

## **Estimates Committee 2010**

### **Questions Taken On Notice**

( 11/06/2010 to 18/06/2010 )

Date: 15/06/2010 Output:  
Sub Output:  
Subject: Quarterly reports from the Barkly Shire council

**From:** Mr Gerry Wood to Hon Malarndirri McCarthy  
Local Government

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**Question:** 4-8  
The last three would be good. Could we get a copy of the last three quarterly reports from the Barkly Shire council?

**Answer:**  
Answered On: 06/08/2010  
Answer: Page 1 of 1

ESTIMATES COMMITTEE  
Questions Taken on Notice

Date: 15 June 2010 Output: 1.0 Local Government, Regional and  
Community Services  
Sub Output: 1.1 Local Government

Subject: Answer to Question on Notice 4.8

From: Member for Nelson To: Hon Malarndirri McCarthy MLA

Department of Housing, Local Government and Regional Services

Number: 4.8

Question: Could we get a copy of the last three quarterly reports from the Barkly Shire Council?

Answer:

Copies of the last three reports from the Barkly Shire Council are attached.

Attachment A – December 2009 Financial Report  
Attachment B – March 2010 Financial Report  
Attachment C – May 2010 Financial Report

**CHIEF EXECUTIVE OFFICER REPORTS**

**ITEM NUMBER** 7.3  
**TITLE** FINANCE REPORT  
**REFERENCE** -  
**AUTHOR** MANAGER FINANCE

**RECOMMENDATION**

That the report be received.

**SUMMARY:**

The following financial report for Council consists of the following:-

- Current Cash position for Council; and
- Update on the new business system implementation

Please note that the audit for Alpururulam is still not finalised as there are queries to be actioned by the auditor and adjustments to be made once the audit is completed.

**NEW FINANCE SYSTEM**

There has been significant progress with the implementation of the new finance system. The following is a summary of progress to date:

Module	Status	Comment
Payroll	Operational	Commenced 25 <sup>th</sup> October
Accounts Receivable	Operational	
Accounts Payable	Operational	All data up to date
Rates	Operational	Rates notices sent out on 16 <sup>th</sup> November
Reporting	Operational.	Testing reports this week for actual income and expense. Hope to be able to report against budget once this is loaded by Civica.

**OTHER**

Other key issues are as follows:

What	Status	Comment
Audit for Alpururulam	Still not finalised	There are queries to be actioned by the auditor and adjustments to be made once the audit is completed. This is out of the control of BSC, but should be ready by mid December.
Financial Statement for 2008-09	Finalised except for Alpururulam audit	Preparation for the auditors is underway. John Chong has been assigned to this, however he will be finishing up on Friday 20 <sup>th</sup> November; so he will

		endeavour to get as much completed as possible.
Staff Enterprise Agreement	The new rates and allowances have been loaded in the payroll system successfully	The process went remarkably smoothly and was a credit to the staff.
Budget 2009-10	The budget has been developed and mapped to load into the new finance system. Civica is loading the budget this week	Dave Ferris will be working on this during the week commencing 16 <sup>th</sup> November.
Debtors	The balance is currently \$971,889	The balance carried forward from the old system was \$775,676; this is to be reconciled when the audit is done.
Funds invested	ANZ - \$6,000,000 Westpac - \$1,000,000	

#### AVAILABLE CASH

Cash Balance - as at 16th November, 2008			\$ 6,858,799
Add Investments			
Deposit with ANZ	6,000,000		
Deposit with Westpac	1,000,000		
Less Liabilities owing - Not yet paid			
Sundry Creditors		-500,000	
Capital Items Purchased		-1,000,000	
PAYG & GST (Oct 09- Nov 09)		-250,000	
Unexpended Grants		-3,809,546	
Unexpended Grants - In retained earnings		-491,064	
Provision for Annual Leave		-206,750	
Provision for Long Service Leave		-72,200	
Balance of Funds : Surplus / (Deficit)			\$ 7,529,239

**ITEM NUMBER** 7.11  
**TITLE** FINANCE REPORT/INDEPENDENT AUDIT REPORT  
**REFERENCE** -  
**AUTHOR** MANAGER FINANCE

### RECOMMENDATION

That the reports be received.

### SUMMARY:

The following financial report for Council consists of the following:-

- Current Cash position for Council;
- Cash Flow for Council;
- Task Completion Dates; and
- Expenditure report

### 1. CASH AT BANK

The balance sheet and cash flow statement will be a more comprehensive report once the financial statement is finalised and the carried forward balances from the 2008/2009 year are included.

In the meantime, the information below is an indication of the cash available for Council's use.

CASH AVAILABLE FOR OPERATIONAL USE				
<b>Bank Account Balances - as at 7 March, 2010</b>	Operational Account		2,788,383	<b>Balance</b>
	Trust Account		2,255,902	
	Investment - ANZ		5,000,000	
	Investment - Westpac		1,500,000	
				11,544,285
<b>Expected Payments</b>	Jan-March BAS & PAYG	-450,000		
	Creditors Payments	-500,000		
	Unexpended Grant Monies (Approx)	-4,529,000		
	Other Miscellaneous Expenses	-500,000		
				-5,979,000
<b>Cash Available</b>				<b>5,565,285</b>

## 2. CASH FLOW FOR COUNCIL

Whilst there are sufficient funds available to fund the unexpended grants from the former Community Government Councils, I wish to bring to Council's attention the need to be aware of cash available for items that have may not have been budgeted for, or Council has not received specific funding for.

There is still a backlog of financial matters to be addressed, such as bank reconciliations and budgeting requirements for the next financial year, and getting to the stage of having an up to date cash flow on a weekly basis is still some months off.

## 3. TASKS TO BE COMPLETED FOR 2009/2010

We have a new staff member within the Finance Division who is completing the bank reconciliation for both the Trust and General Operations Accounts. Therefore the following items are still to be completed by the end of the financial year:-

- Ensuring that the bank reconciliation is up to date;
- Analysis of the project cost codes to ensure that correct income is allocated to the correct programs;
- Getting accounts receivable up to date and having a debt recovery procedure in place; and
- Training and multi-skilling staff on various modules of Authority

## 4. EXPENDITURE – SERVICE CENTRES

- 4.1 This section gives information on the expenditure to date for each service delivery centre within the Shire and includes the Budget for this financial year.

**Table 4.1 Service Delivery Centre Actual YTD v Budget June YTD**

Service Delivery Centre	March Actual YTD
Ali Curung Expenditure	1,695,985
Alpurrurulam Expenditure	1,085,996
Ampilatwatja Expenditure	1,100,858
Arlparra Expenditure	1,508,004
Canteen Creek Expenditure	268,417
Elliott Expenditure	1,712,740
Headquarters Expenditure	3,937,163
Imangara Expenditure	240,543
Tara Expenditure	174,529
Tennant Creek Expenditure	2,086,508
Wuntunguru Expenditure	523,491
Grand Total	14,334,234

ORDINARY COUNCIL MEETING – ARLPARRA SERVICE CENTRE – 18 MARCH 2010

4.2 This tables below give a breakdown of the expenditure for each service delivery centre by Project and Program.

Service Delivery Centre	Sub Ledger Account (desc)	March Actual YTD
<b>Ali Curung Expenditure</b>	Administration	86,041
	Aged and Disability Care Services	162,675
	Agency Services	29,338
	Arts and Culture	250
	Buildings	20,609
	CDEP	464,653
	Children and Youth Services	5,580
	Community and Social Development	35,716
	Cultural Heritage	705
	Depot Operations	222,911
	Economic Development	1,167
	Family Services	23,521
	Housing	355,039
	Night Patrol	77,903
	Outstations	34,502
	Parks and Gardens	1,044
	Private Works	8,624
	Ranger Services	178
	Remote & Indigenous Service Support Prog	5,400
	Roads Bridges and Footpaths	1,834
	Sanitation	9,478
	Sewerage	450
	Sport and Recreation	32,796
	Stormwater Drainage	1,440
	Street Lighting and Signage	4,083
	Tourism and Events	1,100
	Waste Management	72,821
	Water	4,567
	Works and Services Management	31,560
<b>Ali Curung Expenditure Total</b>		<b>1,695,985</b>
<b>Alpurrurulam Expenditure</b>	Administration	123,972
	Aged and Disability Care Services	143,367
	Agency Services	12,464
	Buildings	5,045
	CDEP	36,964
	Children and Youth Services	25,894
	Community and Social Development	23,581
	Cultural Heritage	405
	Depot Operations	187,729
	Economic Development	64,101
	Family Services	9,161
	Housing	128,286



	Night Patrol	96,590
	Parks and Gardens	17,275
	Private Works	17,480
	Remote & Indigenous Service Support Prog	23,325
	Roads Bridges and Footpaths	21,173
	Sanitation	9,625
	Sport and Recreation	71,738
	Stormwater Drainage	490
	Tourism and Events	465
	Works and Services Management	66,867
<b>Alpururulam Expenditure Total</b>		<b>1,085,996</b>
<b>Ampilatwatja Expenditure</b>	Administration	89,486
	Aged and Disability Care Services	94,857
	Agency Services	21,302
	Buildings	4,426
	CDEP	126,806
	Children and Youth Services	33,827
	Community and Social Development	247
	Cultural Heritage	1,733
	Depot Operations	181,991
	Economic Development	8,785
	Family Services	434
	Housing	177,139
	Night Patrol	168,118
	Outstations	100,331
	Parks and Gardens	23,866
	Private Works	679
	Ranger Services	562
	Remote & Indigenous Service Support Prog	11,175
	Sanitation	551
	Sewerage	45,400
	Sport and Recreation	2,491
	Tourism and Events	399
	Waste Management	3,908
	Water	790
	Works and Services Management	1,555
<b>Ampilatwatja Expenditure Total</b>		<b>1,100,858</b>
<b>Arparra Expenditure</b>	Administration	123,838
	Aged and Disability Care Services	160,189
	Agency Services	34,544
	Buildings	11,686
	CDEP	66,217
	Community and Social Development	1,877
	Cultural Heritage	1,315
	Depot Operations	272,337
	Economic Development	27,863
	Family Services	5,126
	Fire Prevention and Emergency Services	2,436
	Housing	346,992

ORDINARY COUNCIL MEETING – ARLPARRA SERVICE CENTRE – 18 MARCH 2010

	Night Patrol	30,490
	Outstations	320,923
	Parks and Gardens	17,017
	Private Works	2,162
	Remote & Indigenous Service Support Prog	11,175
	Sanitation	2,552
	Sewerage	1,545
	Sport and Recreation	5,135
	Tourism and Events	1,091
	Waste Management	57,993
	Works and Services Management	3,502
<b>Arlparra Expenditure Total</b>		<b>1,508,004</b>
	CDEP	160,624
	Children and Youth Services	2,340
	Night Patrol	105,453
<b>Canteen Creek Expenditure Total</b>		<b>268,417</b>
<b>Elliott Expenditure</b>	Administration	126,338
	After School Care	173
	Aged and Disability Care Services	147,734
	Agency Services	21,084
	Arts and Culture	23,056
	Buildings	31,983
	CDEP	232,494
	Children and Youth Services	27,377
	Community and Social Development	26,269
	Cultural Heritage	1,052
	Depot Operations	202,772
	Economic Development	183,834
	Environmental Health	416
	Family Services	39,121
	Housing	340,533
	Night Patrol	46,632
	Outstations	53,361
	Parks and Gardens	87,424
	Private Works	2,112
	Remote & Indigenous Service Support Prog	17,825
	Sport and Recreation	70,749
	Tourism and Events	1,177
	Waste Management	23,478
	Water	1,982
	Works and Services Management	3,765
<b>Elliott Expenditure Total</b>		<b>1,712,740</b>
<b>Headquarters Expenditure</b>	Administration	1,114,000
	Buildings	301,820
	Community and Social Development	14,602
	Corporate and Community Services Manager	3,304
	Depot Operations	745
	Economic Development	410,743
	Executive Management	827,592



	Governance	235,963
	Housing	33,956
	Human Resources	148,232
	Information Technology	536,844
	Night Patrol	272,482
	Planning	2,649
	Private Works	589
	Rates	248
	Records Management	30,748
	Tourism and Events	2,646
<b>Headquarters Expenditure Total</b>		<b>3,937,163</b>
<b>Imangara Expenditure</b>	Aged and Disability Care Services	4,225
	CDEP	57,934
	Children and Youth Services	2,844
	Housing	56,811
	Night Patrol	118,730
<b>Imangara Expenditure Total</b>		<b>240,543</b>
<b>Plant Operations Expenditure</b>	Plant Operations	275,764
<b>Plant Operations Expenditure Total</b>		<b>275,764</b>
	Aged and Disability Care Services	3,170
	CDEP	19,448
	Children and Youth Services	15,710
	Housing	600
	Night Patrol	134,737
	Private Works	863
<b>Tara Expenditure Total</b>		<b>174,529</b>
	Works and Services Management	267,270
<b>Tennant Creek Capital Expenditure Total</b>		<b>267,270</b>
<b>Tennant Creek Expenditure</b>	\$176K Project	4,928
	\$50K Project - Asset Management	3,017
	Administration	50,005
	Buildings	68,200
	CDEP	185,749
	Commonwealth Emergency Relief Program	4,253
	Cultural Heritage	1,458
	Depot Operations	501,226
	Economic Development	552,568
	Fire Prevention and Emergency Services	159
	Housing	17,960
	Outstations	17,066
	Parks and Gardens	474,831
	Private Works	652
	Ranger Services	71,062
	Rates	5,040
	Roads Bridges and Footpaths	16,928
	Sanitation	691
	Sport and Recreation	18,692
	Stormwater Drainage	18
	Street Lighting and Signage	7,222

# ORDINARY COUNCIL MEETING – ARLPARRA SERVICE CENTRE – 18 MARCH 2010

<b>Tennant Creek Expenditure Total</b>	Tourism and Events	6,262
	Waste Management	78,521
		<b>2,086,508</b>
	Aged and Disability Care Services	280
	Agency Services	3,720
	CDEP	190,386
	Children and Youth Services	35,585
	Community and Social Development	200
	Cultural Heritage	824
	Depot Operations	32,634
	Economic Development	6,380
	Housing	93,773
	Night Patrol	157,678
	Sport and Recreation	384
	Tourism and Events	418
<b>Wuntunguru Expenditure Total</b>	Water	1,228
		<b>523,491</b>

## 5. EXPENDITURE - PROJECTS & PROGRAMS

The following table gives an indication of the expenditure to date for the projects and programs delivered by Council.

**Table 5.1 Projects & Programs Actual YTD**

Projects & Programs	March Actual YTD
\$176K Special Purpose Grant - Parks & Gardens T/Ck	591
\$50K Special Purpose Grant - Parks & Gardens T/Crk	3,017
Active After School Care	7,140
Admin of Councils, Boards & management Committees	75
Administration	76,248
After School Care	173
Agency Services	120,541
Animal Welfare & Control	71,192
Arts and Culture	23,306
Australia Day Activities	4,459
Broadcasting (BROS) Program	1,437
Broadcasting (RIBS) Program	11,563
Buildings	20
CACP	622,374
CAYLUS Summer Holiday Program Alpururulam	105
CDEP Administration	268,865
CDEP Employment	1,444,315
Centrelink	1,828
Child Care Services	18,938
Civic and Community Events	5,475

Closing the Gap	25,431
Commonwealth Emergency Relief Program	4,253
Contract - Private Works Other	1,241
Contract - Private Works Residential	438
Corporate & Community Services	77,727
Cultural Heritage	472
Depot and Workshop Operations	1,602,298
Economic Development	1,247,806
Electricity and Water Business	31,528
Environmental Health	416
Family Violence	1,399
Family Worker	1,199
Fire Prevention and Emergency Services	2,595
Footpaths	7,851
Grass Roots Development Programs	697
Home and Community Care	91,321
Horticulture Business	2,363
Housing	811,265
Housing & Maintenance prescribed	170
Housing Tenancy management	644
Human Resource	8,410
Information Technology	11,662
Jobs Transition - HACC Community Workforce	2,802
Jobs Transition - Sport & Recreation	1,379
Library	92,480
Lighting	4,083
Mechanical Workshop	107,249
Miscellaneous Programs	25,570
Naidoc Week	7,019
New Longreach Waterhole Rec Area	12,251
Night Patrol	1,208,813
NTG territory Job Creation	68,498
Outstations	414,467
Parks & Gardens	425
Plant Machinery and Vehicles	1,975
Playgroup	353
Rates	4,917
Regulatory Services	610
Risk Management	5,242
Roads and Bridges	21,173
Safe House Program	69,294
Sanitation	22,206
School Nutrition	121,215
Septics - Special Purpose Grant	111,716
Sewerage	47,395
Sport & Recreation	202,959
Sport & Recreation Building - Elliott	3,112



# ORDINARY COUNCIL MEETING – ARLPARRA SERVICE CENTRE – 18 MARCH 2010

Stormwater Drainage	1,948
Swimming Pools	84,935
Tourism and Events	546
Vacation care	220
Visitor Accommodation and Tourist Information	3,079
Waste Management	163,900
Water	8,568
Works & Services	51,490
Youth Engagement	1,101
<b>Grand Total</b>	<b>9,486,004</b>

**Deloitte**

## INDEPENDENT AUDIT REPORT TO BARKLY SHIRE COUNCIL

We have audited the accompanying financial report of Barkly Shire Council (the "Council"), which comprises the balance sheet and statement of working capital as at 30 June 2009, operating statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

### *The Responsibility of the Chief Executive Officer for the Financial Report*

The Chief Executive Officer of the Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), the Local Government Act 2008 (the "Act") and the Local Government (Accounting) Regulations 2008. This responsibility also includes establishing and maintaining internal financial systems to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. Due to the nature set out in the Basis for Disclaimer of Auditor's Opinion, we were not able to complete an audit in accordance with Australian Auditing Standards.

*Auditor's Independence Declaration*  
In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

### *Basis for Disclaimer of Auditor's Opinion*

*Opening balances*  
This is the first year that seven communities, being Aboriginal Association Incorporated, All Caring Council Association Incorporated, Alfordham Community Government Council, Barkly Shire Prospective Council, Elliott District Community Government Council, Tennant Creek Town Council and Uruquana Council Aboriginal Corporation are reporting as the Barkly Shire Council. The opening financial position after the amalgamation of the seven communities is unable to be audited due to the lack of available information. We were unable to perform alternative audit procedures to enable us to form an opinion on the balances transferred from these communities which form the opening balance of the Council. The results of the Council for the year ended 30 June 2009 would be affected to the extent of any misstatement of the net assets transferred from these nine communities.

Consequently, we were unable to substantiate the Assets Combined Following Reunification for \$26,713,195 as reported in the Operating Statement as this is calculated based on the opening net assets.

### *Receivables*

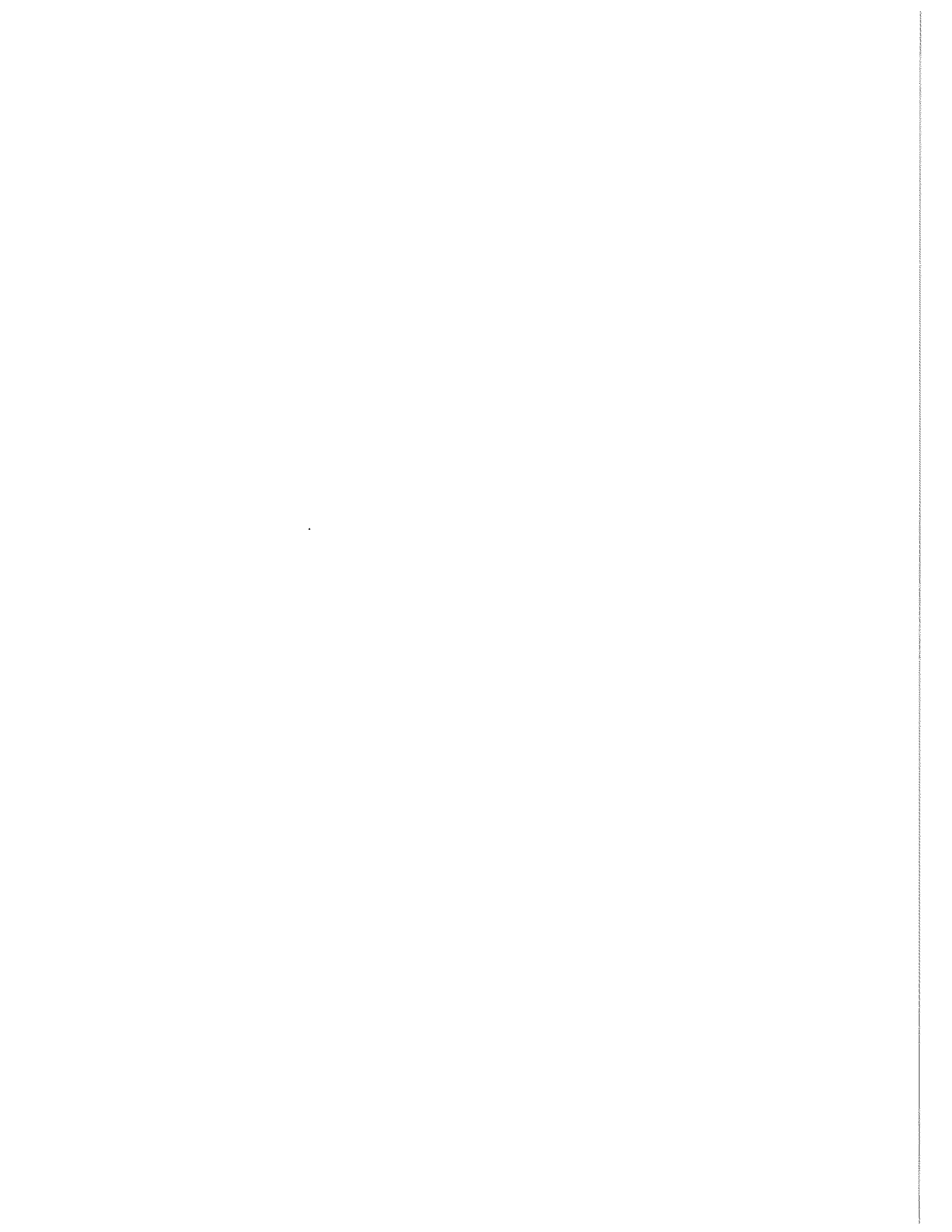
Receivables of \$1,653,869 are recorded on the Balance Sheet. We were unable to obtain sufficient appropriate audit evidence to verify the allowance for doubtful debts of \$369,984.

### *Property, plant and equipment*

Property, plant and equipment of \$20,537,189 is recorded on the Balance Sheet. Australian Accounting Standard ASB 150 *Impairment of Assets* requires an asset to be carried at no more than its recoverable amount. We have been unable to obtain sufficient appropriate audit evidence of the existence and recoverable amount of these property, plant and equipment assets and, accordingly, have been unable to form an opinion on the carrying amount of these assets.

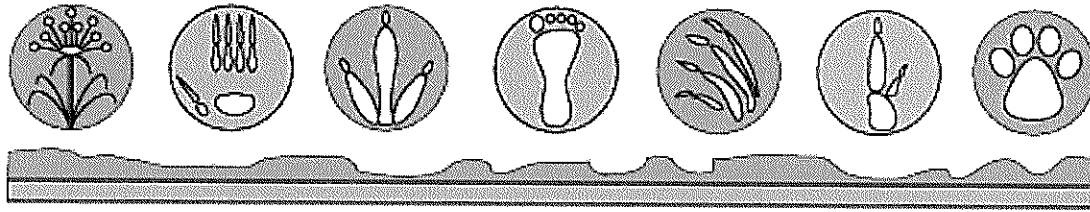
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# BARKLY SHIRE COUNCIL



VISION: The Barkly is a strong and vibrant Shire that values and respects its cultural diversity

## **REPORT FOR COUNCIL ON LOCAL GOVERNMENT ACTIVITIES FOR 2010 / 2011 FINANCIAL YEAR**

Prepared by  
Catherine Watkins  
Finance Manager  
17<sup>th</sup> May, 2010

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## **1. Synopsis**

This report has been requested to gauge the liquidity of Barkly Shire Council and their ability to pay their debts. In the two years since the formation of Barkly Shire Council there has been a major change of business systems; this produced a backlog of data and an inability to give Council accurate and up to date information on a regular basis.

In addition, the procurement process was non-existent; there were purchase order books that were unaccounted for and financial delegation of some staff members were exceeded on occasions. There is now a purchasing policy which has been implemented and the purchasing module will be in operation very shortly. There will also be a Purchasing Officer whose duties consist of producing purchase orders based on requestion requests which are signed by the responsible officer. The purchase orders will only be signed by the Finance Manager and co-signed by either the CEO or one of the Directors.

The other issue is one of budgeting; there was no real budget set out for these two years and certainly the depot operations within the whole of Shire had no guidelines for their expenditure. The non-existence of this control made it difficult for staff members to curb their spending or, indeed for the Shire Service Managers to monitor their actual/budget expenditure.

## **2. Introduction**

The following financial information has been assembled from Authority, a business system owned by the company Civica, which is currently Barkly Shire Council's Business System.

The Shire uses a Project Costing Module which separates all expenditure between the communities and headquarters. This information is then fed into the general ledger. The information in this report has been taken directly from the module and at the time of this report is considered accurate.

This report includes all relevant financial data for the expenditure of Local Government operations and the cash position of Barkly Shire Council.

## **3. Business System**

As already mentioned there was a major change of business systems twelve months into the commencement of the Shire. At this present time we are unable to give exact figures on what this new system is costing Barkly Shire Council as we are still committed to the old business system of Councilbiz. However, both companies combined are costing Council in excess of \$700,000 per year and this expenditure will continue for at least the next three years; this is an additional cost that Council has to endure.

#### 4. Conditions of the Report

This report is based on the following:-

- 4.1 All expenditure, including salary & wages payments and creditors payments are entered into the system and are up to date;
- 4.2 Some large purchases of plant and equipment may have been miscoded, which will require further investigation;
- 4.3 All data is in the cash book and the bank reconciliation has been completed to 31 December, 2009;
- 4.4 The data in the system still has to be purified, however all information in this report is classified as being ninety per cent accurate.

#### 5. Local Government Operations

The following items have been extrapolated from the system that relates to local government operations. All other activities are funded by various agencies. The amount of \$10,646,565 is the total of local government operations that has been gleaned from the system.

Project Level 1 Description	June Actual YTD
Admin & Customer Relations management	1,791
Admin of Councils, Boards & management Committees	75
Corporate & Community Services	132,661
Depot and Workshop Operations	2,291,767
Economic Development	1,500,442
Electricity & Water Business	48,517
Executive Management	649,509
Footpaths	22,591
Governance	398,528
Human Resource	194,541
Information Technology	701,138
Mechanical Workshop	145,799
Planning	2,649
Plant Machinery and Vehicles	609,183
Risk Management	23,441
Roads and Bridges	74,070
Sewerage	47,657
Shire Operations	3,445,118
Waste Management	225,802
Water	26,074
Works & Services	105,212
<b>Total</b>	<b>10,646,565</b>

## 6. Expenditure by Line Item

The following table gives a breakdown of the line items for purchases from Local Government operations. The major expenditure is Salary & Wages and Superannuation which total \$3,724,960. Other major expenditure items include purchase of Plant & Equipment \$996,692, motor vehicle purchases of \$379,576, contractor expenses of \$612,822 and materials and supplies \$494,919.

Description	Total Amount
Accounting Services	26,947
Administrative Fees - Other	8,188
Advertising	9,519
Audio Visual Purchases	3,448
Audit Services Financial Reports	33,350
Bank Fees	126
Cleaning Supplies	17,098
Computer Hardware - Assets	204,800
Computer Hardware - Expensed	139,529
Consultants Other	30,512
Contractors / Contract Material	612,822
Courier	16,243
Course Seminar	1,688
Court Costs	1,601
Elected Members Allowances	103,995
Elected Members Vehicle Allowance	1,514
Electricity	293,224
Fire System Control Service	4,030
Freight Delivery	52,242
Gas Charges	11,728
Hire/Rent Equipment	1,729
Insurance	273,196
Insurance - Workers Compensation	159,472
Internet / IT Expenses	83,501
Legal Costs	5,665
Materials & Supplies	494,919
Meal Allowances	4,517
Medicals	2,367
Meetings / Catering	9,520
Motor Vehicle Fuel	439,373
Motor Vehicle Insurance	59,005
Motor Vehicles Oils and Lubricants	7,864
Motor Vehicle Registrations	51,829
Motor Vehicle Service	60,149
Motor Vehicle Tyres	42,817
Motor Vehicle Parts	53,562
Motor Vehicle Other	44,912



Other Employee Expenses	33,384
Other Sundry Expenses	19,683
Photocopy / Periodicals	7,902
Plant and Machinery Fuel	34,510
Plant and Machinery Hire	19,270
Plant and Machinery Other	19,723
Plant and Machinery Parts	56,691
Plant and Machinery Registration	17,689
Plant and Machinery Service	6,321
Plant and Machinery Tyres	11,603
Plant and Vehicle Cost Allocation	165
Postage	5,525
Proceeds from Sales & Trade in of Plant	10,800
Protective Clothing & Accessories	8,142
Purchase Computer Hardware	28,535
Purchase Computer Software	1,410
Purchase Construct Building	286,507
Purchase Furniture and Fittings	4,497
Purchase Motor Vehicles	333,907
Purchase Office Equipment	54,960
Purchase Plant and Equipment	996,692
Purchases Furniture & Equipment <\$2 000	2,338
Purchases Tools/Equipment <\$2 000	3,507
Recruitment Expense General	44,013
Reference Materials	897
Relocation Costs	1,287
Rentals/Leases Office Equipment	511
Repairs and Maintenance General	217,034
Replace Computer software	6,166
Replace Furniture and Fittings	962
Replace Minor Plant and Equipment	2,422
Replace Motor Vehicles	45,669
Replace Office Equipment	12,756
Replace Plant and Equipment	3,621
Salaries & Wages	3,551,055
Superannuation - Council Contribution	173,905
Security	24,538
Sewer Annual Charge	9,789
Software Help Desk Support Exp	247,829
Software License Maintenance Fee Exp	38,460
Software Licenses	705
Software Purchase & Upgrade - Expensed	3,770
Sponsorships Paid	500
Staff Cost Recovery	2,025
Stationery Printing & Office Consumable	103,517
Street Sweeping	1,428
Subscriptions Memberships	40,474
Subscriptions Reference Materials	3,155

Telephone & Fax Charges	336,073
Training Course Fee Exp	34,824
Travel Accommodation	18,282
Travel Air	5,626
Travel Allowance	19,230
Travel Related Costs Other	39,831
Uniforms	7,722
Waste Charges	30,256
Water Charges	287,471
<b>TOTAL</b>	<b>10,646,565</b>

## 7. Cash Flow Analysis

The bank balance for Barkly Shire Council as at 30 June, 2009 was made up of the following balances:-

Details	Amount
BSC General Account	819,694
BSC Trust Account	7,669,407
Tennant Creek Bank Balances	1,125,644
Community Council Bank Balances	6,696,345
<b>TOTAL BANK BALANCE as at 30/06/09</b>	<b>16,311,090</b>

This carried forward balance consisted of unexpended grant funds of \$5,393,245 that related to the 2007/2008 and 2008/2009 financial years.

Since July 2009 the considerable outlay of funds has seen this balance reduce and the concern is that there will eventually be no funds available to repay any unexpended grant monies or that these funds are paying for local government activities.

Additionally, there are some additional committed funds for this financial year; which includes vehicle purchases totalling approximately \$300,000; the balance of buildings for Arlparra of \$262,000; and IT expenditure to both Civica and Councilbiz of \$250,000.

There is also the cost for the rectification of all the landfill precincts in the Shire; this cost is projected between \$1.2m - \$1.5m. This is a massive project to ensure environmental compliance for the landfill precincts.

The following table, along with actual and projected expenditure, also gives an indication of what unexpended grants there are to 30 April, 2010; the unexpended grants for this financial year is an estimate and will be revised once all financial statements are completed and up to date for the various projects and programs.

Details		Expenditure	Income	Balance
	Cash on Hand as at 30 June, 2009			16,311,090
Less				
	Unexpended Grants as at 30 June 2009	-5,393,245		
	Unexpended Grants (Approx) as at 30 April 2010	-5,000,000		
Add				
	Rates & Garbage Charges - T/Creek; Elliott; Pastoral		2,182,000	
	Financial Assistance Grant		2,029,274	
	FAA		1,127,829	
	Roads		310,163	
Less				
	Expenditure to date for Local government Services	-10,646,565		
	Projected expenditure for Salary & Wages	-110,000		
	Projected expenditure for Suppliers	-600,000		
	Rectification Program for Landfill Precincts	-1,500,000		
	Vehicles - Committed purchases	-300,000		
	Buildings - Arlparra	-262,000		
	IT Expenditure - Civica & Councilbiz	-250,000		
	Repayment to ICC for CDEP incorrect expenditure	-500,000		
	BAS & PAYG Jan - Mar	-445,000		
	BAS & PAYG Apr - Jun	-400,000		
	Projected Cash on Hand as at 18th May, 2010			-3,446,454

Whilst there has been a surplus of funds that enabled the continuation of expenditure the actual income received from the department and the Shire's rate base was a total of \$5,649,266. The expenditure of \$10,646,565 plus the additional forecast expenditure of \$3,522,000 for this financial year would have seen Barkly Shire Council become insolvent to the amount of \$5,787,605 had it not been for this surplus.

LOCAL GOVERNMENT ACTIVITY ONLY		Expenditure	Income	Balance
	Cash on Hand as at 30 June, 2009 - Barkly Shire Operational Bank Balance			819,694
<b>Add</b>				
	Rates & Garbage Charges - T/Creek; Elliott; Pastoral		2,182,000	
	Financial Assistance Grant		2,029,274	
	FAA		1,127,829	
	Roads		310,163	
<b>Less</b>				
	Expenditure to date for Local government Services	-10,646,565		
	Projected expenditure for Salary & Wages	-110,000		
	Projected expenditure for Suppliers	-600,000		
	Rectification Program for Landfill Precincts	-1,500,000		
	Vehicles - Committed purchases	-300,000		
	Buildings - Arlparra	-262,000		
	IT Expenditure - Civica & Councilbiz	-250,000		
	Repayment to ICC for CDEP incorrect expenditure	-500,000		
	<b>Projected Cash on Hand as at 18th May, 2010</b>			<b>-7,699,605</b>

## 8. Conclusion

At this current time Barky Shire Council has to rein in all expenditure and ensure that this does not happen again.

Processes are currently being immediately implemented such as the purchasing policy; and there will be a budget that will heavily involve the finance staff and the executive to ensure that all staff members have guidelines to adhere to when purchasing items relating to Local Government operations.

