

# STATEMENT OF SIGNIFICANT ACCOUNTING POLICY

## Policy No. 022

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### 1 Purpose

This Policy explains the accounting policy process and refers to the locations of principal accounting policies adopted by Council.

### 2 Scope

- To provide a true and fair view of City of Darwin's financial position and the basis upon which that assessment has been made for the guidance of ratepayers, electors, creditors, regulators, government in general and other stakeholders.
- To achieve compliance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant Northern Territory legislation.
- To achieve an unqualified audit report on the Annual Financial Statements.

City of Darwin is incorporated under the Northern Territory *Local Government Act* and has its principal place of business at the Civic Centre, Harry Chan Avenue, Darwin, Northern Territory, Australia.

Annual financial statements are prepared pursuant to the requirements of the *Local Government Act* and the relevant accounting standards and include the consolidated fund and all entities through which Council controls resources to carry on its functions.

### 3 Policy Statement

1. The principal accounting policies adopted by the Council at any time are as set out in the most recent audited annual financial statements included within the Council's Annual Report.
2. Significant Accounting Policies will be reviewed annually in conjunction with preparation of the City of Darwin annual financial statements (where practicable proposals to change policies should be reported to the Risk Management & Audit Committee and council's finance committee during the financial year that will be first impacted by the change if adopted).

### 4 Definitions

Significant and principal accounting policies: Those accounting policies that warrant inclusion in the Council's Annual Finance Statements.

Council Policy No. 022 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICY				
Version	Decision Number	Adoption Date	Responsible Officer: Chief Operating Officer	Next Review Date
6	22\1104	25/09/2018		25/09/2022



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### 5 Legislative References

Relevant legislative and other references include:

Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant Northern Territory legislation, specifically Part 7 of the *Local Government (Accounting) Regulations*.

### 6 Procedures / Related Documents

Annual Reports (including Financial Statements)

### 7 Responsibility / Application

Implementation of this policy is by way of preparation, subsequent audit of the annual financial statements and laying the statements before Council pursuant to the Local Government Accounting Regulations.

The Manager Finance is responsible for ensuring the preparation of the Councils annual financial statements.

### 8 Document Control

Council Policy			Responsible Officer: Chief Operating Officer	
Version	Decision Number	Adoption Date	History	Next Review Date
1	20\2501	23/02/2010	Adopted	
2	20\3483	30/11/2010	Revision Endorsed	
3	20\2646	29/11/2011	Revision Endorsed	
4	21\660	27/11/2012	Revision Endorsed	
5	21\2658	30/09/2014	Revision Endorsed	27/11/2018
6	22\1104	25/09/2018	Revision Endorsed	25/09/2022

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