

NORTHERN TERRITORY OF AUSTRALIA

AMENDMENTS OF LOCAL GOVERNMENT
(ACCOUNTING) REGULATIONS

TABLE OF PROVISIONS

Regulation

1. Principal regulations
2. Interpretation
3. New regulations:
 - "2A. APPLICABLE AUSTRALIAN ACCOUNTING STANDARDS
 - "2B. EXEMPTIONS"
4. Accounting procedures and policy manual
5. Annual report
6. Annual financial statements
7. Audit
8. Distribution of annual statement and annual report
9. Statement of annual estimates
10. Review of variation of estimates
11. Allocation of money
12. Accounts paid or payable
13. Disbursements from bank accounts
14. Bank accounts
15. Investment of certain money
16. Non-current assets and other property
17. New regulation:
 - "23A. COMPENSATION ON ADJUSTMENT OF PROPERTY RIGHTS, &c."
18. Rate book
19. Tenders
20. Repeal and substitution:
 - "33. FORMS"
21. Requests for information from government authorities
22. Repeals
23. Repeal and savings
24. Repeal and substitution of Schedule

SCHEDULE

NORTHERN TERRITORY OF AUSTRALIA

Regulations 1994, No. 18*

Regulations under the *Local Government Act*

I, JOHN KEITH AUSTIN ASCHE, the Administrator of the Northern Territory of Australia, acting with the advice of the Executive Council, hereby make the following Regulations under the *Local Government Act*.

Dated 30 June 1994.

K.J.A. ASCHE
Administrator

AMENDMENTS OF LOCAL GOVERNMENT
(ACCOUNTING) REGULATIONS

1. PRINCIPAL REGULATIONS

The Local Government (Accounting) Regulations are in these Regulations referred to as the Principal Regulations.

2. INTERPRETATION

Regulation 2(1) of the Principal Regulations is amended -

- (a) by inserting, before the definition of "Australian Accounting Standards", the following:

"'applicable Australian Accounting Standards' or 'applicable AAS' has the meaning given to it by regulation 2A(1);";

- (b) by inserting, in the definition of "Australian Accounting Standards" before "means", the words "or 'AAS'";

* Notified in the Northern Territory Government Gazette on 1 July 1994.

Local Government (Accounting) Regulations

(c) by omitting from the definition of "authorised officer" paragraphs (a) and (b) and substituting the following:

"(a) the clerk or other officer or employee to whom the power or function is delegated by the council; or

(b) another officer or employee authorised in writing by a delegate under paragraph (a) to perform the function or exercise the power for and on behalf of the delegate;";

(d) by inserting, after the definition of "authorised officer", the following:

"'CEO' means the Chief Executive Officer as defined in the *Public Sector Employment and Management Act* of the Agency as defined in that Act primarily responsible to the Minister for the administration of the *Local Government Act*, or his or her nominee;";

(e) by omitting from the definition of "contract" the words "2 of Part IV, or Part VIII," and substituting "1 of Part 6";

(f) by omitting the definitions of "council" "council area" and "Director";

(g) by omitting from the definition of "estimates" the words "regulation 12(1)." and substituting "regulation 12";

(h) by omitting the definition of "fixed asset";

(j) by omitting the definition of "mayor" and substituting the following:

"'non-current asset' means an asset -

(a) the life of which is not less than one financial year; and

(b) the capital cost of which exceeds \$2,000;";
and

(k) by inserting, in the definition of "responsible officer" after "the officer", the words "or employee", and by omitting "or activity" (twice occurring).

Local Government (Accounting) Regulations

3. NEW REGULATIONS

The Principal Regulations are amended by inserting, after regulation 2, the following:

"2A. APPLICABLE AUSTRALIAN ACCOUNTING STANDARDS

"(1) For the purposes of these Regulations, "applicable AAS" are all relevant Australian Accounting Standards promulgated as at the commencement of this regulation, being AAS27 "Financial Reporting by Local Governments" issued in September 1993 (but construed as if the references in clause 13 to Statements of Accounting Concepts were omitted) together with any other AAS necessary to give full effect to AAS 27.

"(2) The Minister may, by notice in the Gazette, adopt as an applicable AAS any Australian Accounting Standard or amendment to one promulgated after the commencement of this regulation on and from a date specified in the notice."

"2B. EXEMPTIONS

"(1) The CEO may, on application by a council or under the CEO's own volition exempt, in writing, the council or all or any councils from the need to comply with a provision of these Regulations or an applicable AAS.

"(2) An exemption under subregulation (1) may be made subject to such conditions as the CEO thinks fit."

4. ACCOUNTING PROCEDURES AND POLICY MANUAL

Regulation 4 of the Principal Regulations is amended by omitting from paragraph (g)(ii) "authorised by the council and the clerk".

5. ANNUAL REPORT

Regulation 8(2) of the Principal Regulations is amended by omitting paragraph (a), (b) and (c) and substituting the following:

- "(a) a copy of the audited annual financial statement required under section 165 of the Act;
- (b) an outline of the council's operations for the year; and
- (c) a statement of the council's actual performance of its principal functions for the year and a comparison with the council's projected performance of those functions (as contained in a management plan or in the adopted estimates) together with a statement of the reasons for any difference between them."

Local Government (Accounting) Regulations

6. ANNUAL FINANCIAL STATEMENTS

Regulation 9 of the Principal Regulations is amended -

- (a) by omitting subregulations (1), (2) and (3) and substituting the following:

"(1) The clerk of a council shall, within 3 months after the end of each financial year or within such extended period as the CEO in special circumstances may allow, cause annual financial statements in respect of that year to be prepared in accordance with -

- (a) all applicable AAS; and
- (b) these Regulations,

and placed before the council's auditor.";

- (b) by omitting from subregulation (4) -

- (i) the word "Accounts" and substituting "financial statements required by AAS 27; and

- (ii) the words "fixed assets" in paragraphs (f) and (k) and substituting "non-current assets"; and

- (c) by inserting, in subregulation (7)(a) after "accordance with", the word "applicable" and by omitting "exhibit a true and fair view of the state of the council's affairs and the result" and substituting "present fairly the financial position of the council and the results".

7. AUDIT

Regulation 10 of the Principal Regulations is amended -

- (a) by inserting, in subregulation (5)(a) after "accounting", the word "records"; and
- (b) by omitting from subregulation (6) "if, in the opinion of the auditor, the matter is of sufficient importance to justify his so doing".

8. DISTRIBUTION OF ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORT

Regulation 11 of the Principal Regulations is amended -

- (a) by omitting "Director" (thrice occurring) and substituting "CEO";

Local Government (Accounting) Regulations

- (b) by omitting subregulation (1)(a)(iii) and substituting the following:

"(iii) the auditor; and";

- (c) by omitting subregulation (1)(b); and

- (d) by omitting from subregulation (1)(c) "Balance Sheet" and substituting "Statement of Financial Position".

9. STATEMENT OF ANNUAL ESTIMATES

Regulation 12 of the Principal Regulations is amended -

- (a) by omitting subregulation (1);
- (b) by inserting, in subregulation (2) after "estimates", the words ", to be prepared under section 162 of the Act,";
- (c) by omitting from subregulation (3)(e) "of functions or programs" and substituting "relating to the functions"; and
- (d) by omitting from subregulation (6) "Director" and substituting "CEO".

10. REVIEW AND VARIATION OF ESTIMATES

Regulation 13 of the Principal Regulations is amended -

- (a) by omitting from subregulation (3) "or activity" (thrice occurring); and
- (b) by omitting from subregulation (4) "Director" and substituting "CEO".

11. ALLOCATION OF MONEY

Regulation 14 of the Principal Regulations is amended -

- (a) by omitting "and activities"; and
- (b) by adding at the end the following:

"(2) A council shall not allocate money to the service of any function not provided for in the adopted estimates."

12. ACCOUNTS PAID OR PAYABLE

Regulation 16(1) of the Principal Regulations is amended by inserting, after "month", the words "at an ordinary meeting of the council".

Local Government (Accounting) Regulations

13. DISBURSEMENTS FROM BANK ACCOUNTS

Regulation 17(1) of the Principal Regulations is amended by inserting, after "officers", the words "or employees".

14. BANK ACCOUNTS

Regulation 19 of the Principal Regulations is amended by omitting subregulation (1) and substituting the following:

"(1) A bank account of a council shall have the name of the council included in the name of the account."

15. INVESTMENT OF CERTAIN MONEY

Regulation 20 of the Principal Regulations is amended by omitting "(1) A council" and substituting "For the purposes of section 166 of the Act, a council".

16. NON-CURRENT ASSETS AND OTHER PROPERTY

Regulation 21 of the Principal Regulations is amended by omitting "fixed assets" and substituting "non-current assets".

17. NEW REGULATION

The Principal Regulations are amended by inserting, after regulation 23, the following:

"23A. COMPENSATION ON ADJUSTMENT OF PROPERTY RIGHTS, &c.

"Where the Minister, under section 33 of the Act, directs an adjustment of property rights, liabilities and other matters or things which results in an acquisition of property (other than property of the Territory), the person from whom or which the property was acquired is entitled to compensation on just terms which shall be determined -

- (a) by agreement between that person and the Minister; or
- (b) by order of a court of competent jurisdiction on an application by that person or the Minister or both jointly,

before the notice directing the adjustment is published in the Gazette."

Local Government (Accounting) Regulations

18. RATE BOOK

Regulation 24 of the Principal Regulations is amended -

- (a) by omitting from subregulation (2) "111" and substituting "64"; and
- (b) by inserting, in subregulation (3)(a) after "rates", the words "(including special rates and local rates)".

19. TENDERS

Regulation 29 of the Principal Regulations is amended -

- (a) by omitting from subregulation (1) "or activity";
- (b) by omitting from subregulation (2) "under regulation 36"; and
- (c) by inserting, in subregulation (3) after "officers", the words "or employees".

20. REPEAL AND SUBSTITUTION

Regulation 33 of the Principal Regulations is repealed and the following substituted:

"33. FORMS

For the purposes of the Act -

- (a) a notice under section 63(3) of the Act relating to a rate book appeal shall be in accordance with Form 1;
- (b) an application to the Minister for permission to borrow money by way of an ordinary loan under section 170(2) of the Act shall be in accordance with Form 2;
- (c) a certificate relating to the overdraft limit of a council under section 170(5) of the Act shall be in accordance with Form 3;
- (d) a debenture issued under section 174 of the Act shall be in accordance with Form 4;
- (e) a mortgage granted under section 174 of the Act shall be in such form as is approved by the council; and
- (f) a notice of surcharge under section 245(1) of the Act shall be in accordance with Form 5 and shall be served by post."

Local Government (Accounting) Regulations

21. REQUESTS FOR INFORMATION FROM GOVERNMENT AUTHORITIES

Regulation 35 of the Principal Regulations is amended by inserting, after "minister,", the word "Agency,".

22. REPEALS

The Principal Regulations are amended by repealing regulations 36 and 38.

23. REPEAL AND SAVINGS

Regulation 37(2) of the Principal Regulations is amended by omitting "regulation 38 of".

24. REPEAL AND SUBSTITUTION OF SCHEDULE

The Principal Regulations are amended by repealing the Schedule and substituting the Schedule set out in the Schedule to these regulations.

SCHEDULE

New Schedule to Principal Regulations Regulation 24

"SCHEDULE
"FORM 1"

NORTHERN TERRITORY OF AUSTRALIA Regulation 33(a)

Local Government Act

Local Government (Accounting) Regulations Section 63

NOTICE OF APPEAL AGAINST ENTRY IN RATE BOOK/OMISSION OF
NAME FROM RATE BOOK

The Clerk Council

I, of being
a person whose name is/is not entered in the council's rate book
as owner/occupier of the land comprised in Lot No,
Town of, Portion No, Hundred of
..... hereby appeal to the council against the
entry/omission on the following grounds:

Dated 19 .

.....
Appellant
Postal Address
.....
.....

Local Government (Accounting) Regulations

"FORM 2

Regulation 33(b)

NORTHERN TERRITORY OF AUSTRALIA

Local Government Act

Section 170(2)

Local Government (Accounting) Regulations

(1) The Council hereby applies for the consent of the Minister to its borrowing, by way of ordinary loan, the sum of \$.....

(2)* Purpose:

(3)* Term:

(4)* Type of loan:

(5) Amount of each instalment: \$

(6) Rate of interest:

(7) Terms of repayment:

(8) Lender:

(9) In respect of works mentioned in clause 2 attach detailed descriptions.

(10) Amount outstanding on all loan and time payment liabilities of the Council: \$.....

(11) Annual repayment by council in respect of all loans: \$.....

(12) Annual repayment as a percentage of budgeted income: %.....

(13) Unimproved capital value of all ratable land (if any) in the council area: \$.....

(14) Ratio of current liabilities to annual untied revenue.

For every dollar of current liability the Council has \$..... of untied revenue to meet that liability.

* Refer to following notes

Local Government (Accounting) Regulations

(15) We, the undersigned, certify that this application was authorised by the Council on/...../..... and that in pursuance of a resolution passed on that date the Common Seal of the Council was affixed hereto on/...../..... and that the statements made in this application are, to the best of our knowledge, true and correct in every particular.

[Common Seal]

.....
Presiding Member

.....
Clerk

Consent given under section 170(2) of the Local Government Act.

.....
Minister

NOTES TO ASSIST IN THE COMPILATION OF APPLICATION FORM FOR CONSENT TO BORROW MONEY

- (2) Purpose to comply with section 170(1) of the Local Government Act. Attach additional information if necessary.
- (3) Number of years to be shown.
- (4) State whether loan is payable with interest only, or with interest and principal. If interest only, a loan repayment reserve is to be created in compliance with section 169 of the Local Government Act.

"FORM 3

Regulation 33(c)

NORTHERN TERRITORY OF AUSTRALIA

Local Government Act

Section 170(5)

Local Government (Accounting) Regulations

CERTIFICATE RELATING TO OVERDRAFT LIMIT

The Clerk, Council
In pursuance of section 170(5) of the Local Government Act it is my opinion that the estimated income (within the meaning of section 154 of that Act) of the Council as at is \$ and that the overdraft limit of the council is, under section 170(4) of that Act, one half of that amount or \$.....

Dated

19 .

.....
Auditor

Local Government (Accounting) Regulations

"FORM 4

Regulation 33(d)

NORTHERN TERRITORY OF AUSTRALIA
Local Government Act

Section 174

Local Government (Accounting) Regulations

DEBENTURE

..... Council Debenture No

Loan of \$ for the purpose of

Date of Minister's consent to loan

This debenture is issued subject to the provisions of the *Local Government Act*.

This debenture entitles the bearer to the sum of \$..... which, with interest on it at the rate of dollars % per annum, is hereby secured upon the income of the council in accordance with the *Local Government Act*. The interest is payable on, in each year, on presentation of the appropriate coupon (annexed) at

The principal money is payable on at

The common seal of the Council was affixed hereto on in pursuance of a resolution of the Council, passed on, authorising the seal to be so affixed.

[Common Seal]

.....
Presiding Member

.....
Clerk

INTEREST COUPON

..... Council Debenture No

Purpose

Amount of debenture

An amount of, representing 6 months' interest to will be paid on presentation of this coupon at on or after the day of 19 ...

.....

Local Government (Accounting) Regulations

"FORM 5

Regulation 33(f)

NORTHERN TERRITORY OF AUSTRALIA

Local Government Act

Section 245(1)

Local Government (Accounting) Regulations

NOTICE OF SURCHARGE

To

I hereby notify you that, under section 245(1) of the Local Government Act, I have surcharged you the sum of \$..... for the following reasons:

Dated 19

.....
Inspector of Local Government"
