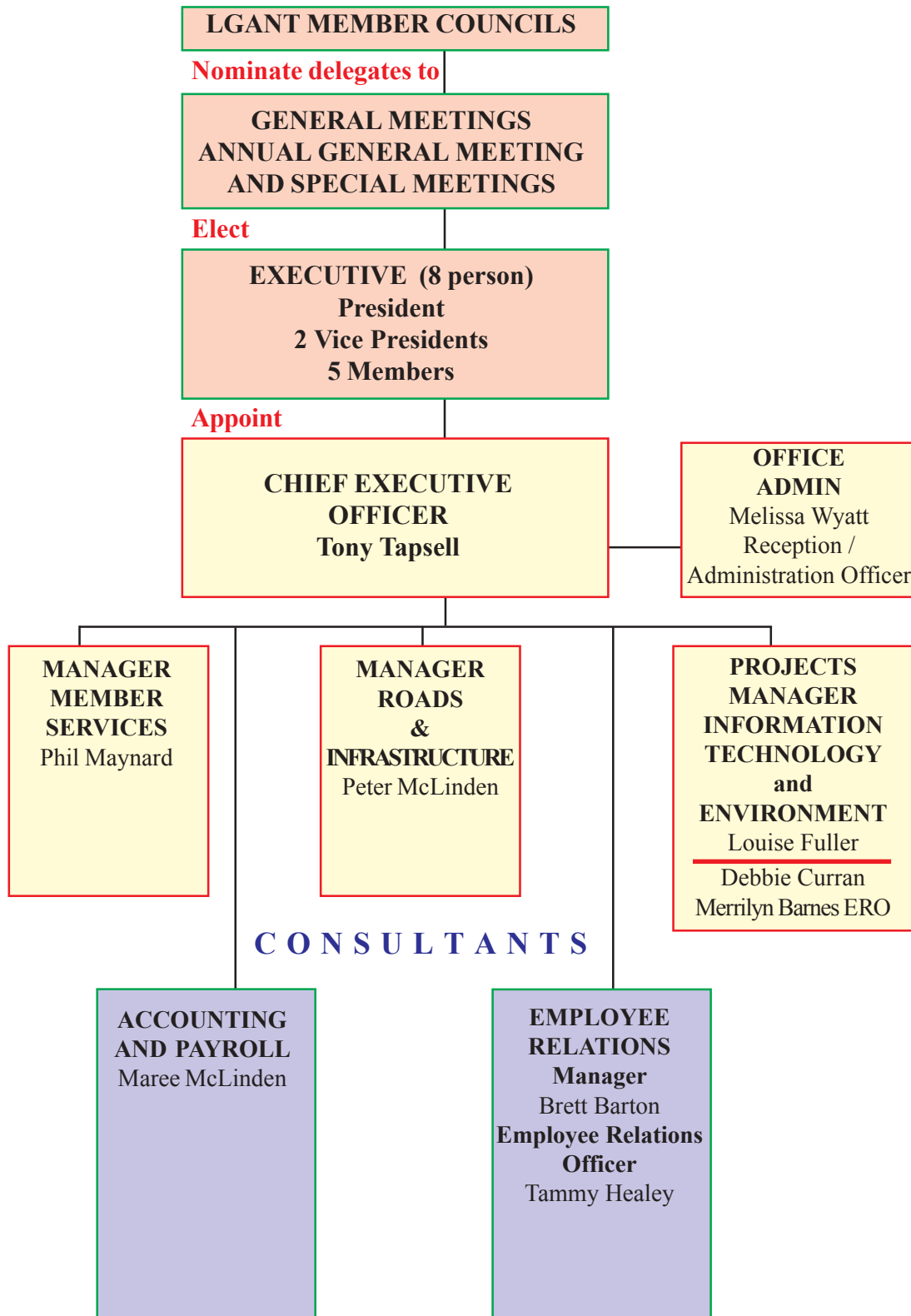
Members as at 30 June 2002 were:

Aherrenge Community Council Inc.
Ali Curung Council Inc
Alice Springs Town Council
Alpurrurulam Community Government Council
Angurugu Community Government Council
Anmatjere Community Government Council
Aputula Housing Association Inc
Areyonga Community Inc
Arltarpilta Community Government Council
Barunga Manyallaluk Community Government Council
Belyuen Community Government Council
Binjari Community Government Council
Borrooloola Community Government Council
Coomalie Community Government Council
Cox Peninsula Community Government Council
Daguragu Community Government Council
Darwin City Council
Elliott District Community Government Council
Galiwinku Community Inc
Gapuwiyak Community Inc
Gulin-Gulin Weemol Aboriginal Corporation Community Council
Ikuntji Community Council Inc
Imanpa Community Inc
Jabiru Town Council
Jilkminggan Community Government Council
Kardu Numida Council Inc
Katherine Town Council
Kunbarllanjja Community Government Council
Lajamanu Community Government Council
Litchfield Shire Council

Local Government Association of the Northern Territory - Membership 2001/2002

Ltyentye Apurte Community Government Council
Marrngarr Community Government Council
Maningrida Council Inc
Mataranka Community Government Council
Milingimbi Community Inc
Milyakburra Community Council Inc
Minjilang Community Inc
Naiyu Nambiyu Community Government Council
Nganmariyanga Community Inc
Ntaria Council (Hermannsburg) Inc
Numbulwar Numburindi Community Government Council
Nyirrpi Community Inc
Palmerston City Council
Papunya Community Council Inc
Peppimenarti Community Council
Pine Creek Community Government Council
Ramingining Community Inc
Tapatjatjaka Community Government Council
Tennant Creek Town Council
Timber Creek Community Government Council
Tiwi Islands Local Government
Umbakumba Community Council Inc
Urupuntja Council Aboriginal Corp
Walangeri Ngumpinku Community Government Council
Wallace Rockhole Community Government Council
Walungurru Council Aboriginal Corp
Warruwi Community Inc
Watiyawanu Community Government Council
Wugularr Community Government Council
Yirkkala Dhanbul Community Association Inc
Yuelamu Community Inc
Yuendumu Community Government Council
Yugul Mangi Community Government Council

Local Government Association of the Northern Territory - Organisation Structure



Local Government Association of the Northern Territory - Executive 2001/2002

The LGANT constitution adopted in February 2000 increased the size of the LGANT Executive to eight (8) members. Seven members are elected and one is appointed by Darwin City Council.

As at 30 June 2002 the Executive consisted of the following members:

President	Alderman Dave Elliott Palmerston City Council
Vice Presidents	Alderman Cecil Black Darwin City Council President Charles Yunupingu Galiwinku Community Inc
Executive Members	President Arthur Turner Anmatjere Community Government Council Alderman Kerry Moir Darwin City Council Councillor David Norton Jabiru Town Council Councillor Gibson Farmer Tiwi Islands Local Government President Sid Anderson Papunya Community Council

A profile of Executive members follows on pages 12 & 13.

Past Presidents of the Association

1992	Alderman Bob Kennedy Alice Springs Town Council
1992 - 1996	Mayor Jim Forscutt Katherine Town Council
1996 - 1997	Councillor Peter Kavanagh Yulara Town Council
1997-2000	Councillor Margaret Vigants Timber Creek Community Government Council
2000-2002	Alderman Dave Elliott Palmerston City Council

Local Government Association of the Northern Territory - Executive Profiles



Alderman Dave Elliott, President

David has been an elected member of the Palmerston City Council since 1992 and initiated the Palmerston Town Council Grants Scheme in 1992. David has been the Palmerston City Council LGANT representative for the past 7 years. Dave is an Executive member of the Australian Local Government Association.

David has chaired numerous committees during his time on Council and is the Palmerston City Council representative on the Road Safety Council.

David works for the Department of Communications & Information Services as Senior Occupational Health and Safety Advisor.



Alderman Cecil Black, Vice President

Cecil has served 25 years in local government with 21 years as an Alderman of the Darwin City Council and 4 years as the Lord Mayor. Cecil was a former Municipal President of the Local Government Association of the Northern Territory. Cecil was also a former National President of the Australian Local Government Association.

Cecil is an accredited specialist family lawyer who manages his own practice and has been involved in numerous community groups.



President Charles Yunupingu, Vice President

Charles is the President of the Galiwinku Community Incorporated on Elcho Island where he resides. Charles is also the Vice President of the Association representing Community Government Councils. Charles is also an Executive member of the Australian Local Government Association.



President Arthur Turner, Executive Member

Arthur is the President of the Anmatjere Community Government Council and also President of the Engawalla Community Association where he resides. He is one of the elected members representing the Engawalla ward.

Arthur has served Local Government over a number of years as an active elected member and member of the Local Government Industry Training Board. He has also served on a number of committees. He is actively involved in discussion and consultations with other communities and agencies as the Anmatjere Council considers participation in the Local Government Reform Agenda.

Local Government Association of the Northern Territory - Executive Profiles



Alderman Kerry Moir, Executive Member

Kerry has served on the Darwin City Council for ten years and has been Deputy Lord Mayor as well as Chairman of the Corporate Services Committee.

Kerry is a member of committees such as Corporate and Economic Development; Town Planning; Sister Cities Management; Anchorage Community; CBD Car Parking Advisory; Disability Advisory; Japan Sister City; Development Consent Authority NT; Local Government Association of the NT; NT Settlement Planning; Coconut Grove/Nightcliff Land Use Objectives.

Kerry supports local government because it is closest to the people it represents and can serve to persuade state and federal government to act in the interests of the community.



Councillor David Norton, Executive Member

David has been an elected member of the Jabiru Town Council since May 1992 and was the Vice President of LGANT for a two-year term. He has been involved in Local Government since 1977 when he started work for the London Borough of Croydon.

Local Government positions David has held include Jabiru Town Council Administration Chairman, NT Grants Commissioner and ALGA Executive Member - Northern Development Portfolio.

David represents many other bodies including the Jabiru Town Development Authority, Natural Heritage Trust Assessment Panel, Chairman Jabiru Territory Anti Litter, Chairman Jabiru Wind Festival, Publicity Officer Kakadu Visitor Organisation, Treasurer Jabiru Lions Club.



President Gibson Farmer, Executive Member

Gibson was elected and has been the President of the Milikapiti Community Government Council for the last 2½ years. Gibson is in his fourth term as an elected member of the Milikapiti Council.

Gibson was Deputy Chair of the Tiwi Health Board from 1999 - 2000. He has over thirteen years work experience and training in various positions within the Department of Conservation and four years constructing and repairing houses at Milikapiti and other communities.

Gibson lives at Milikapiti with his wife and family and enjoys hunting and fishing on the traditional lands of the Tiwi people.

He ran with the Olympic flame at Nguiu in June 2000 and enjoyed the experience. He is widely known and respected in the Tiwi Islands and the Darwin area.



President Sid Anderson, Executive Member

Sid is a senior member of the Papunya Community Council in Central Australia. Papunya is an Aboriginal community of 350 people. He is also Deputy Chair of the Central Land Council Executive and works as outstation manager at Papunya.

Sid coaches the MacDonnell Division Football Team and in 2001 was named Coach of the Year in the League.

Local Government Association of the Northern Territory - Staff 2001/2002

The Association employs a Chief Executive Officer and seven (7) staff to manage operations, complete project work and implement policy and decisions.

In addition, there are consulting arrangements for the delivery of some services and an affiliation agreement for the provision of the employee relations service to members.

Association Staff

as at 30 June 2002

Tony Tapsell	Chief Executive Officer
Phil Maynard	Manager Member Services
Peter McLinden	Manager Roads and Infrastructure Services
Louise Fuller	Manager Environment & Information Technology Services
Debbie Curran	Information Technology Project Officer
Merrilyn Barnes	Environmental Resource Officer
Melissa Wyatt	Reception / Administration Officer

Consultants

as at 30 June 2001 were being provided by:

Maree McLinden	Accounts and Payroll
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Employee Relations Affiliation Agreement

LGANT has an affiliation agreement with the Australian Mines and Metals Association (AMMA) to provide employee relations services to LGANT members. The staff of the employee relations service are Brett Barton, Employee Relations Manager and Tammy Healey, Employee Relations Officer.

The current affiliation agreement with AMMA expires July in 2002.

Local Government Association of the Northern Territory - Staff Profiles

Tony Tapsell

Chief Executive Officer

Tony has been working in the Northern Territory since 1972 having served in a range of field, finance and senior manager positions with the Commonwealth and Northern Territory Governments. Tony was the Chief Executive Officer of Jabiru Town Council from 1993 to 2001. He was joint Chief Executive Officer for the Jabiru and Kunbarllanjja Councils from 1999 to 2001.

Tony holds qualifications in Aboriginal Affairs, Accounting, Local Government, Information Systems and Urban and Regional Planning.



Phil Maynard

Manager Member Services

Phil came to the Territory in 1955 and was educated at Darwin Primary and Darwin High School.

From 1967 to 1992 Phil travelled the Territory as a surveyor with the Commonwealth and later the NT Government.

In 1992 Phil had a short stint as Community Liaison Officer with the Katherine Town Council which gave him a taste of Local Government. He then worked as a Field Officer with the Department of Local Government in Katherine until July 1995 when he joined LGANT as the Aboriginal Policy Officer.



Peter McLinden

Manager Roads & Infrastructure

Peter has had 19 years experience working in Local Government in Northern Australia. He has worked for the Nguuu Council, Bathurst Island and Port Keats before being recruited by LGANT from the Christmas Island Shire Council, six years ago.

Peter's responsibilities at LGANT are to lobby for funds and assist members with issues relating to Transport & Infrastructure.

Peter is married with three children and lives on a rural block at Howard Springs.



Louise Fuller

Manager Environment & Information Technology

Louise came to Darwin in 1985 with a background in sales and marketing to work in the

building industry. This expertise was then linked with community group environmental project work when she was appointed as Executive Director of the Keep Australia Beautiful Council of the NT. Following the arrival of the first of her 2 children, Louise accepted an invitation to join the Board of KAB and has remained a Board Member for in excess of 12 years.

Her long term interest in environmental issues and knowledge of the Territory has enhanced her ability to link Commonwealth policies to remote conditions and resources of Local Government, and to develop networks to benefit stakeholders in the NT. In 2001 Louise was appointed to also manage LGANT Information Technology projects.



Local Government Association of the Northern Territory - Staff Profiles

Merrilyn Barnes

E n v i r o n m e n t Resource Officer

Merrilyn Barnes came to Darwin in 1998 from Adelaide where she worked with Landcare Groups in the Adelaide Hills in the area of Catchment Management. She has worked as environmental consultant and arrived in the LGANT offices in early 2000 as a Vegetation Planning Officer for Greening Australia. She has been in the role of ERO for LGANT for the past 18 months. Merrilyn has a varied background including Catchment Management, water quality, vegetation management and is a qualified environment auditor.



Melissa Wyatt

Reception / Administration Officer

Melissa worked for Darwin City Council for eight years before moving to Nhulunbuy (due to husband Michael's transfer with NT Police) and then lived and worked in Timber Creek as the Administration Officer for the Timber Creek Community Government Council, before moving back to Darwin to take up the position of Administration Officer with LGANT.



Debbie Curran

I n f o r m a t i o n Technology Consultant

Debbie returned from the cool South to join LGANT as an IT Education Consultant in May 2000. The lure to participate in the "I've Got E-Mail" project, was just too good not to be a part of.

Debbie first came to the NT in January 1978; she has an extensive and varied background in tertiary education and remote area health in the NT. In the field of education Debbie's work is predominantly in the area of curriculum development, delivery and evaluation.



Local Government Association of the Northern Territory - Consultant Profiles

Brett Barton

Manager Employee Relations

Brett has 15 years experience in providing employee relations services to employers in the local government and resources sector. For the last five years he has managed the LGANT



Industrial Relations Service through the Northern Territory office of his employer, Australian Mines & Metals Association (AMMA). Prior to that he was employed by LGANT for 2-years as Industrial Relations Officer.

He holds a Bachelor of Arts Degree from the University of Tasmania.

Maree McLinden

Accounts and Payroll

Maree moved with her family from Christmas Island to Darwin in 1995. She has an administrative and clerical background and has been employed in a variety of positions utilising these skills. Among her



previous employers were the Nguuu Council, Bathurst Island and Kardu Numida Council, Port Keats.

Maree has been with LGANT as a consultant for 3 years and is responsible for maintaining the financial records of the Association.

Maree lives with her husband and three children on a rural block at Howard Springs.

Tammy Healey

Employee Relations Officer

Tammy joined AMMA in November 2000 after 4 years in the Human Resources Department at McArthur River Mining. Prior to this Tammy held a variety of



human resource, payroll and administration roles both in the mining and hospitality industries. Since joining AMMA, Tammy has visited many councils and provided many employee relations services to employers in local government.

Tammy enjoys playing netball, fishing, camping and spending time with family and friends. Tammy has traveled extensively both within Australia and overseas. Tammy moved from Brisbane to Darwin in 1997.

Tammy holds an Associate Diploma of Business and a Bachelor of Commerce (in Human Resource Management and Industrial Relations).

Local Government Association of the Northern Territory - Service Providers

Auditor	Howarth NT Pty Ltd 30 Daly Street DARWIN NT 0800
Bankers	Westpac Bank Smith Street DARWIN NT 0800
Insurance	Jardine Lloyd Thompson P O Box 2321 FORTITUDE VALLEY BC QLD 4006

LGANT Sponsors

The Association appreciates the assistance provided by its three major sponsors in the 2001/2002 year.



JARDINE LLOYD THOMPSON
Pty Ltd

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tammy.healey@amma.org.au

President's Report on behalf of Executive 2001/2002

The 2001/2002 financial year was an active and interesting one for the Association and I am pleased to highlight some key activities in this report.

Throughout the year the Association pursued a range of issues with other spheres of government as well as taking part in Australian Local Government Association activities. It also implemented significant projects on behalf of members the details of which are contained in this report.

The year was marked by some significant events not the least of which was the sad passing of the Lord Mayor of Darwin City Council, George Brown in January 2002. George was highly respected in Local Government, he brought great endeavour, humour and enthusiasm to his position and was active in local government affairs. We all miss George. Amongst his many positions in office George was a member of the Association's Executive at the time of his passing. He was replaced by Alderman Cecil Black from Darwin City Council in March 2002. Alderman Black has taken up the role of Deputy President enthusiastically and has been instrumental in helping with many aspects of the Associations work.



During the year the Association's Chief Executive, Jeff Hoare, resigned after almost ten years in the job. Jeff joined the Association when it began in 1992 and oversaw many of its developments throughout that time. The Association officially farewelled Jeff at its 2000/2001 Annual General Meeting.

In January 2002 the Association appointed Tony Tapsell as its new Chief Executive, he being the former Chief Executive Officer of both the Jabiru and Gunbalanya Councils.

In April 2002 I attended, along with Tony Tapsell, a 'round table' with the Federal Minister for Local Government, the Hon Wilson Tuckey MP, which was a briefing that eventually led to the announcement by the Minister of the Federal Parliamentary Inquiry into Cost Shifting onto Local Government. The Association will put forward a submission and the Parliamentary Committee is expected to report in March 2003. The results could have a profound effect on funding for local government throughout Australia in the future.

There is no doubt that local government in the Northern Territory is being confronted by significant changes, with structural reform high on the agenda. No longer can Councils sit back and wait for what we have known now for years, that Councils will have to start working together if they want to survive. The Northern Territory Government has already foreshadowed changes and these have to be taken seriously. For Town Clerks, this means taking an active role in seeing how regional resource sharing can take place and later putting proposals to their respective Councils. For Councillors it means taking a leadership role with policy and demonstrating a preparedness to work with neighbours. Your old boundaries may not be your future ones.

We have to look to the future and not just go with what we now have, otherwise we will have it dictated to us. We can be part of change and therefore, play a part in its development or we can sit back and wait for it to come. I know what I would rather do.

President's Report on behalf of Executive 2001/2002

Just to look at our vision as an Association says more about change than people may care to think. It says, in part,

Our vision is the Northern Territory becoming the seventh State of Australia with local government jurisdiction over the entire land mass and providing an efficient and effective range of agreed services to the entire population...

This statement in itself is about change. When are we going to make a start on having local government jurisdictions over the entire land mass of the Northern Territory, just like it is in other States? When was the last time we saw any significant change with local government boundaries? Are you as a member considering such changes?

I put these (and I could put a host more) questions to you because they are questions we will all have to deal with and, as your outgoing President, I would like to think that some progress will be made towards the total incorporation of the Northern Territory in the not too distant future.

We reorganised our business methods during the year including adopting the 2002/2003 budget. Unfortunately this meant ceasing the production of our quarterly magazine in order to get our "own house in order". I think this was managed without too much pain to members and we have received valuable assistance from all other Local Government Associations and the Australian Local Government Association. I would particularly like to express mine and the Executive's thanks to the Executives and staff members of the Western Australian Local Government Association for its assistance with elected member development training.

During the year we received confirmation of funding for Networking the Nation projects which we were most pleased about. The grants will provide a great boost for all councils towards improving telecommunication and enabling the implementation of common business systems.

We are making submissions for on going funding to enable programmed delivery of services such as staff and elected member training.

We have commenced talks with ATSIC and other bodies regarding working cooperatively in a number of areas including Partnership agreements

One area that has disappointed me personally was the non-event of the North Australia Local Government Alliance. Hopefully the efforts of the last couple of years will not be wasted and we can use the National General Assembly in Alice Springs as an occasion to revive this initiative.

I would like to thank Executive members, Association staff and member Councils and staff for their support during my term as President and I wish the Association well in the future.

Yours faithfully

Dave Elliott
PRESIDENT

Chief Executive Officer's Report 2001/2002

Members of the Association

As Public Officer of the Association and in accordance with convention I present to you the Annual Report of the Association for the financial year 2001/2002.

I report that at the year end the Association was solvent in that it could pay its debts when they fall due. The Association ended the year with a large surplus however, members should note that the bulk of it is attributed to the receipt of a Networking the Nation grant towards the end of the financial year. This means that the revenue from this grant was recorded as received for the 2001/2002 financial year and expenditure will be recorded in the 2002/2003 financial year. If this grant were disregarded for the purposes of the year's accounts the Association would have ended the year with a small surplus.



The financial position and performance of the Association both during, and at the end of the year, were sound. The Association relies heavily on grant revenue (some 84% and the variations in grant revenue are sometimes considerable between financial years) as was reported at the June 2002 general meeting and it was a relief to get final confirmation on Networking the Nation grants for the Association. The subscription base of the Association is small and if the Association is to enhance its efforts towards support services to local government in the Northern Territory then a combination of subscription rises and grant increases will be necessary in the future. Next financial year will be an appropriate time for the Association to review its strategic plan to ensure its focus is commensurate with its resources and the wishes of members.

I would like to thank the Executive for its support in implementing changes, providing directions on policy and assisting me in my position throughout the financial year. I would also like to congratulate staff on their individual work efforts, advice and commitment during the year in times of change and challenge. I was particularly grateful for their efforts in helping to reduce the Association's operating costs in some areas and increase its grant revenue. Finally, I wish those members of the Executive retiring from office, President Dave Elliott and Vice President, Charles Yunupingu and Executive member, Sid Anderson all the best in their future endeavours.

Yours faithfully

Tony Tapsell
CHIEF EXECUTIVE OFFICER

Strategic Plan Achievements 2001/2002

The Association has adopted a 5-year Strategic Plan for 2000 - 2005 and I am pleased to report to members on the achievements for the 2001/2002 financial year against each of the agreed Goals and Activities in the Plan

- Tony Tapsell - Chief Executive Officer

Major Goal 1

Leadership - To develop stronger, more efficient and responsive Local Government in the Northern Territory

What is the Strategy?	What was achieved?	What is planned for the future?
1.1 To protect the autonomy of Local Government in the NT	◆ Took issues up on behalf of Tiwi, Willowra and Yugul Mangi Councils	◆ Review changes proposed by NT Government in decision making processes of Councils
1.2 To focus strongly on the broad objectives of Local Government's agreed Reform and Development agenda	◆ Assisted with Top End Triangle, Tiwi, Western McDonalds and Nyirranggulung-Mudrulk and Katherine West reform proposals. Commenced drafting proposals	◆ Review arrangements in conjunction with member Councils
1.3 To seek commitment by the NT Government to the agreed MOU with LGANT	◆ Investigated arrangements interstate	◆ Work on partnership agreements
1.4 To recognise the importance of 'local democracy' as a cornerstone of local government in the NT	◆ Promoted local government as the appropriate model for 'local democracy' at meetings	◆ Continue promotion
1.5 To promote high standards of behaviour and ethics in Local Government in the NT	◆ Continued promotion and distribution of the code of ethics	◆ Revise and reprint existing code. Do 'plain english' version
1.6 To promote best practice initiatives in Local Government in the NT	◆ Annual Better Practice Awards held in October 2001	◆ Initiative to be reviewed and held subject to funding
1.7 To ensure LGANT policies are relevant and conducive to strong effective local government in the NT	◆ Reviewed policies of ALGA representation	◆ Review other policies in manual

Strategic Plan Achievements 2001/2002

Major Goal 2

Lobbying and Representation - To effectively represent and lobby on behalf of members on matters of importance to them

What is the Strategy?	What was achieved?	What is planned for the future?
2.1 To ensure members are effectively represented on identified boards and committees	<ul style="list-style-type: none"> ◆ Representation secured on numerous committees including road safety, libraries and human services 	<ul style="list-style-type: none"> ◆ Develop a policy on LGANT representation on committees
2.2 To lobby strongly on the key issues identified by members	<ul style="list-style-type: none"> ◆ Lobbied on agency arrangements, legislation, projects and policies (details in General meeting agenda) 	<ul style="list-style-type: none"> ◆ Continue lobbying effort on range of issues including roads, airstrips, cost shifting, housing and others
2.3 To seek legislative changes to ensure local government is able to nominate directly its representatives on boards and committees	<ul style="list-style-type: none"> ◆ Representation was achieved in accordance with Association requirements 	<ul style="list-style-type: none"> ◆ Develop a policy on LGANT representation on committees
2.4 To monitor proposed legislation that impacts on local government in the NT	<ul style="list-style-type: none"> ◆ Reports were provided on a host of legislative changes including Australia road rules, and regulations, swimming pools, container deposit legislation, Elections, (S13) Community Benefit Fund, Information Act, Roads to Recovery Act, Planning Act, Accounting regulations, Public Liability, Local Government Act, etc 	<ul style="list-style-type: none"> ◆ Continue to pursue outstanding legislative changes particularly with the Local Government Act and municipal council elections
2.5 To monitor policies of the Commonwealth and NT Governments which will impact on funding of Councils in the NT	<ul style="list-style-type: none"> ◆ Took part in 'Round Table' discussions with Commonwealth Minister for Local Government ◆ Commenced drafting submissions to several Territory and Commonwealth Government inquiries and policies ◆ Forwarded submissions on Container Deposit Legislation and Natural Disaster Relief 	<ul style="list-style-type: none"> ◆ Forward submissions on 'cost-shifting', indigenous capacity building and commercial aviation to Federal inquiries and on Auslink 'Green' paper to do with roads ◆ Continue to monitor developments on Container Deposit Legislation & Natural Disaster Relief
2.6 To seek an equitable distribution of Commonwealth funds to local government in the NT	<ul style="list-style-type: none"> ◆ Issue raised with Commonwealth Minister and included in draft of 'cost-shifting' submission 	<ul style="list-style-type: none"> ◆ Forward 'cost-shifting' submission to Federal Inquiry

Strategic Plan Achievements 2001/2002

Major Goal 3

Communication and Information - To keep member Councils fully informed on National and Territory issues relevant to them and provide opportunities of networking with other Councils and promote Local Government to the community

What is the Strategy?	What was achieved?	What is planned for the future?
3.1 To regularly update members on current issues	<ul style="list-style-type: none"> ◆ "This Week at LGANT" Email notice forwarded to all members on weekly basis ◆ 2 Journals produced and circulated during the year ◆ Minutes of Executive meetings forwarded to members ◆ Numerous contacts were made with members by telephone, fax, Email and face-to-face consultations 	<ul style="list-style-type: none"> ◆ Continue service and consider option of service appearing on Association Website ◆ Consider publication of material on Associations website
3.2 To regularly visit member Councils	<ul style="list-style-type: none"> ◆ LGANT staff visited 90% of member councils at least once during the year 	<ul style="list-style-type: none"> ◆ Continue visitations based on requirement for support services and projects
3.3 To conduct meetings/conferences of members	<ul style="list-style-type: none"> ◆ 3 General meetings held - November 2001, March 2002 and June 2002 ◆ 1 Regional meeting held in Alice Springs in February 2002 ◆ 1 workshop on housing held in Darwin in June 2002 ◆ 1 workshop on aviation services held in Jabiru in March 2002 ◆ 1 workshop on Networking the Nation projects held in Darwin in October 2001 ◆ 1 workshop on natural heritage and conservation held in Darwin in October 2001 	<ul style="list-style-type: none"> ◆ Adopt policy on future general meetings ◆ Develop schedule and policy for meetings ◆ Place information on the Website
3.4 To promote more extensive use of electronic communications by Councils in the NT	<ul style="list-style-type: none"> ◆ Member Council representatives trained in email and internet usage 	<ul style="list-style-type: none"> ◆ Continue training plans throughout the year
3.5 To promote Local Government to the community	<ul style="list-style-type: none"> ◆ Local Government Week held 15-19 October 2001 including special feature in NT News ◆ Gave presentations at schools on request ◆ Facts Sheets distributed on request 	<ul style="list-style-type: none"> ◆ Provide assistance to ALGA at the National General Assembly ◆ Upgrade Associations Web page

Strategic Plan Achievements 2001/2002

Major Goal 4

Member Services - To provide a range of professional services that members identify as useful to them

What is the Strategy?	What was achieved?	What is planned for the future?
4.1 To provide an Industrial Relations Service for members	<ul style="list-style-type: none"> ◆ A range of services were provided including drafting contracts of employment, representation in Australian Industrial Relations Commission, recruitment, award maintenance and human resource management advice 	<ul style="list-style-type: none"> ◆ Review agreement with AMMA ◆ Seek funding to provide human resource management services
4.2 To provide a media service for members	<ul style="list-style-type: none"> ◆ Weekly facsimile of media coverage on local government forwarded to members 	<ul style="list-style-type: none"> ◆ Review usefulness of weekly media coverage to members
4.3 To provide a Grants Information Service for members	<ul style="list-style-type: none"> ◆ Bulk subscription paid for all councils for service and information forwarded to Councils by email 	<ul style="list-style-type: none"> ◆ Review service
4.4 To encourage use of better recruitment practices by remote Councils	<ul style="list-style-type: none"> ◆ Held discussions with agencies involved to better coordinate recruitment. Engaged Municipal Council staff to assist in process for Community Government Councils 	<ul style="list-style-type: none"> ◆ Establish process for better coordination ◆ Seek funding for facilitation
4.5 To explore further opportunities for group schemes that can benefit members	<ul style="list-style-type: none"> ◆ Telstra discount package offered 	<ul style="list-style-type: none"> ◆ Investigate group insurance scheme for the NT

Strategic Plan Achievements 2001/2002

Major Goal 5

Project Management - To bid for and manage projects of Territory and National significance in order to improve the capacity and quality of Local Government services in the Northern Territory

What is the Strategy?	What was achieved?	What is planned for the future?
5.1 To bid for and manage Commonwealth Government projects in the NT	<ul style="list-style-type: none"> ◆ Maintained the regional road networks in the East Arnhem, Katherine, Borroloola and Alice Springs regions ◆ Completed and fully audited Road to Recovery Program which included 9 projects ◆ Completed 'I've Got Email 1' project ◆ NT Connect (\$5.4m), 20/20 Connecting Communities (\$375.000), Regional Council Connections (1.98M) funding sought and approved. ◆ Assisted NT Manufacturers' Council with bid for funding to establish a regional waste acid treatment facility in Darwin ◆ Collaboration Across the North (CAN) funding deed extended ◆ \$140,000 funding bid for Technology Dreaming project to provide interactive computer software for up to ten communities wishing to collate local history ◆ Continued Environment Resource Officer Program 	<ul style="list-style-type: none"> ◆ Administer Local Roads funding for roads for which no Council is responsible ◆ Continue Networking the Nation projects to enhance communications in the NT ◆ Ongoing liaison planned for the proposed Waste Acid Facility ◆ Seek funding for Regional Economic Development initiatives in the NT ◆ Seek funds for a Community Services Officer to be based at LGANT
5.2 To bid for and manage Territory Government Projects	<ul style="list-style-type: none"> ◆ Seek annual commitment of Special Purpose Grants for LGANT projects ◆ Source funds for a Local Government Road Safety Officer ◆ Coomalie Natural Resource Management Strategy 	<ul style="list-style-type: none"> ◆ Several efforts made but funding not provided, will try again

Strategic Plan Achievements 2001/2002

Major Goal 6

Management - To engage in a process of continual improvement and organisational development in order to meet the goals identified

What is the Strategy?	What was achieved?	What is planned for the future?
6.1 To provide professional advice to the President, Executive and members on issues	<ul style="list-style-type: none"> ◆ Advice was provided on a range of issues as evidenced by agendas of Executive and General Meetings 	<ul style="list-style-type: none"> ◆ Consider providing more information electronically
6.2 To improve the conduct and effectiveness of Association meetings	<ul style="list-style-type: none"> ◆ Agenda redesigned to suit organisation and members ◆ Held regional as well as general meetings 	<ul style="list-style-type: none"> ◆ Put agenda on line ◆ Develop policy on meetings and put to members
6.3 To ensure sound financial management of the Association	<ul style="list-style-type: none"> ◆ Budget adopted which corrected anomalies and reduced costs (see financial statements and 2002/2003 budget) 	<ul style="list-style-type: none"> ◆ Plan for surpluses and seek additional funding
6.4 To encourage entrepreneurial approaches to further develop LGANT activities	<ul style="list-style-type: none"> ◆ Investigated approaches interstate 	<ul style="list-style-type: none"> ◆ Consider defveloping advertising scheme for local government ◆ Develop policy for long term premises for LGANT
6.5 To encourage professional development of LGANT staff	<ul style="list-style-type: none"> ◆ Staff attended a number of courses and conferences 	<ul style="list-style-type: none"> ◆ Develop a training plan

**SPECIAL PURPOSE
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

STATEMENT BY THE PRESIDENT

I, Dave Elliott, President of the Local Government Association of the Northern Territory, state that in my opinion, the financial statements (as set out) are properly drawn up so as to present fairly the state of affairs of the Association as at 30 June 2002 and of the results and cash flows of the Association for the year then ended.

October 2002

PRESIDENT

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

I, Tony Tapsell, being the Chief Executive Officer of the Local Government Association of the Northern Territory, state that to the best of my knowledge and belief the financial statements (as set out) present fairly the state of affairs of the Association as at 30 June 2002 and of the results and cash flows of the Association for the year then ended.

October 2001

CHIEF EXECUTIVE OFFICER

Local Government Association of the Northern Territory

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2002

		2002	2001
		\$	\$
ASSETS	Notes		
<i>Current Assets</i>			
Cash	(2)	2 198 435	75 947
Debtors	(3)	8 708	106 893
Prepayments		<u>4 465</u>	<u>4 879</u>
		<u>2 211 608</u>	<u>187 719</u>
<i>Non-Current Assets</i>			
Motor Vehicles	(4)	108 050	66 074
Furniture and Fittings	(4)	<u>39 741</u>	<u>57 503</u>
		<u>147 791</u>	<u>123 577</u>
Total Assets		<u>2 359 399</u>	<u>311 296</u>
LESS LIABILITIES			
<i>Current Liabilities</i>			
Creditors		237	200 073
Accruals		4 000	4 000
Motor Vehicle Leases	(5)	21 551	48 029
Provision - Annual Leave		<u>28 584</u>	<u>29 047</u>
		<u>54 372</u>	<u>281 148</u>
<i>Non-Current Liabilities</i>			
Motor Vehicle Leases	(5)	69 792	0
Provision - Long Service Leave		0	17 460
		<u>0</u>	<u>17 460</u>
Total Liabilities		<u>124 164</u>	<u>298 608</u>
NET ASSETS		<u>2 235 235</u>	<u>12 688</u>
ACCUMULATED FUNDS			
Balance at the beginning of the year		12 688	232 860
Surplus (Deficit) for the year		<u>2 222 547</u>	<u>(220 172)</u>
Balance at the end of the year		<u>2 235 235</u>	<u>12 688</u>

Local Government Association of the Northern Territory

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2002

INCOME	2002	2001
	\$	\$
Members		
Subscriptions	379 250	366 798
Conference and meeting charges	24 479	20 370
Contributions to National Roads Campaign	0	6 000
Roads to Recovery signs	<u>0</u>	<u>6 681</u>
	403 729	399 849
Federal Government		
<i>Environment Australia</i>		
Environmental Resource Officer	60 254	57 000
Local Agenda 21 training	0	2 000
Remote LA21	0	25 500
Greenhouse Forums	<u>6 000</u>	<u>0</u>
	66 254	84 500
<i>Department of Transport and Regional Services</i>		
Collaboration across the North	45 000	23 619
Local Roads Grant	627 232	652 345
Roads to Recovery	<u>529 334</u>	<u>0</u>
	1 201 566	675 964
<i>Department of Communications, Information Technology and the Arts</i>		
Networking the Nation	353 704	356 755
Online Strategy	59 220	0
NT Connect	<u>1 900 000</u>	<u>0</u>
	2 312 924	356 755
	<u>3 580 744</u>	<u>1 117 219</u>
Northern Territory Government		
<i>Department of Local Government</i>		
Reform Agenda Special Purpose Grant	20 000	15 051
Training Special Purpose Grant	50 000	50 000
Better Practice Awards Grant	10 000	24 000
Aboriginal Elected member position	<u>6 000</u>	<u>0</u>
	86 000	89 051
<i>Department of Corporate and Information Services</i>		
Technology Dreaming	<u>140 000</u>	<u>0</u>

Local Government Association of the Northern Territory

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2002 (continued)

	140 000	0
INCOME continued	2002	2001
	\$	\$
<i>Department of Lands Planning and Environment</i>		
Vernon Project - Natural Heritage Trust	<u>0</u>	<u>72 015</u>
	0	72 015
	<u>226 000</u>	<u>161 066</u>
Reimbursement of Project Expenses		
Contributions from project work	<u>0</u>	<u>71 000</u>
	<u>0</u>	<u>71 000</u>
Other Income		
Sponsorship	19 361	24 900
Interest	7 511	7 938
Sundry income	3 387	19 266
Training income	8 460	19 760
Conference Room hire	4 000	3 274
ALGA reimbursements	6 858	24 815
ALGA reimbursements - Nat Roads Camp	13 947	0
ALGA Business Plan	40 000	0
Electronic Outback Project CWO Consultancy (Optus)	31 821	11 545
NT University programs	0	9 000
Profit on Disposal of Assets	<u>17 390</u>	<u>0</u>
	<u>152 735</u>	<u>120 498</u>
TOTAL INCOME	<u>4 363 208</u>	<u>1 869 632</u>
Less Expenses (pages ?)	<u>(2 140 661)</u>	<u>(2 089 804)</u>
Surplus (Deficit) for the year	<u>2 222 547</u>	<u>(220 172)</u>

Local Government Association of the Northern Territory

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2002 (continued)

EXPENDITURE	2002	2001
	\$	\$
Executive and Meetings		
Executive Expenses	977	5 017
Presidents Allowance	6 000	6 000
General Committee meeting expenses	25 779	44 087
Regional Meeting expenses	<u>386</u>	<u>4 077</u>
	<u>33 142</u>	<u>59 181</u>
Staffing - Management and Administration		
Staff Salaries	111 903	166 849
Superannuation and on costs	21 074	18 741
Training and conference expenses	7 844	3 652
Motor Vehicle and travel expenses	<u>10 777</u>	<u>25 347</u>
	<u>151 598</u>	<u>214 589</u>
Office and Administration		
Outsourcing expenses	3 588	15 339
Postage	3 662	9 867
Photocopying	5 131	6 133
Printing & Stationery	3 419	11 756
Insurances	3 466	8 198
Rent/Electricity/cleaning	63 022	87 034
Telephone/Facsimile	28 060	34 152
Public Relations/Promotion	1 461	1 767
Bank Charges	2 113	4 459
Legal Advice	0	0
Audit Fee	3 650	4 450
Accounting costs	14 233	16 181
Fringe Benefits Tax	5 803	6 818
Depreciation	22 493	24 669
Amortisation	18 458	17 429
Debts Written Off	3 523	3 838
Net loss on Disposal of assets	41	0
Doubtful debts	8 808	3 775
Sundry Expenses	4 402	9 744
Computer Network expenses	<u>5 564</u>	<u>9 150</u>
	<u>200 897</u>	<u>274 759</u>

Local Government Association of the Northern Territory

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2002 (continued)

EXPENDITURE	2002	2001
Australian Local Government Association	\$	\$
Subscriptions	45 151	42 524
Travel expenses - Executive meetings	27 406	29 924
Travel expenses - General Assembly Indigenous attendance	<u>0</u>	<u>14 544</u>
	<u>72 557</u>	<u>86 992</u>
Industrial Relations Service		
Industrial Relations Service	<u>130 340</u>	<u>132 791</u>
	<u>130 340</u>	<u>132 791</u>
Projects		
<i>Federal Government</i>		
Environmental Resource Officer	75 491	56 567
Local Agenda 21 training	0	12 060
Remote LA21	0	17 268
Greenhouse Forum	0	0
Local Government Learning	0	95 787
Local Road Expenditure	416 515	639 289
Roads to Recovery	537 357	0
Networking the Nation I've Got E-mail 1	8 626	174 880
Networking the Nation I've Got E-mail 2	299 264	131 000
Networking the Nation On line Strategy	<u>58 157</u>	<u>0</u>
	<u>1 395 410</u>	<u>1 126 851</u>
<i>Northern Territory Government</i>		
Reform Agenda	27 798	17 904
Library Internet Project	0	51 910
Coastal Management	10 097	6 576
Vernon Project - Natural Heritage Trust	0	115 577
Local Government Learning	<u>81 276</u>	<u>0</u>
	<u>119 171</u>	<u>191 967</u>
<i>Other Projects</i>		
Electronic Outback Project CWO consultancy	4 082	2 674
ALGA Business Plan	24 518	0
Coomalie Bushcare	300	0
National Roads Campaign Refurn	5 454	0
Grant Advisory Service	<u>3 192</u>	<u>0</u>
	<u>37 546</u>	<u>2 674</u>
TOTAL EXPENSES	<u>2 140 661</u>	<u>2 089 804</u>

Local Government Association of the Northern Territory

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2002

		2002	2001
		\$	\$
Cash flows from Operating Activities	Notes		
Payments to Suppliers and Employees		(2 440 772)	(1 850 745)
Borrowing costs		(3 152)	(4 763)
Receipts from members		576 463	419 609
Interest received		7 510	7 938
Government funding		3 824 744	1 278 285
Other funding		<u>162 226</u>	<u>0</u>
Net Cash Flows used in operating activities	(6b)	<u>2 127 022</u>	<u>(149 676)</u>
Cash flows from investing activities			
Purchase of fixed assets		(4 365)	(3 154)
Proceeds from sale of fixed assets		<u>47 865</u>	<u>0</u>
Net Cash Flows used in investing activities		<u>43 500</u>	<u>(3 154)</u>
Cash flows from Financing Activities			
Finance lease principal repayments		(48 034)	(17 694)
Net Cash Flows used in financing activities		(48 034)	(17 694)
Net Increase/(Decrease) in cash held		2 122 488	(170 524)
Cash at the beginning of the year		<u>75 947</u>	<u>246 471</u>
Cash at the end of the year	(6a)	<u>2 198 435</u>	<u>75 947</u>

Local Government Association of the Northern Territory

NOTES TO, AND FORMING PART OF, THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1. STATEMENT OF ACCOUNTING POLICIES

a) *Basis of Accounting*

This special purpose financial report has been prepared for distribution to the members. The accounting policies used in the preparation of this report are consistent with the previous year and are described below.

- (i) The accounts have been prepared using the accrual basis of accounting including the historical cost convention and the going concern assumption.
- (ii) The requirements of Australian Accounting Standards promulgated by the accounting profession do not have mandatory applicability to the Local Government Association of the Northern Territory in relation to the year ended 30 June 2002 because the entity is not a "reporting entity" as defined therein. The Association has, however prepared the financial statements in accordance with all Australian Accounting Standards, with the following exceptions:

AAS 33 : Presentation and Disclosure of Financial Instruments

b) *Economic Dependency*

The Association is reliant upon the receipt of government grants and members subscriptions to continue to operate as a going concern.

c) *Fixed Assets*

Fixed assets are carried at cost.

Depreciation is provided on a straight line basis on all fixed assets recorded in the balance sheet at rates calculated to allocate the cost less estimated residual value at the end of the estimated useful lives of the assets of the Association against revenue over those estimated useful lives.

d) *Revenue Recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- *Grants*

All grants are brought to account as revenue in the statement of income and expenditure when received and the unexpended portion is not taken up as a liability in the Balance Sheet. Unexpended grants being grants recognised as revenues which were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged at year end are not taken up as a liability in the balance sheet.

- *Subscriptions*

Subscriptions are recorded on an accrual basis.

e) *Cash*

For the purposes of the statement of cash flows, the Association considers cash to include cash on hand and in banks.

f) *Employee Entitlements*

Provision is made for employee entitlement benefits accumulated as a result of employees rendering service up to the reporting date. The benefits include wages and salaries, annual leave and long service leave.

g) *Taxation*

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

h) *Superannuation*

The contributions made to the Local Government Superannuation Scheme for all Association employees was at the rate of 7%.

Local Government Association of the Northern Territory

NOTES TO, AND FORMING PART OF, THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002 (continued)

STATEMENT OF ACCOUNTING POLICIES (cont ...)

i) *Leases*

Finance leases, which effectively transfer to the entity substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the present value of minimum lease payments, disclosed as leased property and amortised over the period the entity is expected to benefit from the use of the leased assets.

Operating lease payments, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased items, are included in the determination of the operating profit in equal instalments over the lease term.

2. CASH

Cash at bank at 30th June 2002 comprised accounts at Westpac Darwin as follows:

	2002	2001
	\$	\$
Term Deposit - Legal Reserve	13 320	12 625
Term Deposit - Security	11 466	0
Project Holding Account	2 125 000	0
Operating account	<u>48 449</u>	<u>63 122</u>
	2 198 235	75 747
Office petty cash	<u>200</u>	<u>200</u>
	<u>2 198 435</u>	<u>75 947</u>

3. DEBTORS

	2002	2001
	\$	\$
Debtors	29 957	119 333
Provisions for Doubtful Debts	<u>(21 249)</u>	<u>(12 440)</u>
	<u>8 708</u>	<u>106 893</u>

Local Government Association of the Northern Territory

NOTES TO, AND FORMING PART OF, THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002 continued

4. FIXED ASSETS

	2002	2001
	\$	\$
Motor Vehicles at cost	21 600	21 600
Less Accumulated depreciation	<u>5 794</u>	<u>3 634</u>
	<u>15 806</u>	<u>17 966</u>
Leased Motor Vehicles	100 822	87 149
Less Accumulated amortisation	<u>8 578</u>	<u>(39 041)</u>
	<u>92 244</u>	<u>48 108</u>
Total Motor Vehicles	<u>108 050</u>	<u>66 074</u>
Furniture and Fittings at cost	136 851	177 869
Less Accumulated depreciation	<u>97 110</u>	<u>120 366</u>
	<u>39 741</u>	<u>57 503</u>
Total Fixed Assets	<u>147 791</u>	<u>123 577</u>

5. EXPENDITURE COMMITMENT

	2002	2001
	\$	\$
Finance Lease		
- not later than 1 year	29 136	50 998
- later than 1 year but not later than 2 years	29 136	0
- later than 2 years but not later than 5 years	<u>52 448</u>	<u>0</u>
	110 720	50 998
- less future finance charge	<u>19 377</u>	<u>2 970</u>
- lease liability	<u>91 343</u>	<u>48 028</u>
- current liability	21 551	48 028
- non current liability	<u>69 792</u>	<u>0</u>
	<u>91 343</u>	<u>48 028</u>

Local Government Association of the Northern Territory

NOTES TO, AND FORMING PART OF, THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002 continued

6.	STATEMENT OF CASH FLOWS	2002	2001
		\$	\$
	a) Reconciliation of Cash		
	Cash at Bank	2 198 235	75 747
	Petty Cash imprest	<u>200</u>	<u>200</u>
		<u>2 198 435</u>	<u>75 947</u>
	b) Reconciliation of Net Cash used in Operating Activities to Operating Result		
	Operating result	2 222 547	(220 172)
	Depreciation	22 493	24 669
	Amortisation	18 458	17 429
	Proceeds on Sale of Fixed Assets	(47 865)	0
	Book Value of Fixed Assets Sold	30 475	0
	Increase/(Decrease) in Trade Creditors and accruals	(199 837)	127 047
	Increase/(Decrease) in Provisions	(17 923)	963
	(Increase)/Decrease in Debtors	98 260	(98 202)
	(Increase)/Decrease in Prepayments	<u>414</u>	<u>(1 410)</u>
	Net Cash used in operating activities	<u>2 127 022</u>	<u>(149 676)</u>

7. **SEGMENT INFORMATION**

The Local Government Association manages grants and other Government funded monies on behalf of Councils in the Northern Territory. The Association operates in Darwin, Australia.

8. **UNEXPENDED GRANTS**

The Association has contingent liabilities to repay grants received but not fully expended at year end for projects of \$2 149 050

	2002	2001
	\$	\$
The projects are:		
Networking the Nation	22 089	8 021
Local Government Reform Agenda	0	2 096
Greenhouse Forum	6 000	0
NT Connect	1 900 000	0
Collaboration Across the North	68 619	0
Technology Dreaming	140 000	0
ALGA Business Plan	<u>12 342</u>	<u>0</u>
	<u>2 149 050</u>	<u>10 117</u>