

DARWIN CITY COUNCIL**FIFTY-EIGHTH ORDINARY MEETING OF THE TWENTIETH COUNCIL****TUESDAY, 16 NOVEMBER 2010**

MEMBERS: The Right Worshipful, Lord Mayor, Mr G R Sawyer (Chairman); Member J D Bailey; Member R T Dee; Member R K Elix; Member H I Galton; Member R M Knox; Member G A Lambert; Member R Lesley; Member F P Marrone; Member A R Mitchell; Member K M Moir; Member J L Sangster; Member H D Sjoberg.

OFFICERS: Chief Executive Officer, Mr B Dowd; Acting General Manager Corporate Services, Mr L Carroll; General Manager Infrastructure, Mr L Cercarelli; General Manager Community & Cultural Services, Mr J Banks; Executive Manager, Mr M Blackburn; Committee Administrator, Ms L Elmer.

GUESTS: Mr Terry Mills MLA, Leader of the Opposition will be in attendance from 5.15 p.m. to brief the Council on the Country Liberals paper, Planning for Greater Darwin – A Dynamic Harbour City.

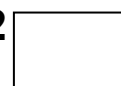
Ms Di MacDonald, Manager of NT Tennis will be in attendance from 5.45 p.m. to update the Council on the Parap Netball Courts Recreation Site.

Enquiries and/or Apologies: Linda Elmer
E-mail: l.elmer@darwin.nt.gov.au **PH: 89300 685**

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1 ACKNOWLEDGEMENT OF COUNTRY**2 THE LORD'S PRAYER****3 MEETING DECLARED OPEN****4 APOLOGIES AND LEAVE OF ABSENCE****4.1 Apologies****4.2 Leave of Absence Granted**

- A. THAT it be noted that Member R K Elix is an apology due to a Leave of Absence being previously granted on 26 October 2010 for the period 16 – 18 November 2010.
- B. THAT it be noted that Member K M Knox is an apology due to a Leave of Absence being previously granted on 12 October 2010 for the period 4 – 24 November 2010.
- C. THAT it be noted that Member F P Marrone is an apology due to a Leave of Absence being previously granted on 26 October 2010 for the period 1 – November 2010 to 30 December 2010.
- D. THAT it be noted that Member GA Lambert is an apology due to a Leave of Absence being previously granted on 19 October for the period 15 – 16 November 2010.

DECISION NO.20\() (16/11/10)

4 APOLOGIES AND LEAVE OF ABSENCE**4.3 Leave of Absence Requested**

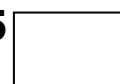
- A. THAT a Leave of Absence be granted for The Right Worshipful, Lord Mayor, Mr G R Sawyer for the period 14 – 16 November 2010, 23-30 November 2010 and 12 December 2010 to 30 January 2011.
- B. THAT a Leave of Absence be granted for Member R M Knox for the period 30 November 2010.
- C. THAT a Leave of Absence be granted for Member K M Moir for the period 8 – 12 November 2010, 17-18 November 2010, 22 – 26 November 2010 and 6 – 8 December 2010.

DECISION NO.20\() (16/11/10)

5 DECLARATION OF INTEREST OF MEMBERS AND STAFF**6 CONFIRMATION OF MINUTES OF PREVIOUS MEETING****6.1 Confirmation of the Previous Ordinary Council Meeting**

THAT the tabled minutes of the previous Ordinary Council Meeting held on Tuesday, 26 October 2010, be received and confirmed as a true and correct record of the proceedings of that meeting.

DECISION NO.20\() (16/11/10)

7 BUSINESS ARISING FROM THE MINUTES OF PREVIOUS MEETING**7.1 Business Arising****8 MATTERS OF PUBLIC IMPORTANCE**

9 DEPUTATIONS AND BRIEFINGS**9.1 Planning for Greater Darwin – A Dynamic Harbour City**
Common No. 1878045

Mr Terry Mills MLA, Leader of the Opposition will be in attendance from 5.15 p.m. to brief the Council on the the Country Liberals paper, Planning for Greater Darwin – A Dynamic Harbour City.

THAT the presentation from the Mr Terry Mills MLA, Leader of the Opposition, in relation to the Country Liberals discussion paper, Planning for Greater Darwin – A Dynamic Harbour City, be received and noted.

DECISION NO.20\() (16/11/10)

9 DEPUTATIONS AND BRIEFINGS**9.2 Parap Netball Courts Recreation Site**
Common No. 1437996

Ms Di MacDonald, Manager of NT Tennis will be in attendance from 5.45 p.m. to update the Council on the Parap Netball Courts Recreation Site.

THAT the presentation from NT Tennis, in relation to the Parap Netball Courts Recreation Site, be received and noted.

DECISION NO.20\() (16/11/10)

10 CONFIDENTIAL ITEMS**10.1 Closure to the Public for Confidential Items**

THAT pursuant to Section 65 (2) of the Local Government Act and Regulation 8 of the Local Government (Administration) Regulations the meeting be closed to the public to consider the Confidential matters referred from Committees including Confidential Committee Items, and the following Items:-

<u>Item</u>	<u>Regulation</u>	<u>Reason</u>
C22.1	8(c)(ii)	Information that would, if publicly disclosed, be likely to prejudice the maintenance or administration of the law.
C26.1	8(d)	Information subject to an obligation of confidentiality at law, or in equity.
C27.1	8(c)(iv)	Information that would, if publicly disclosed, be likely to prejudice the interests of the council or some other person.

DECISION NO.20\() (16/11/10)

11 PETITIONS**11.1 Upgrade of Playground Equipment in Haritos Park, Wanguri**
Document No. 1889203 (14/10/10) Common No. 1889203

Alderman J L Sangster will present the Petition

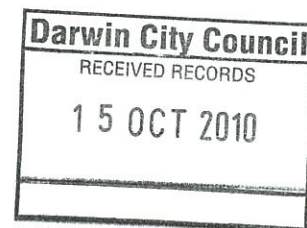
- A. THAT the Petition, in relation to an Upgrade of Playground Equipment in Haritos Park, Wanguri, Document Number 1889203, be received and noted.
- B. THAT the Petition, Document Number 1889203, be referred to the Environment & Infrastructure Committee Meeting.

DECISION NO.20\() (16/11/10)

12 NOTICES OF MOTION

Nil

Darwin City Council
 Park Management
 GPO Box 84
 DARWIN NT 0801



20 September 2010

Revised 14 October 2010

To Whom It May Concern:

We are petitioning for an upgrade or additional equipment to be installed at our local neighbourhood park, corner of Haritos Street and Harmanis Street, Wanguri.

There are often birthday parties and general gatherings at the park and at times we can have up to 20 children just from the families living in the houses around the park area converging on the park at one time to play.

We believe that the current equipment, which is over 10 years old, is no longer adequate to cater for the needs of the local community and would like you to consider the possibility of installing additional equipment such as swings, monkey-bars or other things similar to or the same as the current play equipment located at the Nakara Park, corner of Buchanan Terrace and Macredie Street, Nakara.

Signatures from residents who would like this issue considered and a photo of current and suggested equipment is attached for your information.

Thank you for your time and we look forward to hearing from you shortly.

Yours faithfully

Jennie Zuccarato
 On behalf of Wanguri Neighbourhood Residents
 48 Haritos Street
 Wanguri NT 0810

A handwritten signature in dark ink, appearing to be a stylized 'J' or 'K' followed by a flourish.

CURRENT EQUIPMENT LOCATED AT HARITOS PARK, WANGURI



SUGGESTED UPGRADE / NEW EQUIPMENT

PETITION FOR UPGRADE/ADDITIONAL PLAY EQUIPMENT, HARITOS PARK,
CNR HARITOS AND HARMANIS STREETS, WANGURI

Name	Address	No. of Children	Age of Children
Jennie Zuccarato	48 Haritos St Wanguri	3	12, 7, 4
STEVEN McCREAGH	4 KATOORE ST WANGURI	2	16/5
Rebecca Chuckerhank	45 Harmanis St Wanguri	2	9 - 4
Dalene Harderip	35 Haritos St Wanguri	3	8/6/3
M. SLOME	47 HARMANIS ST. "	2	20 + 2 mths
C. HANSEN	46 Haritos St Wanguri	3	7/6/2
ROBERT + ANA ARGOON	42 HARITOS ST, WANGURI	2	6 + 4
Alon Solovay H	38 haritos st Wanguri	2 0	—
PETER WOOD	27 HARITOS ST WANGURI	3	9, 12, 14
GIN	12 " " " "	5	16, 18, 19, 6
CHRIS HOCKING	20 HARMANIS ST	3	4, 7, 9
Melissa Treumer	21 Harmanis St	2	4, 7
Ben Doyle	35 " "	1	1
Leanne Higgins	35 Harmanis St	1	13 months
Kelly Hansen	46 Haritos St	3	8 ^{YRS} , 6 ^{YRS} & 2 ¹ / ₂ ^{YRS}
Joe Koska	44 Haritos St	2	3 + 3
John Mu	33 Haritos St	1	3 5
June King	33 Haritos St	1	5
JODIE SOUTHWOOD	49 HARMANIS ST, WANGURI	4	11, 12, 13, 15

13 OFFICERS REPORTS**13.1 Audited Annual Financial Statements for the year ended 30 June 2010**
Report No. 10A0196 (05/11/10) Common No. 1902348

Report Number 10A0196 attached.

ENCL: YES

DARWIN CITY COUNCIL

DATE: 05/11/10

REPORTTO: 1st ORDINARY COUNCIL MEETING/OPEN

APPROVED: FC

FROM: FINANCE MANAGER

APPROVED: KS

REPORT NO: 10A0196

COMMON NO: 1902348

SUBJECT: AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2010**ITEM NO:13.1****SYNOPSIS:**

This report recommends the Council receive and note the Audited Annual Financial Statements for the year ended 30 June 2010.

GENERAL:

The audited annual financial statements have been prepared for the year ended 30 June 2010 (**Attachment A**) and include the financial information from the Darwin Entertainment Centre, which was consolidated on the basis of receipt of audited financial statements.

Council's statutory reporting deadline to submit the audited annual financial statements to the Department of Housing, Local Government and Regional Services is 15 November each year as required under Part 10.7 (132)(b) of the *Local Government Act*.

Council is also required to submit its audited financial statements to the Northern Territory Grants Commission under Reg 17 (1)(a) of the *Local Government (Accounting) Regulations*.

Council's Auditors, KPMG, have given an unqualified audit opinion and the audited financial statements were presented to the Audit Committee on Friday, 29 October 2010. The Audit Committee endorsed the financial statements. They were forwarded to the Department and the Grants Commission on the 1 November 2010. Section 16(2) of the Local Government (Accounting) Regulations requires the CEO as soon as practicable after the financial statements have been audited, lay the statements before the Council.

PAGE: 2
 REPORT NUMBER: 10A0196
 SUBJECT: AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

The Management Discussion and Analysis section, which forms the introduction to the financial statements, provides an overview of Council's financial activities and results for the year. KPMG have been asked to provide comment on the adequacy of this report in addition to their audit opinion on the financial statements.

FINANCIAL IMPLICATIONS:

N/A

STRATEGIC PLAN IMPLICATIONS:

The issues addressed in this Report are in accordance with the following Goals/Strategies of the Darwin City Council 2008 – 2012 as outlined in the 'Evolving Darwin Strategic Directions: Towards 2020 and Beyond':-

Goal

7 Demonstrate Effective, Open and Responsible Governance

Outcome

7.1 Effective governance

Key Strategies

7.1.3 Manage Council's affairs based on a sustainable financial strategy

LEGAL IMPLICATIONS:

The annual financial statements have been prepared in accordance with:

- Australian Accounting Standards
- Urgent Issues Group Interpretations
- The Local Government Act and Regulation

ENVIRONMENTAL IMPLICATIONS:

N/A

PUBLIC RELATIONS IMPLICATIONS:

N/A

COMMUNITY SAFETY IMPLICATIONS:

N/A

DELEGATION:

N/A

PAGE: 3
REPORT NUMBER: 10A0196
SUBJECT: AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2010

CONSULTATION:

KPMG
Audit Committee

PROPOSED PUBLIC CONSULTATION PROCESS:

N/A

APPROPRIATE SIGNAGE:

N/A

RECOMMENDATIONS:

THAT it be a recommendation to Council:-

- A. THAT Report Number 10A0196 entitled Audited Annual Financial Statements for the year ended 30 June 2010, be received and noted.

KELLY STIDWORTHY
FINANCE MANAGER

FRANK CRAWLEY
GENERAL MANAGER CORPORATE SERVICES

Any queries on this report may be directed to Kelly Stidworthy on 8930 5523 or k.stidworthy@darwin.nt.gov.au

Darwin City Council

2009/10 GENERAL PURPOSE FINANCIAL STATEMENTS
Management Discussion & Analysis



Darwin City Council

Management Discussion & Analysis

for the financial year ended 30 June 2010

Overview

The Management Discussion & Analysis on the financial statements covering the 2009/10 financial year analyses the activities undertaken by Darwin City Council and does not take into account the activities of Darwin Entertainment Centre, which have been consolidated into Council's financial statements.

Council's financial results for the 2009/10 financial year were consistent with the performance achieved in the previous year and the performance budgeted for.

During 2009/10 Council undertook an external review, which found it was financially sustainable. Performance indicators demonstrate that Council has achieved satisfactory results in key areas of asset renewal, debt management and receivables collection performance. The liquidity performance indicator demonstrates that Council has a strong level of liquidity. These factors along with minimum levels of debt mean that Council is well placed to respond to opportunities or react to unforeseen events.

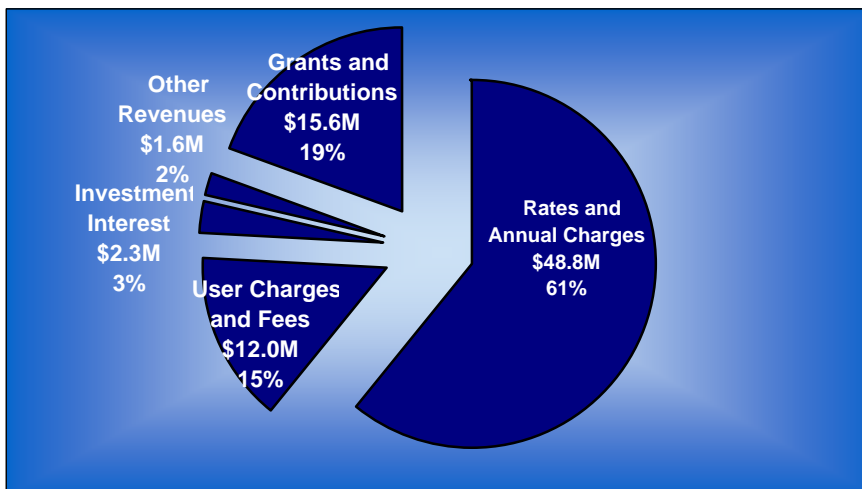
2009/10 Results Overview

Total Income	\$80.2M
Total Expenses	\$74.7M
Net Operating Result	\$5.5M
Net Operating Result before Capital Income	(\$4.9M)
Total Assets	\$740.2M
Total Liabilities	\$21.3M
Net Assets	\$719.0M
Total Cash & Investments	\$46.6M

Financial Performance

Operating Income

Council income is derived from various sources including rates and annual charges, user charges and fees, grants and contributions, investment interest and other income. A breakdown of Council's 2009/10 income is shown below.



Total income received during 2009/10 was \$80.2M with rates and annual charges contributing 61%. Total operating income increased 2.6% over the previous year. This included \$3.7M in assets received free of charge.

Rates and annual charges are \$5M higher than the previous year but this includes a \$2M increase in developer car parking shortfall contributions. Excluding this amount the increase was 6.8% higher than the previous year, which is in line with the budgeted rate increase of 6.95%.

OPERATING INCOME	2009/10	2008/09	2007/08	2006/07	2005/06
Rates & Annual Charges	\$48.8M	\$43.8M	\$39.9M	\$37.5M	\$35.2M
User Charges & Fees	\$12.0M	\$10.7M	\$10.0M	\$9.6M	\$7.6M
Grants & Contributions	\$11.9M	\$8.4M	\$7.5M	\$6.7M	\$8.5M
Investment Interest	\$2.3M	\$2.4M	\$3.0M	\$2.4M	\$2.2M
Other	\$1.6M	\$1.6M	\$1.3M	\$1.9M	\$0.8M
TOTAL	\$76.5M	\$66.8M	\$61.7M	\$58.0M	\$54.2M
Assets received free of charge	\$3.7M	\$11.4M	\$14.3M	\$0.0M	\$0.0M
Total including assets received free of charge	\$80.2M	\$78.2M	\$76.1M	\$58.0M	\$54.2M

User charges and fees are 12.1% higher than the previous year due to an increase in the number of parking fines issued and increased dumping fees from the Shoal Bay waste facility. Whilst there was a fee increase in waste disposal fees, a higher volume of waste has been taken at the site during 2009/10 due to increased development.

Grants and contributions were \$3.5M higher than the previous year. This is due to the receipt of capital grants for bike paths, revitalisation of the Darwin CBD and the Woolner Road upgrade.

Investment interest decreased slightly due to low interest rates resulting from the global economic downturn.

Darwin City Council

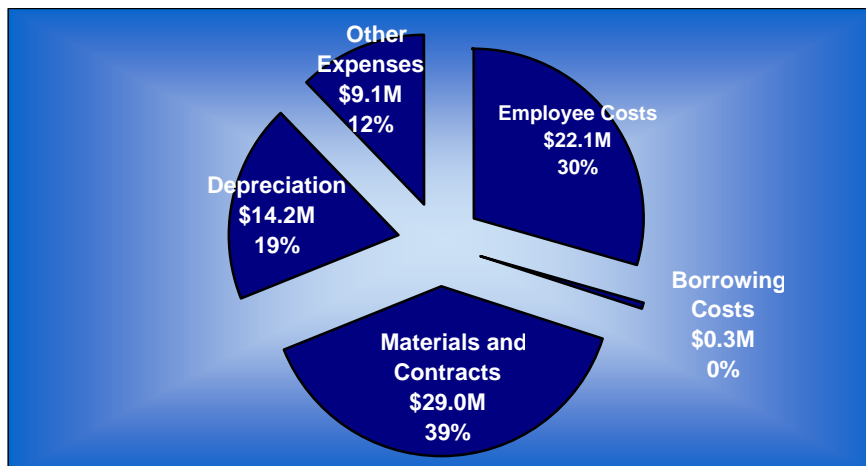
Management Discussion & Analysis

for the financial year ended 30 June 2010

Financial Performance (continued)

Operating Expenses

Operating expenses consist of employee costs, borrowing costs, materials and contracts, depreciation and other expenses but excludes capital expenditure. A breakdown of Council's 2009/10 operating expenses is shown below.



Operating expenses totalled \$74.7M in 2009/10, which was an increase of 9.7% over the previous year.

Employee costs were 5.7% higher than the previous year, which is consistent with predicted award pay rise increases.

Materials and contracts increased by \$5.1M but this includes a \$3.3M increase over the previous year resulting from the transfer of expenditure from the capital works program to the operating result (as it didn't meet the definition of capital). Excluding this amount the increase was 7.5% higher than the previous year. This is in line with budgeted costs.

Depreciation was 1.4% higher than the previous year.

OPERATING EXPENSES	2009/10	2008/09	2007/08	2006/07	2005/06
Employee Costs	\$22.1M	\$20.9M	\$18.7M	\$17.4M	\$16.4M
Borrowing Costs	\$0.3M	\$0.3M	\$0.4M	\$0.1M	\$0.0M
Materials & Contracts	\$29.0M	\$23.9M	\$26.3M	\$21.2M	\$18.7M
Depreciation	\$14.2M	\$14.0M	\$13.3M	\$11.6M	\$11.9M
Other	\$9.1M	\$9.0M	\$8.7M	\$7.9M	\$7.2M
TOTAL	\$74.7M	\$68.1M	\$67.4M	\$58.3M	\$54.3M

Other expenses were 1.1% higher than the previous year due to the inclusion of the loss on disposal of assets in this category of \$0.3M.

Net Operating Result

Council's net operating result for 2009/10 is shown below. The result before and after capital income is shown.

NET OPERATING RESULT	2009/10	2008/09	2007/08	2006/07	2005/06
Net Operating Result	\$5.5M	\$10.1M	\$8.7M	(\$0.3M)	(\$0.1M)
Capital Income	\$10.4M	\$14.7M	\$16.4M	\$2.0M	\$3.8M
Net Operating Result before Capital Income	(\$4.9M)	(\$4.6M)	(\$7.7M)	(\$2.4M)	(\$3.9M)

The net operating result after capital income is variable as capital grants and contributions are not consistent from year to year. In 2009/10 this was a \$5.5M operating surplus.

The net operating result before capital income was a \$4.9M deficit in 2009/10. A deficit indicates that operating expenses exceed operating income. This is \$0.3M higher than the previous year. The result is impacted by the level of depreciation, which is a non cash expense and was \$14.2M in 2009/10.

Capital Expenditure

Council's capital expenditure for 2009/10 is shown below. It excludes assets received free of charge.

CAPITAL EXPENDITURE	2009/10	2008/09	2007/08	2006/07	2005/06
TOTAL	\$11.0M	\$11.1M	\$11.0M	\$21.5M	\$15.6M

The level of capital expenditure for 2009/10 is consistent with the two prior years but it is affected by the level of grant funding received for projects and any other large projects planned by Council. For instance, the increase in the 2006/07 financial year is related to the Chinatown carpark development.

Darwin City Council

Management Discussion & Analysis

for the financial year ended 30 June 2010

Financial Performance (continued)

Performance Against Budget

Council's budget is regularly reviewed to ensure targets are being met for both income and expenditure. The analysis is based on the revised 2009/10 budget.

	2009/10 Actual	2009/10 Budget	Variance	% Variance
OPERATING INCOME				
Rates & Annual Charges	\$48.8M	\$47.6M	\$1.2M	3%
User Charges & Fees	\$12.0M	\$11.4M	\$0.6M	5%
Grants & Contributions	\$11.9M	\$14.8M	-\$2.9M	-20%
Investment Interest	\$2.3M	\$1.7M	\$0.6M	33%
Other	\$1.6M	\$1.5M	\$0.1M	4%
TOTAL	\$76.5M	\$77.0M	-\$0.4M	-1%
Assets received free of charge	\$3.7M	\$0.0M	\$3.7M	0%
Total including assets received free of charge	\$80.2M	\$77.0M	\$3.2M	4%
OPERATING EXPENSES				
Employee Costs	\$22.1M	\$22.4M	-\$0.3M	-1%
Borrowing Costs	\$0.3M	\$0.3M	\$0.0M	-1%
Materials & Contracts	\$29.0M	\$25.0M	\$4.0M	16%
Depreciation	\$14.2M	\$13.3M	\$0.9M	7%
Other	\$9.1M	\$9.3M	-\$0.2M	-2%
TOTAL	\$74.7M	\$70.2M	\$4.5M	6%
NET OPERATING RESULT	\$5.5M	\$6.7M	-\$1.3M	-19%

Rates and annual charges were 3% higher than budget due to developer carparking shortfall contributions received in June.

User charges and fees were 5% higher than budget predominantly due to parking fees and waste disposal fees.

Grants and contributions were \$2.9M less than budget due to capital grants budgeted for that were not received during 2009/10 as projects had not commenced i.e. City Centre Revitalisation.

Investment interest was 33% higher than budget due to the budget being based on a much lower level of cash and investments than actually held.

Other income was 4% higher than budget due to increased income from legal fee recoveries.

Assets received free of charge are not budgeted for.

Employee costs and borrowing costs were both within 1% of budget.

Materials and contracts were 16% higher than budget due to the transfer of \$5.2M of expenditure from the capital works program to the operating result (as it didn't meet the definition of capital). The budget remains in the capital works program.

Depreciation was 7% higher than budget as the budget was based on a prior years' actual depreciation expenditure and asset values have increased since then.

Other expenses are 2% lower than budget.

The net operating result was \$1.3M less than budget due to the the transfer of capital expenditure to operating and the increase in depreciation offset by income from assets received free of charge that was not budgeted for.

	2009/10 Actual	2009/10 Budget	Variance	% Variance
CAPITAL EXPENDITURE				
TOTAL	\$11.0M	\$29.5M	-\$18.5M	-63%

Council budgeted to spend \$29.5M on capital expenditure during 2009/10, which included \$7.5M in deferred capital expenditure brought forward from 2008/09.

Capital expenditure in 2009/10 excluding assets received free of charge (which are not budgeted for) was \$11M. This is \$18.5M less than budget as \$11.7M has been deferred to the 2010/11 financial year and \$5.2M of expenditure from the capital works program was transferred to the operating result. The amount expensed to operating is higher than previous years due to a number of large capital projects involving a project component that is operating in nature.

Darwin City Council

Management Discussion & Analysis

for the financial year ended 30 June 2010

Financial Position

Assets

Assets consist of current assets, which can be converted to cash in less than one year and non current assets, which consist of Infrastructure, Property, Plant and Equipment. A breakdown of Council's 2009/10 asset balances is shown below.

ASSETS	2009/10	2008/09	2007/08	2006/07	2005/06
Cash & Cash Equivalents	\$9.1M	\$16.0M	\$12.3M	\$11.6M	\$1.5M
Investments	\$37.5M	\$21.9M	\$20.9M	\$24.8M	\$32.6M
Receivables	\$4.6M	\$2.9M	\$3.7M	\$3.4M	\$2.8M
Other	\$0.2M	\$0.2M	\$0.1M	\$0.1M	\$0.1M
Share in Joint Venture	\$0.0M	\$0.0M	\$1.2M	\$1.0M	\$0.8M
Infrastructure, Property, Plant & Equipment	\$688.9M	\$607.7M	\$528.0M	\$496.5M	\$436.9M
TOTAL	\$740.2M	\$648.7M	\$566.2M	\$537.4M	\$474.7M

Cash and investments are considered together as any investments with a maturity of less than 3 months are classified as 'cash equivalents' for disclosure purposes. The increase in 2009/10 over the previous year was \$8.7M and this is largely related to the increase in cash backed reserves of \$5.5M.

Receivables increased by \$1.7M over the previous year as a result of an increase across all categories of debtors and accruals. However, Council's outstanding debtors remain quite low compared to total revenues collectible.

Infrastructure, Property, Plant and Equipment increased by \$81.2M over the previous year and this is due to the increase in land values resulting from a revaluation undertaken as at 30 June 2010.

Liabilities

Liabilities consist of current liabilities, which are expected to be paid or settled in less than one year and non current liabilities, consisting of borrowings and provisions expected to be paid or settled in more than one year.

LIABILITIES	2009/10	2008/09	2007/08	2006/07	2005/06
Payables	\$11.2M	\$7.9M	\$7.6M	\$8.0M	\$5.9M
Current Borrowings	\$0.2M	\$0.1M	\$0.2M	\$0.1M	
Current Provisions	\$4.8M	\$4.3M	\$4.2M	\$4.0M	\$3.6M
Non Current Borrowings	\$4.5M	\$4.6M	\$4.7M	\$4.9M	
Non Current Provisions	\$0.7M	\$0.6M	\$0.6M	\$0.6M	\$0.7M
TOTAL	\$21.3M	\$17.5M	\$17.3M	\$17.6M	\$10.2M

Payables increased by \$3.3M in 2009/10 over the previous year as a result of an increase in the balance of general creditors at 30 June due to end of month payments occurring on 1 July and accrued expenses.

Total current and non current borrowings of \$4.7M represent the principal amount to be repaid for the loan taken out in 2006/07 to fund capital works at the Darwin Entertainment Centre and construction of a new animal pound. This loan is due to be repaid in 2027.

Total current and non current provisions of \$5.5M represent the amount required under the accounting standards to be set aside to fund employee entitlements for annual leave and long service leave.

For both borrowings and provisions where the amount is legally due and payable within the next 12 months it must be disclosed as current.

Net Assets & Equity

NET ASSETS	2009/10	2008/09	2007/08	2006/07	2005/06
TOTAL	\$719.0M	\$631.2M	\$548.9M	\$519.8M	\$464.5M
EQUITY	2009/10	2008/09	2007/08	2006/07	2005/06
Retained Surplus	\$261.8M	\$261.8M	\$257.4M	\$245.8M	\$246.6M
Revaluation Reserve	\$423.5M	\$341.1M	\$267.8M	\$247.6M	\$192.1M
Other Reserves	\$33.7M	\$28.2M	\$23.8M	\$26.4M	\$25.8M
TOTAL	\$719.0M	\$631.2M	\$548.9M	\$519.8M	\$464.5M

Net assets increased by \$87.8M over the previous year, which resulted in total equity increasing by the same amount. This is related to the increase in reserves with the asset revaluation reserve increasing by \$82.4M and cash backed reserves increasing by \$5.5M.

Darwin City Council

Management Discussion & Analysis

for the financial year ended 30 June 2010

Financial Position (continued)

Cash Flows

Cash flows are classified as those provided by operating activities and those used in investing and financing activities.

CASHFLOWS	2009/10	2008/09	2007/08	2006/07	2005/06
Provided by: Operating Activities	\$17.9M	\$14.2M	\$7.3M	\$12.2M	\$11.8M
Used in: Investing Activities	(\$24.7M)	(\$10.3M)	(\$6.4M)	(\$16.5M)	(\$11.5M)
Used in: Financing Activities	(\$0.1M)	(\$0.2M)	(\$0.1M)	\$5.0M	
Net Increase/(Decrease) in Cash Held	(\$7.0M)	\$3.7M	\$0.7M	\$0.7M	\$0.4M

Cash provided by operating activities was \$3.7M higher in 2009/10 than the previous year and this is offset by a higher level of payables at 30 June.

Cash used in investing activities was \$14.4M higher than the previous year, however, this relates to the increase in investments of \$15.6M.

Cash used in financing activities represents the loan principal repaid.

Key Performance Indicators

Council has adopted a set of financial key performance indicators in line with the targets set in the 'Evolving Darwin: Towards 2020' Strategic Plan. These are shown below.

% of Rate Debtors Outstanding	Target	2009/10	2008/09	2007/08	2006/07	2005/06
Indicator	<5%	2.3%	1.8%	2.4%	2.5%	3.1%
This indicator is designed to measure Council's effectiveness in recovering debts legally owed to it.						

Council's target for this indicator is less than 5% and it achieves this consistently with some slight variation between years.

Debt Servicing Ratio	Target	2009/10	2008/09	2007/08	2006/07	2005/06
Indicator	<5%	0.6%	0.7%	0.9%	0.4%	0.2%
This indicator is designed to show what proportion of revenue is required as a commitment to fund Council's long term capacity to repay loans.						

Council's target for this indicator is less than 5%. This has been achieved consistently as Council only has one loan with a balance of \$4.6M at 30 June.

Liquidity Ratio	Target	2009/10	2008/09	2007/08	2006/07	2005/06
Indicator	>1.00:1	1.03:1	1.01:1	1.07:1	1.06:1	1.07:1
This indicator is designed to measure whether Council has the ability to pay its debts as they fall due and is expressed as a factor of one.						

Council's target for this indicator is greater than 1:1 and it achieves this consistently. It means that, even if all cash backed reserves were utilised, Council could still cover its current liabilities with current assets.

Rates Ratio	Target	2009/10	2008/09	2007/08	2006/07	2005/06
Indicator	60%-70%	65.3%	64.2%	59.3%	64.2%	64.8%
This indicator is designed to measure Council's ability to cover its day to day expenses through its own tax revenue.						

Council's target for this indicator is between 60% and 70% and it generally remains within this range. It means that Council must rely on obtaining income other than rates to cover between 30% and 40% of its operating expenses such as user fees & charges and grants & contributions.

Darwin City Council

Management Discussion & Analysis

for the financial year ended 30 June 2010

Key Performance Indicators (continued)

Operating Surplus	Target	2009/10	2008/09	2007/08	2006/07	2005/06
	Break-even					
Operating Surplus/(Deficit)		(\$4.9M)	(\$4.6M)	(\$7.7M)	(\$2.4M)	(\$3.9M)

This indicator is designed to provide information on the result of ordinary operations and does not include capital income. Trend analysis may enable Council to determine if the current level of services can be sustained into the future.

The deficit shown above is after depreciation and therefore does not impact on Council's cash reserves. However, Council is developing strategies in order to achieve the target indicator of breakeven in the future.

Operating Surplus before Depreciation	Target	2009/10	2008/09	2007/08	2006/07	2005/06
	> Break-even					
Operating Surplus/(Deficit)		\$9.3M	\$9.4M	\$5.6M	\$9.3M	\$8.1M

This indicator is designed to provide information on the result of ordinary operations before depreciation, which is a non cash expense. Excluding depreciation gives the amount of operating income over and above operating expenses that is available to fund capital expenditure.

Council's target is better than breakeven and this is consistently achieved.

Asset Sustainability Ratio	Target	2009/10	2008/09	2007/08	2006/07	2005/06
Indicator	>50%	71.8%	64.5%	119.3%	95.3%	56.6%

This indicator is designed to indicate the extent to which Council is renewing its assets. A ratio of 100% or more indicates that Council spends at least the amount of depreciation each year on renewing assets.

If capital expenditure on renewing or replacing existing assets is at least equal to depreciation on average over time, then the entity is ensuring the value of its existing stock of physical assets is maintained. Assets should be replaced or renewed at the time they need to be replaced. When asset portfolios are young, this can be 50% or less. When the assets are old, the ratio may be more than 100%. The majority of Council's asset portfolio is relatively young, having undergone almost complete replacement in the years after Cyclone Tracy.

Asset Sustainability Ratio before Capital Renewal Grants	Target	2009/10	2008/09	2007/08	2006/07	2005/06
Indicator	>50%	43.5%	56.5%	105.5%	80.4%	30.8%

This indicator is designed to indicate the extent to which Council is renewing its assets from its own revenue sources by excluding capital grants that have funded capital renewal expenditure during the year.

Council's target for the above indicator is greater than 50%, however, the Asset Sustainability indicator should not be looked at in isolation each year as it is the expenditure on capital renewal over the longer term that is the best indicator of whether Council is maintaining its stock of physical assets in a sustainable manner.

% of Annual Expenditure within Budget	Target	2009/10	2008/09	2007/08	2006/07	2005/06
Indicator	> 85%	94.0%	94.5%	92.1%	96.1%	94.1%

This indicator is designed to measure how effective Council's budgeting practices are by measuring how closely to budget actual expenditures incurred were to budget.

Council's target for the above indicator is better than 85% actual expenditure of the total budgeted expenditure and this has been consistently achieved. The revised budget has been used above.

Conclusion

Council's current financial position and relatively young asset base mean that it is well placed to meet future challenges and ensure its ongoing financial viability. Council is committed to remaining financially sustainable through appropriate levels of service provision.

Darwin City Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2010



Darwin City Council

General Purpose Financial Statements for the financial year ended 30 June 2010

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Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Darwin City Council.

(ii) Darwin City Council is a body corporate of NT, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) of the NT.

The Principal role of Council is specified in Section 11 of the LGA and includes;

- to act as a representative, informed and responsible decision-maker in the interests of its constituency
- to develop a strong and cohesive social life for its residents and allocate resources in a fair, socially inclusive, and sustainable way
- to provide and coordinate public facilities and services.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

(iii) All figures presented in these financial statements are presented in Australian Currency.

(iv) These financial statements were authorised for issue by the Council on 29/10/10. Council has the power to amend and reissue the financial statements.

Darwin City Council

General Purpose Financial Statements for the financial year ended 30 June 2010

Chief Executive Officer's Statement made pursuant to Section 16(1) of the Local Government (Accounting) Regulations

The attached General Purpose Financial Statements have been prepared in accordance with:

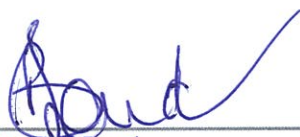
- The Local Government Act, and
- The Local Government (Accounting) Regulations, and
- The Australian Accounting Standards and professional pronouncements.

To the best of my knowledge and belief, these Financial Statements:

- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

I am not aware of any matter that would render the Reports false or misleading in any way.

Dated 29 October 2010



Brendan Dowd
CHIEF EXECUTIVE OFFICER

Darwin City Council

Income Statement

for the financial year ended 30 June 2010

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
Income from Continuing Operations					
Revenue:					
Rates & Annual Charges	3a	48,802	43,753	48,802	43,753
User Charges & Fees	3b	13,846	12,284	11,993	10,721
Interest & Investment Revenue	3c	2,276	2,392	2,260	2,382
Other Revenues	3d	1,569	1,182	1,569	1,182
Grants & Contributions - Operating	3e,f	5,171	5,095	5,171	5,095
Other Income:					
Net gains from the disposal of assets	5	-	373	-	374
Total Income - Continuing Operations		71,664	65,079	69,795	63,507
Expenses from Continuing Operations					
Employee Benefits & On-Costs	4a	23,236	21,971	22,047	20,904
Borrowing Costs	4b	309	315	309	315
Materials & Contracts	4c	29,057	23,908	29,041	23,893
Depreciation & Amortisation	4d	14,287	14,093	14,214	14,014
Other Expenses	4e	9,477	9,467	8,853	8,997
Net Losses from the Disposal of Assets	5	257	-	257	-
Total Expenses - Continuing Operations		76,623	69,754	74,721	68,123
Operating Result - Continuing Operations		(4,959)	(4,675)	(4,926)	(4,616)
Net Operating Result for the Year before Grants & Contributions provided for Capital Purposes		(4,959)	(4,675)	(4,926)	(4,616)
Grants & Contributions - Capital		10,392	14,710	10,392	14,710
Net Operating Result for the Year		5,433	10,035	5,466	10,094
Net Operating Result attributable to Council		5,433	10,035	5,466	10,094

Darwin City Council

Statement of Comprehensive Income for the financial year ended 30 June 2010

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
Net Operating Result for the year as per Income statement		5,433	10,035	5,466	10,094
Other Comprehensive Income					
Gain on Revaluation of Assets	17b (ii)	82,325	73,316	82,325	73,316
Other Movements in Reserves	17a	-	(1,176)	-	(1,176)
Total Other Comprehensive Income		82,325	72,140	82,325	72,140
Total Comprehensive Income		87,758	82,175	87,791	82,234
Total Comprehensive Income - Council		87,758	82,175	87,791	82,234

Darwin City Council

Statement of Financial Position
as at 30 June 2010

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
ASSETS					
Current Assets					
Cash & Cash Equivalents	6a	10,236	16,716	9,078	16,038
Investments	6b	37,481	21,858	37,481	21,858
Receivables	7	4,596	2,967	4,513	2,882
Inventories	8	146	160	116	138
Prepayments	8	127	52	127	52
Non-current assets classified "held for sale"	18	28	-	28	-
Total Current Assets		52,614	41,753	51,343	40,968
Non-Current Assets					
Infrastructure, Property, Plant & Equipment	9a	688,993	607,883	688,880	607,735
Total Non-Current Assets		688,993	607,883	688,880	607,735
TOTAL ASSETS		741,607	649,636	740,223	648,703
LIABILITIES					
Current Liabilities					
Payables	10a	11,947	8,219	11,155	7,896
Borrowings	10a	153	143	153	143
Provisions	10a	4,885	4,314	4,815	4,255
Total Current Liabilities		16,985	12,676	16,123	12,294
Non-Current Liabilities					
Borrowings	10a	4,445	4,598	4,445	4,598
Provisions	10a	721	664	699	646
Total Non-Current Liabilities		5,166	5,262	5,144	5,244
TOTAL LIABILITIES		22,151	17,938	21,267	17,538
Net Assets		719,456	631,698	718,956	631,165
EQUITY					
Retained Earnings	17a	262,236	262,209	261,830	261,823
Reserves	17b	457,220	369,489	457,126	369,342
Council Equity Interest		719,456	631,698	718,956	631,165
Total Equity		719,456	631,698	718,956	631,165

Darwin City Council

Statement of Changes in Equity for the financial year ended 30 June 2010

Consolidated		Retained Earnings	Reserves	Council Equity Interest	Total Equity
\$ '000	Notes		(Refer 17b)		
2010					
Opening Balance (as per Last Year's Audited Accounts)		262,209	369,489	631,698	631,698
Revised Opening Balance (as at 1/7/09)		262,209	369,489	631,698	631,698
a. Net Operating Result for the Year		5,433	-	5,433	5,433
b. Other Comprehensive Income					
- Revaluations : Asset Revaluation Reserve	17b (ii)	-	82,325	82,325	82,325
Other Comprehensive Income		-	82,325	82,325	82,325
Total Comprehensive Income (a&b)		5,433	82,325	87,758	87,758
c. Transfers between Equity		(5,406)	5,406	-	-
Equity - Balance at end of the reporting period		262,236	457,220	719,456	719,456

Consolidated		Retained Earnings	Reserves	Council Equity Interest	Total Equity
\$ '000	Notes		(Refer 17b)		
2009					
Opening Balance (as per Last Year's Audited Accounts)		257,856	291,667	549,523	549,523
Revised Opening Balance (as at 1/7/08)		257,856	291,667	549,523	549,523
a. Net Operating Result for the Year		10,035	-	10,035	10,035
b. Other Comprehensive Income					
- Revaluations : Asset Revaluation Reserve	17b (ii)	-	73,316	73,316	73,316
- Other Movements (Withdrawal from Joint Venture)	17a	(1,176)	-	(1,176)	(1,176)
Other Comprehensive Income		(1,176)	73,316	72,140	72,140
Total Comprehensive Income (a&b)		8,859	73,316	82,175	82,175
c. Transfers between Equity		(4,506)	4,506	-	-
Equity - Balance at end of the reporting period		262,209	369,489	631,698	631,698

Darwin City Council

Statement of Changes in Equity for the financial year ended 30 June 2010

Council		Retained Earnings	Reserves (Refer 17b)	Council Equity Interest	Total Equity
\$ '000	Notes				
2010					
Opening Balance (as per Last Year's Audited Accounts)		261,823	369,342	631,165	631,165
Revised Opening Balance (as at 1/7/09)		261,823	369,342	631,165	631,165
a. Net Operating Result for the Year		5,466	-	5,466	5,466
b. Other Comprehensive Income					
- Revaluations : Asset Revaluation Reserve	17b (ii)	-	82,325	82,325	82,325
Other Comprehensive Income		-	82,325	82,325	82,325
Total Comprehensive Income (a&b)		5,466	82,325	87,791	87,791
c. Transfers between Equity		(5,459)	5,459	-	-
Equity - Balance at end of the reporting period		261,830	457,126	718,956	718,956

Council		Retained Earnings	Reserves (Refer 17b)	Council Equity Interest	Total Equity
\$ '000	Notes				
2009					
Opening Balance (as per Last Year's Audited Accounts)		257,368	291,563	548,931	548,931
Revised Opening Balance (as at 1/7/08)		257,368	291,563	548,931	548,931
a. Net Operating Result for the Year		10,094	-	10,094	10,094
b. Other Comprehensive Income					
- Revaluations : Asset Revaluation Reserve	17b (ii)	-	73,316	73,316	73,316
- Other Movements (Withdrawal from Joint Venture)	17a	(1,176)	-	(1,176)	(1,176)
Other Comprehensive Income		(1,176)	73,316	72,140	72,140
Total Comprehensive Income (a&b)		8,918	73,316	82,234	82,234
c. Transfers between Equity		(4,463)	4,463	-	-
Equity - Balance at end of the reporting period		261,823	369,342	631,165	631,165

Darwin City Council

Statement of Cash Flows

for the financial year ended 30 June 2010

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
Cash Flows from Operating Activities					
Receipts:					
Rates & Annual Charges		48,745	43,946	48,745	43,946
User Charges & Fees		15,495	13,066	13,646	11,422
Investment & Interest Revenue Received		1,823	2,711	1,808	2,701
Grants & Contributions		11,255	10,163	11,255	10,163
Other		4,681	4,500	4,678	4,500
Payments:					
Employee Benefits & On-Costs		(22,497)	(21,796)	(21,618)	(20,731)
Materials & Contracts		(30,614)	(33,103)	(30,465)	(33,103)
Borrowing Costs		(311)	(277)	(311)	(277)
Other		(10,182)	(5,174)	(9,860)	(4,441)
Net Cash - Operating Activities	11b	18,395	14,036	17,878	14,180
Cash Flows from Investing Activities					
Receipts:					
Sale of Infrastructure, Property, Plant & Equip.		503	2,440	503	2,440
Payments:					
Purchase of Investment Securities		(15,623)	(949)	(15,623)	(949)
Purchase of Infrastructure, Property, Plant & Equip.		(9,612)	(11,803)	(9,575)	(11,770)
Net Cash - Investing Activities		(24,732)	(10,312)	(24,695)	(10,279)
Cash Flows from Financing Activities					
Receipts:					
Nil					
Payments:					
Repayment of Borrowings & Advances		(143)	(199)	(143)	(178)
Net Cash Flow - Financing Activities		(143)	(199)	(143)	(178)
Net (Decrease)/Increase for the Year		(6,480)	3,525	(6,960)	3,723
plus: Cash & Cash Equivalents - beginning		16,716	13,191	16,038	12,315
Cash & Cash Equivalents - closing	11a	10,236	16,716	9,078	16,038
Additional Information:					
plus: Investments on hand - end of year	6b	37,481	21,858	37,481	21,858
Total Cash, Cash Equivalents & Investments		47,717	38,574	46,559	37,896

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

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Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards, accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards,
- Urgent Issues Group Interpretations,
- the Local Government Act and Regulation, and

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because Australian Accounting Standards (AASB's) are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Examples include;

- excluding Local Government from applying AASB 120 (IAS 20) for Grant Accounting and AASB 118 (IAS 18) for Segment Reporting, &
- different requirements on (a) Impairment of Assets relating to Not-For-Profit AASB 136 (IAS 36) and (b) AASB 116 (IAS 16) regarding accounting for the Revaluation of Assets.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but it has complied fully with Australian Accounting Standards.

Under the Local Government Act and Regulations, it should be noted that Councils in the NT only have a requirement to comply with Australian Accounting Standards.

(iii) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for (i) financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets and investment properties which are all valued at fair value, (ii) the write down of any Asset on the basis of Impairment (if warranted) and (iii) certain classes of Infrastructure, property, plant & equipment that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

(iv) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

Unless otherwise stated, there have also been no changes in accounting policies when compared with previous financial statements.

(v) Critical Accounting Estimates

The preparation of these financial statements requires the use of certain critical accounting estimates (in conformity with AASB's).

It also requires Council management to exercise their judgement in the process of applying Council's accounting policies.

(vi) Financial Statements Presentation

The Council has applied the revised **AASB 101, Presentation of Financial Statements** which became effective on 1 January 2009.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity.

All non-owner changes in equity must now be presented in the statement of comprehensive income.

As a consequence, the Council had to change the presentation of its financial statements.

(vii) Native Title Issues

The Native Title Act 1993 (Cth) recognises the existence of native title in Australia and, among other things, prescribes procedures required for the validity of acts of government after 1 January 1994. Where native title claims have been lodged over Darwin City Council land, the provision of the Native Title Act may result in the following:

- The validity of tenements may be affected to the extent licences affect native title and were not granted in accordance with the provisions of the Native Title Act 1993; and
- The negotiation procedures set out in the Native Title Act 1993 may apply and may result in compensation being payable under those procedures.

The Council receives notifications of such claims when it is a stakeholder with an interest in their outcome. The Council will assess from time to time the significance or otherwise of the claims notified from its perspective to determine whether or not it wishes to join in the relevant proceedings.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Income from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of Section 68 of The Planning Act.

Such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Permits

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

may not be acted upon by the applicant and accordingly would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

Disclosure is contained in Note 3 (f) 'Operating – Other Contributions'.

Contributed Assets

Where Council receives public property and infrastructure for no consideration, apart from an ongoing liability for maintenance, a contributed asset is recognised. Contributed assets normally result from new development such as subdivisions where new parks, roads, pathways and drainage assets are created. An equivalent amount is recognised as non-cash revenue. Contributed assets are measured at fair value in accordance with the measurement criteria of the asset class they belong to.

Disclosure is contained in Note 3 (f) 'Capital – Other Contributions'.

User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided as at balance date.

Sale of Infrastructure, Property, Plant and Equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and Rents

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash & Investments is accounted for using the Effective Interest method in accordance with AASB 139.

(c) Principles of Consolidation

These financial statements incorporate (i) the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30/6/10) and (ii) all the related operating results (for the financial year ended the 30th June 2010).

The financial statements also include Council's share of the assets, liabilities, income and expenses of any **Jointly Controlled Operations** under the appropriate headings.

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

(i) The Consolidated Fund

All money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund in accordance with the provisions of Section 120(1) of the Local Government Act.

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

(ii) The Trust Fund

In accordance with the provisions of Section 120(1) of the Local Government Act, a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Trust monies and property subject to Council's control have been included in these statements.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

Monies held in trust at 30/6/10 comprised:

- Security Deposits	\$575,442
- Steve Abala Role Model Funds	\$84,205
- Other Amounts	\$2,730

(iii) Joint Venture Entities

Jointly Controlled Assets & Operations

The proportionate interests in the assets, liabilities and expenses of a Joint Venture Activity have been incorporated throughout the financial statements under the appropriate headings.

Jointly Controlled Entities

Any interests in Joint Venture Entities & Partnerships are accounted for using the equity method and is carried at cost.

Under the equity method, the share of the profits or losses of the partnership is recognised in the income statement, and the share of movements in retained earnings & reserves is recognised in the balance sheet.

(iv) Associated Entities

Where Council has the power to participate in the financial and operating decisions (of another entity), ie. where Council is deemed to have "significant influence" over the other entities operations but neither controls nor jointly controls the entity, then Council accounts for such interests using the Equity Method of Accounting – in a similar fashion to Joint Venture Entities & Partnerships.

Such entities are usually termed Associates.

(v) Additional Information

Note 19 provides more information in relation to Joint Venture Entities, Associated Entities and Joint Venture Operations where applicable.

(d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

Finance Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

(e) Cash and Cash Equivalents

Cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments **with original maturities of three months or less** that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and
- bank overdrafts (if utilised).

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

(f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and
- **available-for-sale financial assets**.

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are "held for trading".

A financial asset is classified in the "held for trading" category if it is acquired principally for the purpose of selling in the short term.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the "Loans & Receivables" classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

General Accounting & Measurement of Financial Instruments:

(i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs.

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent Measurement

Available-for-sale financial assets and **financial assets at fair value through profit and loss** are subsequently carried at fair value.

Loans and receivables and **held-to-maturity** investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "**fair value through profit or loss**" category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as "**available-for-sale**" are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as "**available-for-sale**" are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

If there is evidence of impairment for any of Council's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the income statement.

(iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 121 of the Local Government Act.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under any investment guidelines issued by the Minister.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be

uncollectible are written off in accordance with Council's policy.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(i) Inventories

Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred. Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Infrastructure, Property, Plant and Equipment (I,PP&E)

Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve.
- To the extent that the increase reverses a decrease previously recognised via the profit or loss, the increase is first recognised in profit or loss.
- Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for the following major asset classes on a 3 year cycle:

- Land & Buildings
- Infrastructure

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

Land

- council land	100% Capitalised
- land under roads (purchases after 30/6/08)	100% Capitalised

Buildings

- construction/extensions	> \$2,000
- renovations	> \$2,000

Plant & Equipment

Plant & Machinery	> \$2,000
Other Equipment	> \$2,000
Computer Equipment	> \$300

Other Assets

Street & Park Furniture/Equipment	> \$2,000
Other Structures	> \$2,000
Office Furniture	> \$2,000

Infrastructure

Roads	100% Capitalised
Pathways	100% Capitalised
Stormwater Drainage	100% Capitalised
Other	> \$2,000

Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

Buildings

- Buildings : Car Park Facilities	50 years
- Buildings : Other	15 to 60 years
- Other Structures : Swimming Pools	75 years

Plant & Equipment

- Plant & Machinery	2 to 20 years
- Other equipment	5 to 50 years
- Computer equipment	2 to 15 years

Other Assets

- Street & Park Furniture/Equipment	5 to 50 years
- Other Structures	3 to 100 years
- Office Furniture	5 to 20 years

Infrastructure

- Roads	70 years
- Stormwater Drainage	50 to 70 years
- Footpaths	25 years
- Walkways	25 years
- Cycle Paths	20 to 30 years
- Driveways	27 years
- Car Parks	70 years
- Traffic Signals	35 years

All asset residual values and useful lives are reviewed and adjusted (where appropriate), at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(p) on Asset Impairment.

Disposal and De-recognition

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

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Land

This classification of Land is disclosed in Note 9(a).

(l) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment, which states that an asset should only be recognised if, and only if:

- (a) It is probable that future economic benefits associated with the item will flow to the entity; and
- (b) The cost of the item can be measured reliably.

A reliable method has been unable to be determined, hence land under roads will not be recognised in reporting period from 1 July 2008.

(m) Intangible Assets

Council has not classified any assets as Intangible.

(n) Crown Reserves

Crown Reserves under Council's care and control are recognised as assets of the Council.

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating the reserves are recognised within Council's Income Statement.

(o) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets

under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

(p) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For non-cash generating assets of Council such as roads, drains, public buildings etc - value in use is represented by the "deprival value" of the asset which is approximated as it's written down replacement cost.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

(q) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(s) Borrowing costs

Borrowing costs are expensed except to the extent that they are incurred during the construction of qualifying assets.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

(t) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;

- it is more likely than not that an outflow of resources will be required to settle the obligation; and

- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

(u) Employee benefits

(i) Short Term Obligations

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits) and annual leave expected to be settled within the 12 months after the reporting period. Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Wages & salaries and annual leave are classified as Current Liabilities.

(ii) Other Long Term Obligations

The liability for all long service and annual leave (which is not expected to be settled within the 12 months after the reporting period) are recognised in the provision for employee benefits in respect of services provided by employees up to the reporting date.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 7 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 7 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to the Local Super defined contribution plan on behalf of its employees.

Defined Contribution Plans

Contributions to Defined Contribution Plans are recognised as an expense as they become payable.

(iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits,

and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/10.

(v) Self insurance

Council does not self insure.

(w) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

(x) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

(y) New accounting standards and UIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2010.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

Applicable to Local Government with implications:

AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)

AASB 9 Financial Instruments addresses the classification and measurement of financial assets

and is likely to affect Council's accounting for its financial assets.

The standard is not applicable until 1 January 2013 but is available for early adoption.

Council is yet to assess its full impact.

Applicable to Local Government but no implications for Council;

AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (effective from 1 January 2011)

In December 2009, the AASB made an amendment to Interpretation 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme.

It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements.

Council does not make any such prepayments. The amendment is therefore not expected to have any impact on Council.

AASB Interpretation 19 Extinguishing financial liabilities with equity instruments and AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19 (effective from 1 July 2010)

AASB Interpretation 19 clarifies the accounting when an entity renegotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor (debt for equity swap).

It requires a gain or loss to be recognised in profit or loss which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 1. Summary of Significant Accounting Policies (continued)

Applicable to Local Government but not relevant to Council at this stage;

None

Not applicable to Local Government per se;

Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective from 1 January 2011)

In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively.

The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies and simplifies the definition of a related party.

(z) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars. This may result in minor differences between amounts reported in the detailed supporting notes to the financial statements.

(aa) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(ab) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 2(a). Council Functions / Activities - Financial Information (Consolidated)

Functions/Activities Consolidated	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Budget 2010	Actual 2010	Actual 2009	Budget 2010	Actual 2010	Actual 2009	Budget 2010	Actual 2010	Actual 2009	Actual 2010	Actual 2009	Actual 2010	Actual 2009
Governance	24	27	8	1,355	1,370	1,219	(1,331)	(1,343)	(1,211)	24	-	-	-
Administration	967	1,861	1,522	12,087	13,743	12,316	(11,120)	(11,882)	(10,794)	155	385	409,018	321,102
Public Order & Safety	1,632	1,636	1,222	2,920	3,198	2,546	(1,288)	(1,562)	(1,324)	-	-	339	253
Health	203	199	197	185	174	157	18	25	40	199	197	62	116
Environment	85	57	142	371	283	109	(286)	(226)	33	-	86	-	88
Community Services & Education	51	51	17	2,094	1,651	1,408	(2,043)	(1,600)	(1,391)	47	14	-	-
Housing & Community Amenities	10,667	14,501	21,445	17,823	17,525	17,293	(7,156)	(3,024)	4,152	30	20	149,191	154,227
Recreation & Culture	2,535	4,409	4,273	18,197	20,659	19,227	(15,662)	(16,250)	(14,954)	1,782	1,943	18,115	13,726
Transport & Communication	15,354	13,699	7,551	14,744	17,572	14,925	610	(3,873)	(7,374)	6,411	2,581	164,882	160,124
Economic Affairs	1,113	1,134	1,353	462	448	554	651	686	799	-	-	-	-
Total Functions & Activities	32,631	37,574	37,730	70,238	76,623	69,754	(37,607)	(39,049)	(32,024)	8,648	5,226	741,607	649,636
General Purpose Income ¹	44,329	44,482	42,059	-	-	-	44,329	44,482	42,059	3,200	3,101	-	-
TOTAL	76,960	82,056	79,789	70,238	76,623	69,754	6,722	5,433	10,035	11,848	8,327	741,607	649,636

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), Untied General Purpose Grants & Unrestricted Interest & Investment Income.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 2(a). Council Functions / Activities - Financial Information (Council)

Functions/Activities Council	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Budget 2010	Actual 2010	Actual 2009	Budget 2010	Actual 2010	Actual 2009	Budget 2010	Actual 2010	Actual 2009	Actual 2010	Actual 2009	Actual 2010	Actual 2009
Governance	24	27	8	1,355	1,370	1,219	(1,331)	(1,343)	(1,211)	24	-	-	-
Administration	967	1,861	1,522	12,087	13,743	12,316	(11,120)	(11,882)	(10,794)	155	385	409,018	321,102
Public Order & Safety	1,632	1,636	1,222	2,920	3,198	2,546	(1,288)	(1,562)	(1,324)	-	-	339	253
Health	203	199	197	185	174	157	18	25	40	199	197	62	116
Environment	85	57	142	371	283	109	(286)	(226)	33	-	86	-	88
Community Services & Education	51	51	17	2,094	1,651	1,408	(2,043)	(1,600)	(1,391)	47	14	-	-
Housing & Community Amenities	10,667	14,501	21,445	17,823	17,525	17,293	(7,156)	(3,024)	4,152	30	20	149,191	154,227
Recreation & Culture	2,535	2,556	2,711	18,197	18,757	17,596	(15,662)	(16,201)	(14,885)	1,782	1,943	16,731	12,793
Transport & Communication	15,354	13,699	7,551	14,744	17,572	14,925	610	(3,873)	(7,374)	6,411	2,581	164,882	160,124
Economic Affairs	1,113	1,134	1,353	462	448	554	651	686	799	-	-	-	-
Total Functions & Activities	32,631	35,721	36,168	70,238	74,721	68,123	(37,607)	(39,000)	(31,955)	8,648	5,226	740,223	648,703
General Purpose Income ¹	44,329	44,466	42,049	-	-	-	44,329	44,466	42,049	3,200	3,101	-	-
TOTAL	76,960	80,187	78,217	70,238	74,721	68,123	6,722	5,466	10,094	11,848	8,327	740,223	648,703

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), Untied General Purpose Grants & Unrestricted Interest & Investment Income.

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 2(b). Council Functions / Activities - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

GOVERNANCE

Costs relating to the Council's role as a component of democratic government, including elections, members fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance, together with related administration costs.

ADMINISTRATION

Costs not otherwise attributed to other functions / activities.

PUBLIC ORDER & SAFETY

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

HEALTH

Administration and inspection, immunisations, food control, insect/vermin control, noxious plants, health centres, other.

ENVIRONMENT

Programs and activities that promote and advocate for the preservation and best practice management of Darwin's natural environment

COMMUNITY SERVICES & EDUCATION

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

HOUSING & COMMUNITY AMENITIES

Housing, town planning, domestic waste management services, other waste management services, street cleaning, other sanitation and garbage, urban stormwater drainage, environmental protection, public cemeteries, public conveniences, other community amenities.

RECREATION & CULTURE

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

TRANSPORT & COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RTA works, street lighting, other.

ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards & markets, real estate development, commercial nurseries, other business undertakings.

Darwin City Council

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(a). Rates & Annual Charges					
Ordinary Rates					
Residential		31,801	29,912	31,801	29,912
Business		8,312	7,435	8,312	7,435
Total Ordinary Rates		40,113	37,347	40,113	37,347
Special Rates					
Parking		3,742	1,718	3,742	1,718
Total Special Rates		3,742	1,718	3,742	1,718
Annual Charges					
Domestic Waste Management Services		4,947	4,688	4,947	4,688
Total Annual Charges		4,947	4,688	4,947	4,688
TOTAL RATES & ANNUAL CHARGES		48,802	43,753	48,802	43,753

Council has used 2008 year valuations provided by the Australian Valuation Office in calculating its rates.

(b). User Charges & Fees**Other User Charges & Fees****(i) Fees & Charges - Statutory & Regulatory Functions**

Animal Registration Fees & Fines	501	480	501	480
Fines & Penalties - Other	113	20	113	20
Licence & Permit Fees	320	282	320	282
Parking Fines	917	603	917	603
Planning & Building Regulation	113	63	113	63
Total Fees & Charges - Statutory/Regulatory	1,964	1,447	1,964	1,447

(ii) Fees & Charges - Other (incl. General User Charges)

Cemeteries	54	43	54	43
Darwin Entertainment Centre	1,853	1,563	-	-
Parking Fees	3,597	3,369	3,597	3,369
Private Works	108	172	108	172
Sundry Sales	154	151	154	151
Swimming Pool Fees	435	457	435	457
Waste Disposal Tipping Fees	5,423	4,825	5,423	4,825
Other	258	256	258	256
Total Fees & Charges - Other	11,882	10,837	10,029	9,274
TOTAL USER CHARGES & FEES	13,846	12,284	11,993	10,721

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(c). Interest & Investment Revenue (incl. losses)					
Interest & Dividends					
- Interest on Overdue Rates & Annual Charges		237	216	237	216
- Interest earned on Investments (interest & coupons)		2,039	2,176	2,023	2,167
<u>TOTAL INTEREST & INVESTMENT REVENUE</u>		<u>2,276</u>	<u>2,392</u>	<u>2,260</u>	<u>2,382</u>
Interest Revenue is attributable to:					
Unrestricted Investments/Financial Assets:					
Overdue Rates & Annual Charges		237	216	237	216
General Council Cash & Investments		1,169	1,611	1,153	1,602
Restricted Investments/Funds - External:					
Domestic Waste Management operations		300	220	300	220
Car Parking Shortfall		301	151	301	151
Off & On Street Parking		260	179	260	179
Other Externally Restricted Assets		9	15	9	15
<u>Total Interest & Investment Revenue Recognised</u>		<u>2,276</u>	<u>2,392</u>	<u>2,260</u>	<u>2,382</u>
(d). Other Revenues					
Rental Income - Other Council Properties		886	634	886	634
Insurance & Other Recoupments		121	121	121	121
Legal Fees Recovery - Rates & Charges (Extra Charges)		237	185	237	185
Sundry		325	243	325	243
<u>TOTAL OTHER REVENUES</u>		<u>1,569</u>	<u>1,182</u>	<u>1,569</u>	<u>1,182</u>

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations (continued)

\$ '000	Consolidated		Council	
	2010 Operating	2009 Operating	2010 Operating	2009 Operating
(e). Grants (Operating)				
General Purpose (Untied)				
Financial Assistance - General Component	1,470	1,455	1,470	1,455
Financial Assistance - Local Roads Component	1,664	1,624	1,664	1,624
Other Grants	66	22	66	22
Total General Purpose	3,200	3,101	3,200	3,101
Specific Purpose				
Environmental Protection	5	132	5	132
Heritage & Cultural	10	-	10	-
Library	1,308	1,286	1,308	1,286
Recreation & Culture	108	72	108	72
Mosquito Control	126	124	126	124
Darwin Entertainment Centre	390	380	390	380
Other	24	-	24	-
Total Specific Purpose	1,971	1,994	1,971	1,994
Total Grants	5,171	5,095	5,171	5,095
Grant Revenue is attributable to:				
- Commonwealth Funding	80	154	80	154
- State Funding	5,091	4,941	5,091	4,941
	5,171	5,095	5,171	5,095

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations (continued)

\$ '000	Consolidated		Council	
	2010 Capital	2009 Capital	2010 Capital	2009 Capital
(e). Grants (Capital)				
Specific Purpose				
Community Centres	47	72	47	72
Heritage & Cultural	20	-	20	-
Library	63	-	63	-
Recreation & Culture	63	678	63	678
Transport (Roads to Recovery)	668	-	668	-
Transport (Other Roads & Bridges Funding)	1,928	554	1,928	554
New or Upgraded Assets	3,815	1,855	3,815	1,855
Mosquito Control	73	73	73	73
Total Specific Purpose	6,677	3,232	6,677	3,232
Total Grants	6,677	3,232	6,677	3,232
Grant Revenue is attributable to:				
- Commonwealth Funding	3,091	2,113	3,091	2,113
- State Funding	3,538	1,047	3,538	1,047
- Other Funding	48	72	48	72
	6,677	3,232	6,677	3,232
(f). Contributions (Operating)				
Nil				
<u>TOTAL OPERATING GRANTS & CONTRIBUTIONS</u>	<u>5,171</u>	<u>5,095</u>	<u>5,171</u>	<u>5,095</u>

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 3. Income from Continuing Operations (continued)

\$ '000	Consolidated		Council	
	2010 Capital	2009 Capital	2010 Capital	2009 Capital
(f). Contributions (Capital)				
Developer Contributions:				
Stormwater Contributions	24	56	24	56
Other Developer Contributions	32	45	32	45
Total Developer Contributions	56	101	56	101
Other Contributions:				
Recreation & Culture	1,993	-	1,993	-
Roads & Bridges	298	-	298	-
Land & Improvements	89	4,228	89	4,228
Stormwater Drainage	353	7,148	353	7,148
Buildings	926	-	926	-
Total Other Contributions	3,659	11,376	3,659	11,376
Total Contributions	3,715	11,477	3,715	11,477
<u>TOTAL CAPITAL GRANTS & CONTRIBUTIONS</u>	<u>10,392</u>	<u>14,710</u>	<u>10,392</u>	<u>14,710</u>

\$ '000	Consolidated		Council	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
(g). Restrictions to Grants and Contributions				
Certain grants & contributions are obtained on condition that they be spent in a specified manner:				
Unexpended at close Previous Reporting Period	3,932	2,004	3,932	2,004
add: Grants & contributions recognised in the current period which have not been spent:	2,011	3,120	2,011	3,120
less: Grants & contributions recognised in previous reporting periods & spent in the current period:	(2,595)	(1,192)	(2,595)	(1,192)
Net Increase (Decrease) in Restricted Assets during the Current Reporting Period	(584)	1,928	(584)	1,928
Unexpended at the Close of this Reporting Period and held as Restricted Assets	3,348	3,932	3,348	3,932
Comprising:				
- Specific Purpose Unexpended Grants	3,348	3,932	3,348	3,932
	3,348	3,932	3,348	3,932

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(a) Employee Benefits & On-Costs					
Salaries and Wages		20,817	19,651	19,791	18,732
Superannuation		1,917	1,750	1,829	1,671
Workers' Compensation Insurance		351	344	320	310
Fringe Benefit Tax (FBT)		137	167	130	160
Training Costs (other than Salaries & Wages)		263	300	261	297
Travelling		164	123	164	123
Other		87	163	52	138
Total Employee Costs					
less: Capitalised Costs		(500)	(527)	(500)	(527)
TOTAL EMPLOYEE COSTS EXPENSED		23,236	21,971	22,047	20,904
No. of "Equivalent Full Time" Employees at year end		316	319	301	304
No. of "Equivalent Full Time" Employees (incl. vacancies)		340	337	325	322
(b) Borrowing Costs					
(i) Interest Bearing Liability Costs					
Interest on Loans		309	315	309	315
TOTAL BORROWING COSTS EXPENSED		309	315	309	315

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(c) Materials & Contracts					
Raw Materials & Consumables		11,856	7,883	11,856	7,883
Contractor & Consultancy Costs		16,345	15,480	16,345	15,480
Auditors Remuneration					
i. Audit Services - Council's Auditor		69	23	53	7
ii. Other Services - Internal Audit		182	146	182	146
Legal Expenses:					
- Legal Expenses - Other		317	102	317	102
- Legal Expenses - Debt Recovery		242	194	242	194
Operating Leases:					
- Lease Rentals - Minimum Lease Payments ⁽¹⁾		46	80	46	80
TOTAL MATERIALS & CONTRACTS		29,057	23,908	29,041	23,893

1. Operating Lease Payments attributable to:

- Land & Buildings	46	80	46	80
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\$ '000	Notes	Depreciation/Amortisation Consolidation		Depreciation/Amortisation Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		1,264	1,274	1,199	1,209
Buildings - Non Specialised		2,531	2,374	2,531	2,374
Infrastructure:					
- Roads, Bridges & Footpaths		5,125	5,147	5,125	5,147
- Stormwater Drainage		4,008	4,026	4,008	4,026
- Other		202	205	202	205
Other Assets					
- Other		1,157	1,067	1,149	1,053
<u>TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED</u>		14,287	14,093	14,214	14,014

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(e) Other Expenses					
Other Expenses for the year include the following:					
Advertising		385	254	385	254
Bad & Doubtful Debts		268	242	287	220
Bank Charges		209	196	209	196
Council Expenses - Aldermen Fees		523	523	523	523
Darwin Entertainment Centre		1,403	1,187	760	740
Donations, Contributions & Assistance		690	640	690	640
Electricity		1,780	2,217	1,780	2,217
Fuel & Registration		570	638	570	638
Insurance		557	719	557	719
Postage		75	70	75	70
Printing & Stationery		405	375	405	375
Professional Services		640	550	640	550
Subscriptions & Publications		87	85	87	85
Telephone & Communications		364	356	364	356
Water & Effluent		1,428	1,288	1,428	1,288
Other		93	129	93	129
TOTAL OTHER EXPENSES		9,477	9,467	8,853	8,997

Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Consolidated		Council	
		Actual	Actual	Actual	Actual
		2010	2009	2010	2009
Plant & Equipment					
Proceeds from Disposal		503	2,420	503	2,420
less: Carrying Amount of P&E Assets Sold		(760)	(2,047)	(760)	(2,046)
NET GAIN/(LOSS) - ASSET DISPOSALS		(257)	373	(257)	374

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 6a. - Cash Assets and Note 6b. - Investment Securities

Consolidated		Consolidated		Council	
		2010	2009	2010	2009
\$ '000	Notes	Current	Current	Current	Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		5,154	7,229	3,996	6,551
Cash-Equivalent Assets ¹					
- Short Term Deposits		5,082	9,487	5,082	9,487
Total Cash & Cash Equivalents		10,236	16,716	9,078	16,038
Investment Securities (Note 6b)					
- Long Term Deposits		37,481	21,858	37,481	21,858
Total Investment Securities		37,481	21,858	37,481	21,858
TOTAL CURRENT CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		47,717	38,574	46,559	37,896

1 Those Investments where time to maturity (from date of purchase) is < 3 mths.

Cash, Cash Equivalents & Investments were classified at year end in accordance with AASB 139 as follows:

Cash & Cash Equivalents

a. "At Fair Value through the Profit & Loss"		10,236	16,716	9,078	16,038
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Investments

a. "Held to Maturity"	6(b-i)	37,481	21,858	37,481	21,858
Investments		37,481	21,858	37,481	21,858

Note 6(b-i)

Reconciliation of Investments classified as "Held to Maturity"

Balance at the Beginning of the Year		21,858	20,909	21,858	20,909
Additions		15,623	949	15,623	949
Balance at End of Year		37,481	21,858	37,481	21,858

Comprising:

- Long Term Deposits		37,481	21,858	37,481	21,858
Total		37,481	21,858	37,481	21,858

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 6c. Restricted Cash, Cash Equivalents & Investments

\$ '000	Consolidated		Council	
	2010 Current	2009 Current	2010 Current	2009 Current
Total Cash, Cash Equivalents and Investment Securities	47,717	38,574	46,559	37,896
attributable to:				
External Restrictions (refer below)	25,559	19,903	25,559	19,903
Internal Restrictions (refer below)	8,204	8,454	8,111	8,308
Unrestricted	13,954	10,217	12,889	9,685
	47,717	38,574	46,559	37,896
Consolidated				
2010	Opening	Transfers to	Transfers from	Closing
\$ '000	Balance	Restrictions	Restrictions	Balance
Details of Restrictions				
External Restrictions - Other				
Specific Purpose Unexpended Grants	3,932	-	(584)	3,348
Domestic Waste Management	5,837	934	-	6,771
Car Parking Shortfall	4,863	4,041	-	8,904
Environmental	103	57	-	160
Prepaid Subdivisional Works	247	-	(105)	142
Off & On Street Parking	4,844	1,257	-	6,101
Developer Contributions	77	56	-	133
External Restrictions - Other	19,903	6,345	(689)	25,559
Total External Restrictions	19,903	6,345	(689)	25,559
Internal Restrictions				
Plant & Vehicle Replacement	100	907	-	1,007
Infrastructure Replacement	106	-	(106)	-
Carry Forward Works	4,943	124	-	5,067
Computer	975	-	(975)	-
DEC Air Conditioning Replacement	168	36	-	204
Market Site Development	124	41	-	165
Nightcliff Community Hall	32	11	-	43
Roads Reseal and Overlay	378	-	(378)	-
Coastal Foreshore Management	-	189	-	189
Disaster Contingency	954	-	(117)	837
Graffiti Management	-	193	-	193
Election Expense	127	-	-	127
Watering	401	-	(122)	279
Darwin Entertainment Centre	146	-	(53)	93
Total Internal Restrictions	8,454	1,501	(1,751)	8,204
TOTAL RESTRICTIONS	28,357	7,846	(2,440)	33,763

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 6c. Restricted Cash, Cash Equivalents & Investments (continued)

Details relating to Restricted Reserves

Restricted reserves are identified under legislation and the use of these reserves must comply with legislative requirements.

Car Parking Shortfall

These reserves hold contributions from property developers for the provision of carparking.

Off & On Street Parking

This reserve holds funds from on and off street car parking operations to allow for future developments of car parking in the CBD.

Waste Management

This reserve holds funds in the cleansing operations and is set aside for the future development of the Shoal Bay Waste Disposal site or alternative waste disposal methods.

Environmental

This reserve has been created for future environmental projects relating to Council's Environmental Management Plan and other associated plans.

Unexpended Grants & Contributions

These reserves hold unspent grants and contributions received subject to specific expenditure requirements. The funds are held in reserve until expended in accordance with the grant or contribution conditions.

Prepaid Subdivisional Works

This reserve holds funds that will be used for specific subdivisional works.

All Other Reserves

All other reserves are generally identified by Council resolution or operational requirements for funds set aside for the future replacement or renewal of major assets or for unanticipated major expenditure such as a natural disaster. These reserves are not required under legislation and if required, can be utilised by the Council for other purposes.

Asset Maintenance & Refurbishment

These reserves are funds reserved for the future maintenance of Council's major assets.

Plant Replacement

This reserve holds funds to meet the cost of replacement of plant. The balance is based on the anticipated required amount identified in Council's plant replacement program.

Unexpended Capital Works

This reserve holds funds relating to capital works that have not been completed in the current financial year but have been identified to be completed in a future period.

Disaster Contingency

This reserve holds funds to provide for possible insurance and other expenses associated with responding to a natural disaster.

Graffiti Management

This reserve holds funds to provide for future provision of graffiti removal and management works.

Watering

This reserve holds funds to provide for future costs associated with irrigating Council's parks and gardens.

Election Expense

This reserve holds funds to provide for holding the next Council election.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 7. Receivables

\$ '000	Notes	Consolidated		Council	
		2010 Current	2009 Current	2010 Current	2009 Current
Purpose					
Rates & Annual Charges		1,132	811	1,132	811
Interest & Extra Charges		320	122	320	122
User Charges & Fees		2,027	1,859	2,027	1,859
Accrued Revenues					
- Interest on Investments		631	319	631	319
- Other Income Accruals		112	1	105	-
Government Grants & Subsidies		369	130	369	130
Net GST Receivable		395	176	395	176
Other Debtors		76	85	-	-
Total		5,062	3,503	4,979	3,417
less: Provision for Impairment					
User Charges & Fees		(466)	(536)	(466)	(536)
Total Provision for Impairment - Receivables		(466)	(536)	(466)	(536)
<u>TOTAL CURRENT NET RECEIVABLES</u>		<u>4,596</u>	<u>2,967</u>	<u>4,513</u>	<u>2,882</u>
Externally Restricted Receivables					
Domestic Waste Management		1,003	829	1,003	829
Other					
- Parking		430	253	430	253
Total External Restrictions		1,433	1,082	1,433	1,082
Unrestricted Receivables		3,163	1,885	3,080	1,799
TOTAL CURRENT NET RECEIVABLES		4,596	2,967	4,513	2,882

Notes on Debtors above:

- Rates & Annual Charges Outstanding are secured against the property.
- Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- Interest is charged on overdue rates & charges at 18.00% (2009 18.00%).
Generally all other receivables are non interest bearing.
- Please refer to Note 14 for issues concerning Credit Risk and Fair Value disclosures.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 8. Inventories & Other Assets

\$ '000	Notes	Consolidated		Council	
		2010 Current	2009 Current	2010 Current	2009 Current
Inventories					
Stores & Materials		146	160	116	138
Total Inventories		146	160	116	138
Other Assets					
Prepayments		127	52	127	52
Total Other Assets		127	52	127	52
TOTAL CURRENT INVENTORIES & OTHER ASSETS					
		273	212	243	190
(i) Externally Restricted Assets - Current					
Total Unrestricted Assets		273	212	243	190
TOTAL INVENTORIES & OTHER ASSETS		273	212	243	190

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 9a. Infrastructure, Property, Plant & Equipment

Consolidated	as at 30/6/2009				Asset Movements during the Reporting Period							as at 30/6/2010			
	At	At	Accumulated	Carrying	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Adjustments & Transfers	Tfrs from/(to) "Held for Sale" category	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated Dep'n	Carrying Value
	Cost	Fair Value	Dep'n	Value											
Capital Work in Progress	2,872	-	-	2,872	771	-	-	-	-	-	-	3,643	-	-	3,643
Plant & Equipment	14,207	-	6,575	7,632	1,453	(758)	(1,264)	-	(28)	(181)	-	13,559	-	6,705	6,854
Land:															
- Operational Land	-	228,713	-	228,713	89	-	-	-	-	-	76,931	-	305,733	-	305,733
Buildings - Non Specialised	2,603	54,080	4,784	51,899	1,923	-	(2,531)	-	-	-	5,812	-	57,103	-	57,103
Infrastructure:															
- Roads, Bridges, Footpaths	8,842	248,963	111,767	146,038	3,765	-	(5,125)	-	-	-	-	12,607	248,963	116,892	144,678
- Stormwater Drainage	13,330	264,338	128,001	149,666	1,008	-	(4,008)	-	-	-	-	14,337	264,338	132,009	146,666
- Other	-	11,025	2,173	8,851	-	-	(202)	(17)	-	-	-	-	11,025	2,393	8,632
Other Assets:															
- Other	20,478	-	8,266	12,212	4,868	(2)	(1,157)	-	-	(237)	-	24,804	-	9,120	15,684
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.	62,332	807,118	261,566	607,883	13,877	(760)	(14,287)	(17)	(28)	(418)	82,743	68,950	887,162	267,119	688,993

Notes to the Financial Statements
for the financial year ended 30 June 2010

Note 9a. Infrastructure, Property, Plant & Equipment

Council	as at 30/6/2009				Asset Movements during the Reporting Period							as at 30/6/2010			
	At Cost	At Fair Value	Accumulated Dep'n	Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Adjustments & Transfers	Tfrs from/(to) "Held for Sale" category	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated Dep'n	Carrying Value
\$ '000															
Capital Work in Progress	2,872	-	-	2,872	771	-	-	-	-	-	-	3,643	-	-	3,643
Plant & Equipment	13,704	-	6,212	7,492	1,419	(758)	(1,199)	-	(28)	(181)	-	13,028	-	6,283	6,745
Land:															
- Operational Land	-	228,713	-	228,713	89	-	-	-	-	-	76,931	-	305,733	-	305,733
Buildings - Non Specialised	2,603	54,080	4,784	51,899	1,923	-	(2,531)	-	-	-	5,812	-	57,103	-	57,103
Infrastructure:															
- Roads, Bridges, Footpaths	8,842	248,963	111,767	146,038	3,765	-	(5,125)	-	-	-	-	12,607	248,963	116,892	144,678
- Stormwater Drainage	13,330	264,338	128,001	149,666	1,008	-	(4,008)	-	-	-	-	14,337	264,338	132,009	146,666
- Other	-	11,025	2,173	8,851	-	-	(202)	(17)	-	-	-	-	11,025	2,393	8,632
Other Assets:															
- Other	20,423	-	8,220	12,203	4,865	(2)	(1,149)	-	-	(237)	-	24,750	-	9,070	15,680
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.	61,774	807,118	261,157	607,735	13,840	(760)	(14,214)	(17)	(28)	(418)	82,743	68,365	887,162	266,647	688,880

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 9b. Externally Restricted Infrastructure, Property, Plant & Equipment

\$ '000 Consolidated	Actual 2010				Actual 2009			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
Class of Asset								
Domestic Waste Management								
Plant & Equipment	77	-	72	5	106	-	82	24
Buildings	-	1,588	-	1,588	-	1,547	10	1,537
Other Assets	139	-	93	46	138	-	86	52
Total DWM	216	1,588	165	1,639	244	1,547	178	1,613
Parking								
Plant & Equipment	31	-	31	-	67	-	48	19
Land	-	-	-	-	-	-	-	-
- Operational Land	-	53,555	-	53,555	-	35,739	-	35,739
Other Infrastructure	-	1,952	330	1,622	-	1,952	300	1,652
Buildings	-	14,833	-	14,833	-	16,429	1,149	15,280
Other Assets	2,089	-	1,298	791	2,320	-	1,203	1,117
Total Other Restrictions	2,120	70,340	1,659	70,801	2,387	54,120	2,700	53,807
TOTAL RESTRICTED I,PP&E	2,336	71,928	1,824	72,440	2,631	55,667	2,878	55,420

\$ '000 Council	Actual 2010				Actual 2009			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
Class of Asset								
Domestic Waste Management								
Plant & Equipment	77	-	72	5	106	-	82	24
Buildings	-	1,588	-	1,588	-	1,547	10	1,537
Other Assets	139	-	93	46	138	-	86	52
Total DWM	216	1,588	165	1,639	244	1,547	178	1,613
Parking								
Plant & Equipment	31	-	31	-	67	-	48	19
Land	-	-	-	-	-	-	-	-
- Operational Land	-	53,555	-	53,555	-	35,739	-	35,739
Other Infrastructure	-	1,952	330	1,622	-	1,952	300	1,652
Buildings	-	14,833	-	14,833	-	16,429	1,149	15,280
Other Assets	2,089	-	1,298	791	2,320	-	1,203	1,117
Total Other Restrictions	2,120	70,340	1,659	70,801	2,387	54,120	2,700	53,807
TOTAL RESTRICTED I,PP&E	2,336	71,928	1,824	72,440	2,631	55,667	2,878	55,420

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	Consolidated		Council	
		2010 Current	2009 Current	2010 Current	2009 Current
Payables					
Goods & Services-operating expenditure		3,660	1,948	3,334	1,795
Payments Received In Advance		2,652	2,135	2,633	2,111
Accrued Expenses:					
- Borrowings		36	38	36	38
- Salaries & Wages		510	535	447	518
- Other Expenditure Accruals		4,179	3,408	4,179	3,408
Security Bonds, Deposits & Retentions		500	-	500	-
Other		410	155	26	25
Total Payables		11,947	8,219	11,155	7,896
Borrowings					
Loans - Secured ¹		153	143	153	143
Total Borrowings		153	143	153	143
Provisions					
Employee Benefits;					
Annual Leave		2,838	2,504	2,768	2,445
Long Service Leave		2,047	1,810	2,047	1,810
Total Provisions		4,885	4,314	4,815	4,255
Total Payables, Borrowings & Provisions					
		16,985	12,676	16,123	12,294

¹: Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 14.

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	Consolidated		Council	
		2010	2009	2010	2009
		Non Current	Non Current	Non Current	Non Current
Payables					
Nil					
Borrowings					
Loans - Secured ¹		4,445	4,598	4,445	4,598
Total Borrowings		4,445	4,598	4,445	4,598
Provisions					
Employee Benefits;					
Annual Leave		241	209	219	191
Long Service Leave		480	455	480	455
Total Provisions		721	664	699	646
Total Payables, Borrowings & Provisions		5,166	5,262	5,144	5,244

¹ Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 14.

Note 10b. Description of and movements in Provisions

Consolidated	2009			2010		
	Opening Balance as at 1/7/09	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/10
Annual Leave	2,713	1,989	(1,634)	11		3,079
Long Service Leave	2,265	397	(146)	32	(21)	2,527
TOTAL	4,978	2,386	(1,780)	43	(21)	5,606

Council	2009			2010		
	Opening Balance as at 1/7/09	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/10
Annual Leave	2,636	1,975	(1,634)	10	-	2,987
Long Service Leave	2,265	397	(146)	32	(21)	2,527
TOTAL	4,901	2,372	(1,780)	42	(21)	5,514

a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(a) Reconciliation of Cash Assets					
Total Cash & Cash Equivalent Assets	6a	10,236	16,716	9,078	16,038
BALANCE as per the STATEMENT of CASH FLOWS		10,236	16,716	9,078	16,038
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities					
Net Operating Result (Income Statement)		5,433	10,035	5,466	10,094
Adjust for non cash items:					
Depreciation & Amortisation		14,287	14,093	14,214	14,014
Net Losses/(Gains) on Disposal of Assets		257	(374)	257	(374)
Non Cash Capital Grants and Contributions		(3,658)	(11,376)	(3,658)	(11,376)
+/- Movement in Operating Assets and Liabilities:					
Decrease/(Increase) in Receivables		(1,559)	(76)	(1,562)	(149)
Increase/(Decrease) in Prov Doubtful Debts		(70)	-	(70)	-
Decrease/(Increase) in Inventories		14	(9)	22	(16)
Decrease/(Increase) in other Current Assets		(75)	816	(75)	813
Increase/(Decrease) in Payables		1,712	626	1,539	993
Increase/(Decrease) in Interest Payable		(2)	-	(2)	-
Increase/(Decrease) in other accrued Exps		157	-	111	-
Increase/(Decrease) in other Current Liabilities		1,272	133	1,022	9
Increase/(Decrease) in Employee Benefits		627	111	613	117
Increase/(Decrease) in other Provisions		-	57	-	57
NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES - CASH FLOW STMNT		18,395	14,036	17,878	14,180

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 11. Statement of Cash Flows - Additional Information (continued)

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(c) Non-Cash Investing & Financing Activities					
Assets Received Free of Charge		3,658	11,376	3,658	11,376
Total Non-Cash Investing & Financing Activities		3,658	11,376	3,658	11,376

(d) Financing Arrangements

(i) Unrestricted access was available at balance date to the following lines of credit:

Bank Overdraft Facilities ⁽¹⁾	500	500	500	500
Credit Cards / Purchase Cards	200	62	200	62
Total Financing Arrangements	700	562	700	562

¹: The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.
Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 14.

(ii) Secured Loan Liabilities

Loans are secured by a mortgage over future years Rate Revenue only.

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 12. Commitments for Expenditure

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(a) Capital Commitments (exclusive of GST)					
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:					
Property, Plant & Equipment					
Buildings		-	160	-	160
Plant & Equipment		1,974	252	1,974	252
Infrastructure		865	2,660	865	2,660
Total Commitments		2,839	3,072	2,839	3,072
These expenditures are payable as follows:					
Within the next year		2,839	3,072	2,839	3,072
Total Payable		2,839	3,072	2,839	3,072
Sources for Funding of Capital Commitments:					
Unrestricted General Funds		-	585	-	585
Future Grants & Contributions		-	1,699	-	1,699
Unexpended Grants		865	788	865	788
Externally Restricted Reserves		1,974	-	1,974	-
Total Sources of Funding		2,839	3,072	2,839	3,072

(b) Other Expenditure Commitments (exclusive of GST)

Other Non Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

DWM & Recycling Services	47,509	25,180	47,509	25,180
Audit Services	71	89	71	89
Maintenance	3,767	7,108	3,767	7,108
Other	1,903	4,140	1,903	4,140
Total Commitments	53,250	36,517	53,250	36,517
These expenditures are payable as follows:				
Within the next year	12,587	6,666	12,587	6,666
Later than one year and not later than 5 years	32,063	22,752	32,063	22,752
Later than 5 years	8,600	7,099	8,600	7,099
Total Payable	53,250	36,517	53,250	36,517

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 12. Commitments for Expenditure (continued)

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009

(c) Operating Lease Commitments (Non Cancellable)

a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:

Consolidated

Within the next year	82	160
Later than one year and not later than 5 years	55	114
Later than 5 years	-	4
Total Non Cancellable Operating Lease Commitments	137	278

Council

Within the next year	82	160
Later than one year and not later than 5 years	55	114
Later than 5 years	-	4
Total Non Cancellable Operating Lease Commitments	137	278

b. Non Cancellable Operating Leases include the following assets:

Property Rentals and Photocopier Leases.

Contingent Rentals may be payable depending on the condition of items or usage during the lease term.

Conditions relating to Operating Leases:

- All Operating Lease Agreements are secured only against the Leased Asset.
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.

(d) Remuneration Commitments

Commitments for the payment of salaries & other remuneration under long-term employment contracts in existence at reporting date but not recognised as liabilities are payable:

Within the next year	2,187	1,486	2,187	1,486
Later than one year and not later than 5 years	3,857	6,853	3,857	6,853
Total Payable	6,044	8,339	6,044	8,339

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 13. Statement of Performance Measurement - Indicators

Consolidated \$ '000	Amounts 2010	Indicator 2010	Prior Periods 20092008	
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽¹⁾	25,622	1.51 : 1	1.64	1.82
Current Liabilities less Specific Purpose Liabilities ^(2,3)	16,985			
2. Debt Service Ratio				
Debt Service Cost	452	0.65%	0.81%	0.88%
Revenue from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	69,693			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	48,802	59.47%	54.84%	51.34%
Revenue from Continuing Operations	82,056			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	1,452	2.89%	2.07%	2.40%
Rates, Annual & Extra Charges Collectible	50,210			
Council \$ '000	Amounts 2010	Indicator 2010	Prior Periods 20092008	
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽¹⁾	24,351	1.51 : 1	1.63	1.84
Current Liabilities less Specific Purpose Liabilities ^(2,3)	16,123			
2. Debt Service Ratio				
Debt Service Cost	452	0.67%	0.80%	0.91%
Revenue from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	67,824			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	48,802	60.86%	55.94%	52.49%
Revenue from Continuing Operations	80,187			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	1,452	2.89%	2.07%	2.40%
Rates, Annual & Extra Charges Collectible	50,210			

Notes

⁽¹⁾ Refer Notes 6-8 inclusive.

⁽²⁾ Refer to Note 10(a).

⁽³⁾ Refer to Note 10(c).

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 13. Statement of Performance Measurement - Graphs

Council

\$ '000

<div><div><div>1. Unrestricted Current Ratio</div><table><tr><th>Year</th><th>Ratio : 1</th></tr><tr><td>2007</td><td>2.26</td></tr><tr><td>2008</td><td>1.84</td></tr><tr><td>2009</td><td>1.63</td></tr><tr><td>2010</td><td>1.51</td></tr></table></div></div>	Year	Ratio : 1	2007	2.26	2008	1.84	2009	1.63	2010	1.51	<div><div><div>Purpose of Unrestricted Current Ratio</div><div>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</div></div></div>	<div><div><div>Commentary on 2009/10 Result</div><div>2009/10 Ratio1.51 : 1</div><div>The unrestricted ratio at 30 June 2010 shows that current assets cover current liabilities by 1.5 times. A ratio of 1:1 or higher is considered satisfactory. The ratio has steadily decreased since 2007 as Council now has less in internally restricted (discretionary) cash backed reserves.</div></div></div>
Year	Ratio : 1											
2007	2.26											
2008	1.84											
2009	1.63											
2010	1.51											
<div><div><div>2. Debt Service Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2007</td><td>0.20%</td></tr><tr><td>2008</td><td>0.91%</td></tr><tr><td>2009</td><td>0.80%</td></tr><tr><td>2010</td><td>0.67%</td></tr></table></div></div>	Year	Ratio %	2007	0.20%	2008	0.91%	2009	0.80%	2010	0.67%	<div><div><div>Purpose of Debt Service Ratio</div><div>To assess the impact of loan principal & interest repayments on the discretionary revenue of council.</div></div></div>	<div><div><div>Commentary on 2009/10 Result</div><div>2009/10 Ratio0.67%</div><div>Council's debt service ratio remains consistently low as it has only one loan with a balance of \$4.6M at 30 June 2010.</div></div></div>
Year	Ratio %											
2007	0.20%											
2008	0.91%											
2009	0.80%											
2010	0.67%											
<div><div><div>3. Rates & Annual Charges Coverage Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2007</td><td>64.60%</td></tr><tr><td>2008</td><td>52.49%</td></tr><tr><td>2009</td><td>55.94%</td></tr><tr><td>2010</td><td>60.86%</td></tr></table></div></div>	Year	Ratio %	2007	64.60%	2008	52.49%	2009	55.94%	2010	60.86%	<div><div><div>Purpose of Rates & Annual Charges Coverage Ratio</div><div>To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.</div></div></div>	<div><div><div>Commentary on 2009/10 Result</div><div>2009/10 Ratio60.86%</div><div>The rates & annual charges ratio fluctuates with the level of assets received free of charge. The ratio was lowest in 2008 as there were no assets received free of charge received in that year.</div></div></div>
Year	Ratio %											
2007	64.60%											
2008	52.49%											
2009	55.94%											
2010	60.86%											
<div><div><div>4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2007</td><td>2.48%</td></tr><tr><td>2008</td><td>2.40%</td></tr><tr><td>2009</td><td>2.07%</td></tr><tr><td>2010</td><td>2.89%</td></tr></table></div></div>	Year	Ratio %	2007	2.48%	2008	2.40%	2009	2.07%	2010	2.89%	<div><div><div>Purpose of Rates & Annual Charges Outstanding Ratio</div><div>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</div></div></div>	<div><div><div>Commentary on 2009/10 Result</div><div>2009/10 Ratio2.89%</div><div>Council's ratio is consistently between 2% and 3% and this ratio is relatively low when compared to total rates collectible.</div></div></div>
Year	Ratio %											
2007	2.48%											
2008	2.40%											
2009	2.07%											
2010	2.89%											

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 14. Financial Risk Management

\$ '000

Risk Management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

Consolidated	Carrying Value		Fair Value	
	2010	2009	2010	2009
Financial Assets				
Cash and Cash Equivalents	10,236	16,716	10,236	16,716
Investments - "Held to Maturity"	37,481	21,858	37,481	21,858
Receivables	4,596	2,967	4,596	2,967
Total Financial Assets	52,313	41,541	52,313	41,541
Financial Liabilities				
Payables	9,295	6,084	9,295	6,084
Loans / Advances	4,598	4,741	4,598	4,741
Total Financial Liabilities	13,893	10,824	13,893	10,824
Council				
	Carrying Value		Fair Value	
	2010	2009	2010	2009
Financial Assets				
Cash and Cash Equivalents	9,078	16,038	9,078	16,038
Investments - "Held to Maturity"	37,481	21,858	37,481	21,858
Receivables	4,513	2,882	4,513	2,882
Total Financial Assets	51,072	40,778	51,072	40,778
Financial Liabilities				
Payables	8,522	5,784	8,522	5,784
Loans / Advances	4,598	4,741	4,598	4,741
Total Financial Liabilities	13,120	10,525	13,120	10,525

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables**-estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity** Investments - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices available.
- Financial Assets classified (i) **"at fair value through profit & loss"** or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 14. Financial Risk Management (continued)

\$ '000

(a) Cash & Cash Equivalents, Financial assets "at fair value through the profit & Loss", "Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance Section manages it's Cash & Investments portfolio.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the counterparty (to an investment) will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (during the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

Consolidated	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
2010				
Possible impact of a 10% movement in Market Values	-	-	-	-
Possible impact of a 1% movement in Interest Rates	445	445	(445)	(445)
2009				
Possible impact of a 10% movement in Market Values	-	-	-	-
Possible impact of a 1% movement in Interest Rates	363	363	(363)	(363)
Council				
2010	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
Possible impact of a 10% movement in Market Values	-	-	-	-
Possible impact of a 1% movement in Interest Rates	436	436	(436)	(436)
2009				
Possible impact of a 10% movement in Market Values	-	-	-	-
Possible impact of a 1% movement in Interest Rates	356	356	(356)	(356)

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 14. Financial Risk Management (continued)

\$ '000

(b) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

Consolidated	2010 Rates & Annual Charges	2010 Other Receivables	2009 Rates & Annual Charges	2009 Other Receivables
(i) Ageing of Receivables				
Current (not yet overdue)	613	2,790	384	1,622
Past due / Overdue	519	646	427	543
Past due by up to 30 days	-	337	-	355
Past due between 31 and 180 days	-	157	-	172
	<u>1,132</u>	<u>3,930</u>	<u>811</u>	<u>2,692</u>
(ii) Movement in Provision for Impairment of Receivables			2010	2009
Balance at the beginning of the year			536	479
+ new provisions recognised during the year			26	70
- amounts already provided for & written off this year			(91)	(10)
- previous impairment losses reversed			(5)	(3)
Balance at the end of the year			<u>466</u>	<u>536</u>

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 14. Financial Risk Management (continued)

\$ '000

(b) Receivables (continued)

Council	2010 Rates & Annual Charges	2010 Other Receivables	2009 Rates & Annual Charges	2009 Other Receivables
(i) Ageing of Receivables				
Current (not yet overdue)	613	2,707	384	1,536
Past due / Overdue	519	646	427	543
Past due by up to 30 days	-	337	-	355
Past due between 31 and 180 days	-	157	-	172
	<u>1,132</u>	<u>3,847</u>	<u>811</u>	<u>2,606</u>
(ii) Movement in Provision for Impairment of Receivables			2010	2009
Balance at the beginning of the year			536	479
+ new provisions recognised during the year			26	70
- amounts already provided for & written off this year			(91)	(10)
- previous impairment losses reversed			(5)	(3)
Balance at the end of the year			<u>466</u>	<u>536</u>

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 14. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Also, payment terms can (in extenuating circumstances) be extended & overdraft facilities can be drawn down.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

Consolidated	Subject	payable in:						Total	Actual
\$ '000	to no	≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	Cash	Carrying
	maturity							Outflows	Values
2010									
Trade/Other Payables	500	8,795	-	-	-	-	-	9,295	9,295
Loans & Advances	-	153	162	173	187	199	3,724	4,598	4,598
Total Financial Liabilities	500	8,948	162	173	187	199	3,724	13,893	13,893
2009									
Trade/Other Payables	-	6,084	-	-	-	-	-	6,084	6,084
Loans & Advances	-	143	153	162	173	187	3,923	4,741	4,741
Total Financial Liabilities	-	6,227	153	162	173	187	3,923	10,824	10,824

Council	Subject	payable in:						Total	Actual
\$ '000	to no	≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	Cash	Carrying
	maturity							Outflows	Values
2010									
Trade/Other Payables	500	8,022	-	-	-	-	-	8,522	8,522
Loans & Advances	-	153	162	173	187	199	3,724	4,598	4,598
Total Financial Liabilities	500	8,175	162	173	187	199	3,724	13,120	13,120
2009									
Trade/Other Payables	-	5,784	-	-	-	-	-	5,784	5,784
Loans & Advances	-	143	153	162	173	187	3,923	4,741	4,741
Total Financial Liabilities	-	5,928	153	162	173	187	3,923	10,525	10,525

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 14. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings (continued)

Consolidated

The following interest rates were applicable to Council's Borrowings at balance date:

	2010		2009	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	9,295	0.0%	6,084	0.0%
Loans & Advances - Fixed Interest Rate	4,598	6.6%	4,741	6.6%
	<u>13,893</u>		<u>10,824</u>	

Council

The following interest rates were applicable to Council's Borrowings at balance date:

	2010		2009	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	8,522	0.0%	5,784	0.0%
Loans & Advances - Fixed Interest Rate	4,598	6.6%	4,741	6.6%
	<u>13,120</u>		<u>10,525</u>	

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 15. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Bank Guarantee

In conjunction with Palmerston City Council, Council has guaranteed a loan for the Local Government Association of the Northern Territory for the purchase of their business premises. Council's guarantee amounts to \$200,000 (2009: \$200,000) at reporting date. Council does not expect to incur any loss arising from this guarantee.

(ii) Other Guarantees

Council has provided no other Guarantees other than those listed above.

2. Other Liabilities

(i) Third Party Claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its Insurance Coverage and does not expect any material liabilities to eventuate.

ASSETS NOT RECOGNISED:

(i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

Note 16. Controlled Entities, Associated Entities & Interests in Joint Ventures

These consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with AASB 127 and the accounting policy described in Note 1(c).

Name of Operation/Entity	Principal Activity	Type of Entity	Equity Holding	
			2010	2009
1. Darwin Performing Arts Centre	Entertainment Centre	Controlled	100%	100%

Current Year Financial Movements in Total Operation/Entity

Opening Equity Balance	533
New Capital Contributions	-
Operating Result	(33)
Adjustment to Equity Share	-
Distributions Paid	-
Closing Equity Balance	500

Gross Financial Summary of Subsidiary

Assets	1,384
Liabilities	(884)
Net Equity	500
Revenues	2,629
Net Profit	(33)

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 17. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Consolidated		Council	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
a. Retained Earnings					
Movements in Retained Earnings were as follows:					
Balance at beginning of Year (prior year accounts)		262,209	257,856	261,823	257,368
c. Other Comprehensive Income		-	(1,176)	-	(1,176)
d. Net Operating Result for the Year		5,433	10,035	5,466	10,094
f. Transfers between Equity		(5,406)	(4,506)	(5,459)	(4,463)
Balance at End of the Reporting Period		262,236	262,209	261,830	261,823
b. Reserves					
(i) Reserves are represented by:					
- Infrastructure, Property, Plant & Equipment Revaluation Reserve		423,457	341,132	423,456	341,132
- Other Reserves		33,763	28,357	33,670	28,211
Total		457,220	369,489	457,126	369,342
(ii). Reconciliation of movements in Reserves:					
Infrastructure, Property, Plant & Equipment Revaluation Reserve					
- Opening Balance		341,132	267,816	341,132	267,816
- Revaluations for the year	9(a)	82,325	73,316	82,325	73,316
- Balance at End of Year		423,457	341,132	423,456	341,132
Other Reserves					
- Opening Balance		28,357	23,851	28,211	23,748
- Transfers to Retained Earnings		5,406	4,506	5,459	4,463
- Balance at End of Year		33,763	28,357	33,670	28,211
TOTAL VALUE OF RESERVES		457,220	369,489	457,126	369,342
(iii). Nature & Purpose of Reserves					
Infrastructure, Property, Plant & Equipment Revaluation Reserve					
- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.					
Other Reserves					
- Other Reserves relate to Restricted Cash & Investments					
Please refer to Note 6(c) for a breakdown of the Other Reserves balance.					

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 18. "Held for Sale" Non Current Assets & Disposal Groups

\$ '000	Consolidated		Council	
	2010 Current	2009 Current	2010 Current	2009 Current
(i) Non Current Assets & Disposal Group Assets				
Non Current Assets "Held for Sale"				
Plant - Trade Ins	28	-	28	-
Total Non Current Assets "Held for Sale"	28	-	28	-
<u>TOTAL NON CURRENT ASSETS CLASSIFIED AS "HELD FOR SALE"</u>	<u>28</u>	<u>-</u>	<u>28</u>	<u>-</u>

(ii) Details of Assets & Disposal Groups

At reporting date two items of plant were held off site waiting to be sold at auction.

\$ '000	Assets "Held for Sale"		Disposal Groups	
	2010	2009	2010	2009
(iv) Reconciliation of Non Current Assets "Held for Sale" & Disposal Groups				
Opening Balance	-	-	-	-
Balance still unsold after 12 months:	-	-	-	-
plus New Transfer in:				
Assets "Held for Sale"	28	-		-
Closing Balance of "Held for Sale"	28	-	-	-
Non Current Assets & Operations	28	-	-	-

Darwin City Council

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 19. Events occurring after Balance Sheet Date

Events that occur after the reporting date of 30 June 2010, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 29/10/10.

Events that occur after the Reporting Date represent one of two types:

(i) Events that have provided evidence of conditions that existed at the Reporting Date

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2010.

(ii) Events that have provided evidence of conditions that arose after the Reporting Date

These financial statements (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2010 and which are only indicative of conditions that arose after 30 June 2010.

Council is aware of the following "non adjusting events" that merit disclosure;

Development Agreement

Council made demand and recovered \$500,000 in December 2009 pursuant to a bank guarantee provided to Council as security for the performance of development covenants.

This amount is being held in a liability account pending resolution of a dispute with the developers.

Darwin Entertainment Centre

Council is the controlling body of the Darwin Entertainment Centre, which is a live performing arts centre that is incorporated and limited by guarantee. The Centre is jointly funded by Council and the Northern Territory Government. The Directors of the Centre have identified that the current levels of funding are inadequate for its sustainable operation. The main issue is around asset management and how the purchase of new and replacement of existing assets will be funded. In response to this issue, the funding bodies and the Directors have agreed to a consultancy that will examine the operations of the Centre. The potential financial effects are currently unable to be estimated but Council may be required to prioritise more funds for the Centre in future years.

Darwin City Council

Notes to the Financial Statements for the financial year ended 30 June 2010

Note 20. Additional Council Disclosures - Council Information

Principal Place of Business:

17 Harry Chan Avenue
Darwin NT 0801

Contact Details
Mailing Address:

GPO Box 84
Darwin NT 0801

Telephone: 08 8930 0300

Facsimile: 08 8930 0311

Opening Hours

Civic Centre
8am to 5pm
Monday to Friday

Internet: www.darwin.nt.gov.au

Email: dcc@darwin.nt.gov.au

Officers
CHIEF EXECUTIVE OFFICER

Brendan Dowd

Elected Members
LORD MAYOR

Graeme Sawyer

ALDERMEN

John Bailey
Rodger Dee
Robert Elix
Helen Galton
Robin Knox
Garry Lambert
Robyn Lesley
Fred Marrone
Allan Mitchell
Kerry Moir
Joanne Sangster
Heather Sjoberg

AUDITORS

KPMG
18 Smith Street
Darwin NT 0800

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Darwin NT 0800
Australia

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Independent auditor's report to the Lord Mayor and Aldermen of Darwin City Council

We have audited the accompanying financial report of Darwin City Council (the Council), which comprises the statement of financial position as at 30 June 2010, and the income statement and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes set out on pages 2 to 61 and the Chief Executive Officer's statement of the Group comprising the Council and the entity it controlled.

Accountable Officer's responsibility for the financial report

The Accountable Officer of the Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Northern Territory of Australia Local Government Act (Local Government Act). This responsibility includes establishing and maintaining internal control relevant 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. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Council's and the Group's financial position and of their performance.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements, and the Local Government Act.

Auditor's opinion

In our opinion:

(a) the financial report of Darwin City Council is in accordance with the Northern Territory of Australia Local Government Act, including:

(i) giving a true and fair view of the Council's and the Group's financial position as at 30 June 2010 and of their performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Northern Territory of Australia Local Government Act.

KPMG

KPMG



Clive Garland
Partner

Darwin

29 October 2010

13 OFFICERS REPORTS

13.2 Landscape Development Approval Jape Homemaker Village Lot 9585 Fitzgerald Street, Millner

Report No. 10TS0211JW:KB (15/10/10) Common No. 1374832

Report Number 10TS0211JW:KB attached.



ENCL: YES

DARWIN CITY COUNCIL

DATE: 09/11/2010

REPORT**TO:** 1ST ORDINARY COUNCIL MEETINGL/OPEN **APPROVED:** JW**FROM:** GENERAL MANAGER INFRASTRUCTURE **APPROVED:** LC**REPORT NO:** 10TS0211JW:KB**COMMON NO:** 1374832**SUBJECT:** LANDSCAPE DEVELOPMENT APPROVAL JAPE HOMEMAKER VILLAGE LOT 9585 FITZGERALD STREET, MILLNER**ITEM NO: 13.2****SYNOPSIS:**

This report provides an update on the development of the Jape Homemaker Village Lots 8634 & 9585 (15) Fitzgerald Street & (356) Bagot Road, Millner – Town of Nightcliff.

In November 2008 an application was received from the Development Consent Authority. The application was for showroom sales, office and storage area additions in 3 new buildings with external modifications to existing buildings, changes to the car parking layout and provision of additional undercover parking. Subsequently a Development Permit Number 09/0215 was issued in February 2009.

Construction plans have now been received for the development and include the landscaping and awning proposal for Fitzgerald Street. It is anticipated that the works will shortly commence on this site.

GENERAL:

At the June 2008 Town Planning meeting Council considered a response letter to a development application for Lots 8634 & 9585 (15) Fitzgerald Street & (356) Bagot Road, Millner – Town of Nightcliff. The application included a number of building structures on the lots, landscaping, footpaths and the construction of an awning on Fitzgerald Street.

The Council did not raise any significant comments in regard to the application. Subsequently a Development Permit Number 09/0215 was issued by the Development Consent Authority.

Jape Homemaker Village is preparing to commence works and has supplied a final design for the landscaping and awning along Fitzgerald Street, **Attachment A**. The design includes the removal from the Council verge of four (4) large mahogany trees

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 REPORT NUMBER: 10TS0211JW:KB
 SUBJECT: LANDSCAPE DEVELOPMENT APPROVAL JAPE HOMEMAKER VILLAGE
 LOT 9585 FITZGERALD STREET, MILLNER

and three (3) small *Mimusop species* as part of stage one of the development. These are indicated in the landscape plan and located at the eastern end of Fitzgerald Street. The remaining four (4) mahogany trees will be removed and replaced as part of Stage two works.

The eleven (11) trees are to be replaced with a total of fourteen native, medium growing crepe myrtle (*Lagerstromea species*) trees, **Attachment B**. In addition to this two small garden beds and grassing to the verge will be planted. Council Officers have reviewed and support the design.

The mahogany trees are located in close proximity to the road infrastructure and are already causing some damage to that infrastructure, which is likely to continue. The trees are in a state of decline and would require significant attention by Council within five years and possible removal. The size of the verge is not conducive to tree species of such large size and the current and future infrastructure could be compromised by the existing large mahogany trees.

The development upgrade includes a two metre wide awning over a concrete footpath to the Fitzgerald Street frontage with the purpose of providing shelter to pedestrians in that area. The awning protrudes over Council property by one metre.

It is proposed that the new development will engage with the existing local streetscapes and current landscaping to the Jape Homemaker Village and will improve the aesthetic outlook to provide a pleasant avenue and sheltered walkway.

It is recommended that the existing vegetation located on the verge of Lot 9585 Fitzgerald Street, Millner be removed and replaced with suitable landscaping by the developer and that an awning agreement be implemented with the Jape Homemaker Village for the awnings located on Fitzgerald Street. These works are to be at no cost to Council, staged so as to coincide with construction activity and be undertaken to the satisfaction of the General Manager of Infrastructure.

FINANCIAL IMPLICATIONS:

No financial implication to Council for removal existing trees and construction of new landscaping and infrastructure.

PAGE: 3
 REPORT NUMBER: 10TS0211JW:KB
 SUBJECT: LANDSCAPE DEVELOPMENT APPROVAL JAPE HOMEMAKER VILLAGE
 LOT 9585 FITZGERALD STREET, MILLNER

STRATEGIC PLAN IMPLICATIONS:

The issues addressed in this Report are in accordance with the following Goals/Strategies of the Darwin City Council 2008 – 2012 as outlined in the 'Evolving Darwin Strategic Directions: Towards 2020 and Beyond':-

Goal

1 Achieve Effective Partnerships and Engage in Collaborative Relationships

Outcome

1.2 Effectively engage with community

Key Strategies

1.2.1 Increase involvement of the Business Community for developing solutions to local issues

Goal

2 Enhance Darwin's Active, Positive and Flexible Lifestyle

Outcome

2.1 Improve urban enhancement around Darwin

Key Strategies

2.1.1 Manage and maintain the municipal landscaping and infrastructure to a standard that meets community needs

LEGAL IMPLICATIONS:

Nil

ENVIRONMENTAL IMPLICATIONS:

The larger trees are currently deteriorating and planted in close proximity to Council infrastructure. The replacement with a more suitable species with appropriate treatments for protection of infrastructure will result in a beneficial long term solution for landscaping in the area and protection of Council and other infrastructure.

The works will result in a total of 14 new native trees being 3 more than the current plantings.

PUBLIC RELATIONS IMPLICATIONS:

The developer will be required under their works permit to advertise the works and notify residents/shop owners in the vicinity. As is the case with the removal of any large trees public relation issues are likely to be mixed.

COMMUNITY SAFETY IMPLICATIONS:

All works will be undertaken in accordance with OH & S considerations.

PAGE: 4
 REPORT NUMBER: 10TS0211JW:KB
 SUBJECT: LANDSCAPE DEVELOPMENT APPROVAL JAPE HOMEMAKER VILLAGE
 LOT 9585 FITZGERALD STREET, MILLNER

DELEGATION:

Not required.

CONSULTATION:

Urban Forrest Management Team
 Senior Technical Officer Parks

PROPOSED PUBLIC CONSULTATION PROCESS:

The developer will be required, under a works permit, to advertise the works and notify residents/shop owners in the vicinity

APPROPRIATE SIGNAGE

Not required.

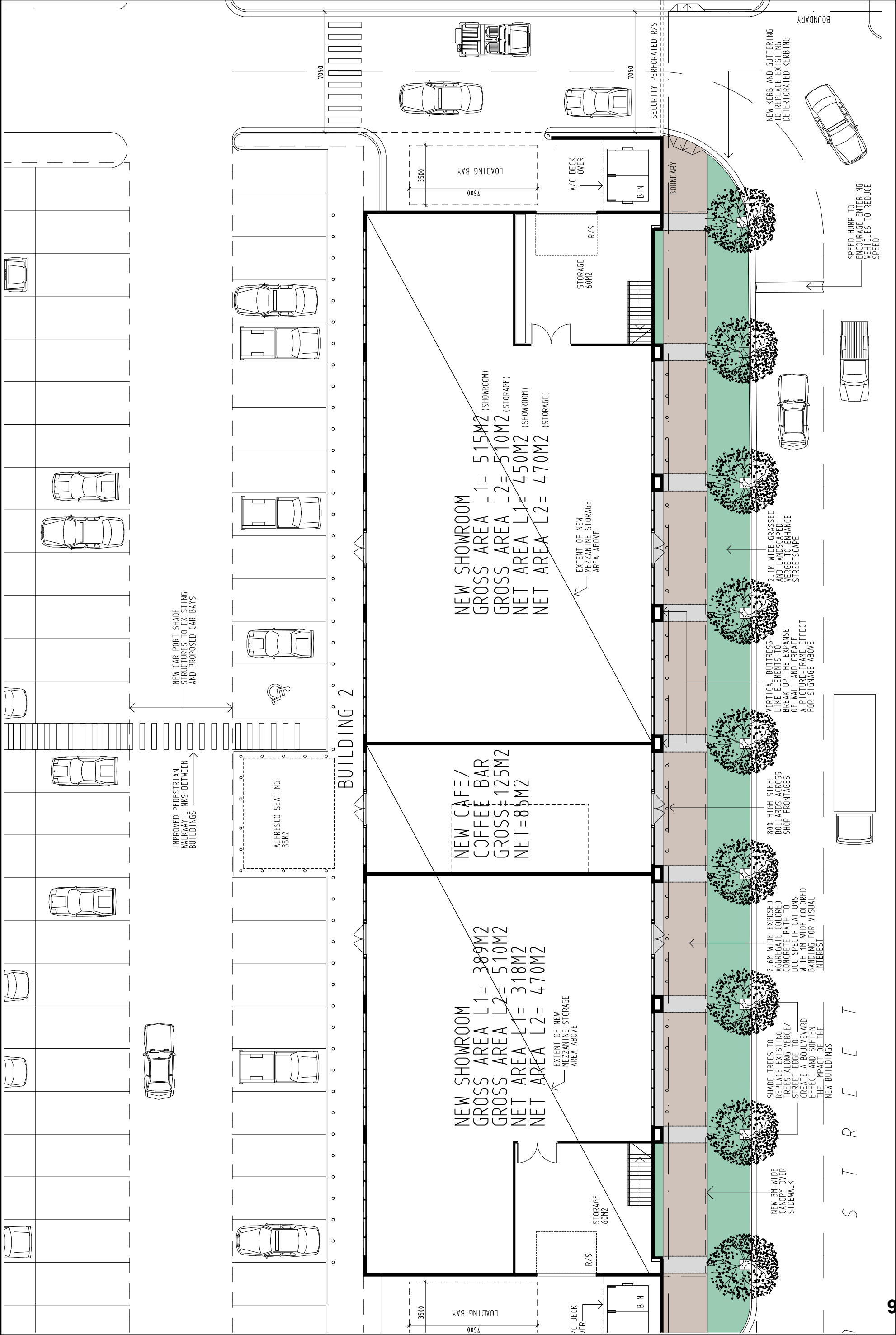
RECOMMENDATIONS:

- A. THAT Report Number 10TS0211JW:KB entitled Landscape Development Approval Jape Homemaker Village Lot 9585 Fitzgerald Street, Millner, be received and noted.
- B. THAT Council endorse the landscape and hard works upgrade located on the verge of Lot 9585 Fitzgerald Street, Millner, as indicated in Attachment A&B of report Number 10TS0211JW:KB subject to:
 - 1. The existing vegetation being removed and replaced with suitable landscaping and hard works;
 - 2. The timing of the removal and replacement of vegetation will be to the requirements of the General Manager - Infrastructure;
 - 3. The applicant entering into an awning agreement with Council;
 - 4. The new landscaping being maintained by the Jape Homemaker Village;
 - 5. All works and associated activities be undertaken at no cost to Council and to the satisfaction of the General Manager – Infrastructure.

JOY WELSHMAN
TEAM COORDINATOR
DEVELOPMENT & WASTE
MANAGEMENT

LUCCIO CERCARELLI
GENERAL MANAGER -
INFRASTRUCTURE

Any queries on this report may be directed to Joy Welshman on 8930 0413 or
j.welshman@darwin.nt.gov.au



94

94

ALL DIMENSIONS TO BE VERIFIED AND CHECKED ON JOB

JOB No. 004033

DATE JUNE 2005

DRAWN HRELL

SCALE 1 : 100 (A1)

DO NOT SCALE OFF THE DRAWING

DRAWING TITLE

FLOOR PLAN L1

SHOWROOM

BUILDING 2

SK3

REVISION

C

BELL GABBERT ASSOCIATES

One 121 C

Darwin NT 0800

GPO Box 4619 Darwin NT 0800

Ph. (08) 9841 1177

Fx. (08) 9841 1166

e: mbbga@bigpond.net.au

e: wbbga@bigpond.net.au

A.B.N. 64 108 686 885

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e: wbbga@bigpond.net.au

A.B.N. 64 108 686 885

PROJECT NORTH

CONSULTANTS

QUANTITY SURVEYOR

STRUCTURAL ELECTRICAL

HYDRAULIC

CIVIL

BUILDING CERTIFICATION

CLIENT

JAPE HOMEMAKER VILLAGE

PROJECT MANAGER

BUILDER

DATE 2/19/06

DRAWN

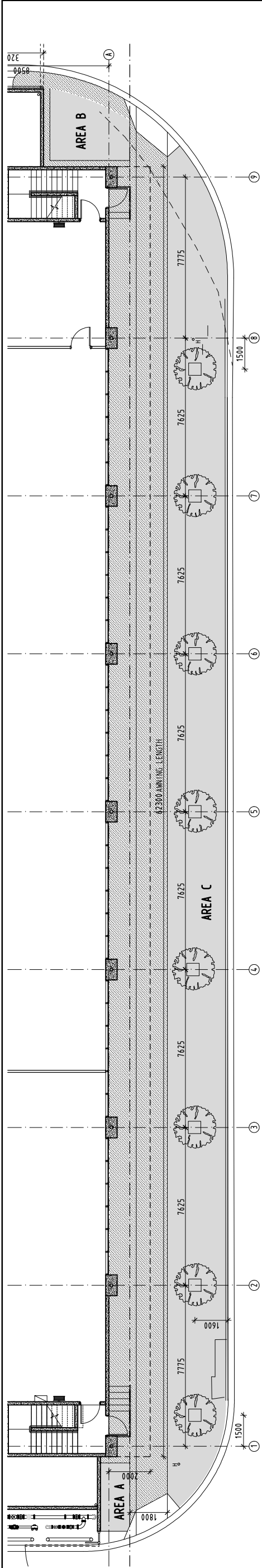
DATE

CHANGES TO REFLECT DCA REQUIREMENTS

AMENDMENT

94

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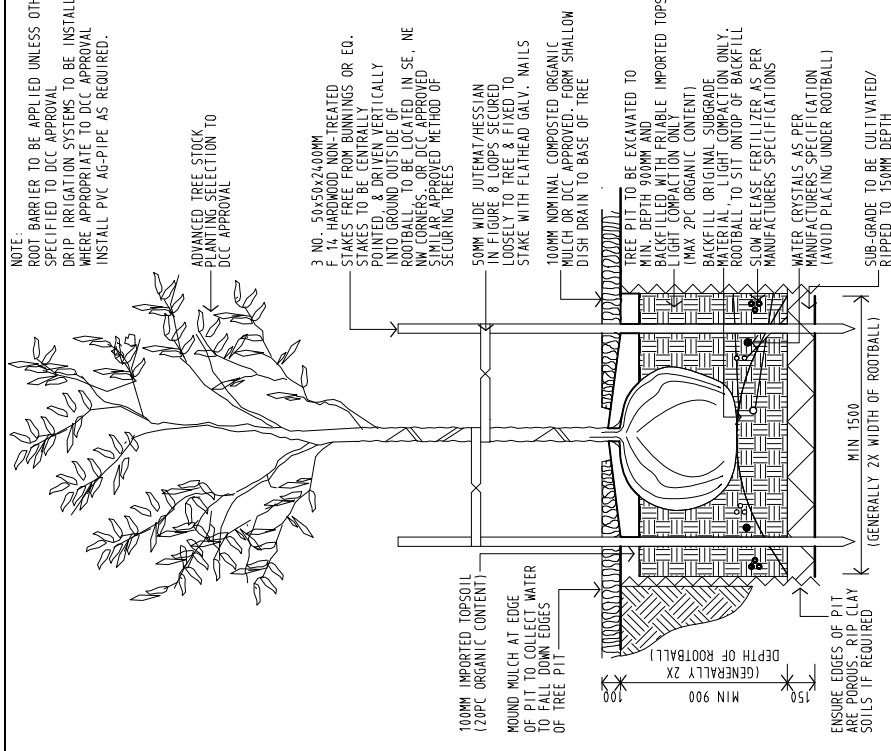


LANDSCAPE PLAN
1:100

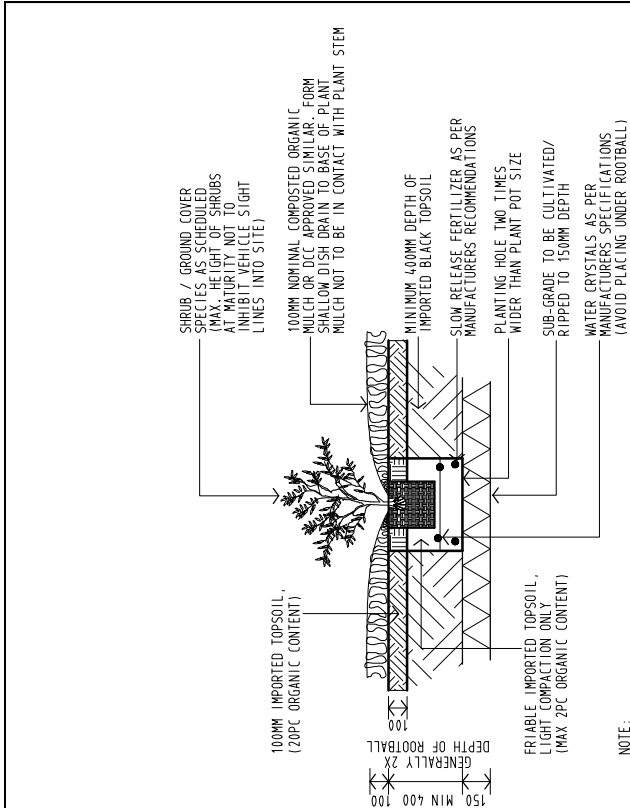
AREA A - APPROX. 5M
AREA B - APPROX. 1M
AREA C - APPROX. 18M

FITZGERALD STREET

NOTE:
ROOT BARRIER TO BE APPLIED UNLESS OTHERWISE SPECIFIED TO DCC APPROVAL
DIP IRRIGATION SYSTEMS TO BE INSTALLED WHERE APPROPRIATE TO DCC APPROVAL
INSTALL PVC AG-PIPE AS REQUIRED.



SUGGESTED PLANTING DETAIL: ADVANCED STOCK (MIN 25 LT) - AREA C

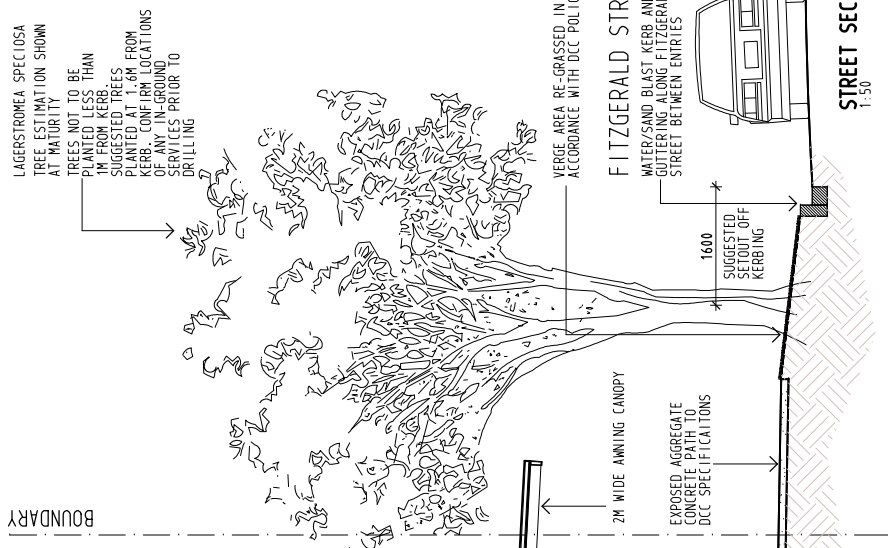


SHRUBS AND GROUND COVERS - AREAS A + B

- NOTES:
1. ALL TURFED AREAS TO BE PROVIDED WITH A MINIMUM OF 100MM TOPSOIL THAT MEETS OR EXCEEDS AS-4419 REQUIREMENTS
 2. NEW SHADE TREE PLANTING TO USE NOMINATED TREE SPECIES SPECIFIED BY DCC AS PART OF DCC STRATEGY PLAN
 3. GROUND COVER TO VERGE AREA TO BE BLENDED GRASS SPRAY OR AS NOMINATED BY DCC
 4. ACCEPTABLE TURF SPECIES INCLUDES ZOYSIA COMPADRE, ZOYSIA EMPIRE, CENTPEDE OR ET-19 AVAILABLE LOCALLY IN SOD FORM, 5. DCC CONTACT PERSON FOR CLARIFICATION:

NADINE DOUGLAS
ACTING TEAM COORDINATOR DEVELOPMENT & WASTE MANAGEMENT
INFRASTRUCTURE DEPARTMENT
DARWIN CITY COUNCIL
PH: 8930 0413
MOB: 0466 130 352
FAX: 8981 8415

6. SUGGESTED SHRUBS TO AREAS A + B:
- IXORA CHINENSIS (PRINCE OF ORANGE)
 - HELICONIA ROSTRATA (HANGING LOBSTER CLAW)
 - HELICONIA PSITTACORUM (PARROT'S BEAK)
 - RHOEO SPATHACEA (MOSES IN A BOAT)
- PLANTING TO POSITION TALLER SPECIES TO THE REAR AND LOWER SPECIES CLOSER TO THE KERB.



STREET SECTION
1:50

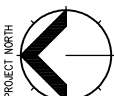
No.	AMENDMENT	DATE	BY
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

CLIENT
JAPE HOMEMAKER VILLAGE

PROJECT MANAGER
-
BUILDER
-

CONSULTANTS
ASHBURNER FRANCIS
W&G
AWS
FEE
TECON AUSTRALIA

ELECTRICAL/MECHANICAL
STRUCTURAL/CIVIL
HYDRAULIC
SURVEYOR
BUILDING CERTIFICATION



BELL GABBERT ASSOCIATES
One / 21 Cavenagh Street
Darwin NT 0801
Ph. (08) 8941 1177
Fx. (08) 8941 1166
A.B.N. 64 106 696 895
www.bellgabbert.com

BELL GABBERT ASSOCIATES

JOB TITLE
**JAPE HOMEMAKER VILLAGE
NEW SHOWROOMS & OFFICES**
LOTS 9585 & 8634 BAGOT ROAD

DRAWING TITLE
LANDSCAPE PLAN

ALL DIMENSIONS TO BE VERIFIED AND CHECKED ON JOB
JOB No. D04278
DRAWING No. **A5-03**
DATE SEPT. 2010
DRAWN MBELL
REVISION
SCALE AS SHOWN 0/1
-

ATTACHMENT B

10TS0211JW:KB Entitled: Landscape Development Approval Jape Homemaker Village Lot 9585 Fitzgerald Street, Millner



13 OFFICERS REPORTS

13.3 Meeting Dates Schedule January 2011 to June 2011 Report No. 10TC0063 (26/10/10) Common No. 1486656

Report Number 10TC0063 attached.

ENCL: YES

DARWIN CITY COUNCIL

DATE: 26/10/10

REPORT

TO: 1st ORDINARY COUNCIL MEETING/OPEN

APPROVED: MB

FROM: EXECUTIVE MANAGER

APPROVED: BD

REPORT NO: 10TC0063

COMMON NO: 1486656

SUBJECT: MEETING DATES SCHEDULE – JANUARY TO JUNE 2011

ITEM NO: 13.3

SYNOPSIS:

This report presents a draft schedule of dates for meetings for the first six months of the 2011 Calendar year for consideration by Council.

GENERAL:

The meeting dates schedule in **Attachment A** has been prepared allowing for public holidays.

FINANCIAL IMPLICATIONS:

Nil

ACTION PLAN IMPLICATIONS:

Nil

LEGAL IMPLICATIONS:

Section 58 (1) of the Local Government Act 2008 states:-

A council must hold a meeting of its members (an ordinary meeting) at least once in each successive period of 2 months.

Section 148 of the Darwin City Council By-laws states:-

“An ordinary meeting shall be held on such day and at such time in each month as the council from time to time determines.”

Section 59 of the Local Government Act 2008 states:-

- (4) *A notice convening a council meeting:*
 - (a) *must be in writing; and*
 - (b) *must state the date, time, place and agenda for the meeting; and*
 - (c) *must be given to the members:*
 - (i) *in the case of an ordinary meeting – at least 3 business days before the date of the meeting; and*
 - (ii) *in the case of a special meeting – at least 4 hours before the time appointed for the meeting; and*
 - (d) *must be accessible on the council's website a reasonable time before the time appointed for the meeting; and*
 - (e) *must be posted on a notice board at the council's public office.*
- (5) *The notice may be given to a member personally, by post, by email, by fax or in any other way pre-arranged by the CEO with the member.*

Section 63 of the Local Government Act 2008 states:-

- (1) *Meetings of a local board or council committee are convened by the CEO.*
- (2) *The CEO may, at the request of the Chair of a local board or council committee, convene a meeting of the local board or committee.*
- (3) *A notice convening a meeting:*
 - (a) *must be in writing; and*
 - (b) *must state the date, time, place and agenda for the meeting; and*
 - (c) *must be given to the members of the local board or council committee a reasonable time before the time appointed for the meeting; and*
 - (d) *must be accessible on the council's website a reasonable time before the time appointed for the meeting; and*
 - (e) *must be posted on a notice board at the council's public office.*

PAGE: 3
REPORT NUMBER: 10TC0063 MB:le
SUBJECT: MEETING DATES SCHEDULE – JANUARY TO JUNE 2011

- (4) *The notice may be given to a member personally, by post, by email, by fax or in any other way pre-arranged by the CEO with the member.*

PUBLIC RELATIONS IMPLICATIONS:

Nil

CONSULTATION:

Nil

RECOMMENDATIONS:

- A. THAT Report Number 10TC0063 entitled, Meeting Dates Schedule January 2011 to June 2011, be received and noted.
- B. THAT the meeting dates schedule January 2011 to June 2011 as described in **Attachment A** to Report Number 10TC0063, be adopted.

MARK BLACKBURN
EXECUTIVE MANAGER

BRENDAN DOWD
CHIEF EXECUTIVE OFFICER

Any queries on this report may be directed to Linda Elmer on extension 5670 or
Email: l.elmer@darwin.nt.gov.au

Meeting Dates Schedule

January to June 2011

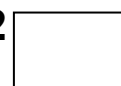
Meeting	January	February	March	April	May	June	Time
Town Planning		02/02/11	02/03/11	06/04/11	04/05/11	01/06/11	Wednesday
							12 Noon
Community & Cultural Services		07/02/11	14/03/11	11/04/11	16/05/11	14/06/11	Monday
							4.30 p.m..
Environment & Infrastructure		14/02/11	21/03/11	18/04/11	23/05/11	20/06/11	Monday
							4.00 p.m.
Corporate & Economic Development		15/02/11	22/03/11	19/04/11	24/05/11	21/06/11	Tuesday
							12.00 Noon
1 st Ordinary Council		08/02/11	15/03/11	12/04/11	17/05/11	14/06/11	Tuesday
							5.00 p.m.
2 nd Ordinary Council	*Mon* 24/01/11	22/02/11	29/03/11	*Wed* 27/04/11	31/05/11	28/06/11	Tuesday
							5.00 p.m.

14 INFORMATION ITEMS AND CORRESPONDENCE RECEIVED**14.1 Incoming Letter from the Chief Minister – Defence of Darwin Museum at East Point**

Document No. 1892221 (18/10/10) Common No. 1477575

THAT the incoming letter from the Chief Minister, the Hon Paul Henderson MLA dated 18 October 2010 advising the Defence of Darwin Museum will be built on lot 5434 at East Point, Document Number 1892221, be received and noted.

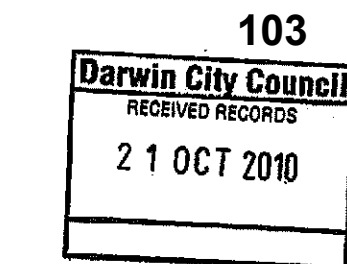
DECISION NO.20\() (16/11/10)





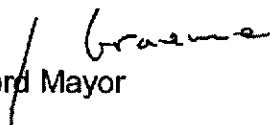
CHIEF MINISTER

Parliament House
State Square
Darwin NT 0800
chief.minister@nt.gov.au



GPO Box 3146
Darwin NT 0801
Telephone: 08 8901 4000
Facsimile: 08 8901 4099

Mr Graeme Sawyer
The Right Worshipful the Lord Mayor of Darwin
Darwin City Council
GPO Box 84
DARWIN NT 0801


Dear Lord Mayor

As you are aware, in July 2008 I announced an \$11.5 million plan to commemorate the role of the Northern Territory in World War II.

The Bombing of Darwin is of immense importance to Territorians, and this project will ensure the history of the event is preserved and presented for current and future generations.

I believe the development of an enhanced museum precinct at East Point, with the addition of a new facility, will contribute significantly to the preservation and interpretation of the military history of East Point Reserve.

The Darwin City Council (DCC) has a strong interest in the project and has supported the development of the Museum at East Point Reserve.

As agreed at the Capital City Committee meeting in August 2010, the Government undertook public consultations on two possible locations to build the Defence of Darwin Museum at East Point.

Public comment was sought from 1 September to 17 September 2010 through online feedback and written submissions. Community consultation sessions were also held in Darwin on Tuesday 7 and Wednesday 8 September. You would be aware that DCC made a submission to the consultation.

The outcome of the public consultations clearly indicates that Site 1 (within lot 5434 owned by the Territory Government) is the preferred option, with 77% of the respondents choosing this site.

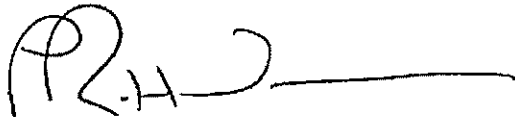
In light of the outcome the public consultation and recommendation received from the Defence of Darwin Museum Steering Committee, I am pleased to advise the Defence of Darwin Museum will be built on lot 5434.

Depending on the future design of the facility within lot 5434, I am advised that Government may seek some additional land on Darwin City Council lot 5775 to accommodate the museum car park area.

The DCC will be kept informed should this need arise as the design work progresses.

I encourage the Darwin City Council to continue supporting this project and contributing to its success.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Henderson', followed by a long horizontal line.

PAUL HENDERSON

18/10/10

14 INFORMATION ITEMS AND CORRESPONDENCE RECEIVED**14.2 Incoming Letter from the Chief Minister – Council's Request for Compensation for the Costs Associated with Territory Day Activities**

Document No. 1896891 (27/10/10) Common No. 1176862

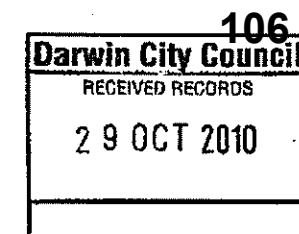
THAT the incoming letter from the Chief Minister, the Hon Paul Henderson MLA dated 27 October 2010 re-affirming the Northern Territory's Government position remains as advised on the 31 August 2009 – request for compensation for costs associated with Territory Day activities is declined, Document Number 1896891, be received and noted.

DECISION NO.20\() (16/11/10)



CHIEF MINISTER

Parliament House
State Square
Darwin NT 0800
chief.minister@nt.gov.au



GPO Box 3146
Darwin NT 0801
Telephone: 08 8901 4000
Facsimile: 08 8901 4099

The Right Worshipful the Lord Mayor of Darwin
Mr Graeme Sawyer
Darwin City Council
GPO Box 84
DARWIN NT 0800

Dear Lord Mayor

Thank you for your letter of 9 September 2010 regarding Darwin City Council seeking compensation for the costs associated with Territory Day activities.

The Northern Territory Government naturally is a strong supporter of Territory Day activities in celebration of self-government, and I am sure that the community appreciates the support the Government provides at all levels throughout the Northern Territory to these events. I re-affirm the Northern Territory Government's position remains as per my letter to you of 31 August 2009.

I am pleased to receive your advice on the success of the regulation of the Mindil Beach fire exclusion zone as a cooperative effort between Darwin City Council and Northern Territory Police.

I am sure that the community supports the shared efforts and resources applied by both the Darwin City Council and the Northern Territory Government in bringing this safe and popular event to the people of Darwin.

Yours sincerely

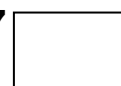
PAUL HENDERSON

27 OCT 2010

14 INFORMATION ITEMS AND CORRESPONDENCE RECEIVED**14.3 Defence of Darwin Museum Site Community Consultation Report**
Document No. 1892151 (09/10) Common No. 1477575

THAT the Defence of Darwin Museum Site community Consultation Report September 2010 prepared for the Department of Natural Resources, Environment, The Arts & Sport, Document Number 1892151, be received and noted.

DECISION NO.20\() (16/11/10)





abc corporate development

Defence of Darwin Museum Site Community Consultation Report

Prepared for NRETAS September 2010



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List of Acronyms

Acronym	Name
DCC	Darwin City Council
DCI	Department of Construction and Infrastructure
DMM	Darwin Military Museum
DOD	Defence of Darwin Museum Project
NRETAS	Department of Natural Resources, Environment and Sport
PLan Inc	The Planning Action Network Inc
RAAANT	Royal Australian Artillery Association (NT Branch)

Executive Summary

The Defence of Darwin Museum Site Community Consultation process was conducted by the Department of Natural Resources, Environment, The Arts and Sport (NRETAS).

In July 2008, the Chief Minister of the Northern Territory, The Hon Paul Henderson MLA, announced that East Point Reserve would become the location for the WWII Defence of Darwin Museum.

In 2008 an Advisory Group was established to consult on the development of the proposed museum at East Point. This group has representatives from the Territory Government, Friends of East Point, PPlan (The Planning Action Network Inc), RAAANT, Larrakia Nation, Engineers Australia, Aviation Historical Society of the Northern Territory as well as military experts and local historians.

A Steering Committee has also been established to oversee the project management of the Defence of Darwin Museum and has representation from Darwin City Council and a number of Northern Territory Government agencies including Tourism NT, Chief Minister's Office, Departments of Business and Employment, Natural Resources, Environment, The Arts and Sport, and Construction and Infrastructure.

On the 1st of September 2010, Arts Minister, The Hon Gerry McCarthy MLA, invited the public to provide comment on the selection of two possible locations to build a new World War II Defence of Darwin Museum at East Point.

Public comment was open for 17 days from Wednesday 1st September to Friday 17th September 2010 via the provision of online feedback and written submissions. Public Community Consultation Sessions were held in Darwin on Tuesday 7th September and Wednesday 8th September 2010.

This document incorporates the public feedback received at the Community Consultation Sessions held and that provided via the online feedback forms and written submissions received by NRETAS over the consultation period.

Community Consultation Sessions

The Community Consultation Sessions for the Defence of Darwin Museum Site attracted a total of 25 people who participated in a comprehensive discussion about the concept and proposed site options. Two of the 25 people attended both sessions. There was no significant difference between the numbers of participants at the evening session (14) and those at the day time session (13) and nor was there a discernable demographic difference between the two groups.

A significant number of the participants indicated a military and/or historic interest in the project, some with experience in running small museums, including those associated with the existing DMM. There were also several people who reside in Darwin and expressed a general interest in how the East Point area is managed; an interest beyond the scope of the DOD project including the attractions of the area (such as bird watching) that are of significance to other user groups. There were participants representing tourism industry interests, both government and private, who were able to provide insights into how the proposed development might integrate with the current range of tourism products. A notably high proportion of the participants were very long term Darwin residents.

At both sessions, some participants (mainly local residents) expressed some frustration that they had heard about the consultative process, including the meetings, quite recently and that they believed that others would have had insufficient notice to be able to arrange to attend. It should be noted however that whilst only 25 people attended the public meetings, four times that number provided their comments and indicated their choice of site via the feedback form provided on the website.

Late in the course of the discussions at each meeting an informal vote was taken through a show of hands with participants indicating which of the proposed sites they each favoured. The votes were as follows: Site One -13 votes, Site Two – 9 votes. The remaining four chose not to express their opinion at that time.

Feedback Forms and Written Submissions

There were a total of 104 Feedback Forms and written responses submitted either on-line or at the Community Consultation Sessions. On line Feedback came in regularly throughout the consultation period right up to and including the final day, the 17th September 2010. A summary of these has been provided and the detailed responses can be found at Appendix A.

Site 1 was the clear leader with 77% of the respondents choosing this site as their preferred option citing reasons based on historical and military connections to the existing DMM and concern regarding the development impact on the local flora and fauna and on recreational users of East Point should Site 2 be chosen. Site 2 received 16% of the vote with the respondents citing their main reasons as less building design restrictions, more opportunity to maximise the use of sea views, the focus on tourism and potential expansion of the facility in future years. Those 7% of respondents who abstained were opposed to any development on the site or provided alternative site suggestions. It may be worth noting that support for Site 1 often showed some strength of opposition to Site 2 whereas support for Site 2 did so without expressing opposition per se to Site 1.

Parked Issues

A large number of other issues were raised which, although relevant to the future of the Defence of Darwin Museum, were ancillary to the purpose of the sessions and so, in accordance with instructions from NRETAS, these issues were discussed only briefly and then were noted (parked) for other management attention. These parked issues are all listed in the Summary of the Community Consultation Sessions. A number of these issues related to environmental issues, such as the impacts on terrestrial fauna and migratory birds that may arise from increased use of and vehicular traffic through East Point regardless of which site is chosen and more general environmental concerns about the area such the rapid erosion of the cliffs along the north face of East Point. Participants expressed a strong desire to be involved in a further period of consultation with regard to the actual design of the DOD Museum once the site is decided. This issue was also parked as no commitment could be given at this stage as to when and indeed if such further consultation would occur.

A small number of participants and respondents (feedback forms) expressed a view that both sites were less than ideal. Some preferred other sites at East Point and some referred to earlier government commitments that the DOD Museum would not be built anywhere on East Point.

A question arose relating to how the DOD Museum, in fact the precinct including DMM, would relate or link to other attractions in Darwin such as the Darwin Pearling Exhibition at Stokes Hills Wharf.

Some concern was expressed that once the door opens to this development a future decision may be made to have “uncontrolled development” at East Point; that development would “creep” beyond the nominated site.

Introduction

Two Community Consultation Sessions for the Defence of Darwin Museum (DOD) Site were conducted for the specific purposes of presenting information about the plans for the DOD and gathering public opinions relating to the question of which of the two proposed sites was preferred and the reasons that support each preference. One session was held in Darwin at the Crowne Plaza Hotel on Tuesday, 7th September 2010 in the early evening (17:00 to 19:00 hours) and the other in Darwin at the Crowne Plaza Hotel on Wednesday, 8th September 2010 during business hours, 10:00 until 11:30 hours. The promotion and advertising of the sessions, the scheduling and the selection of venue was carried out by NRETAS. Few of the participants arrived on time and so both sessions commenced around 15 to 30 minutes later than the advertised time. The evening session continued through to 19:00 with participants eagerly and constructively discussing relevant matters, however the participants in the daytime session seemed to have exhausted their interest in further discussion by around 11:30 so the session was then closed.

The Community Consultation Sessions for the Defence of Darwin Museum Site attracted a total of 25 people who participated in a comprehensive discussion about the concept and proposed site options. Two of the 25 people attended both sessions. There was no significant difference between the numbers of participants at the evening session (14) and those at the day time session (13) and nor was there a discernable demographic difference between the two groups.

A significant number of the participants indicated a military and/or historic interest in the project, some with experience in running small museums, including those associated with the existing DMM. There were also several people who reside in Darwin and expressed a general interest in how the East Point area is managed; an interest beyond the scope of the DOD project including the attractions of the area (such as bird watching) that are of significance to other user groups. There were participants representing tourism industry interests, both government and private, who were able to provide insights into how the proposed development might integrate with the current range of tourism products. A notably high proportion of the participants were very long term Darwin residents.

Overview of Consultation Process

Each session commenced with a registration process where attendees were greeted and invited to provide their name; organisation represented (if applicable) and contact details. These were recorded and provided to NRETAS. Participants were then provided with a folder containing basic information about the proposal, a small map and a feedback form. They were then invited to inspect larger versions of the map spread on tables around the room. During this period the facilitators and presenters informally engaged with attendees discussing the concept and the participants' interests.

The formal process commenced with the Facilitator, Rick Murray, welcoming participants, advising them of the planned session structure and then outlining the purpose of the session, specifically to provide information about the plans for the Defence of Darwin Museum and then to ascertain their views about the two possible sites proposed for the development for consideration by NRETAS. They were also advised of other methods by which they could provide comments over the next ten days, particularly through the NRETAS website or by completing one of the feedback forms provided in their folders when they arrived. The facilitator then introduced the four panel members:

- Hugo Leschen - Executive Director, Arts & Culture, NRETAS
- Apolline Kohen - Acting Director, Defence of Darwin Museum Project, NRETAS
- Michael Wells - Director, Heritage Branch, NRETAS
- Michael Simpson – Project Manager, Buildings, Dept of Construction and Infrastructure.

Hugo Leschen, Executive Director, Arts & Culture, NRETAS, addressed the meetings to provide the participants with the background to and purpose of the proposed development. He spoke of the intention to enhance and add value to the existing facilities and pointed out that the detailed design of the proposed DOD Museum cannot begin until a decision has been as to which of the two possible sites will be used.

Apolline Kohen, Acting Director, Defence of Darwin Museum Project, NRETAS then led a presentation covering all aspects of the proposal including the idea of the hub supporting the “distributed experience” concept and the delivery of interpretation through electronic media. She was supported by Michael Wells, Director, Heritage Branch, NRETAS who provided information as to the heritage sites and their values as well the heritage implications associated with development on either site including the need to minimise the visual impact and to maintain a respectful distance from existing heritage sites. They were both further supported by Michael Simpson, Project Manager, Buildings, Dept of Construction and Infrastructure, who spoke of the practical considerations around the actual building project as well as the specific site factors influencing the building of phase of the project. Apolline Kohen then summarised the attributes and constraints of each of the sites.

The remainder of the time was spent in a facilitated discussion with participants; answering questions posed and developing ideas raised. The discussions were positive and productive with almost all participants contributing substantially to the debate.

Late in the course of the discussions at each meeting an informal vote was taken through a show of hands which participants indicating which of the proposed sites they each favoured.

At the conclusion of each meeting the participants were encouraged to complete the Feedback Form and leave it as they departed. They were also encouraged to visit the website and to provide any further comments and ideas through that medium during the following ten days until the closing date, 17th September 2010.

At both sessions, some participants (mainly local residents) expressed some frustration that they had heard about the consultative process, including the meetings, quite recently and that they believed that others would have had insufficient notice to be able to arrange to attend. It should be noted however that whilst only 25 people attended the public meetings, four times that number provided their comments and indicated their choice of site via the feedback from provided on the website. Feedback through this medium came in regularly throughout the consultation period right up to the final day, the 17th September 2010.

Observations

Whilst the actual number of people attending the Community Consultation Sessions was not high, the level of knowledge of the sites and how they are currently and were historically used was quite high. Consequently the level of informed participation was good and all of the expected issues were discussed. Late in the course of each of the Community Consultation Sessions an informal “show of hand” vote was taken. Of the 27 people present, 5 chose not to vote and the aggregated results of those who did vote showed a preference for Site One. The votes were as follows: Site One -13 votes (48%), Site Two – 9 votes (33%). This differs from the preferences expressed by those providing input via either the website or through written submissions where Site One clearly became a strong preference with 77% of the vote whilst Site 2 only managed 16%.

In general it appears that the overwhelming majority of those people who chose to provide their opinions on the two proposed sites favoured developing the DOD Museum on Site 1 however this was

often for quite pragmatic reasons associated with their preference to have the development occur in close proximity and coordination with the existing DMM facility.

The following is a list of the main subject areas discussed and general observations on each matter.

They are grouped by key areas as follows:

- Historical/Military/DMM
- Environmental/Recreational
- Heritage Site Impact
- Access
- Infrastructure (Land Tenure, Logistics, Design and Cost)
- Tourism

More details, including the responses from the presenters, are provided in the Community Consultation Sessions section of the report.

Historical/Military/DMM

Most participants were keen to ensure that the new DOD Museum did not negatively impact on the operations and amenity of the current Darwin Military Museum (DMM). They were generally reassured by the stated intention to design the project as a “precinct” and encourage visitor flows through both facilities. A considerable number of people have based their decision to support Site 1 on reasons that relate to the need to either integrate or at minimum work closely with the existing DMM. The new facility should be separate structure from existing structure whilst being close enough to perceptibly “link” to existing structure

Environmental/Recreational

Vegetation

Some concerns were expressed about the future of the vegetation; particularly on Site 1 given that Site 2 has virtually no other vegetation than grasses. Some participants were keen to ensure that existing vegetation remained but others were keen to point out that most of the large trees are not native species and further that the “jungle feel” of Site 1, despite providing cool shade, is completely at odds with the (lack of) vegetation on the site during the WWII period. It was stated that some clearing will definitely be required should Site 1 be chosen.

Wildlife

A number of participants, mostly resident in the Fannie Bay area, were concerned that developing Site 2, particularly if it involved moving the road to the east, would impede movement of terrestrial fauna. They have also drawn attention to the need to preserve the relative peace and quiet of the area adjacent to the coast to the north east of the existing roadways because that area is of considerable importance to the wellbeing of certain migratory bird species.

Heritage Site Impact

Heritage Sites

Participants placed high importance on the need to conserve and present the numerous other Heritage Sites at East Point and beyond. It was noted that the planned “distributed experience” concept does just this through the provision of various types of interpretive material including some delivering electronically to visitors’ own devices. There are a number of Heritage Sites near to each of the proposed sites that are regarded as of vital importance to the planning process for the DOD Museum. These included (but were not limited to) the No1 and No2 9.2” Gun Emplacements, the Plotting Room and the Command Post. It was noted that there are no heritage structures on Site 2.

Historical Period featured (1932-1945)

This period, broadly representing the military development of the East Point area through to the Bombing of Darwin and the remainder of Darwin's involvement in the war against Japan was seen as appropriate. It was noted that the existing DMM takes a much broader approach.

Access

East Point hosts an unstated but large number of visitors undertaking both active and passive pursuits that have little or nothing to do with visiting the military heritage sites. These pursuits include fishing, cycling, bushwalking, bird watching as well as holding barbecues, sunset drinks and even just gazing out to sea. Clearly motor vehicle, bicycle and foot access will need to be maintained beyond the DOD site and some concern was expressed that, should Site 2 be chosen, this access would be impeded.

Infrastructure (Land Tenure, Logistics, Design and Cost)***Building Style & Size***

Participants expressed concern that the building should aesthetically be in keeping with the site and the historical period being interpreted. They were reassured by the stated intention to build a low profile building with a footprint of around 1000 m2 in area.

Completion date/period to construct

Some discussion took place in relation to the relative periods of time it might take to complete the entire process depending on which site is chosen. Whilst the actual time taken for construction work should be very similar, Site 2 has the complication of the need to complete negotiations with DCC prior to commencement. It was generally seen as quite valuable to be able to have the DOD Museum open in time for the 70th anniversary of the Bombing of Darwin, the 19th February 2012.

Darwin City Council

It was noted that most of the land at East Point, including Site 2, is controlled by DCC. Whilst expressing neither positive nor negative views on this fact, it was noted that choosing Site 2 may lead to delays that could come about simply by the necessity to involve two levels of government in the process. Some participants expressed the view that, even if Site 1 were chosen, there may be a necessity to provide motor vehicle parking and turning facilities (particularly for coaches) on the adjacent DCC controlled land.

Expansion

It was generally agreed that, although there is some scope for future expansion on Site 1, there is much less constraint if Site 2 is chosen. This was however seen by some as positive and by others as negative. On the positive side, room for expansion may enable the fulfilment of whatever agreed vision comes to eventually drive the project. On the negative side, some interested people did not want any further development beyond the planned DOD Museum and were concerned that the more open area of Site 2 may encourage future developments.

Land tenure

It was noted that, should Site 2 be chosen, a lease of sufficient duration would need to be negotiated with the DCC. This was apparently seen in the context of a potential delay to the project.

Tourism***Cafe/restaurant***

Participants recognised that the existing restaurant on East Point (Pee Wees) caters to a different market. It was suggested that, before designs are finalised, research be undertaken to determine what

services the anticipated visitors are likely to expect. That said, it was generally agreed that there should be a cafe in the precinct.

Tourist Attraction or Museum?

Some participants questioned which of these was to be the focus of the DOD Museum. It was generally accepted that it will be both; the Australian War Memorial in Canberra was cited as example where both aims are achieved remarkably well.

View from the chosen DOD site and sense of arrival

Among the reasons cited for choosing Site 2 were the belief that a view from the site, generally northward across the Core Heritage Area (particularly No1 9.2" Gun Emplacement) to the sea was a definite attribute. Further, it was expressed by some that it would be easier to design supporting signage and minor infrastructure to provide a "sense of arrival" in the precinct should Site 2 be chosen, noting that the DOD museum would then be visible as visitors approached the site by road.

Visitor Numbers, Traffic (perceived increase) and Vehicle Parking

The official estimate of the number of visitors expected at the DOD museum is 60,000 per annum. This compares with the 30,000 said to be visiting existing DMM. This estimate of 60,000 was questioned and seen as too low by some people attending the consultation meetings. It was stated that the Adelaide River Railway Station Museum attracts 80,000 visitors per annum now. It was also noted that these estimates are of visitor numbers to the museum/s; not an estimate of the number of people (and consequent road traffic) using the road from Fannie Bay to East Point. There are many road users who do not visit the existing museum.

Summary of Community Consultation Sessions

The following summarises the main issues and questions raised by the participants in the two community consultation sessions held and the responses provided by the panel. They are grouped by key areas as follows:

- Historical/Military/DMM
- Environmental/Recreational
- Heritage Site Impact
- Access
- Infrastructure (Land Tenure, Logistics, Design and Cost)
- Tourism
- Consultation Process
- Parked Issues - Any issues that were not directly related to the site location or Feedback Form questions were put in this section.

The votes for each site were taken at each community consultation session with the results as follows:

Session Date	7 th Sep 2010:	8 th Sep 2010		
Vote	No. of pax	No. of pax	Total	%
Site 1	5	8	13	48%
Site 2	5	4	9	33%
Abstain	4	1	5	19%
Total	14	13	27	100%

Issues	Responses and Discussion Points
Historical/Military/DMM	
<i>What will the relationship be with the Darwin Military Museum (DMM)?</i>	The Defence of Darwin Museum will create a museum precinct at East Point with common branding i.e. the DMM will be part of the experience and the area will be marketed as a precinct encompassing both old and new buildings.
<i>Is the aim to create a facility that commemorates the Bombing of Darwin on 19th Feb 1942 only?</i>	Yes primary focus is the Bombing of Darwin but also to elevate the status of all the heritage sites that relate to the Defence of Darwin & encourage a linked interpretative experience; a distributed experience will be created that is inclusive of all the relevant heritage sites; it means that the building at East Point will not need to be all encompassing or a monolithic structure.
<i>Enhancements to existing facility? Will the existing museum have \$ put to it to assist it to lift its profile in the area?</i>	Adding the new facility at either Site 1 or Site 2 will provide a sense of arrival and will be creating a new museum precinct at East Point; Site 2 would provide an opportunity to enhance the sense of arrival. The current location of DMM does not encourage further experience after leaving the site; Building on Site 1 may not

Issues	Responses and Discussion Points
	<p>provide the same sense of arrival as Site 2;</p> <p>Whatever site is chosen, the existing DMM will be incorporated into the precinct.</p>
<p><i>The focus on the Bombing of Darwin takes a very narrow view of the history of the military activity in Darwin.</i></p>	<p>The intention is that the DOD museum will include the stories of local military people's war experiences; in addition there will be links to the existing DMM, the stories told there and the exhibits that relate to other parts of the military history of Darwin; RAANT detailed some of the existing displays at the DMM.</p>
<p><i>DMM/ RAAANT representative's criteria/arguments for selecting a site for DOD museum.</i></p>	<p>RAANT Comment:</p> <p>Current DMM runs 365 days per year so will not want to close operations while construction of DOD is done;</p> <p>Currently drive along road and see Gun Emplacement No 1 – would not want to remove that experience.</p> <p>There are real time pressures on completion; the 70th Anniversary of Bombing of Darwin is in February 2012; It is unlikely WWII veterans will be here for 75th Anniversary;</p> <p>Site 1 will work- it is an easier and more realistic option.</p> <p>Site 2 – the existing road is a major obstacle; will need to be moved so goes around the building at Site 2; Do not want No 1 gun turret to be blocked by the building of DOD on Site 2;</p> <p>RAANT is supportive but Site 2 difficult; Site 1 will be a quicker site to build and get finished before the critical date of Feb 2012.</p> <p>Can always expand to Site 2 as a later stage of development</p> <p>Response:</p> <p>Agree that timing is tight for such a complex and multi staged project; will have to run a lot of things in parallel to get completed.</p>
<p><i>Why not use No. 1 Gun Emplacement as the site? Original discussions included a diorama being created inside the building telling the story of the Bombing of Darwin.</i></p>	<p>Use of the No.1 Gun Emplacement is not a good idea from a heritage point of view; the DOD museum must be a purpose built new building to house all the aspects that people expect from such a facility; all historic remnants of WWII should be preserved as is and are required to be as they are heritage listed. The two sites under discussion are the only realistic options. Not difficult to fit what is proposed within Site 1.</p>
<p><i>Why is the proposed site not between No 1 Gun Emplacement and the Battery magazine i.e. in the centre of the existing recreation reserve?</i></p>	<p>Been advised by Heritage; New facilities should not visually impact on the existing heritage structures. Need a space where people can have necessary facilities expected in a museum whilst not impacting the existing heritage structures. Needs to be in a purpose built environment.</p>

Issues	Responses and Discussion Points
	<p>Originally it was thought that Site 2 was the only option available until found that Site 1 was feasible; by building the museum in Site 1 it is immediately in the heritage area and can be done within the existing footprint.</p> <p>Gun emplacement 1 has an immediate visual impact and should be considered in this process.</p>
<i>RAAANT representative closing comment</i>	Construction of DOD will allow some existing features such as tanks to show more of site; DMM have more items than they have room to display. People want to know what happened in Feb 1942. RAANT does not currently have the facility to provide all the detail people want – the building of the DOD museum is a step in the right direction.
<i>Comment - RAANT's preferred site originally was to include No 1 Gun Turret and be in the V part of road; However, now Site 1 is preferred with the car parking etc to be located in the Site 2 area.</i>	Noted
<i>Is there a plan to enhance and include all the historical sites around the Darwin area and Adelaide River area?</i>	Yes there will be a distributive experience & interpretation that includes all the sites and packages all the WWII sites around Darwin. The core experience will be at the DOD museum.
Environmental/Recreational	
<i>Vegetation at East Point is not native e.g. African mahoganies. Will these be removed as part of this process? Introduced tree species do not reflect 1940's Darwin.</i>	All land and roads around Site 1 and Site 2 are under DCC control so this is a DCC issue.
<i>If built at Site 2 the proposed road will affect the East Point Wallabies? Seen Site 2 design and roads and parking will affect the wallabies. Site 2 will diminish the existing wallaby population due to fatalities from the increased traffic. Site 2 will affect migratory birds that visit the area North of Site 2</i>	<p>Preliminary drawings around Site 2 are neither committed to, nor progressed. No further design work will be done until a Site is selected.</p> <p>Positive side - If DOD museum is built at East Point it will cause more focus on the East Point area and assist with managing these environmental concerns.</p>
Heritage Site Impact	
<i>Preservation of existing Heritage Sites at East Point?</i>	<p>Whatever site is chosen, construction of the new museum will preserve the existing Heritage Sites at East Point.</p> <p>There have been many plans and assessments done on East</p>

Issues	Responses and Discussion Points
	<p>Point to establish heritage values and the importance of their preservation.</p> <p>The existing Heritage Sites at East Point have national significance as it was the last time that defence structures were made in this way.</p> <p>Historical importance in terms of naval strategy & foreign policy at the time these Heritage Sites were constructed.</p> <p>Since the 1960s, the RAAA NT has had an important role in maintaining these heritage sites.</p>
<p><i>Would Site 1 be more expensive because of need to respond to heritage issues?</i></p> <p><i>What about an upgrade of the existing military museum at Site 1 rather than building a new one?</i></p>	<p>No Site 1 will not be not more expensive to build on because have to design around heritage issues;</p> <p>We will not build onto existing heritage structure; the new building will be a separate structure because we will need a new building with all facilities expected by people who visit it;</p>
<i>How will the new building relate to other Heritage Sites in the Darwin area?</i>	Will eventually be linked through the distributed experience that is inclusive of all the relevant heritage sites around the Darwin area.
<i>Site 2 because of the clearer more open site – more northerly and closer to No 1 Gun Turret; leave all existing military sites as is.</i>	Noted
<i>Comment - Fannie Bay Heritage Society – Site 2 so existing sites are not impacted; also allows for expansion of DOD museum site later on.</i>	Noted
<i>What is the required distance from the command post that is needed from each site for building from a heritage point of view?</i>	Could move Site 2 north to provide closer proximity to the command post; building needs to be close enough for the visitors to visit the existing DMM as well; building can be constructed on Site 1.
Access	
<i>Can a pedestrian zone be created above the fork in the road so the whole precinct is car free?</i>	No because it would block off access to existing roads at East Point and these are used by local residents and recreational users.
<p><i>DCC control of East Point? Is there anyone here from DCC?</i></p> <p><i>What discussions are being held with DCC? What is DCC's attitude to this development?</i></p>	All land and roads around Site 1 and Site 2 are under DCC control; DCC has been part of the Stakeholder Reference group and involved from the beginning of the DOD Museum project;

Issues	Responses and Discussion Points
<i>What are the plans for the road out to the left of the current DMM (Alec Fong Lim Drive)? Is this equally important as an access road?</i>	All roads are under DCC control – used by recreational users – both roads are needed and would split the precinct if the museum was built at Site 2. This is why Site 2 could involve the re routing of the existing road around the two sites so there is not a road between them.
<i>Will Site 2 block Alec Fong Lim Drive so people can't use bike track?</i>	Plans will not affect public access to these bike tracks.
<i>Is this within the capabilities of the existing road and available services?</i>	The existing roads service 30,000 DMM visitors plus tourists visiting East Point reserve, local residents and recreational users. Services currently stop at Pee Wees so will need to be brought into the East Point Reserve.
<i>Concerns re traffic increase and car and bus parking required & the impact on East Point Reserve. Entrance and exit and impact on existing environment.</i>	Currently 30,000 visitors per annum to DMM plus all other East Point recreational visitors use the road; DCC issue.
<i>The gate to East Point currently closes in the evening. How will this affect the operation of the new DOD museum?</i>	The gate is controlled by DCC; Darwin Military Museum have a set keys to the gate and can provide road access in the evening for functions; it is assumed that the new DOD museum operators will be able to do the same.
Infrastructure (Land Tenure, Logistics, Design and Cost)	
<i>What are the features of Site 1 - Lot 5434?</i>	NT government owned land - no lease required. There are existing heritage buildings within site – building within the site needs heritage approvals; The existing buildings and layout of site of will affect design of the new DOD building; existing vegetation on Site 1 is an issue and some clearing will be required; no major road works will be required should Site 1 be used.
<i>What are the features of Site 2 – Lot 5775?</i>	This site is owned and managed by Darwin City Council. Placing the new DOD building on Site 2 will create a precinct linking in with the existing DMM; this may require rerouting of the existing road around the DOD museum; there are no heritage listed features on Site 2 so no approval required; Site 2 is a cleaner site to work with as there is minimal vegetation removal required.
<i>This is major new facility – how do we approach it?</i>	The new facility should be separate structure from existing structure whilst being close enough to link to existing structure; the new building should not visually impeding the existing

Issues	Responses and Discussion Points
	Heritage Sites; should be a seamless integration of the old structures and the new facility.
<i>Site 1 – Will the location of existing Heritage items on this parcel of land affect the design of the new building?</i>	Yes, the heritage listed items on the Site 1 block and will affect design of building; there will be no ocean view due to vegetation and the adjacent equestrian club. All these factors will influence the design and size of building; Site 1 will require the clearing of some vegetation to build there; There is room for a car park out front on Site 1;
<i>Will Site 1 car parking area be sufficient for the expected increase in visitor numbers?</i>	Increase in visitor numbers would still require negotiations with DCC to build car and coach parking on Site 2 in the long term.
<i>Site 2 – how will this site affect the design of the new building?</i>	Site 2 is on DCC controlled land with no existing heritage structures. It is a clear footprint with minimal vegetation. Design of building could incorporate views across to the ocean if the northern part of Site 2 used;
<i>Timing of the construction?</i>	It is anticipated that the building to be completed in 2012
<i>Site 2 offers greater opportunity for further expansion in future years?</i>	Yes, depending on what is done with the existing road and negotiations with DCC re land access etc. Both Site 1 and Site 2 have expansion opportunities if needed; there are always design solutions available to work with existing space at Site 1.
<i>Need long term vision (20-50 years) to make sure the right decision is made around site and design.</i>	Taken as comment and agreed.
<i>What is the anticipated size of the museum building?</i>	Building size will be approximately 1000m ²
<i>How much land will be required or excised? We are concerned that a large area may allow the NTG to expand later on without community approval.</i>	2000m ² is approx required to for the DOD building and surrounding facilities.
<i>Will design be high enough standard to get artefacts from AWM? Will building have necessary cyclone coding?</i>	Yes on both counts
<i>Height of building?</i>	Height will only be a one story building so it is aesthetically pleasing; the \$10M budget does not allow for a big building; it must be very well designed;
<i>Design aspects - Site 1 v Site 2</i>	Site 2 gives more scope for design and less restriction due to

Issues	Responses and Discussion Points
	existing infrastructure
<i>Don't underestimate the amount of parking required</i>	Noted
Tourism	
<i>Seems like there is more focus on creating a tourist attraction rather than a museum? Are you creating competition with the existing RAANT museum?</i>	<p>Intent is to create one precinct/facility that will enable people to experience both experiences. Visitors will get the Bombing of Darwin story and the added experience and displays of the DMM.</p> <p>The AWM example in Canberra was cited – this building is also a big tourist attraction.</p>
<i>What are the expected visitor numbers to the new DOD Museum?</i>	Research has projected there could be 60,000 visitors per annum to the new DOD museum.
<i>Potential for the DOD building to become a national war memorial?</i>	At this stage we only have a \$10m budget. We don't need a large building to make a big impact and create a memorable experience for visitors – this is why we are creating a distributive experience. It is not our intention to replicate the AWM.
<i>The new building would be better at Site 1 to focus on DMM because if at Site 2, the modern building would detract from the old museum site and not attract visitors to the old DMM part.</i>	<p>This is not considered a problem. Provided examples of bold & modern buildings built near historic heritage buildings that work really well all over the world.</p> <p>AWM was a design challenge because it was originally built in 1930s and they have added to it a number of times to extend – carefully sympathetic to original building –successful example of how it can be done.</p>
<i>AWM most visited site in Australia ; people go to see AWM for entertainment so need to include services that people expect like a café etc within the museum. Have you surveyed visitors and what they would require/ need?</i>	During the Clare Martin government study & research was done re need for the DOD museum and the visitor numbers that they could expect; could attract 60000 pax visitor numbers; Will be provision for a coffee shop and retail shop; Technology will be addressed with smart phone technology etc; Stories etc will be told using technology.
<i>Long term resident comment: East Point DOD museum is long overdue; Darwin history should be preserved and celebrated; main concern is \$10M enough to build the museum and get a world class facility?</i>	Noted by panel
<i>Comment re Site 2 – Tourism focus; move Site 2 north and</i>	Noted

Issues	Responses and Discussion Points
<i>exploit viewing area of existing sites; must have minimal environmental impact; ensure an Eco building design and environmental impact taken into consideration.</i>	
<i>There seems to be an underestimation of the importance and impact of this DOD museum; Adelaide River War Museum currently gets 80,000 pax per annum; can we connect Adelaide River experience to DOD? \$10M is only enough for stage one.</i>	The connected digital experience can grow over the years; the \$10M is for the infrastructure of the building of the DOD museum.
Consultation Process	
<i>Friends of East Point comment: Insufficient notice of Community Consultation Meeting; residents are required to contribute to consultation process; why are there no panellists representing the environment? Where are the Larrakia people? The feedback form does not provide much room for feedback.</i>	<p>Response re insufficient notice:</p> <p>Advertised in NT News & Darwin Sun from the 1st September 2010 and advertised on Darwin commercial radio ; the Steering Committee and Stakeholder Reference group have been in existence for some time; public feedback is open to 17 Sep 2010 via online or written submissions;</p> <p>Response re inclusion concerns:</p> <p>The Steering Committee and the Community Stakeholder group include a representative of the Larrakia Nation and community groups such as Friends of East Point etc</p>
<i>Will there be a further consultation for the site location? The development needs to be appropriate to the Territory lifestyle and local residents' needs.</i>	DOD project is working closely with the Stakeholder Reference group and holding these Community Consultation Sessions plus the opportunity to provided online and written submissions to ensure that all concerned residents can have input into the consultation process.
<i>The Stakeholder Reference group discussions are not accessible to the general public so residents are unaware of what has been determined.</i>	DOD project will provide details of the outcomes of the Community Consultation Sessions on the website.
<i>Is there a preference for Site 2 from the stakeholder steering committee?</i>	No the Stakeholder Reference group and Steering committee will make recommendations according to community concerns and representations.
Parked Issues	
<i>Friends of East Point comment:</i>	PARKED issue

Issues	Responses and Discussion Points
<i>People need open green spaces. Why are there no panellists representing the environment?</i>	
<i>Cliff erosion at East Point – very delicate and dangerous to visitors. How will this be managed?</i>	PARKED issue
<i>Will there be consultation on the design etc of the building?</i>	PARKED issue. Our priority is to confirm the site.
<i>When Clare Martin was Chief Minister it was determined that the site would not be at East Point; How could Paul Henderson announce East Point as the location in 2008 despite this fact?</i>	PARKED issue
<i>No operational linkages with the Darwin Pearling Exhibition at Darwin Wharf?</i>	PARKED issue
<i>How can we trust government to do the right thing? Have broken promises before and sold off land; if museum starts will this commence uncontrolled development on the site?</i>	PARKED issue
<i>Difficult to make decision because not sufficient information on the design options</i>	PARKED issue

Summary of Feedback Form Comments & Written Responses

The Feedback Form comments and written submissions that were received via the website, email and the community consultation sessions were collated and the site selections, detailed responses and comments have been provided at Appendix A.

The Feedback Forms and written submissions overwhelmingly supported Site 1 (77%) over Site 2 (16%). This differed from the sentiment gathered at the consultation sessions where the votes were more evenly spread across both the sites. It is possible that this difference was influenced by the fact that the vote was taken after the comprehensive presentations by the panellists and after considerable discussion on the main issues.

The reasons for choosing a particular site and the general comments received about the Defence of Darwin museum are summarised below:

Site 1 – Summary of reasons for choice

Historical/Military/DMM

Preservation of existing site; historic location; enhance existing DMM

Environmental/Recreational

Less impact on the flora and fauna of East Point; less impact on recreational users of East Point

Access

Less impact on road; less confusion for visitors if one site to access

Infrastructure (Land Tenure, Logistics and Cost)

NTG land; lower cost of infrastructure; no requirement to move road

Tourism

Enhance DMM, one site for tourists; linked to existing infrastructure; more authentic visitor experience; safe pedestrian precinct

Site 2 – Summary of reasons for choice

Environmental/Recreational

Less impact on the Fannie Bay Equestrian Club

Heritage Site Impact

Protect exiting infrastructure and lessen impact on Heritage Sites

Infrastructure (Land Tenure, Logistics and Cost)

More space, more options for design and development; allows room for future expansion

Tourism

Provides more presence and views across the ocean; provides for a larger pedestrian precinct incorporating all the existing Heritage Sites; more flexibility in design for tourist requirements

Other Comments - Summary

Historical/Military/DMM

Value and importance of history preservation; museum content suggestions

Environmental/Recreational

Opposition to development; concern for preservation of flora and fauna; concern re access for recreational users

Access

Concern re lack of affordable transport to site for tourists

Infrastructure (Land Tenure, Design, Content, Cost)

Infrastructure placement and design suggestions; museum content suggestions

Tourism

Suggestions for precinct/building design, style, content and marketing to tourists

Consultation Process

Complaints about insufficient notice of the meetings, the lack of time to make submissions, lack of detail provided on which to make a decision

Other Site Locations

Suggestions for alternative sites to the two sites put forward for comment

Appendix A Detailed Feedback Form & Written Responses

The following summarises the responses received via the feedback forms & written responses.

Total number of responses collated

104

Note that a few responses did not respond to all questions on the feedback form

1 What best describes your area of interest in the Darwin Defence Museum?

Local Resident	51	49%
Historian/Military	18	17%
Environmental	8	8%
Tourism	5	5%
Recreational	10	10%
Other	12	12%
Total	104	100%

2 What is your preferred site for the Defence of Darwin Museum at East Point Reserve

Site 1	80	77%
Site 2	17	16%
Neither	3	3%
Abstain	4	4%
Total	104	100%

3 Why have you chosen this as your preferred option?

Site 1 – Reasons for choice

Historical /Military/DMM

- East Point is a historical site and should be preserved and have the least disturbance as possible to the whole site area. By locating the new Museum beside the existing museum it is hoped it would incorporate and enhance the existing heritage Military Museum.
- Historical significance.
- Site 1 is my preferred option as the area contains the oldest established museum in the Territory which contains a unique collection and the RAAA has done a great job in maintaining the area for over 60 years.
- Continuity with the existing museum and enhancement of the permanent displays in place.
- The RAAA-NT has a fantastic collection and display at East Point Museum now and has worked hard for 40 years to preserve, conserve and add to the collection. I think the new and old should sit together i.e.; one-stop shop and support the good work already done
- Enliven the museum of defence!!
- My reasons for this are that it would be situated close/adjacent to the No 2. 9.2 inch gun. In placing the Museum in that position and allowing the road to be moved slightly so that it is not immediately in front of the entrance to the Military Museum as it is at present, it would create a great visual affect for the precinct. Trees in the vicinity could be pruned, with a few being removed, so that the No. 2 gun can be seen. At the moment the tree is hidden behind big trees. That would allow both guns to be seen and appreciated which I don't believe happens at the moment.
- Historically, this is where the museum should be. The existing museum can stay open during construction. It will be less confusing for tourists, less damage to flora and fauna. No need for construction/rerouting of road.
- Because it already exists as a museum & has done, for many, many years thanks to our local, dedicated ex-service people.

Site 1 – Reasons for choice

- Most everyone that I know that has lived in Darwin for at least 50 years says the same thing (Site 1)
- Because it fits in with the existing Museum, the site could be developed to complement and enhance the heritage of the existing Museum and the gun turrets, without competing with them.
- The aspect (view) and physical elements of the current site (1) are very strong parts of our wartime history and explicitly part of the museum itself. A new location does not stack up economically, environmentally or most importantly historically. If it isn't broken, don't shift it. No need.
- Several reasons, firstly, historically this is where it should be located. The fact that during construction the existing Museum will be kept in operation is good. There will be less confusion for our visitors and it will keep all the exhibits in one place. There will be no need to build another road with the then necessity for visitors to cross busy roads possibly causing traffic problems. I believe there are underground tunnels which could be cleared and opened up for inspection. The bombing of Darwin is something that should be recognized and also the locations down the track which were also involved. I am told that completion will be in 2012 which then commemorates 70 years which should give us plenty of time to organize something special.
- The area is already established as a historical precinct any construction would need to have elements of how the original buildings were erected, i.e. mass concrete
- It will be at the original site
- Friends of East Point and NT Historical Society recommend it.
- Option 1 fits in with the existing amenities and has the least impact out of the two options on East Point Reserve's other very important values: environmental, recreational, cultural and existing heritage.
- I believe that the existing museum should be the one focused more on the Bombing of Darwin and perhaps on other wars that Aussie soldiers fought and not a new building. The money should be used to upgrade and preserve what we already have. I agree to have it on site (1) but I hope that they will not destroy the ambience that already exists there by building a new fancy building. I strongly believe that it can be done with buildings that will enhance what is already there. While in Greece I visited the New Museum under the Acropolis and they have done a great job with building a new building amongst the old so it can be done here too!
- While I was a manager at the East Point Military museum I had a petition going and asked people if they wanted the new museum at East point and about 98% said yes but wanted only an upgrade on the existing museum grounds and not another museum building. I am only interested in preserving our history as well as the ambience of the East Point and wanted the government to do something about it.

Environmental /Recreational

- Concentrating buildings on the side of the road which is already partly developed will have less impact on wildlife and on the continued recreational use of the open space and monsoon forest on the other side of the road.
- Site 1 keeps the development in the vicinity of the current amenities whereas Site 2 opens up a new area for development. If we must have a museum up there, I would prefer to at least keep that side of the road as it is and leave it to the wallabies.
- Minimal impact to beautiful East Point. Keep the museum within the current precincts - there is plenty of space. Any development of East Point should be absolutely avoided.
- East Point has long been recognised as Darwin's most amazing coastal side hot spots. This brings visitors to Darwin; along with environmental issues our wallabies will be disturbed and the large trees that have been there for centuries. East Point should remain as is in my view however if they are going to do something with this option one will be less damaging to the environment and tourism industry of Darwin.
- I believe this is likely to have the least impact on the area.
- Hope to keep East Point as unspoilt as possible for future generations. This option minimises the impact on the open space, vegetation and wildlife. We don't need to destroy more nature

Site 1 – Reasons for choice

for another car park!

- Because Site 2 eats up a large piece of open spaced land and will take a new road up to the edge of the existing rainforest. It also opens up East Point to more development where as it should be left as appreciated and owned by all.
- It integrates the site with the current Museum and does not infringe upon the environment on the other side of the road. Therefore it is a more environmentally and visually sensitive site.
- Don't want building on the reserve
- I think it is better to leave it where it is
- I don't want further buildings going on the East Point Reserve
- It is the best site & you should always make use of what you have.
- Less impact on the East Point site
- Less impact on East Point. It is so important that this little pocket of land is not taken over with very unnatural commotion.
- I think it's silly to have an equestrian centre at East Point.
- It's the best option to protect as well Fanny Bay Pony Club, wildlife and the forest.
- Would prefer the site with the smallest footprint, least impact and which would not interfere with the line of sight of the existing gun emplacement.
- I think Site 1 would have less of an impact on local fauna (wallabies especially). There is also existing facilities closer to the proposed site of Option 1
- It makes use of the existing site and infrastructure in so far as not requiring a new road be built etc. Also, concern about the forest adjacent to the other option. The paddock in question is often full of wallabies. I feel option 2 could detract from the view of existing area – i.e. the gun turret, as where will the road, car park etc go
- Option 1 fits in with the existing amenities whereas Option 2 makes a bold statement that East Point is up for grabs for more development! A new building on the opposite site would detract from the already imposing view of the existing gun emplacement rising up as you drive down the road heading towards the old museum. Option 2 eats up a large area of open space land (owned by DCC) and will take a new road up to the edge of the existing East Point rainforest. We need to protect the wallabies, and also this precious, open, peaceful public space so close to the city.
- This will avoid any significant impact on the reserve apart from increased activity which is to be expected with a better museum facility.
- Based on discussions with my neighbours we believe this is the better option
- There is more than adequate room within the current site to accommodate the new museum. The area across the road should remain open and generally accessible to all users.
- I believe that this would tie in better with existing war museum, with access road not cutting in between the two sites. Further, it leaves the grassland untouched, which benefits east point reserves' flora and fauna.
- It will be next to the Military museum. So there is already buildings and facilities on that side. Going by the map and from memory there is nothing currently on the other side where proposed Site 2 is. It is designated a Recreation Reserve and also it supports our Fauna, from a tourist perspective that is also just as important.
- It is obviously more appropriate to have the Museum next to the existing facility. Site one would have less environmental impact and provides the best view of the gun emplacement
- proximity to the existing museum;- impacts less on the existing landscape
- If the site was changed it would alter the F.B.E.C clubs ability to function properly. The area is a fantastic area as it is and should remain that way. There is little enough ground for the club as it is with there being some removed a while ago for council use and this impinges on the ability of the remaining grounds to provide adequate feed and agistment for the number of people who are now agisting their horses at East Point. Please take this in to account when you make your decision with regards the new museum as you will affect many families who make good use of the land and the facilities that the club has to offer its members. Thank you for taking the time to read through my comments.
- I have chosen Site 1 as it does not interfere with the East Point reserve land, I think it is vital that NO more of the land is used to build on, other than the existing properties; the new

Site 1 – Reasons for choice

bicycle path that was built was bad enough. The resident wallabies that live on the reserve should NOT have any more of their habitat removed.

- Less ingress into the East Point reserve that a facility in option 2 would create. This is a conservation area not a space for the Tourist Industry to take over and develop for its own short term interests. Tourists want to see natural parts of Darwin not developments that destroy natural beauty and look like so many other tourist developments all over the world. When will the greed for dollars stop so that Darwin can still retain some of its historical character without grandiose monuments that become a cancer to every natural thing around them?
- Site 2 will destroy wildlife habitats!
- Best suits, minimal impact
- I don't think it should impact anymore on the reserve than it already is
- I chose Site 1 because it is close to the current defence museum site and minimises the development of east point. Recreational use of the area is maintained.

Access

- Less impact on road down to museum
- It is right next to the current museum and I prefer to have them close together so that when anyone visits the museum, they pay once and get to see both.
- By putting the Museum next to existing buildings means that people will go into both buildings. People are inherently lazy and a sizeable gap between 2 buildings means that the existing building will miss out on visitors, which would be a shame because its biggest selling point is that it is exactly how it was during the war, it hasn't been re-located or extensively altered in any way.

Infrastructure (Land Tenure, Logistics and Cost)

- It appears to minimise the extent of required infrastructure works and as such I would anticipate that it be less of a burden to the tax payer. I think that given the more pressing requirement for this resource in other areas of Darwin, it is enough to focus on building of the actual facility which is long overdue.
- The area is already semi developed for museum space. The parking area might have to be extended however. Let's leave the other side open space.
- In close proximity of current museum and should be able to blend the two together and will not require road movement also not on council land which could reduce any future conflict and not give council any control over the proposed site area.
- Any further development adjacent to or near Site 1 would impact visually with the existent structure and in effect devalue it as a historic element of the site overall.
- I think we should keep it all together
- Because you should incorporate with what is already there instead of wasting money on other sites also open the other gun emplacement for people to see whether they connected.
- I do not see that it is necessary to relocate all items to the other side of the road. I would consider this a waste of resources.
- It is closer to the existing structures and requires less road work. The removal of some trees can be easily mitigated with replanting of native trees.
- Already developed keep cost of relocating down.
- The land is owned by the NTG and is under heritage control, so there would be careful consideration of this and any future developments. Developments outside this area may not be so controlled and could potentially detract from the sense of place.
- The site is large enough for current and future needs, especially if consideration is given to removing / relocating the existing dwelling. The Pony Club lease will expire so there is potential for expansion there. Also, in 100 years time the current displays may not be of as much interest to people who have will have lived through more recent events.
- Because it is being built on the existing area
- Can more easily encompass and extend on the existing facility.

Site 1 – Reasons for choice**Tourism**

- Asset / Feature to the East Point Area
- It appears to fit in with the amenities of the existing RAA Museum
- Allows visual access to the Gun turret when you are driving up the road.
- I think this site is better situated for the future development of the entire precinct. There are a great deal of other sites in the area and I envisage a very interesting precinct long term. I think we need to be very thoughtful in thinking about the future not just what is built now.
- Close enough to the existing Darwin Military Museum at East Point to enable the development of a 'precinct' where visitors can safely and easily walk from one facility to the other
- In close proximity to key WWII heritage sites such as the 9.2 inch Gun Emplacements, Command Post and Store, and the Machine Gun and Observation Posts to enable connections to and interpretations of our important heritage Minimal impact on the existing heritage sites at East Point Reserve Minimal impact on native wildlife and vegetation A sufficiently sized area of land to allow the construction of a suitably sized building, with adequate circulation around the facility and provision for car parking, an outdoor café area and public spaces.
- I think the Defence of Darwin museum should be contained in the same area it's already in as I feel that tourists, school excursions and visitors should not have to walk in the heat to see all of the rich history that the Defence of Darwin museum will/does offer.
- A more authentic visitor experience could be created at Site 1. It would suit low-key buildings sympathetic to the environment and connect with the gun turret currently part of the museum experience. Using this site would also have less visual impact on the area and leave Site 2 for the wallabies - a potential tourist experience in itself.
- Maintains the vista along Alec Fong Lim Drive to the gun emplacement as it establishes a sense of place on arrival.
- A facility on this site would have direct physical link to the current museum, creating a safe pedestrian precinct for visitors of all ages.
- The new facility could be designed to have a strong visual link to the existing buildings and exhibits, thus inviting the visitor to explore further.
- Ensure the museum presents as a single entity.
-

Other

- Prefer 1 over 2, but believe a third site may present a realistic alternative.
- I see both sites as inferior to the site listed on the map as the core heritage reserve upon which the No.1 Turret is located. This area includes a number of heritage buildings, some of which have undergone partial restoration, but then are roped off with six-foot chain link fences to prevent vandalism. This site, were it included within the bounds of the museum, would then entice more people to pay their money to enter the museum as they can't then get the same experience for free across the road. It would also allow the museum to recreate these buildings as they were used to give a greater appreciation for the site and what it meant to be stationed there.
- If the museum is established at Site 2, access to the core heritage reserve is compromised anyway - the proposal indicates rerouting the road around the sites but this will cut-off access to the existing toilet block and to the north-eastern shore. A recreation area already exists where Site 2 is located, complete with a toilet block donated by the Lions Club. Access to the picnic shelter, toilet block and northern sea-front needn't be affected with a boundary following the existing road. Site 1 could then be repurposed for a larger car park for both the combined museum with a footpath leading to the north-eastern shore. Alternately, the road between the turrets could remain as it with an elevated walkway (one half from the roof of the fortress plotting room) linking the two halves of the museum at minimal cost with all the benefits but none of the downsides.

Site 2 – Reasons for choice**Environmental/Residential**

- Site 2 has less impact on the Fanny Bay Equestrian Centre

Heritage Site Impact

- Presuming a modern style of facility, this location will lessen impact on the Existing Plotting Room & Gun 2 precinct.
- The atmosphere & mood of the existing facility is worth preserving. Will also permit development of parking area as required on opposite side of road.
- In summary, the existing infrastructure should be left as is, protected and not added to with new buildings that are not part of the original layout. The new Museum must enhance without intruding. Location 1 would not meet any of these criteria.

Infrastructure (Land Tenure, Logistics and Cost)

- More space. Site 1 is too close to another building.
- A larger and less physically constrained site with a linear north-south orientation which appears to give greater options for development.
- This will allow the museum to expand now and in the future. The existing gun turret could be used for a diorama or similar display. This (subject to engineers report) could reduce building costs and allow better use of funds. It also allows the retention of sites as perhaps they were in the period.
- The new museum would be built just in front of the big Gun Turret where the existing approach road widens. It would be close enough to the GT to belong to a precinct but be an established separate building. Building beside the existing GT would make things too cramped. East Point Reserve is a Conservation zone, but heritage is consistent with Conservation zoning.
- In the absence of any detail on the nature of the proposed facility any site requirements site 2 is selected only because it would seem to give more room for expansion.

Tourism

- Large area for expansion with open ground not restricted by bike/walking path and provides a more commanding view of the ocean threat, as seen when the area was fortified in pre WW11. This area features predominately the concrete bunkers.
- This area is well back from existing historical infrastructure and as such will not crowd the layout that was built for the Defence of Darwin yet will be a part of it. There would be ample room for outside exhibits as well.
- The area enables appropriate landscaping that would enhance the structure, and far enough back to provide open space with views across the point and out to sea.
- Opportunity for the Museum to have a separate identity and to provide capacity for growth of the precinct. Site 2 is also closer to the big gun turret thereby improving the museum's presence.
- The presence of the Defence museum on opposite the road from the existing Darwin Military Museum provides a real presence and entrance to the East Point Area thereby promoting and reminding visitors of the historic nature of east point as a whole.
- More flexibility to design the building to suit the context and the site, offering a "sense of arrival" in the precinct. More realistic views across the rest of the East Point heritage sites etc towards the Timor Sea, where the bombers arrived from....
- The concept of a plaza is very appealing, giving the opportunity/visual invitation to explore, take time, reflect/ understand. While the "action" didn't happen at this site/ precinct almost nothing remains in the CBD/East Arm action areas. At least this precinct has remaining infrastructure - Site 2 leaves room to incorporate "current" and update the outdated operations. This site leaves the "current" facilities in tact for further preservation while enhancing historical relevance of the area.

Site 2 – Reasons for choice

- Prefer this option primarily because it offers better options for presentation & formal entry of site. Also allows for future expansion at later date & does not crowd the existing building.

4. Do you have any other comments about the Defence of Darwin Museum?**Other Comments****Historical /Military/DMM**

- The Defence Museum is very important to the rich history and heritage of the Northern Territory. It is highly valued by not only local residents but also to the diggers and civilians and their families who served up here and/or lost their lives during the bombing of Darwin. It is a special sight for remembering and acknowledging those people who helped develop Darwin.
- A great museum and should be preserved for all.
- As I stated in a submission to Chief Minister Clare Martin, I would prefer the defence of Darwin story to be incorporated into a museum that deals much more broadly with Darwin's history, which is not treated adequately in any existing museum. While the Second World War is important in Darwin's past, there are other significant episodes and themes that also need attention in a museum.
- Such a museum would be of greater value to residents and visitors than one just dealing with the Second World War. I hope at the very least the proposed museum at East Point can locate the 1941-1945 period in the wider context of Darwin's past.
- I would hope that this site will be somehow link and/or acknowledge other historical museums/sites in Darwin and the NT (and hopefully work with them in presenting travelling exhibitions etc).
- I think our military history is important to preserve and promote.
- The role of the NT in WW2 must be remembered by future generations and Australians need to be educated about the true story of what happened in WW2
- It should complement not detract from the original WW2 structures that are still on site. The visiting experience should be one overall experience not fragmented. The new museum should include the American involvement and the Japanese view
- Were the Museum combined with the existing Darwin Military Museum, it would add to the draw of the area for visitors. Were the other buildings and open space of the core heritage reserve also included within the museum, that too would attract more patronage to the museum as tourists would be deprived the "almost the same but free" option. Added revenue would then allow for better exhibit and premises.
- I believe that is important that the current museum is combined with the new one.
- Should aim for the DOD museum to be open for 70th anniversary of the bombing.
- I believe the boys who have run the military museum have done an excellent job. I ride past every day & it's good to see our history preserved, particularly in the way it has been done in the past 12 months or so. It would be interesting to know what input the Government has had in preserving our military history to date. Let our boys who understand military matters, look after future upgrades.
- I am unaware as to who is on the steering committee, however I believe that it needs historians specialising in the fields of land, sea and air activities rather than 'local historians'.
- It also appears that the Territory's quite unique military heritage dating from 1824 is to be neglected in pursuing the World War II theme - this would serve only to devalue the Territory's role in Australia's defence over the past almost 190 years.
- If things like photos, direct orders (unclassified) personal anecdotes of defence force personnel who manned this site, building plans to show full extent of site in wartime, newspaper accounts of what happened to the site during the war, also what the site has been used for since the war e.g. musicals etc. What happened to the guns after the war?
- It is very important that we conserve this area as the place WW2 came to Australian soil.
- This is a valuable resource and needs to be supported.
- Well, I think it's time we moved on from putting so much attention on the past, and start putting more attention on moving forward ... let's focus on what can we learn from the mistakes of the past ... and stop repeating them. We still have a tendency to glorify war and guess what we keep creating? I'll support whatever inspires and motivates us to move

Other Comments

forward in peace.

- I'm sure the servicemen who died defending Darwin would rather have a modest memorial rather than a self serving money making concern for the Tourist Industry.
- As a reference librarian at Northern Territory Library clients who have visited the site are impressed.
- It is very important to have this museum open on or before 19th Feb 2012, the 70th anniversary of the bombing.
- Existing museum is of tremendous importance because of its history and relevance to the subject matter. Any new building must build on and compliment this site. This cannot happen with a road separating the two locations.

Environmental/Residential

- I am generally opposed to development on East Point because increased traffic and tourist numbers will detract from the amenity of the area.
- I think the existing East Point Museum area should be used and the whole area left basically as is. I am a local resident who has enjoyed the area for many years and don't want it to be handed over to developers.
- East Point needs to be protected and not over run as a total tourist disaster.
- Hope it would protect the nature as well around at East Point, one on the only nature site nearby Darwin. People love fishing, walking, running, riding around. SITE 1 is definitely the best.
- To maintain the amenity of East Point, any development should be low key and sympathetic to the environment. Even though the vegetation of EP has been very disturbed in the past, we should attempt to rehabilitate parts and not impact on it any further.
- East Point Reserve is primarily for the public of Darwin to enjoy its uniqueness and special values. Defence Museums can be viewed anywhere in the world by tourists! There is enough existing Defence of Darwin heritage at East Point which is more relevant than a shining new museum.
- I am very worried that this Museum will represent the thin edge of what could be an extremely large wedge. How much more of East Point will be sacrificed on the altar of Tourism? Can anyone guarantee that the development will begin and end with a museum building? Or will this building need road, car parks cafes etc?
- Needs to as much as possible leave East Point in tact - hence disturbed by idea of using the other side of the road and adding new road etc.
- With regard to concern for minimal impact on native wildlife and vegetation efforts need to be made to relocate the pony club which is inappropriate for this area, and would have ongoing impacts on wildlife and vegetation.
- Do not let the East Point environment and our beautiful wallabies be disregarded. Tourists need to be entertained no doubt but we must preserve what we already have at East Point Buildings and car parks are not what tourists really enjoy

Access

- A shuttle bus that's cheaper than the Tour Tub should be arranged to take people to the DDM.
- One major aspect of the location of the museum that doesn't seem to be addressed in your proposal is transport. There needs to be some kind of affordable bus service to allow people to get to East Point (just for a visit to the Military Museum the Tour Tub is not necessarily a satisfactory solution and taxis are expensive). Maybe a regular Minibus service between the city and the Military Museum during the tourist season could be an option.

Other Comments

Infrastructure (Land Tenure, Design ,Content, Cost)

- The architectural scale & style of this facility should be sympathetic to the existing structures, and conservative/understated and probably single storey. Does not warrant high tech external appearance /finishes, though durability is required.
- Weather protection for existing outdoor exhibits is desirable- tricky to sustain grove mood/atmosphere.
- Possible sale/swap of one 3.7 with another institution, -Conservator/curatorial assistance from AWM is presumed- their technical side is awesome (& pragmatic) though their familiarity with requirements for a tropical environment may not be so high.
- Is a remote high level Camera view /panorama possible i.e. from top of emplacements, possibly indicating limits of traverse and range?
- Is any film or demonstration/animation of how the plot table fire control was used available- amazing gear!
- I believe that the command bunker off Colivas road in the grassed Reserve sitting adjacent to the rear of houses on Bayview Street needs to be refurbished and reconstructed to depict this actual site during WW11. This area has massive potential and liaison with DCC to develop a small portion of it into a tourism drawcard would only enhance Darwin as a tourism destination with rich historical heritage and would demonstrate our support as a nation to the next generation that lest we forget the scarifies that others made to protect this unique country we call home.
- I was involved in the earliest proposals for this venture, circa 1987 and 2000, the latter exercise in cooperation with Colin Brown the architect, and among the many details we put together were the costings for development and ongoing management, maintenance and staffing. The costs were such that the idea did not proceed.
- I hope the MAGNT will be given sufficient resources to professionally manage the new facility in addition to its existing responsibilities.
- Has Darwin City Council agreed to let you have Site 2 to develop? I hope not.
- This is a great project and we are pleased to be assisting with the planning. There needs to be a mix of display material. People like to touch and feel real "things" as well as having the extended material available digitally. We are so lucky to still have much of the early structures there to be preserved for future generations. We must be careful that none are lost in the process of expanding the current material available there. The RAAA have done a great job of preserving what they have to date and we have an opportunity to make this a real tourist and student attraction as well as an interesting place for locals to visit.
- The current site certainly needs upgrading, particularly in terms of overall landscaping, car park etc, and some money spent on it but it is a beautiful space and conveys the history it is intended to. Past underinvestment does not equal a current need to shift from a good site to a less desirable site even across the road. Across the road would also cause unnecessary disturbance and damage. Use the money to upgrade the entire area and improve walking access and interpretation throughout the East Point area. Whatever you lot do don't let the same crew lose on this area as you did on the walkway and other inner city messes. They have the ability to strip character from anything. That's why people love the war museum- it has character.
- I also do not want a fancy new building in the museum grounds. It should be buildings that fit that era, as it will take away the authenticity and the ambience of the museum that it already has. I fear that this may very well change and as time goes on with further so called upgrades that will have a bad out come for the museum and all the plants and wildlife out there. I hope that there will be rules that will have to be abiding once it's all build, to stop any further buildings going up at East Point after the upgrade.
- I would like to see any new buildings sympathetic to the site and Darwin's character, not a large modern building that dominates the landscape. Building sympathetic to the site will enhance the visitor experience.
- You should consider closing the site to vehicular traffic & reinstating the landscape as appropriate for the era, circa 1943-5. (this could be done in stages over time & as budget permits).
- It is not necessary to implement the digital media into building immediately - can be done

Other Comments

later & with more funding.

- With option 2 there is opportunity to create a 'plaza' or forecourt in-between the new & existing bunkers. Would also suggest closing the road just before the bunkers / forecourt, but maintain the visual aspects upon arrival. Provide parking in landscaped area to South of new building for busses, cars & large vehicles. That the new building is placed to east side of existing road - then create an underground link between them. This has a double purpose in that it can also accommodate a memorial with names & medals along the sides of tunnel for its duration. I can provide sketches of my proposal if requested.
- The museum will represent an important part of Australia's history. As such, it should be an iconic facility in both architectural and interpretive design. Ideally, a nationally promoted design competition should be held to obtain the best possible result. At the very least a limited competition amongst selected local architects should be held. The use of senior government employees who have left a trail of heavily promoted but sub-standard facilities across the NT should be avoided.
- Please ensure that the DMM is incorporated into the new museum. The current displays are amateurish and of a poor standard. Please ensure the new museum presents a holistic approach and aims for a standard of national museum quality. Please re think the name - Northern Territory WW2 Museum. Think big!
- It's a pity that this has ended up being a government-run endeavour as opposed to being put out to tender. While the RAAA has done a fabulous job in commemorating Darwin's military history, this has really been an opportunity to get new blood into the design and display of Darwin's heritage and an opportunity to present that history in a different way. Potentially, it could have been developed by a commercial interest with links to other existing museums and with the ability to exploit those links for the benefit of Darwin tourism. The RAAA is a small organisation which seems to focussed more upon the preservation of the memory of the Darwin defenders (a worthy task mind you) but not necessarily focussed upon making the most of the tourist resource which they control.

Tourism

- I have been taking visitors to this museum for 40 years and it gets better all the time, particularly over the last year. Will all of that be kept? I would be against some replacement with just videos. The present gardens and guns setup is great.
- I think that it's a marvellous facility and an upgrade would enhance it as a tourist attraction.
- Go for it, what a great idea.
- The included space of the existing core heritage reserve would also allow for the landscaping of the area, rather than the short grass, bare dirt and masked lapwings that exist there for much of the year. It would also allow for growth by giving the space for the building of temporary or permanent outdoor displays such as an anti-aircraft emplacement (with guns in situ), recreated machine-gun nests, war-time camouflage for the positions, tanks, perhaps even a monument to the crew of the I-124 which was sunk outside Darwin Harbour as well as those killed during the raids.
- The commemorative period of the bombing of Darwin is ending as the veterans who served are passing away. Visitors to Darwin interested in the commemoration are, mostly, family members looking to see where Dad or Grandad served during the war - they don't have an expectation of the place. Take advantage of this to develop the area as a tourist attraction in its own right. Fort Siloso on Sentosa Island, or the Battle Box, both in Singapore, are both good examples of how to recreate an abandoned military facility, as East Point is, into an attraction which people would want to spend time and money within while being respectful to the history of the place and those who served there.
- Don't let the museum become a dusty display set off to one side. We have far too many of those in the Darwin already (Charles Darwin National Park certainly comes to mind - good display but there's no-one there to see it).
- This has the potential to be so much more than that. Plan it for the ongoing benefit of Darwin as a city. Allow the combined museums to potentially anchor a Sentosa-style tourist precinct on East Point with several nature-based attractions (aquarium? amphibarium? butterfly house? reptile house? bird park? all built within the existing clearings of the dry monsoon

Other Comments

jungle) which would have our visitors stay an extra day, injecting money into our local economy.

- Do it for the right reasons. Create the museum to say "this happened here" But don't let that be its only impact. Make it relevant to now as well.
- The Museum and Art Galleries Board had a display at Lyons Cottage from the early 1980s, which focussed on the earliest military activities and featured contemporary artefact material but was disbanded. Similarly the same institution was dragged kicking and screaming into mounting displays for the 1992 Commemorative Year. Accordingly I have concerns over the future of the proposed museum in terms of displays and management and any intrusion into the so-called core business of MAGNT.
- Have a look at the website "Virtual Jamestown" for inspiration on selling this site for visitors/students etc.
- I think the museum should be a modest, simple structure - not a 'theme park' kind of facility.
- It will need to be promoted more both locally and nationally. A large proportion of the population of Australia, and overseas, does not even realise that Darwin and the Top End of Australia was bombed during WW2, and by the same people that bombed Pearl Harbour!
- The Defence of Darwin Museum is a key element of East Point. However, the other elements of the park are equally important and one element should not seek to dominate or adversely impact on the other elements.
- A very good idea and long overdue.
- Yes it's about time that NT had one, in memory of all the people who come and protected Darwin and it is still the best place now to take visitors
- Yes people accuse Singapore of being very sterile, the museum as is very earthy and Darwinian this concept should be maintained
- It would be a great asset for the local community if the museum would include a contemporary lunchroom/coffee shop. Locals would most likely be returning customers (given the location) and thus supporting the museum indirectly
- Thank you for choosing East Point for the site of the Military Museum in favour of a facility in the city.
- Access/distance from the CBD should not be an issue - tourist travel to other (further) areas with ease now. I think the contribution to the Fannie Bay /Parap economy is worthwhile. And will give opportunity to explore other significant sites in the Fannie Bay/ Parap region, Qantas hanger, Ross Smith - and inspire new tourism opportunities. Will enhance a WW2 history trail. I am very concerned that \$10M is not enough to do justice to such a potential asset

Consultation Process

- It is disappointing that East Point, rather than being debated rationally has become a fait accompli.
- There are a number of issues that should ideally be raised regarding the museum however I have not been privy to any information regarding the proposal and accordingly cannot comment with any in-depth knowledge of progress thus far.
- I wonder about this process. The site selection should be based on technical and other considerations and not a simple public poll. The pros and cons of each site have not been provided as part of this process.
- Insufficient time for public comment!
- The two sessions were badly advertised and were too close to together.
- Very little information/plans provided - I think we (the public) need more information so this consultation is actually useful and responded to.
- Please note, this is my third attempt at completing this form on-line (the form resets when you click on a link to check things) so you may have two other incomplete forms from me.
- Darwin City Council confirms its interest in the Defence of Darwin Museum development and its expectation that it will be fully consulted in all related matters including, but not limited to:
 - The management, maintenance and enhancement of existing historical sites at East Point.
 - Traffic management & road maintenance costs
 - Any works on Council land

Other Comments

- The tenure arrangements for the site.
- Any potential environmental, amenity, or community access issues associated with the planned Defence of Darwin Military Museum.

Other Site Location

- Both locations are not suitable. The museum should be in the city's centre to act as an information hub for visitors and locals alike. What is the proposed museum's policy on displaying unprovenanced objects from antiquarian collections?
- However, in acknowledging this decision, any further development adjacent to or near Site 1 would impact visually with the extant structure and in effect devalue it as a historic element of the site overall. Site 2 is also not the best choice however if the development is designed to provide an entry to the precinct in to it may be suitable. In my opinion as both a military and aviation historian specialising in the Territory, a more significant location to Darwin and its wartime history and heritage is the former Supreme Court site - however, paranoia, politics and inflated egos seem to have ruled this site out.
- Neither site is suitable because difficult for tourists to get to East Point. Alec Fong Lim Drive will need to be upgraded at great expense. Increased traffic flow along Alec Fong Lim Drive. Site should be former hospital grounds at Lambell Terrace because close to CBD & public transport.
- The Royal Australian Artillery Association (NT) and its organisation of the Darwin Military Museum have realised through this public consultation period and examination of the two options that there may well be a realistic third option not fully yet examined. The RAAA (NT) has therefore accelerated work on a speedy development of this option and will endeavour to present its alternative within a week of the closing of this public consultation period.

Appendix B List of Contacts

The following people were involved in the Defence of Darwin Museum Site Community Consultation Session process:

Name	Position	Organisation	Email Address	Phone
Apolline Kohen	Acting Director	Defence of Darwin Project NRETAS	apolline.kohen@nt.gov.au	08) 8924 4055
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Michael Simpson	Designer	DCI	michael.simpson@nt.gov.au	
Kerryn Bastin	Communications Consultant	Communications & Media NRETAS	kerryn.bastin@nt.gov.au	(08) 899 4729
Rick Murray	Director	Middle star Pty Ltd	middlestar@bigpond.com	0417 809 095
Katherine du Vallon	Director	abc corporate development	katherine@abccd.com.au	0419 310 445

This document 'Defence of Darwin Museum Site Community Consultation Report' was prepared for NRETAS by Katherine du Vallon, Director of abc corporate development and Rick Murray, Director of Middle Star Pty Ltd.



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15 REPORTS OF REPRESENTATIVES**16 QUESTIONS BY MEMBERS****17 GENERAL BUSINESS****17.1 Election of Acting Lord Mayor 12 December 2010 to 30 January 2011**
Common No. 375173

THAT due to the Lord Mayor and Deputy Lord Mayor being unavailable or prevented from performing the duties of Lord Mayor simultaneously during the period 12 December 2010 to 30 January 2011, the Council pursuant to Section 43 (3) of the Local Government Act 2008, hereby appoints Member, to be Acting Lord Mayor on those days.

DECISION NO.20\() (16/11/10)

18 DATE, TIME AND PLACE OF NEXT ORDINARY COUNCIL MEETING

THAT the next Ordinary Meeting of Council be held on Tuesday, 30 November 2010, at 5.00 p.m. (Open Section followed by the Confidential Section), Council Chambers, 1st Floor, Civic Centre, Harry Chan Avenue, Darwin.

DECISION NO.20\() (16/11/10)

19 CLOSURE OF MEETING TO THE PUBLIC

THAT pursuant to Section 65 (2) of the Local Government Act and Regulation 8 of the Local Government (Administration) Regulations the meeting be closed to the public to consider the Confidential Items of the Agenda.

DECISION NO.20\() (16/11/10)

20 ADJOURNMENT OF MEETING AND MEDIA LIAISON