2010 - 2011

MacDonnell Shire Council

Annual Report
& General Purpose
Financial Statement

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MacDonnell Shire

A message from the Shire President

To be part of the MacDonnell Shire Council means that all people in the Shire have been part of an historical change for Local Government in the Northern Territory - Shire residents, Shire Councillors and Shire staff. This change has been a time of confusion for a lot of Shire residents, but for all Councillors it has also been a time of rapid learning from the day we were announced as the first elected members of the MacDonnell Shire. Remote indigenous towns in Central Australia are no strangers to change, but these changes have often not brought positive long term benefits for our people.

As Councillors we have a lot of combined governance experience through being members of former Community Government Councils, Central Land Council or other similar boards and bodies, but the Shire system of governance was something new for us all to understand. As a Council we are slowly beginning to see the opportunities the Shire system brings for positive long term change and development for all people.

We are able to see this because we are now learning how to work together to make decisions in the best interests of all Shire residents – not just people in our own communities or people in our families. Through making strong decisions we will ensure that no town or resident is left behind – that we have a strong united voice so that everyone has access to improved service delivery, long term developments and opportunities.

The 13 Local Boards in the Shire give Council access to a local voice when making our decisions. Our Local Boards also give local people an opportunity to communicate their problems and feedback to Council, and to be part of the long term planning process for their towns. The MacDonnell Shire Council's Local Boards will form a key part of the success of our Shire in the years to come.

So as we move together into the future, we as Councillors are committed to meeting challenges and continuing to work together to shape a sustainable future for all residents within the Shire.

Sid Anderson
President, MacDonnell Shire Council

A message from the Chief Executive Officer

MacDonnell Shire has a clear vision of "Many voices, one dream, building a quality desert lifestyle" combined with a mission to improve the lives of Shire residents. We are here to add value to our Shire community, improve the outcomes of a diverse range of programs and services as well as operate in a sustainable and caring manner.

Our vision, objectives, goals and measures, budget and organisation chart, all align to achieve results within our communities and throughout the Shire. This Shire Plan provides a framework to inform our decision-making in relation to setting priorities and making the best allocation of finite resources.

Our planning process is an ongoing one with many avenues to gain input from our stakeholders. These include: resolutions of the Council, Local Board meetings and the resulting action lists, individual and group representations from Shire residents, other stakeholders and interested parties. We also receive input from regulation, discussions with other government levels concerning programs and funding needs and participation in local government organisations.

We are now three years old and still operate in a highly dynamic environment. The Shire Council is embracing its broad obligations and developing a culture of strong commitment to the Shire community.

Diane Hood
CEO, MacDonnell Shire Council

About Us

Our Shire

Situated in an arid desert environment at the centre of the Australian continent, MacDonnell Shire features many iconic, panoramic landscapes which are easily accessed from Alice Springs. The picturesque swimming holes, magnificent flora and fauna, captivating mountain ranges with changing hues and red desert sands are reasons why the MacDonnell Shire is uniquely beautiful and has a deep and powerful strength that can only be felt when travelling across the land.

MacDonnell Shire Council officially commenced operations on 1st July 2008. Formed as a result of the Northern Territory Government's Local Government Reforms, MacDonnell Shire covers the southern portion of the Northern Territory and has a land mass of 268,887km2.

Located within the Shire are 13 major remote communities, many outstations as well as numerous established and emerging enterprises in the pastoral, tourism and mining industries. The towns of Alice Springs and Yulara are excluded from the Shire. The total estimated population of MacDonnell Shire is 6,600 (based on the 2006 Census Data and Northern Territory Government formula to calculate population figures).

As part of the reform process the residents of 13 major remote communities located within the MacDonnell Shire are provided with a range of local government and other services by the Council.

Our History And Culture

Prior to the Northern Territory Government's Local Government Reform process, there were some 63 community government councils and associations dispersed throughout the Northern Territory delivering core local government services. These incorporated local government bodies were dissolved on June 30, 2008 under the Local Government Act 2008. In October 2008, the first elections of the new Shires were held throughout the Northern Territory under the Local Government (Electoral) Regulations. Each Shire had to elect 12 Councillors for their respective Shire Councils and in the MacDonnell Shire the 12 elected Councillors are all Indigenous. MacDonnell Shire has now been operating for three years.

Through the reform process MacDonnell Shire Council is committed to creating a strong future for all of its residents. The administration of governance, finance, funding arrangements, program management and human resources is undertaken centrally at Council Headquarters.
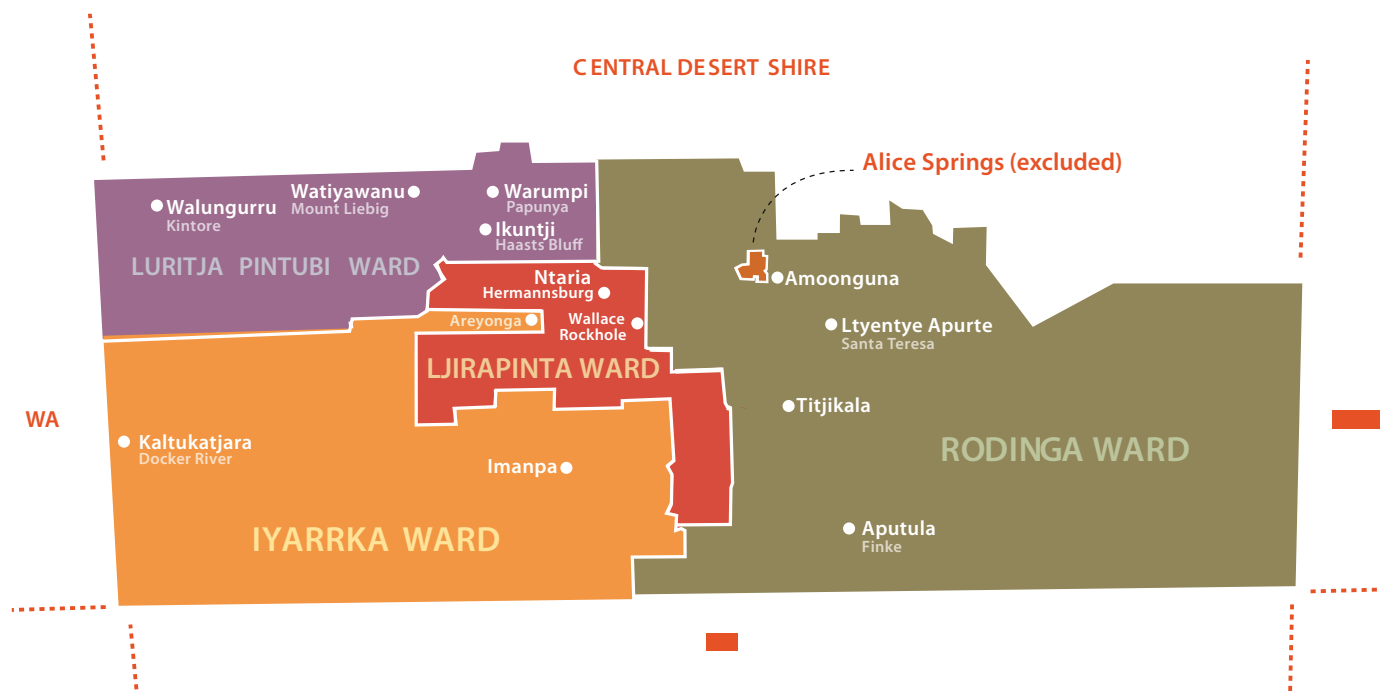
MacDonnell Shire area is unique, expansive, multilingual and culturally diverse. MacDonnell Shire Council places respect for cultural diversity at the heart of its operations, and Council is committed to bringing Indigenous governance and Western governance systems together in a meaningful and respectful way.

The 13 major communities in MacDonnell Shire have populations made up primarily of Indigenous Australians. Outside of these communities there are numerous pastoral, and tourism businesses that are owned and operated primarily by non-Indigenous Australians.

There are four main Indigenous language groups spoken in the MacDonnell Shire which include Luritja, Pintubi, Pitjantjatjarra and Arrente. For some residents, Warlpiri is also spoken, and English is almost always a second or third language. Indigenous people have had their own culturally based governance systems for tens of thousands of years – with their own leaders, laws, traditions, rules, structures and traditional land ownership (Di Smith 2008, CDO Workshop). The western governance system is a relatively new form of governance for Indigenous people in Central Australia.

Through effective two-way communication and good governance principles and practices, MacDonnell Shire Council aims to achieve a respectful Shire that celebrates its unique cross-cultural diversity.

Imanpa wild flower.

Typical County MacDonnell Shire Council-NT WA Border

Shire Population (below)

Note1.

The numbers are the Northern Territory Treasury estimated resident population (with adjustments) as at 30th June 2008.

Note 2

Includes Aboriginal Outstations, pastoralists, tourism operators and miners.

Shire Service Delivery Centre (SDC)	Count	%
Amoonguna	327	4.8%
Aputula / Finke	258	3.7%
Utju / Areyonga	297	4.3%
Ikuntji / Haasts Bluff	146	2.1%
Imanpa	177	2.6%
Kaltukatjara / Docker River	446	6.5%
Ltyentye Apurte / Santa Teresa	643	9.3%
Ntaria / Hermannsburg	664	9.6%
Warumpi / Papunya	357	5.2%
Tapatjatjaka / Titjikala	257	3.7%
Wallace Rockhole	105	1.5%
Walungurru / Kintore	411	6.0%
Watiyawanu / Mount Liebig	323	4.7%
Sub-total for SDC's	4,411	64.1%
Other residents (*Note 2)	2,470	35.9%
Total Population	6,881	100.0%

West Arnhem Shire

East Arnhem Shire

Municipality of Katherine

Roper Gulf Shire

Victoria Daily Shire

Barkley Shire

Central Desert Shire

Municipality of Alice Springs
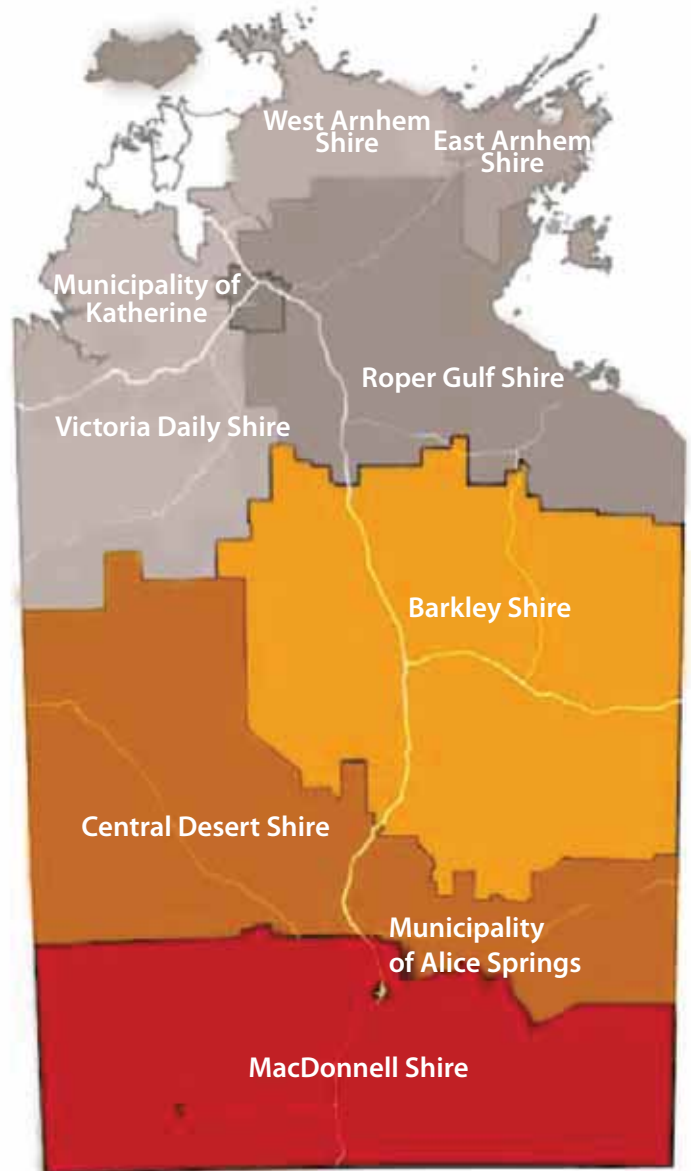
MacDonnell Shire

MacDonnell Shire is 20% of the NT Land mass.

Our Councillors 2010 - 2011

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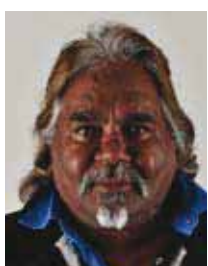
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Our Executive Management Team

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(from 19th March 2011)

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(from 1 July 1st until 19th November 2010)

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Director Technical Services

Mike Freeman
(from 1st of July until 4th January)

Our Organisation Structure

MacDonnell Shire Council

Executive Administration

Chief Executive Officer

Director Service Delivery

- Manager Property and Tenancy
  - Property and Tenancy including Maintenance & Repairs
- Manager Fleet & Commercial Operations
  - Fleet & Commercial Operations including Power & Water Asset Management
- Manager Infrastructure and Civil Works
  - Infrastructure Civil Works Roads Swimming Pools
- 3 Area Managers
  - 13 Service Delivery Centres Community Service

    administration, waste management, animal control, parks and gardens, cemeteries, outstations, contract and project management
- Executive Manager Agency Services
  - Agency Services including Aged Care Children's Services Youth Development Community Safety Night Patrol Centrelink

Director Corporate Services

- Executive Manager, Human Resources
  - Recruitment OHS & Workers Compensation Industrial Relations Employee Relations Training & Development
- Manager Information Services
  - Information Services
- Governance, Planning, Media & Public Relations, Indigenous & Stakeholder Liaison
- Manager, Finance Operations
  - Rates, Accounts Payable, Accounts Receivable, Payroll, Systems Administration
  - Grants, Quality Assurance, Reporting & Analysis

Titjikala Road

2010-2011 MacDonnell Shire Goals and Objectives – Summary of Results

The MacDonnell Shire Plan for 2010-2011 had four strategic objectives with associated key goals / strategies. While details of our results are itemised within each delivery section, the highlights and link to the Shire Plan are given here.

Overall it was a year of mixed results – good progress was made in the areas of community life, clean and attractive communities, efficient waste management, skill and capacity building in the communities and governance within the Council and Local Board structures.

During the year the senior management ranks had 100% turnover and had no incumbent in some key roles for a large portion of the year. This meant that some of the planned objectives and goals did not receive the focus needed to significantly progress those items during 2010-2011. These have been included in the 2011-2012 planning where appropriate and include programs, policies, carbon consumption and, in particular, financial reporting and forums.

2010-2011 OBJECTIVE #1: ECONOMIC DEVELOPMENT
- enhanced employment opportunities in remote communities
- skilled and experienced local people building community capacity
- productive partnerships with all stakeholders

KEY STRATEGIES
- ➢ Develop and implement a traineeship program for appropriate positions
- ➢ Lobby the Commonwealth and Territory Governments for long term funding to facilitate real skills acquisition and vocational empowerment
- ➢ Develop a long term roadmap for transferring community based local government jobs to trained and experienced community members
- ➢ Actively participate in forums and networking groups to promote the economic interests of Shire residents
- ➢ Engage with the non-government commercial operators in the region

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The results of objective (1) Economic Development include a strong focus on increasing jobs in the communities with a decline in employee turnover of 10% year on year and a 2% positive growth in employee numbers.

Council moved to a process where all jobs for a community were advertised in that community to provide a stronger opportunity for qualified local residents to apply and be considered on merit. During this financial year; and as a result of seeking and winning funding from both the Commonwealth and Territory Governments; we commenced accredited training up to certificate III level in construction, aged care, child care, community safety and youth services. Literacy and numeracy training was completed in four communities and training was also provided in the areas of first aid, workplace safety, plant and equipment, and basic computer skills.

While some progress was made through incorporating career development into the employee development process, the steps of developing and implementing a traineeship program and determining a long term roadmap for transferring for transferring community based local government jobs to trained and experienced community members did not come to fruition during the year – these have been integrated into the objectives for 2011-2012 with a strong focus on overall job creation and expanding the Shire's income from government and other contracts.

Due to the fluctuating staff in senior positions, active participation in forums and networking to promote the broader economic interests of Shire residents was not as strong as desired. This remains as a focus item for 2011-2012.

Over 2010-2011 the Shire commenced contracts with Northern Territory Housing and started increasing the work done under these contracts, where possible, by the local works team. The Shire also engaged with non-government commercial operators to assist in fulfilling these contracts, with a focus on sub-contractors providing indigenous employment.

2010-2011 OBJECTIVE #2: ENVIRONMENT
- Clean and attractive communities
- Efficient waste management
- Effective use of energy and water resources

KEY STRATEGIES
➢ Increase vegetation for shade and improved visual amenity
➢ Reduce dust pollution in the communities
➢ Ensure sufficient waste disposal capacity is provided to each community
➢ Seek ways to reduce waste
➢ Work collaboratively with other organisations to reduce the Shire consumption of fossil fuels and increase the adoption of renewable technologies
➢ Work collaboratively with other organisations to exploit opportunities for waste water recycling and usage

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Major progress was made during the year in upgrading facilities with fences, shade structures and grassed areas, significantly improving shade and reducing dust pollution.

Waste management was also improved across the Shire with personnel now correctly separating white goods, batteries, tyres, steel and other recyclable waste. All sites have a functioning plant for the collection of domestic waste and the roll out of steel stands for green bins has been effective in reducing spillage and therefore litter.

MacDonnell Shire has worked with other organisations (e.g. shops, contractors and schools) to separate cardboard and dispose of recyclable waste separately through the waste management plan which is being rolled out. The Shire has also worked with NT Housing to reduce water consumption through a cyclic maintenance program to identify any issues and leaks.

Progress on our carbon footprint has been limited due to the overall national debate around the scheme to be implemented; now that this is known, further progress will be made in 2012.

Collaboration with other government agencies was strong, with the introduction of a number of commercial contracts which the Shire operates on behalf of both the Federal and Territory Government. The MacDonnell operated essential services on behalf of Power and Water at 13 locations across the Shire, with the Essential Services Officer role being community based. The Shire also operates tenancy and repairs and maintenance services for the Northern Territory Government with major highlights including the upgrade of four community septic tanks and the addition of new kitchens into houses at Titjikala and Areyonga. These upgrades contribute not only to water conservation but also the health of residents.

2010-2011 OBJECTIVE #3: COMMUNITY LIFE
- Remote community access to public services
- A safe community
- Family well-being is promoted
- Youth development
- Indigenous culture and heritage is supported

KEY STRATEGIES
- Work collaboratively with other government agencies to deliver services in our communities
- Maintain a safe environment
- Improve personal security and protect property
- Deliver agency services to children and their families
- Deliver agency services to the elderly and the disabled
- Delivery agency services for child safety and substance abuse diversion programs
- Encourage active participation in sports and exercise
- Operate with cultural sensitivity in the delivery of local government services

MacDonnell Shire Council delivers a number of human services across the Shire on behalf of various Commonwealth and Territory Government agencies.

Community Safety, or Night Patrol, has been very successful with the expansion of the program to allow for improved quality and increased levels of support. Night Patrol commenced the development of local memorandum of understandings (MOUs) with the local police and night patrol teams which has enhanced a positive and respectful working relationship between these two groups.

Aged Care has had a challenging year with focus on how to improve services for the frail elderly and people with disabilities. Upgrades to infrastructure were completed in Ntaria, Warumpi and Kaltukatjara. Also an animated DVD has been developed in seven of the local languages providing visual examples of what Aged Care services can offer. Housing for all aged care clients was assessed against national standards which will assist in advocacy for additional works needed and to allow the Shire to improve our services.

The Shire operates nine Children's services at Utju, Kaltukatjara, Apatula, Ntaria, Walungurru, Watiyawanu, Warumpi and Titjikala. The focus for this year was to encourage all family members to participate which has been well received in the communities.

Youth services, including sport and recreation, operated in nine communities and the community participation in programs was extremely high. Programs operate six days a week with after school and evening programs making up the core. Weekend bush trips, art and craft, sports and recreation, cooking and other life skills activities are also offered.

An ongoing focus into 2012 will be to develop and implement new substance abuse diversion programs.

A strong focus this year has been on enhancing local indigenous staff skills with numerous courses (Certificate I, II, and II) being run in multiple communities.

2010-2011 OBJECTIVE #4: ORGANISATION AND MANAGEMENT
- Representative Council and Local Boards
- A high standard of professional management and administration
- Responsible management of financial resources
- A professional and motivated workforce in a supportive environment
- Responsible management of Council assets
- Effective use of business systems and technology

KEY STRATEGIES
- Provide structured governance training to Councillors and Local Board members
- Work collaboratively with other stakeholders to review governance and electoral arrangements for the Shire
- Produce and disseminate culturally appropriate communications media to inform and educate residents about the role and function of the Shire and how to access representation
- Uphold operating policies and governance practices in compliance with regulations and consistent with best practice
- Provide structured training programs to all management staff
- Implement formal and inclusive financial planning processes
- Use appropriate technology to produce regular, relevant, timely financial reports and analysis
- Enforce appropriate internal controls supported by documented delegations, procedures and user training
- Develop and implement policies, practices and processes to promote a supportive workplace culture
- Using appropriate forums, media and technologies, communicate regularly with all employees
- Develop a detailed profile of the operating costs of all Shire owned and/or operated buildings and facilities
- Implement a comprehensive fleet management program

Governance training was expanded in 2010-2011 to include Local Boards. Overall 12 communities and a total of 89 participants took part in the workshops rating the overall satisfaction very highly (excellent 60%, very good 31%). A comprehensive assessment of governance and electoral arrangements was undertaken – this is published on our website www.macdonnell.nt.gov.au under publications. The Shire also produced and sent out two key communications posters outlining to residents what the Shire does and how to log issues with housing repairs and / or maintenance required. Both posters were visual and widely shared with community members including being posted on community notice boards.

Perhaps the area for most improvement across the Shire is in the area of operating policies, planning processes, financial reporting and forums and processes as a whole. This was the area hit hardest by the loss of senior staff, turnover and vacant positions during the year. Some issues emerged during the year which resulted in an investigation by the Department of Local Government. While the report is being finalised, it was agreed a stronger focus was required on processes and stricter adherence to the detail of procedural controls. Most improvements were developed immediately, for example upgrading the procurement policy and implementing stronger financial reporting. Policy review and implementation is a focus and key performance indicator for 2012 across all departments within the Shire.

Another casualty of this senior staff turnover was that communications to employees were not consistent and to the desired level. This has now been addressed with the introduction of a monthly newsletter and increased face to face and email communications from senior staff. Employee morale and further improving staff communications remains an ongoing priority.

The Shire had a good focus on training programs, providing Certificate IVs across procurement, asset management and project management. Operating costs for Shire owned and/or operated buildings were reviewed and a comprehensive audit of assets was undertaken. The asset register was then updated to reflect a more accurate position.

A major highlight was the implementation of a fleet management plan. The Council's fleet was converted to cheaper but effective vehicles better suited to the service delivery needs of the Council. The developed fleet management plan allows for the replacement of key assets every 3 to 5 years and ensures a modern, well maintained fleet.

Sand Dune in Spring - MacDonnell Shire

Core Service Delivery

Public Parks and Open Spaces

This year has seen major progress made in community parks, public spaces and sports grounds. Our work teams have been busy upgrading facilities with new fences, shade structures, grassed areas and playgrounds. Work has also involved the provision of lighting, carrying out safety audits on playground equipment, and ensuring grass is kept short to minimise fire risk.

Civil Works crews commit approximately two days per week for maintenance of parks and public spaces using tractors, utes and minor equipment in the course of their duties.

Roads & Traffic Management

The Council is responsible for over 1,700 kms of local roads within the Shire. This includes roads within remote communities and roads connecting those communities to major highways, with one another and with outstations. The following table sets out the types of roads and the lengths of roads associated with each SDC within the Shire:

Local Roads by Service Delivery Centre (SDC) - Length in Kilometres

Service Delivery Centre (SDC)	Sealed	Gravel	Formed	Flat Blade Track	Total KMs
Amoonguna	3.5	-	3.2	-	6.7
Aputula / Finke	2.5	-	31.9	32.1	66.5
Utju / Areyonga	1.3	21.6	-	58.0	80.9
Ikuntji / Haasts Bluff	1.9	14.0	8.0	97.0	120.9
Imanpa	2.3	7.7	3.3	6.5	19.8
Kaltukatjara / Docker River	4.8	-	-	337.0	341.8
Ltyentye Apurte / Santa Teresa	9.0	23.4	10.0	75.1	117.5
Ntaria / Hermannsburg	3.1	0.8	69.0	232.5	305.4
Warumpi / Papunya	4.6	-	-	180.7	185.3
Tapatjatjaka / Titjikala	2.8	1.4	-	50.7	54.9
Wallace Rockhole	2.4	18.5	-	1.8	22.7
Walungurru / Kintore	5.9	-	124.0	178.5	308.4
Watiyawanu / Mount Liebig	3.0	-	8.5	67.4	78.9
Total Kilometres	**47.1**	**87.4**	**257.9**	**1,317.3**	**1,709.7**

During 2010/2011, road safety issues remained a priority. Traffic calming was concluded in four communities. The Works included speed humps, improved signage, safety markers, line marking and imposed speed limits. Bollards were placed along side the speed humps to prevent vehicles tracking around them. Road safety signs were installed across the shire communities. The Ntaria School drop off was improved with a new sealed bus parking lane and a new one way system to improve safety and traffic flow. As part of our updating work street name signs were delivered to 10 communities and are being erected in the new financial year. This should bring a number of benefits including 'greater sense of belonging for residents', easier identification of localities by emergency services, government agencies and visitors, and Street lights were maintained in all communities

Major road upgrade and infrastructure work included:

- Wallace Rockhole access road upgrade where 16.5 kms of road was upgraded including addition of a new 50 metre sealed floodway and Haasts Bluff access road upgrade where 14 kms of road upgrading included 4 kms of 500 mm road lift.
- Walkabout Bore Erosion Control: Construction of new levee bank and reinforcing of existing banks to divert creek flow and prevent erosion damage around the outstation. All access roads received some maintenance treatments which included either maintenance grades or patrol grades.

The Ntaria civil works team upgraded Tjuwanpa outstation roads.

The Council spent over $1,477,000 on road works during the financial year. This included approximately $300,000 carried over from the previous financial year. A road asset management plan was adopted which introduces a more formal criteria for triggering maintenance and upgrade works. This is working successfully.

Flooded Roads at Aputula

Ikuntji Road Entrance Upgrade

Cemetery Management

The Shires Civil Works crews are responsible for the maintenance of cemetery grounds. Most cemetery maintenance involves clearing grass and weeds and repairing fences. During 2010/2011, regular clean-up work continued but there was also a major emphasis to upgrade cemeteries with big clean ups lasting a couple of days each.

The Shire also contributes regularly to assisting families dig graves using Shire plant. This has been a free service to community members as we appreciate how difficult it is for many family members to source this help from elsewhere. Several Service Delivery Centres have commenced keeping burial registers so family members can keep track of where loved ones are buried as head stones are not always used. It is expected all Service Delivery Centres will be maintaining an up to date burial register by next financial year.

Building Assets

MacDonnell Shire Council is responsible for maintaining and insuring all of our buildings and facilities. We currently have approximately 174 buildings on our list which is 34 less than the 2009-2011 period. As there is no certainty about continuing tenure past the end of the five year lease period (August 2012) MacDonnell Shire Council has to be prudent with expenditure on Repairs & Maintenance.

Through grant funded agreements MacDonnell Shire Council has been able to deliver much needed upgrades to Papunya and Hermannsburg aged care during 2010-2011. We have also been able to upgrade Docker River, Santa Teresa and Hermannsburg Shire Delivery Centres.

Waste management

The Council has continued to make real headway in improving waste management standards across 13 sites. It built on the audit work from the previous financial year which showed that nearly all sites were appropriately fenced, with personnel correctly separating white goods, batteries, tyres, steel and other prescribed and recyclable waste out of the land fill trenches. All sites have functioning plant for the collection of domestic waste, and back up equipment was supplied where there were any plant failures.

The roll out of steel stands for green bins has been an effective means of reducing spillage and therefore the littering of communities by household rubbish. Each community has at least two domestic waste collections per week, some have three.

Council has reviewed how it can improve services further with the development of a formal management plan setting standards for all MacDonnell Shire waste facilities. This will also include waste collection practices, Occupational Health and Safety and revenue generating initiatives.

An effective waste management training program will be carried out in the new financial year with shire employees across our communities. This will mean greater efficiencies and commitment in improving waste management standards.

On average each Service Delivery Centre is supplied a vehicle and trailer or compactor for waste collection and a minimum of two staff spend on average 1.5 days per week collecting waste and managing the waste facility.

New Waste Management Facilities

Recycling White Goods

Animal Welfare - Dogs

Animal welfare continued with the shire contributing $157,000 for veterinarian visits during the year. This equated to 75 days of vets on site in MacDonnell Shire. Vet treatments include medications, sterilisations, and euthanasia. There has been progress in all communities by this active approach to dog management involving health and population control. Communities and the veterinary practitioners have noticed a decline in dog related problems including noise, the number of sick and diseased dogs, dog numbers, and puppy litters.

A valuable part of the program now involves an educational element on companion animals. The house calls to each house include talks about animal health issues. The vets also speak to groups including families, women and men, communities and schools. The main emphasis in the past 12 months is schools based using the Australian Veterinary Associations Pet Pep Program, specially adapted for Indigenous children. During the year many presentations have been made to Aboriginal school children across our communities.

Fire Hazard Reduction

MacDonnell Shire Council made a major and enduring effort to reduce fire danger in all communities in 2010/2011 which continues into the new financial year. The exceptional rainfall in Central Australia during the previous 18 months and consequent fuel loads flagged a serious potential problem. A fire hazard reduction program was initiated involving the cutting of fire breaks from March and controlled burning from May once the immediate fire danger was reduced with cooler weather. This work around and within the communities has been carried out with planning and vigour.

Fire audits will be carried out in the early part of the next financial year and also professional training in fire management. Fire hazard is one of the big issues likely to impact on our resources and energy in 2011/2012.

Training in Fire Management

Library Service

Our only community based library at Santa Teresa was open part time, four days per week and operated on a NT Library Grant of $34,450 from the Department of Natural Resources, Environment, Arts and Sport. The Library Officer worked 19 hours per week

Technical Services

MacDonnell Shire operates a number of Commercial Contracts on behalf of both Federal and Territory Governments:

Essential Services

MacDonnell Shire Council operates essential services on behalf of Power and Water at 13 locations across the Shire. The role of the Essential Services Operator within any community is a position of real responsibility. The Essential Services Operator is required to have skills, knowledge and experience in power, water and sewage. Both Power and Water Corporation, and MacDonnell Shire have a strong and long term commitment to develop local community members for the role of Essential Services Operator. Currently there are 5 Indigenous Essential Services Operators across 13 roles.

Territory Housing repairs and maintenance

In 2010-2011 the grant funded model was changed to a Service Level Agreement. The Service Level Agreement is a commercial arrangement which means MacDonnell Shire Council is paid on each invoice once the work is completed. When a plumber invoices MacDonnell Shire Council, it is submitted to Territory Housing for payment. There have been problems associated with late payment but we are gradually seeing improvement in this area. The Service Level Agreement also entails a work order being issued by Territory Housing for all work before commencement of work. MacDonnell Shire Council has now submitted many thousands of work order requests in order to comply with the Service Level Agreement. The design of the housing maintenance program is now with Territory Housing but they have continued to support our cyclic maintenance mode of delivery.

The reporting process for housing maintenance for both Territory Housing and MacDonnell Shire Council buildings and facilities has been completely standardised. There is now a simplified Maintenance Request (MR) form which is available at all Service Delivery Centres and our Community Housing Officers are able to complete this form with whoever is requesting maintenance. Once completed the form is faxed to the Alice Springs office where the details are entered into our 'Maintenance Tracker Database', from there it is sent to Territory Housing for a work order. Once the work order is raised, we can issue to our local team or the relevant contractor for action.

We have had major ongoing septic tank problems at Titjikala, Haasts Bluff, Mount Liebig and Wallace Rockhole. Our local teams constantly had to pump and dispose of septic tank effluent mainly due to failing leach drains. After much lobbying from MacDonnell Shire Council, Territory Housing agreed to repair septic tanks in four of our communities. We engaged a specialist consultant to survey work required. Since receiving work orders we have had plumbers working on replacing septic tanks and leach drains as well as associated drainage work. This will lead to reliable sanitation in the future for the residents in these communities with far less maintenance required.

Another improvement has been some new kitchens in 'non SIHIP' houses at Titjikala and Areyonga. This has been approved by Territory Housing and scoped by MacDonnell Shire Council staff. The kitchens are a stainless steel flat pack style with locally made vermin resistant pantries, shelving and cutlery basket storage.

Strategic Indigenous Housing Infrastructure Program (SIHIP)

The SIHIP program has now finished housing refurbishments to most houses in the MacDonnell Shire. There is still a new housing program to be undertaken at Hermannsburg, which will start sometime in 2012 and will result in 26 new houses.

Territory Housing Tenancy Services

MacDonnell Shire Council continue to deliver Tenancy services and support to Territory Housing residents throughout the Shire. As with Property services the Tenancy program has now moved form a grant funded arrangement to Service Level Agreement (Service Level Agreement)

MacDonnell Shire Council is funded under the Service Level Agreement to provide a front desk service for tenants to report housing issues at all locations.

MacDonnell Shire Council employs Community Housing Officers under the Service Level Agreement , these employees are the link for tenants to access tenancy services. Most of the Community Housing Officers are local people who have in depth knowledge of the tenants in their communities as well as the added advantage of communicating in the regional language. One of the key functions of this role is assisting tenants to report maintenance via the 'MR' system ensuring that issues are attended to within the relevant time frames under the property Service Level Agreement.

During the year Territory Housing provided a training workshop for the Community Housing Officers to attend in Alice Springs. This training was the first of its kind in the NT with a lot of work put into the planning by both MacDonnell Shire Council and Territory Housing staff. The workshop will now form the basis of Community Housing Officers training throughout the NT. It was the first opportunity for the MacDonnell Shire Council Housing officers to get together and compare experiences as well as participate in the workshop that was very informative.

Swimming Pools

Three swimming pools exist within MacDonnell Shire's communities. These are Walungurru, Ltyentye Apurte and Utju. These three pools traditionally open between the months of October and April each year. In January 2011 serious structural issues arose at Ltyentye Apurte causing its closure. Engineering reports reaffirmed these structural issues and insurance claims were declined due to the age of the pool being beyond the natural life of a pool. Shire officers have submitted several funding applications to repair the pool and are awaiting the outcome of these applications. During this period of closure of the swimming pool the Santa Teresa Health Clinic has reported statistically significant rises in skin and eye infections within the community.

Kintore and Areyonga swimming pools operated at capacity, with Kintore having a full time pool supervisor for the season. Areyonga pool was managed and operated via a collaborative arrangement between youth development and works staff in community.

MacDonnell Shire staff continue their efforts to source funding to operate these swimming pools. However the lack of avenues for operational funding for remote swimming pools is systemic in the Northern Territory. As is the case every year, the estimated cost of running a swimming pool in a remote community for 6 months is between $180,000 and $300,000 depending on staffing requirements. Collaborative projects occurred with the Northern Territory Royal Life Saving Society to train employees in first aid, bronze medallion and swimming pool lifeguard qualifications. In addition support was received by Swimming NT and Swimming Australia to run learn-to-swim classes and carnivals. This support is ongoing.

Postal Agency

MacDonnell Shire delivers postal services on behalf of Australia Post at 12 Service Delivery Centres. Mail is transported by air and road. Shire representatives take possession of the mail and it is taken to the Shire delivery Centre for sorting. In some communities mail boxes have been supplied to individual houses and mail is delivered directly to the household. In the remainder, mail is held at the Service Delivery Centre Office until community members collect it.

Fleet Management

The 2010/11 year has seen the MacDonnell Fleet Management Plan implemented and operational. This phased Plan will see all Utes and Trucks replaced every 3 years, Tractors and Skidsteers every 5 years and Backhoes every 7 years. By adopting this planned approach to Fleet Management, MacDonnell Shire Council will gain significant benefit from supplier warranties and maximise residual dollar return at auction. Having a modern, well maintained Fleet will ensure that MacDonnell Shire Council will have the equipment to deliver its Core Shire and Agency Services.

During the year, 29 new Dual Cab Utes, 6 Hino 300 Trucks, 2 Hino 500 Trucks, 5 CAT Skidsteers and 2 John Deere 315 SJ Backhoes have been added to the Fleet, replacing a number of different makes and models that were old and unreliable. By standardising the Fleet, MacDonnell Shire Council will deliver considerable cost savings by purchasing spare parts in bulk.

After some time delays in fitting out trucks and recruitment, the Fleet Mechanics became operational and have made a significant contribution to the upkeep of the Fleet. Upgrades to the Fleet workshop have been completed, ensuring it meets both operational and OH&S requirements. With the Workshop Co-ordinator and two mobile mechanics in place, all servicing and repairs are now completed in-house, with the exception of specialist services such as hydraulics. All SDC's are visited quarterly and all vehicles/plant are inspected and serviced onsite. This has significantly reduced downtime and the necessity for staff to transport vehicles to Alice Springs. Final tests are being conducted on the MacDonnell Shire Council Fleet Management software, which has been integrated into the Shire Finance Business System. The Fleet Management program will not only assist with operational management of the fleet, but also facilitate the internal cost allocation charges through the Shires Tech One financial management system. A major focus for the 2011/12 year will be to develop a Heavy Plant Equipment (Graders and Loaders) strategy.

In order to minimise the cost of fleet maintenance while maximising the operating life of assets, the two person mobile mechanic team conducts scheduled service visits to each community. This reduces out-of-service time for vehicles and plant, as well as ensuring that maintenance schedules are adhered to and unplanned breakdowns are reduced.

Delivery of 2 New Back-hoes

Agency Services

The Council delivers a number of human services across the Shire on behalf of various Commonwealth and Territory Government agencies. A summary of which services are provided is set out below:

Human Services in Communities

Shire Service Delivery Centre (SDC)	Community Safety	Youth Development	Aged Care	Child Care	Centrelink	Nutrition	Libraries	Total Services
Amoonguna								3
Aputula / Finke								5
Utju / Areyonga								6
Ikuntji / Haasts Bluff								6
Imanpa								4
Kaltukatjara / Docker River								4
Ltyentye Apurte / Santa Teresa								3
Ntaria / Hermannsburg								4
Warumpi / Papunya								5
Tapatjatjaka / Titjikala								6
Wallace Rockhole								1
Walungurru / Kintore								4
Watiyawanu / Mount Liebig								4
Total Location	12	8	8	9	12	5	1	

Community Safety - Night Patrol

The Shire is contracted to deliver Night patrol Services at all of its Service Delivery Centres other than Wallace Rockhole.

Patrol services are funded by the Australian Attorney-General's Department.

The Night Patrol program continues to assist people who are at risk of causing harm or becoming the victim of harm, reducing the cycle of violence and crime in communities. The approach is to minimise harm by providing non-coercive intervention strategies to prevent anti-social and destructive behaviours through the promotion of culturally appropriate processes around conflict resolution in conjunction with contemporary law enforcement measures.

Activities Patrollers may become involved with can include, but is not limited to; relocating those at risk to "safe" environments such as family, the clinic or a designated safe houses, defusing violent situations when it is safe to do so, keeping intoxicated people safe and hopefully out of contact with the criminal justice system and even assisting young people and their families to improve school attendance.

The past year has seen the expansion of the program with the appointment of two new Zone Coordinators- Night Patrol. The three Zone Coordinators – Night Patrol now have the capacity and opportunity to dedicate their time to four (4) community patrol teams, allowing for improved quality and increased levels of support.

Local Memorandum of Understanding (MOU's) have been developed between local police and the Shire Night Patrol Teams, outlining community safety issues of concern and how police and Night Patrol teams will work together to address these problems. Night Patrol teams are currently working on establishing team work plans that will guide and inform their community development and community safety activities outside of their usual patrol duties.

Aged Care

Community Aged Care Resources

Community	TOTAL Funding (HACC, CACP, Flexible, Workforce)	Full Time Equivalent staff	Number of Staff (including casual/ part time /contract)	Number of staff who are Indigenous	Number of Clients (HACC/CACP Flexible)
Utju / Areyonga	$138,974	2.5	4	4	21
Kaltukatjara / Docker River	$1,020,871	7	9	5	25
Aputula / Finke	$141,185	3	5	5	15
Ikuntji / Haasts Bluff	$179,712	2	4	3	11
Ntaria / Hermannsburg	$257,881	3.5	6	5	17
Amoonguna	$169,942	2	3	3	10
Imanpa	$140,566	2	3	3	14
Warumpi / Papunya	$294,931	3	4	3	21
Tapatjatjaka / Titjikala	$205,131	3	5	4	14
TOTAL	$2,548,743	28.5	43	35	148

The Aged Care services of Macdonnell Shire provide community based supports services for the frail elderly and people with disabilities.

Team Leader positions are currently held by local Aboriginal people in five services. The Shire is committed to supporting these Team Leaders in their positions, and developing the skills of Support Workers to become Team Leaders. We currently have five Service Development Officers to assist in the professional development of local staff, and to develop a more comprehensive service delivery for clients including meal preparation and delivery, laundry, house cleaning, personal care, shopping, transport, advocacy, service coordination, social support, wood collection and a range of other services that aim to promote each persons independent abilities while meeting their needs.

Achievements this year include:

- Upgrades to infrastructure were completed in Ntaria, Warumpi and Kaltukatjara.

- An animated DVD has been developed in seven languages (Western Arrente, Luritja, Pitjantjatjara, Warlpiri, Arrente, Yangkunytjatjara and English) providing visual examples of what Aged Care services can offer.

- Specialist training has been delivered about the use of 'mobility aids' (eg wheelchairs and walkers) for our teams.

- The housing of all of our aged care clients as well as community public facilities have been assessed against national standards for their accessibility. This will help to advocate for works to be done by Territory Housing for things like ramps.

- A process of developing systems that share lessons and support across communities has commenced.

Child Care

The Shire operates nine Children's Services at Utju, Kaltukatjara, Apatula, Ikuntji, N'taria, Walungurru, Watiyawanu, Warumpi and Tapatjatjaka.

Work this year has focused on the development of programs that encourage all family members to participate and spend time with their children. Children are being bathed and fed and supported in their learning through play.

Another focus has been the development of links with other agencies within the community, so that we can provide a more effective service which meets the needs of all families and children.

Child Care Resources

Community	DEEWR funding	Full time equivalent staff	Number of staff (including casual/part time staff)	Number of Indigenous staff	Number of clients
Utju / Areyonga	$237.510	2.5	4	3	7
Kaltukatjara / Docker River	$237.510	2.5	3	2	19
Apatula / Finke	$290.528	2.5	6	5	15
Ikuntji / Haasts Bluff	$223.526	2.0	5	4	25
Ntaria / Hermannsburg	$226.152	2.5	5	4	15
Walungurru / Kintore	$273.475	2.5	5	4	25
Watiyawanu / Mt Liebig	$237.455	2.5	5	4	19
Warumpi / Papunya	$237.510	3.0	5	4	30
Tapatjatjaka / Titjikala	$274.319	3.0	4	3	12
TOTAL	$2,237,985	23	40	33	167

The Shire is working in partnership with Batchelor Institute to deliver training in Certificates I, II, III in Children's Services. At June 2011 there were a total of 14 students enrolled across 4 communities Areyonga, N'taria, Papunya, Apatula Staff in other communities have commenced training but are not currently enrolled. Regular professional development opportunities are held in Alice Springs to enhance the skills and knowledge of the staff.

Spring Time Flowers - MacDonnell Shire

Fun at Kintore

Youth Development, Sport and Recreation

MacDonnell Shire's Youth Development Program operated in 9 communities during this financial year. Funded from 9 major funding providers the program operated in Ltyentye Apurte, Titjikala, Warumpi, Watiyawanu, Walungurru, Ntaria, Ikunji, Utju and Amoonguna.

Due to the diverse parameters of our nine major funding providers, MacDonnell Shire's youth development program employs an integrated approach to youth development and sport and recreation. The three main program focuses are represented below:

Healthy Active

Youth Development

Indigenous Employment

Community participation in the program is extremely high, and typically the program operates six days per week from Tuesday to Sunday. After School and evening programs make up the core program, with weekend bush trips, art and craft, cooking and other life skills activities as well as sport and recreation.

A snapshot of a day in the life of a youth program would typically involve a high level of engagement with other service providers, involve a diversity of community members in a range of participation, from volunteers, parents, relatives and those interested in the program, as well as inviting all people to participate in fundraising activities like healthy meals during discos and film nights.

Much activity goes into planning special events that tend to have a strong impact on skills development in community and attract high community participation. This has sometimes included inter-community events such as cultural days and other developmental activities. It is also an opportunity for staff to develop relationships and work experience outside the context of their own community.

The training and developmental support of local staff, as well as the involvement of family members and other community members also plays a big developmental role in the way they approach parenting and provides a valuable environment to learn skills such as health and hygeine, active participation, fitness, nutrition, computer skills, personal grooming, creative expression and cross cultural awareness.

Community	TOTAL Funding (DEEWR, FAHCSIA, DOHA, NRETAS)	Full Time Equivalent staff	Number of Staff* (including casual & part time) *excluding school holiday contractors	Number of Staff who are Indigenous	Number of Clients
Utju / Areyonga	$307,908.00	3.5	5	4	60
Ltventve Apurte / Santa Teresa	$459,030.00	4.5	12	8	150
Walungurru / Kintore	$502,236.00	4.5	15	11	150
Ikuntji / Haasts Bluff	$260,926.00	2.5	7	5	65
Ntaria / Hermannsburg	$522,348.00	5	10	8	300
Amoonguna	$168,400.00	2.5	10	7	80
Imanpa / Mt Liebig	$230,690.00	2.5	6	5	143
Warumpi / Papunya	$478,334.00	4.5	8	4	100
Tapatiatiaka / Titjikala	$325,540.00	4.5	6	5	93
TOTAL	$3,255,412.00	34	79	57	1141

In February 2011 MacDonnell Shire commenced a collaborative training arrangement with Batchelor Institute to deliver the Certificate 2 in Community Services to all Youth, Sport and Recreation Officers. This project is ongoing and forms a key aspect of our funding parameters with FaHCSIA under the Youth in Communities program.

Centrelink

The Shire provided Centrelink Agent Services under contract from Centrelink, at 12 Service Delivery Sites. The Contract value for the year was $946,000.

Up to twenty part time or full time Indigenous staff were employed across MacDonnell Shire Council to provide these services.

They were supported by other on site Shire staff as well as Centrelink staff who visited communities on a regular basis. Centrelink also provided some formal training to Shire staff in these roles.

A new feature of service delivery has been the increased use of self service technology enabling clients to access their own Centrelink information. This is working successfully with people now able to check out a range of personal information, formerly unavailable to them.

Corporate Services

Governance

The MacDonnell Shire Governance Support Team performs a number of essential functions in support of elected members, local boards and advocacy. The team consisted of a Governance officer and an Indigenous Liaison Officer to support our shared vision.

The team performed the role of the secretariat to the Council, organising nine formal council meetings and 26 Local Boards as well as managing logistics travel and meal allowances for the Councillors.

Governance Training for elected members continued from the 2009/10 year and was well received.

Council Meetings: There were six ordinary Council Meetings during the year. The dates of the meetings and the Councillors who

Councillors	Aug	Oct	Dec	Feb	Apr	June	Total
Sid Anderson	P	P	P	P	P	P	6
Roxanne Kenny	P	P	P	P	P	P	6
Carl Inkamala	A	P	P	P	P	P	5
Mildred Inkamala	A	P	P	P	P	P	5
Lance Abbott	P	P	P	P	P	A	5
Lisa Sharman	P	P	P	P	P	P	6
Joseph Rawson	P	P	P	P	P	P	6
David Doolan	P	A	P	P	P	A	4
Raymond Kiernan	P	P	P	P	P	P	6
Peter Wilson	P	A	P	P	P	P	5
Marlene Abbott	P	A	A	A	P	A	2
Irene Nangala	A	A	P	P	P	P	4
Present	9	8	10	11	12	10	
Apologies	3	4	2	1	0	2	
Leave of Absence	0	0	0	0	0	0	

P = Present   A = Apology   L = Leave of Absence

Special Council Meetings: These are held when extraordinary issues arise between the scheduled regular council meetings.

Councillors	20-Jul 2010	11-Apr 2011	12-May 2011	21-Jul 2011	Total 2010/11
President Sid Anderson	P	P	P	P	4
Deputy Roxanne Kenny	P	P	P	P	4
Carl Inkamala	A	P	P	P	3
Mildred Inkamala	A	P	P	P	3
Lance Abbott	P	P	P	P	4
Lisa Sharman	P	P	P	P	4
Joe Rawson	P	P	P	P	4
David Doolan	P	P	P	P	4
Raymond Kiernan	P	P	P	P	4
Peter Wilson	P	P	P	P	4
Marlene Abbott	A	P	P	P	3
Irene Nangala	P	P	P	A	3
Present	9	12	12	11	
Apologies / Absent	3	0	0	1	
Leave of Absence	0	0	0	0	

Local Board Meetings: These Meetings are scheduled for each community four times a year (1 per quarter.) A board meeting will not take place if there is no quorum. This can be due to community members being engaged on other business (eg Sorry Time, Women's or Men's business.)

Service Delivery Centre	July 2010	Aug 2010	Sept 2010	Oct 2010	Nov 2010	Dec 2010	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	June 2011	Total Meetings
Amoonguna					X			X			X		3
Aputula / Finke										X			1
Utju / Areyonga													0
Ikuntji / Haasts Bluff										X	X		2
Imanpa		X			X				X				3
Katukatjara/Docker River		X							X				2
Ltyentye Apurte/Santa Teresa			X								X		2
Ntaria/Hermannsburg				X								X	2
Warumpi/Papunya				X					X				2
Tapatjatjaka/Titjikala			X		X				X				3
Wallace Rockhole		X											1
Walungurru/Kintore		X		X					X				3
Watiyawanu/Mt Liebig					X				X				2
Total meetings per month	0	4	2	3	4	0	0	1	6	2	3	1	

Financial Management

New methods and perspective as well as consolidating the financial reporting improvements brought about by the remediation process completed in the previous year, was the focus for the financial year.

In 2010/2011 Council administered 108 different grants. In addition, considerable time was spent in finalising the many grants from the predecessor entities that MacDonnell Shire Council inherited when the shire officially commenced on 1 July 2008.

The Council wishes to acknowledge the support and assistance given by the grant funding bodies in resolving and finalising those outstanding grants, which are now complete. Financial reporting is included from page 37.

Human Resources Management, Training & Development

During its third year of operation, the MacDonnell Shire Council employed at year's end, 460 employees. This was an average 2% increase on the preceding year and gave us a second year of positive growth in employee numbers. This increase was achieved despite the Shire withdrawing from Mutitjulu at the end of July and the return of two stores to the community at the end of November. The reduction shown in employee numbers for May was the result of an employee audit conducted to ensure only current casual employees remained active in our system. Figure 1 shows total employee numbers by month for the year.

Total Employee Numbers
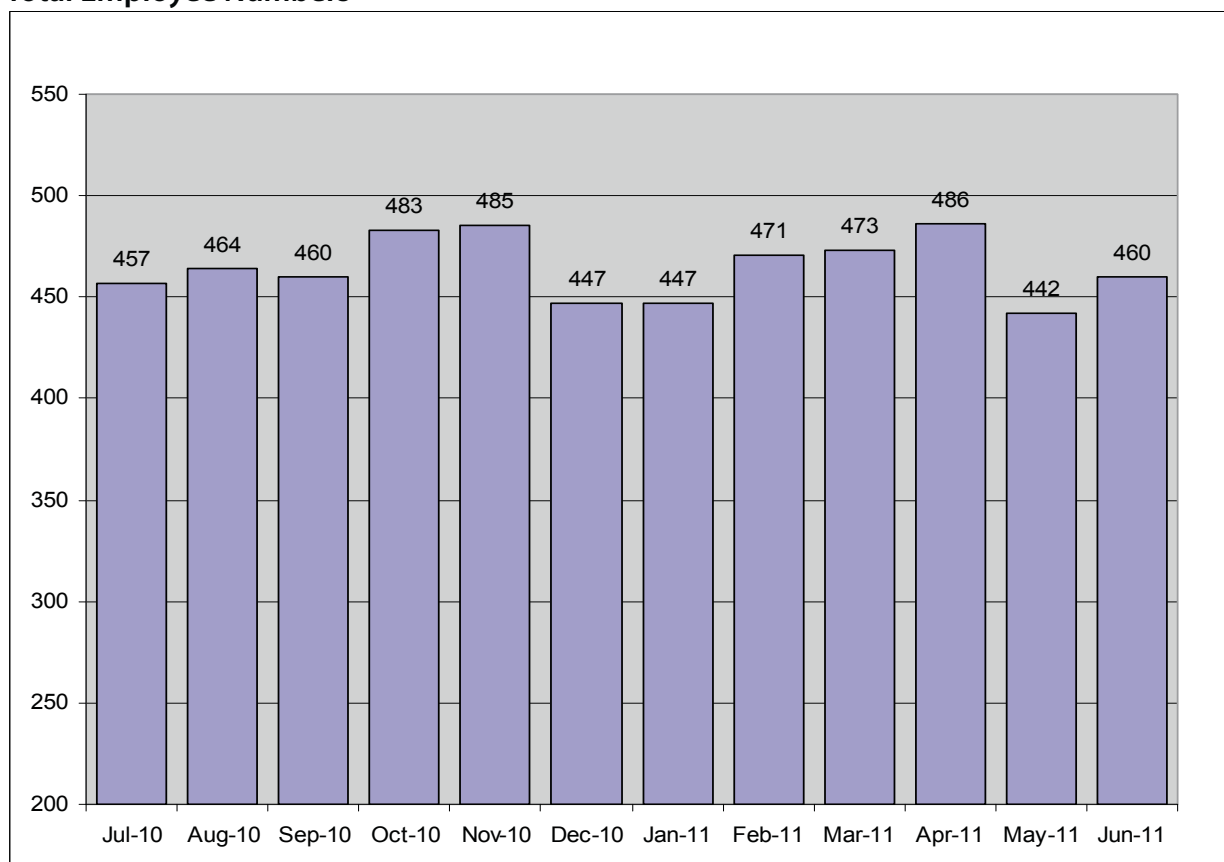
Full time numbers were generally stable across the year, we also saw a slight increase in casual employee numbers and a corresponding decrease in part time numbers, this continues the trend from last year. Employee turnover decreased from the previous year by 10% which is a positive trend.

Indigenous employment: This remained at an average of 77%, consistent with the previous year. In key community positions of Essential Services Officer, Team Leaders and Shire Service Managers / Coordinators, indigenous employment levels were at averages of 56%, 35% and 8% respectively. The Council has committed to advertise these positions in the communities to give an opportunity for suitably qualified community residents to apply and be considered on merit.

Comparative rates for indigenous and non-indigenous employees
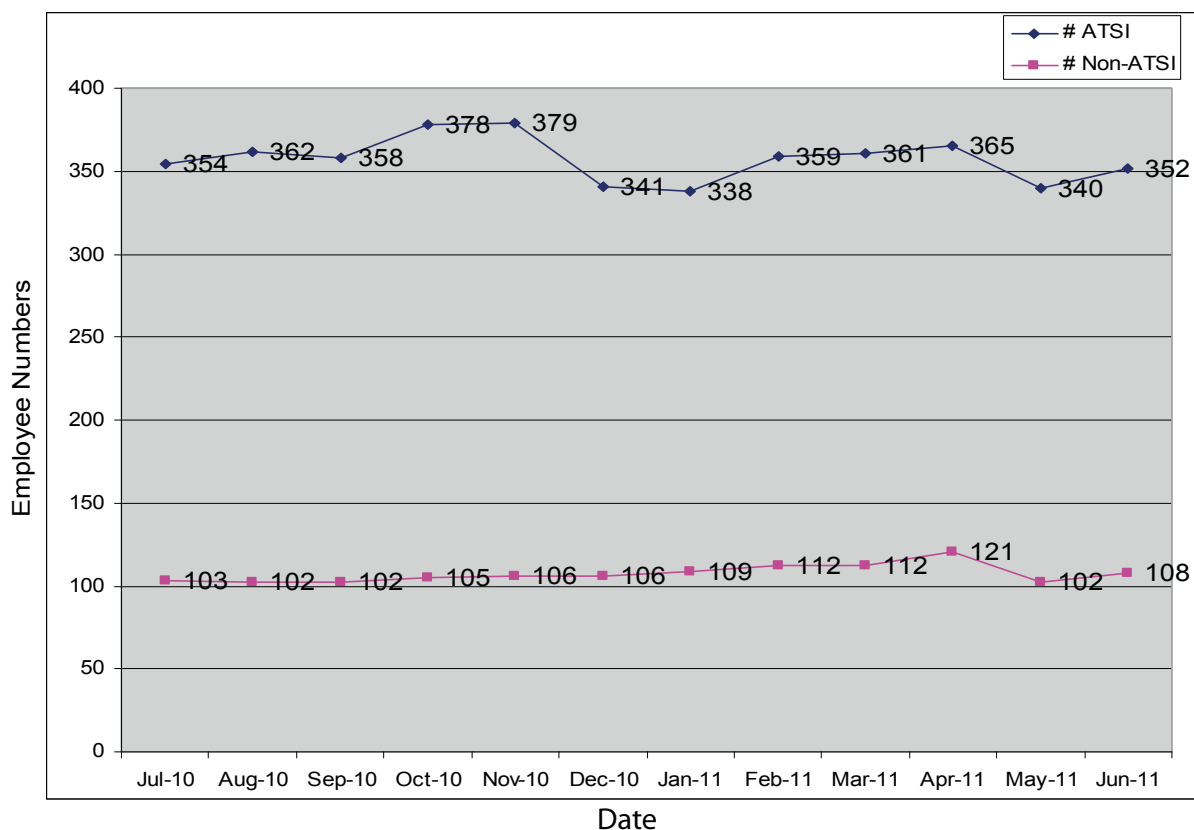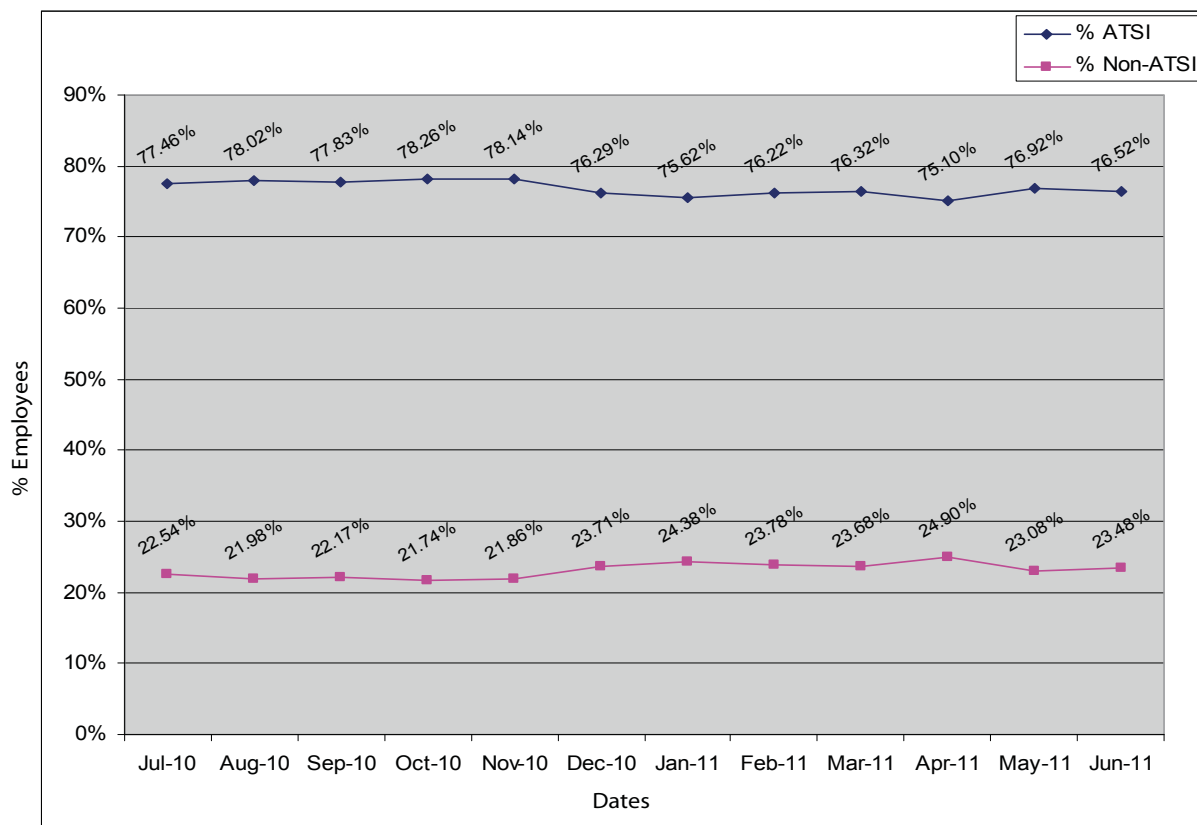
Work Areas: The Council provides services in the communities in a wide range of areas including civil works, night patrol, child care, aged care and youth, sport and recreation programs.

Employee numbers by work work area 30th June 2011

Legend:
- Works
- Agency - Other
- Agency Centrelink
- Aged Care
- Childrens Services
- HR, Governance, Finance, Admin, Service Delivery Centres
- Buildings / Facilities / Housing
- Night Patrol
- Youth, Sport & Recreation
- Commercial
- Fleet
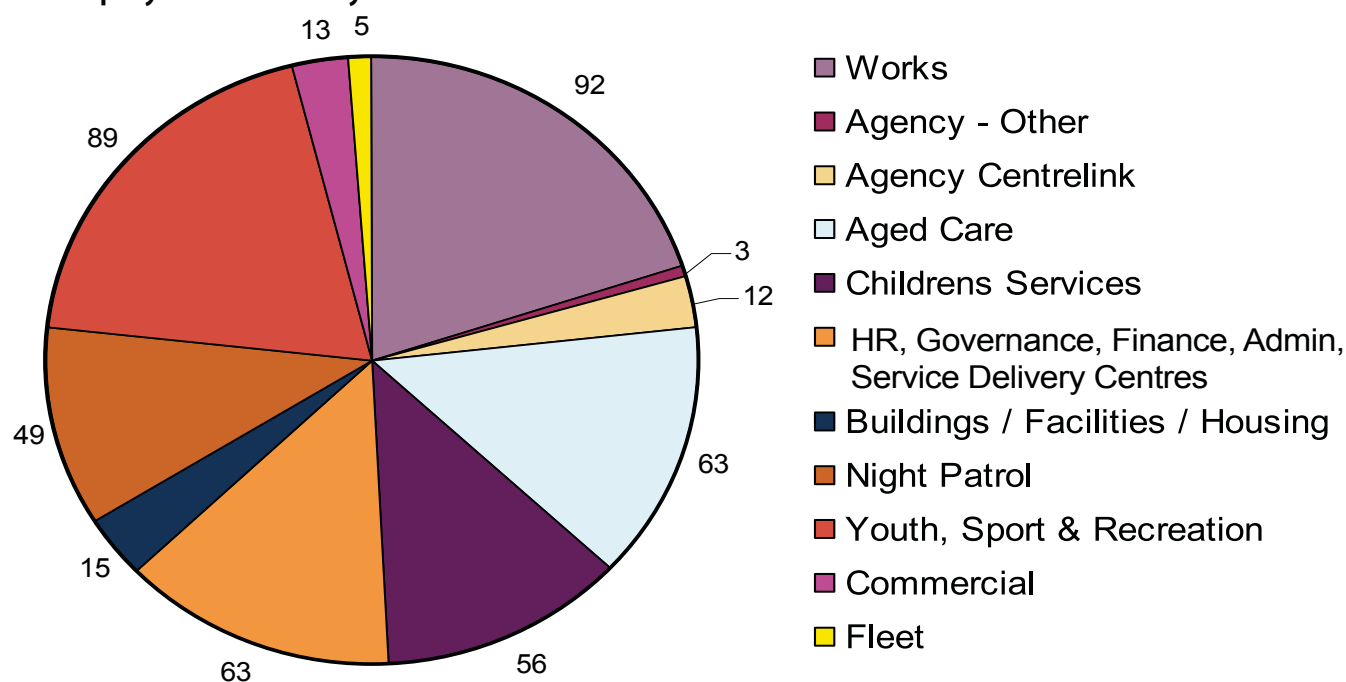
Core services has the highest employment covering core local government services such as waste management, community maintenance, cemeteries and parks. This area saw a decrease in numbers from the corresponding time in the previous year. The number of positions available to provide core services is dependent on continued government support. Increases were seen in the number of employees in aged care and youth, sport and recreation. Vacancy Rates across the Shire averaged just over 5% per month over the year.

Employee Development: During the year the Council focused on employee development to increase the skill levels of all staff. Many staff commenced accredited training up to Certificate III level in Construction, Aged Care, Child Care, Community Safety, and Youth, Sports & Recreation. Numeracy and literacy training was also completed in four communities. The Council is currently in discussions with training providers to include numeracy and literacy training in all training provided. Training was also provided in the areas of First Aid, Workplace Safety, Plant & Equipment and basic computer skills amongst others.

Employee performance assessments were re-developed during the year to enable employees to register their interest for alternate positions. This tool will allow the Council to identify and develop employees for career paths and ensure relevant training and experience is provided for them to successfully apply for these positions in the future.

More than 25 different training programs were offered during the year including the White card for staff to work safely in the construction industry, the 'Ochre card' where people work with children, and Certificate 3 in Community Services for the Night Patrol Teams. Another successful course has been waste management training in communities.

Employee Assistance program: In addition to other benefits, all Council employees are entitled to access EASA Employee Assistance program for confidential counseling services. Trained contact offices are also available within the Council should employees wish to raise any issues relating to their well being in the work place.

Extensive training has been conducted throughout the shire and a skills audit has been conducted to determine future training needs. Training and mentoring programs will continue to be rated as extremely important in 2011-2012.

Information Technology & Communications Services

It was a mixture of consolidation and expansion during the year with real progress in a number of areas.

During the year, CouncilBiz (who provide centralised services to the Shire) and the Council's ITC team of two delivered support services to 350 computer system users at 14 separate locations across the Shire. The Council managed 121 registered desktop and notebook computers, 300 phone lines, 45 mobile phones and 34 satellite phones.

Mobile phone coverage remains limited to three of our communities only, Hermannsburg, Santa Teresa and Amoonguna. A growing concern is that the 76% of residents living in other communities have no coverage.

The following improvements in the Council's technical infrastructure took place during 2010/11:

- The roll out of satellite internet services for employees at communities with the assistance of the Australian Government Broadband grants

- Improving satellite speeds with the CouncilBiz ShiresNet Project leading to estimated delays dropping from 45 minutes to around two minutes

- Scoping exercises to plan for improved services at communities by replacing landlines and antiquated phone systems and to upgrade computer connectivity. It is possible to make significant gains in these areas.

Sand Dune on The Road to Aputula

Asset Management & Risk Management

During the year Council undertook a comprehensive audit of its assets. This process highlighted a major risk around asset management.

The following summarises our current position:

- Apart from the Alice Springs headquarters, Council does not own any freehold or leasehold real estate.

- The real estate within the communities in the Shire is subject to a five year statutory lease held by FaHCSIA as part of the NTER.

- Tenure of the buildings and facilities occupied by Council is based on an "administrative authority" granted by FaHCSIA upon the inception of the Council in July 2008.

- Council has an obligation under the Administrative authority to insure and maintain these buildings and facilities at its own expense.

- There is no certainty that Council will have tenure of these buildings and facilities when the statutory five year leases expire in 2012.

By using assets flexibly across all service delivery locations, items surplus to requirements were sold at public auction. This means a more rational use of resources and highlights an important benefit of the local government reform process. The Council's fleet is now totally converted to cheaper but effective vehicles better suited to the service delivery needs of the Council.

MacDonnell Ranges

Financial Statements

MacDonnell Shire Council Sources of Income for 2010/2011

Reimbursements & Other Income, $515,918, 2%

Investment Income, $606,282, 2%

Rates & Waste Management Charges, $493,167, 1%

Fee for Service Territory Housing Contracts $3,652,785, 10%

Service Fees $4,602,690, 13%

Commercial Operations $2,215,883, 6%

Grants & Subsidies, $23,196,515, 66%
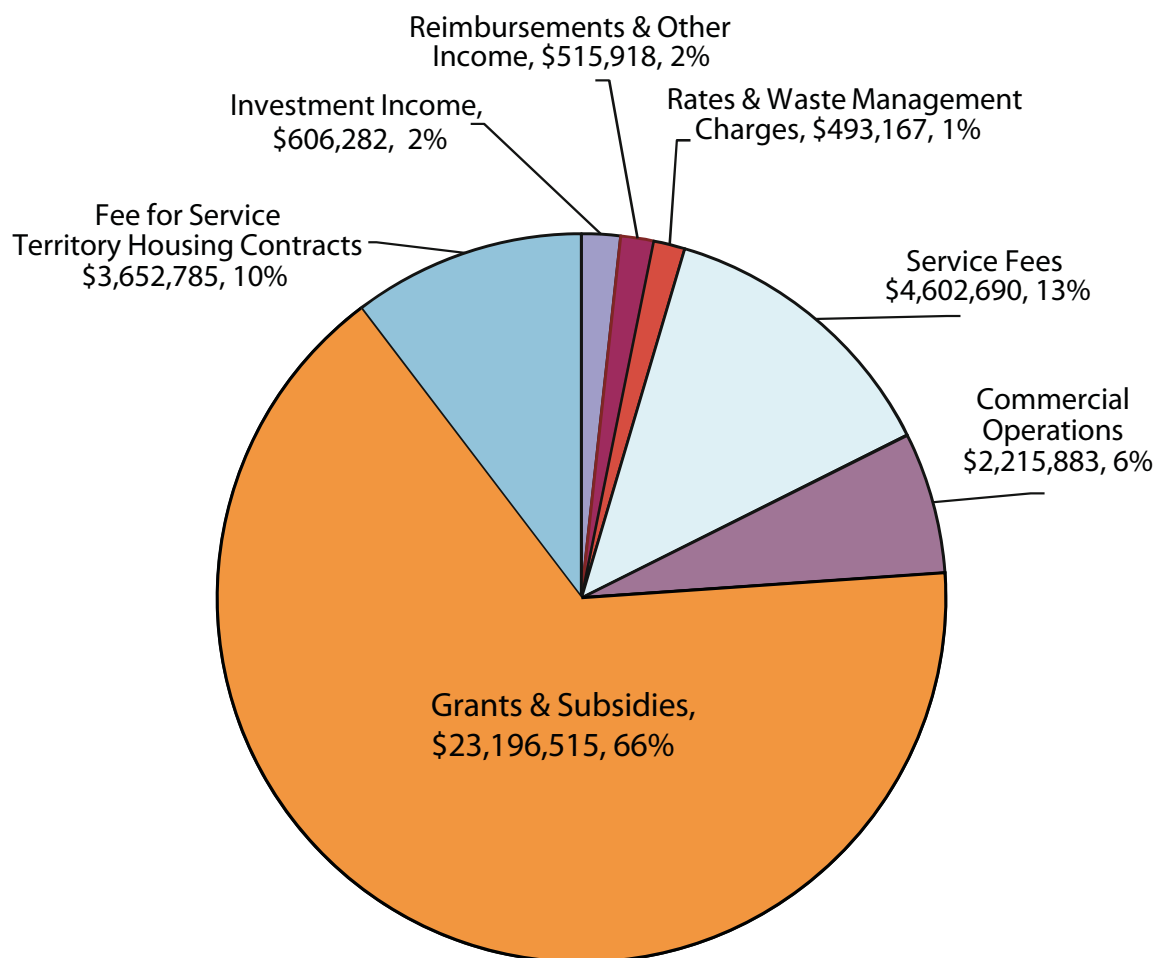
MacDonnell Shire Council Operating Expenditure for 2010/2011

Materials & Consumables, $5,973,518, 17%

Contract Labour, $2,134,017, 6%

Insurance Premiums, $897,711, 3%

Telephone & Internet, $626,349, 2%

Utilities, $799,386, 2%

Petrol & Diesel, $558,817, 2%

Freight, $175,268, 0%

Computer Services, $785,903, 2%

Employee Costs, $17,214,511, 50%

Other Operating Costs, $5,558,821, 16%
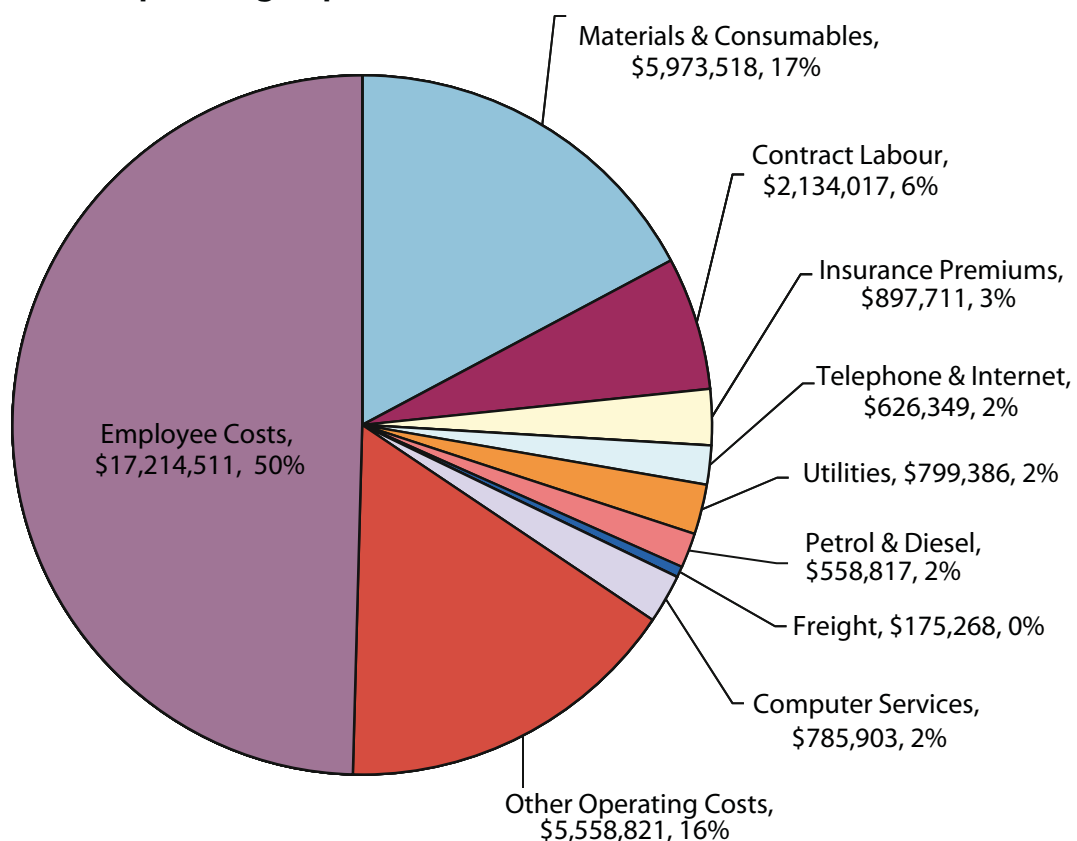
MacDonnell Shire Council Key Performance Indicators

Corporate & Financial Performance Indicators

Average Rates and Charges per Assesment

$$\frac{\text{Total rates \& charges revenue}}{\text{Number of rateable properties}}$$

2008/2009	2009/2010	2010/2011
$727.50	$750.99	$765.17

Average Rates & Charges per Assessment
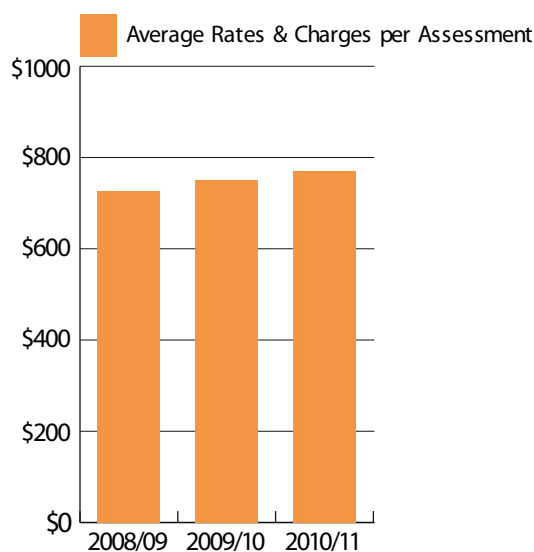
Outstanding Rates, Charges & Fees

$$\frac{\text{Outstanding Rates, Charges \& Fees x 100}}{\text{Annual Revenue from rates, charges \& fees}}$$

2008/2009	2009/2010	2010/2011
3.5%	5.8%	5.6%

Outstanding Rates, Charges & Fees
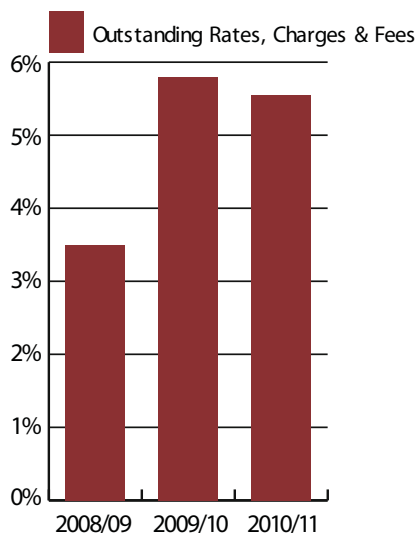
Total Operational Expenditure per Shire Resident

Total expenses from ordinary activities before capital expenditure
_____

Estimated resident population within council boundaries

2008/2009	2009/2010	2010/2011
$5,412	$5,782	$5,385

■ Total Operational Expenditure per Shire Resident
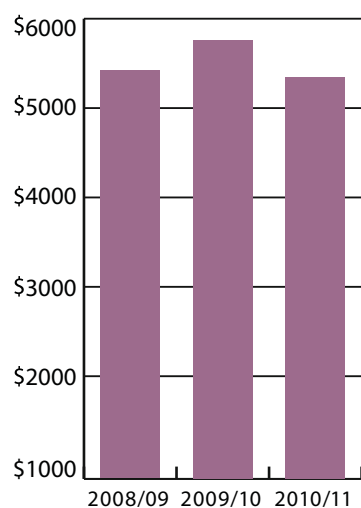
Rates and Charges as a % of Total Revenue

2008/2009	2009/2010	2010/2011
1.4%	1.5%	1.4%

■ Rates & Charges as a % of Total Revenue
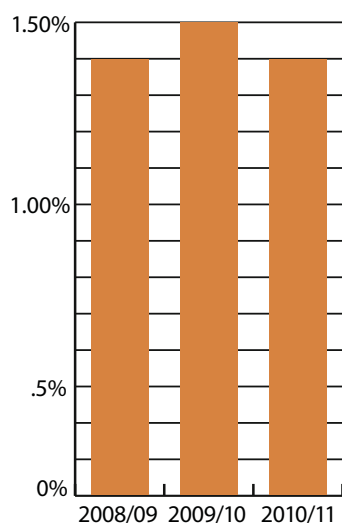
Dependency upon Government - Grants and Subsidies Income as a % of Total Revenue

2008/2009	2009/2010	2010/2011
77.11%	77.09%	66%

Dependency upon Government Grants & Government Contract Income as a % of Total Revenue
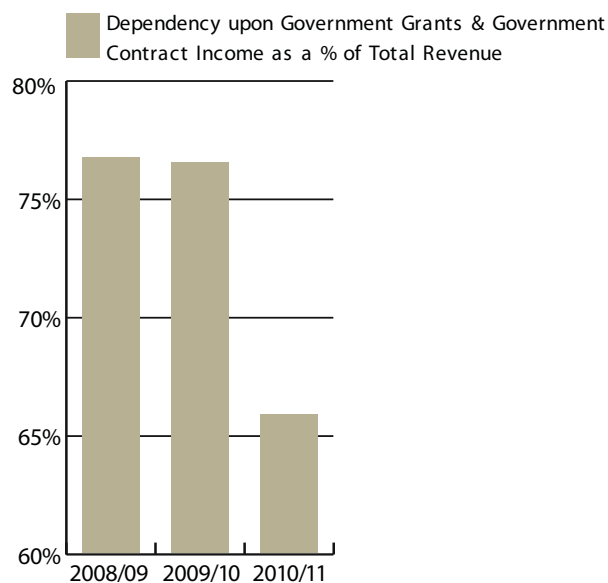
Shire Engagement Expenditure per Shire Resident

2008/2009	2009/2010	2010/2011
$145	$158	$165

Shire Engagement Expenditure per Shire Resident
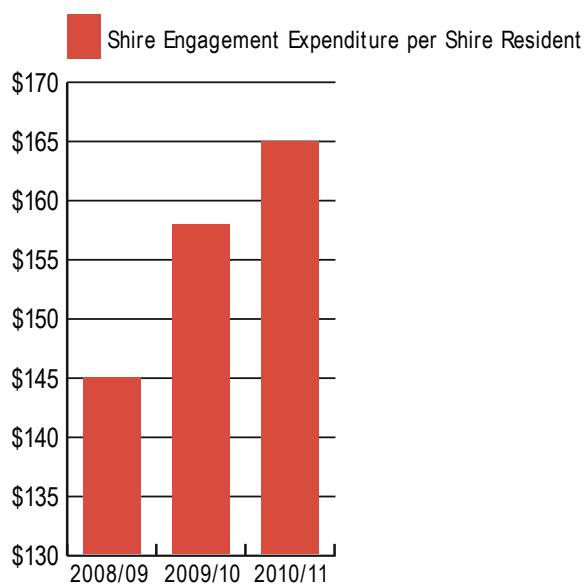
Core Services Performance

Core Service Expenditure per Shire Resident Core Service Performance

2008/2009 (Estimated)	2009/2010 (Estimated)	2010/2011
$1,720	$1,725	$1,739

■ Core Service Expenditure per Shire Resident

	2008/09	2009/10	2010/11
$1850			
$1800			
$1750			
$1700			
$1650			
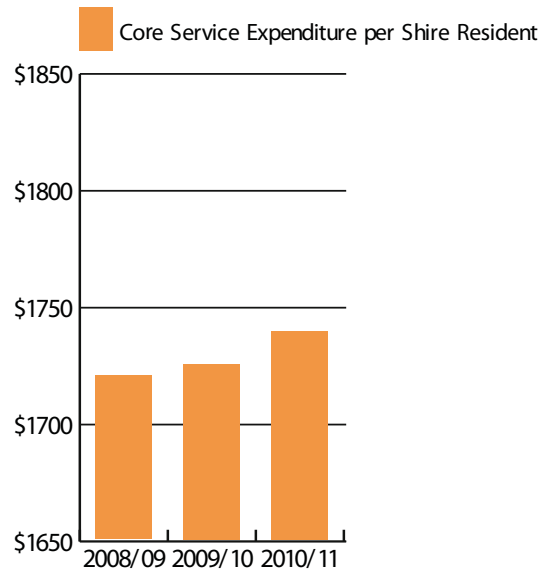
Waste Management Expenditure per Capita

Total Waste management cost

Number of residential properties receiving service per community

2008/2009 (Estimated)	2009/2010 (Estimated)	2010/2011
$370	$375	$389

■ Waste Management Expenditure per Capita

	2008/09	2009/10	2010/11
$500			
$400			
$300			
$200			
$100			
$0			
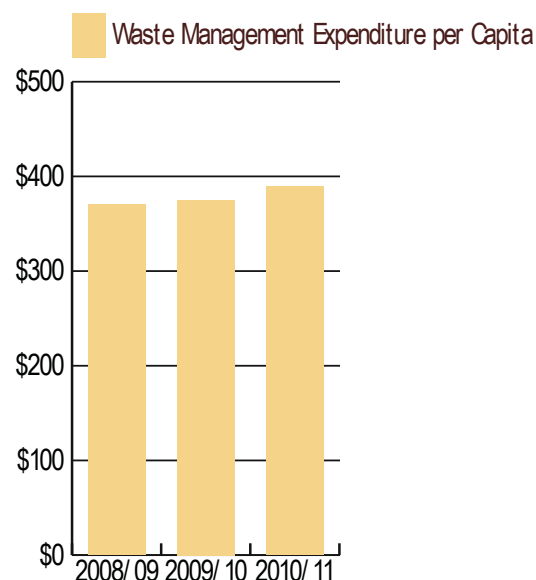
Local Roads Maintenance (Only) - Expenditure per Km of Local Roads

(assuming 1,700 kms of local roads for which the Shire is responsible)

2008/2009	2009/2010	2010/2011
$177	$520	$727

Local Roads Maintenance Expenditure per kilometre of local roads (assuming 1,700kms of local roads for which the Shire is responsible)
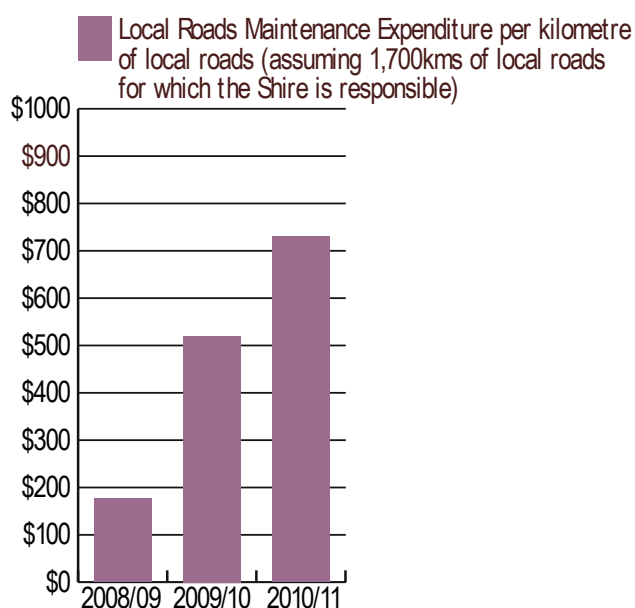
Territory Housing Contract Repairs and Maintenance Exposure per House

2008/2009	2009/2010	2010/2011
$7,390	$6,996	$7,484

Territory Housing Contract Repairs & Maintenance Expenditure per House
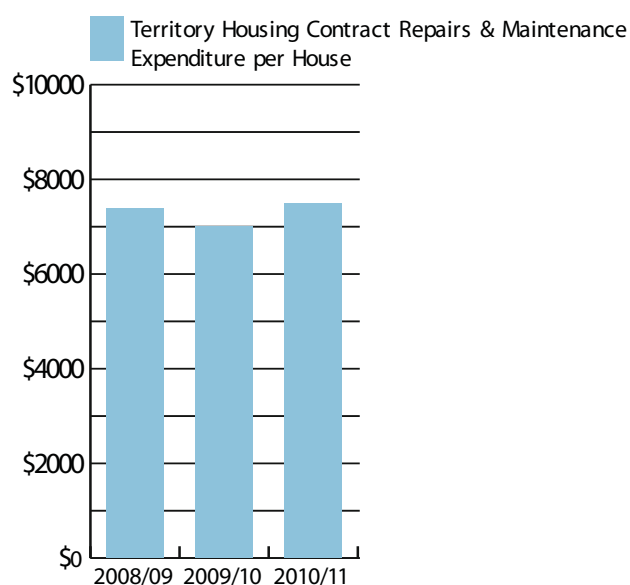
General Purpose Financial Report for the Year Ended 30th June 2011

MacDonnell Shire

MacDonnell Shire Council

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For the Year Ended 30th June 2011

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Cash Flow Statement

Notes to the Financial Statements

Deloitte

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INDEPENDENT AUDITOR'S REPORT

MACDONNELL SHIRE COUNCIL

We have audited the accompanying financial report of MacDonnell Shire Council (the "Council"), which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Chief Executive Officer's certificate, set out on pages 4 to 28.

The Responsibility of the Chief Executive Officer for the Financial Report

The chief executive officer of the Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the Local Government Act 1993 (the "Act") and the Local Government (Accounting) Regulations and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit and whether the Council has complied with the requirements of the Act in relation to the keeping of accounting records. 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 Council'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 Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the chief executive officer, as well as evaluating the overall presentation of the financial report.

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

Member of
Deloitte Touche Tohmatsu

Deloitte.

INDEPENDENT AUDITOR'S REPORT TO

MACDONNELL SHIRE COUNCIL (continued)

Opinion

In our opinion, the financial report of MacDonnell Shire Council presents fairly, in all material respects, the Council's financial position as at 30 June 2011 and its financial performance for the year ended on that date in accordance with the Australian Accounting Standards.

DELOITTE TOUCHE TOHMATSU

W R McAinsh
Partner
Chartered Accountants

Alice Springs, 21 / 11 / 2011.

MacDonnell Shire Council
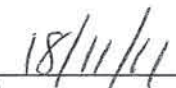
CHIEF EXECUTIVE OFFICER'S CERTIFICATE
For the Year Ended 30th June 2011

I hereby certify that to the best of my knowledge and belief:

a) The Financial Statements have been properly drawn up to reflect the accounting records and follow the requirements of the Australian Accounting Standards, the Local Government Act, and the Local Government (Accounting) Regulations for the year ended 30 June 2011, and

b) the Financial Statements are in accordance with the accounting and other records of the Shire.

_____   _____
Chief Executive Officer   Date   18/11/11

MacDonnell Shire Council

INCOME STATEMENT
For the Year Ended 30th June 2011

	Notes	2011	2010 $
INCOME			
Rates		400,079	409,219
User charges - waste management		93,088	93,300
Service Fees		4,602,690	2,965,279
Grants, Subsidies and contributions	3a	23,196,515	28,571,274
Interest		606,282	543,213
Income from commercial operations		2,215,883	4,225,939
Fee for service - Territory Housing		3,652,785	-
Reimbursements & other income		515,918	303,990
Total Income		**35,283,240**	**37,112,214**
EXPENSES			
Employee costs	4a	17,214,511	16,893,810
Materials & Consumables		5,973,518	11,280,175
Interest charges		62,864	63,416
Depreciation & amortisation	4b	2,330,882	2,328,403
Other operating expenses	4c	11,473,408	9,223,864
Total Expenditure		**37,055,183**	**39,789,668**
OPERATING SURPLUS / (DEFICIT)		**(1,771,943)**	**(2,677,454)**
Net assets transferred free of charge upon restructure of local government	9,17	-	(905,436)
Less: Impairment of net assets transferred to the Shire upon restructuring of local government	9,17	-	60,965
Change in net assets attributable to restructure of local government		**-**	**(844,471)**
Transfer Operation & Control of Stores at Titjikala and Santa Teresa back to Independent Indigenous Entities	16	**(160,377)**	
NET SURPLUS / (DEFICIT)		**(1,932,320)**	**(3,521,925)**

This Statement is to be read in conjunction with the attached Notes.

MacDonnell Shire Council

BALANCE SHEET
At 30th June 2011

	Notes	2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	5	1,574,013	3,011,574
Investments	6	9,000,000	11,000,000
Trade and other receivables	7	3,515,929	2,154,185
Inventories & Work in Progress	8	17,382	291,367
		14,107,324	16,457,126
NON CURRENT ASSETS			
Capital Work in Progress	8	34,150	174,942
Property, plant and equipment	9	10,173,231	10,561,744
		10,207,381	10,736,686
TOTAL ASSETS		24,314,705	27,193,812
CURRENT LIABILITIES			
Payables & Accruals	10a	4,219,044	4,108,787
Employee Benefits	10b	1,121,088	1,501,657
Borrowings	10c	972,168	995,487
Deferred Grant Income	13	4,948,246	5,601,402
		11,260,546	12,207,333
NET ASSETS		**13,054,159**	**14,986,479**
EQUITY			
Accumulated funds		13,054,159	14,986,479
TOTAL EQUITY		**13,054,159**	**14,986,479**

This Statement is to be read in conjunction with the attached Notes.

MacDonnell Shire Council

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30th June 2011

	2011 $	2010 $
Accumulated funds at the beginning of the year	14,986,479	18,508,404
Transfer Operation & Control of Stores at Titjikala and Santa Teresa back to Independent Indigenous Entities	(160,377)	(844,471)
Add: Change in net assets resulting from operations	(1,771,943)	(2,677,454)
Accumulated funds at the end of the year	**13,054,159**	**14,986,479**

This Statement is to be read in conjunction with the attached Notes.

MacDonnell Shire Council

CASH FLOW STATEMENT
For the Year Ended 30th June 2011

	2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates & Annual Charges	489,221	399,171
Interest received	606,282	543,213
Other receipts	9,913,448	8,000,178
Grants received	23,114,895	30,739,877
Payments		
Employee Costs	(17,595,080)	(16,413,009)
Other operating payments	(18,257,534)	(23,817,980)
Interest paid	(62,864)	(63,416)
Net Cash provided by (or used in) Operating Activities	(1,791,632)	(611,966)
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Sale of Property, Plant, Equipment and Vehicles	868,253	324,004
Payments		
Purchase of Property, Plant, Equipment and Vehicles	(2,456,713)	(3,637,348)
Work in Progress	(34,150)	(174,942)
Net Cash provided by (or used in) Investing Activities	(1,622,610)	(3,488,286)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from Borrowings	-	-
Payments		
Repayments of Borrowings	(23,319)	(10,015)
Net Cash provided by (or used in) Financing Activities	(23,319)	(10,015)
Net Increase (Decrease) in Cash Held	(3,437,561)	(4,110,267)
Cash & Cash Equivalents at Beginning of the Reporting Period	14,011,574	18,121,841
Cash Transferred on Restructuring of Local Government		-
Cash & Cash Equivalents at End of the Reporting Period	10,574,013	14,011,574

This Statement is to be read in conjunction with the attached Notes.

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

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1   SUMMARY OF ACCOUNTING POLICIES

Financial Reporting Framework

The financial report is a general purpose report, which has been prepared in accordance with the Local Government Act, Local Government Regulations and Local Government Accounting Code, and all applicable accounting standards and interpretations. The entity is a not for profit entity.

Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS') as they apply to "not for profit" entities. AIFRS include certain specific provisions relating to not for profit entities that are not included in the International Financial Reporting Standards.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The date the financial statements were authorised for issue is as shown on the chief executive officer's certificate.

Significant accounting policies

In the application of A-IFRS management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

It is anticipated that the adoption, in future periods, of standards and interpretations issued but not yet effective, will have no material financial impact on the financial statements.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

Adoption of new and revised Accounting Standards

In the current year, the entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current annual reporting period.

AASB 101 Presentation of Financial Statements
AASB 118 Revenue
AASB 123 Borrowing Costs

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

AASB 2007- 6 Amendments to Australian Accounting Standards arising from AASB 123

AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB101

AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101

AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project

AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

AASB 2009-2 Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments

AASB 2009-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project

AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

The adoption of these new and revised Standards and Interpretations has not resulted in changes to the entity's accounting policies and has not affected the amounts reported for the current or prior years.

Accounting standards and interpretations issued but not yet effective
It is anticipated that the adoption, in future periods, of standards and interpretations issued but not yet effective, will have no material financial impact on the financial statements.

Critical accounting judgements and key sources of estimation uncertainty
There were no critical judgements (apart from those involving estimations, which are dealt with below), that management has made in the process of applying the entity's accounting policies and that are likely to have a significant effect on the amounts recognised in the financial statements.

Because the major assets and liabilities of the entity are carried at historical cost, there are no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Accounts Payable
Trade payables and other accounts payable are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services.

Depreciation
Items of property, plant and equipment are depreciated over their estimated useful lives using the straight line method. The main rates used are:

Buildings	10%
Plant	20%
Motor vehicles	20%
Furniture and equipment	20%

Economic dependency
A significant proportion of the Shire's revenue is derived from Government grants.

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

The current portion of employee benefits is the portion to which employees are unconditionally entitled at balance date.

Provisions made in respect of wages and salaries, annual leave and other employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of other employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the entity in respect of services provided by employees up to reporting date.

The superannuation expense for the reporting period is the amount of the contributions the entity makes to the superannuation plans which provide benefits to its employees.

Financial instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Trade receivables, loans, trade payables and other financial liabilities are measured at cost.

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that the estimated future cash flows of the investment have been impacted. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account.

Held-to-maturity investments

Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Operating receipts and payments in the cash flow statement are stated inclusive of GST.

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

Government Grants

Grants, contributions and donations are recognised as revenues when the entity obtains control over the assets comprising the contribution.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts pertaining to those undischarged conditions are disclosed in these notes.

Unexpended grants at year end which are refundable to the funding body are transferred to current liabilities.

Impairment of assets

At each reporting date, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Income tax

The entity is not subject to income tax.

Inventories

Finished goods are valued at the lower of cost and net realisable value. Costs have been assigned to inventory on hand at balance date using the first in first out basis.

The local Government reporting entity

All funds and entities through which the entity controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all balances between activities have been eliminated.

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

Revenue recognition

Revenue from the sale of goods and disposal of other assets is recognised when the entity has passed control of the goods or other assets to the buyer.

Revenue from the provision of services is recognised when the services have been provided.

Revenue from investments is recognised when received.

Leased Assets

Leased assets classified as finance leases are recognised as assets. The amount initially brought to account is the present value of the minimum lease payments.

A finance lease is one which effectively transfers from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased property. Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset.

Finance lease payments are allocated between interest expense and reduction of lease liability over the term of the lease. The interest expense is determined by applying the interest rate implicit in the lease to the outstanding lease liability at the beginning of each lease payment period.

Operating lease payments are charged as an expense in the period in which they are incurred.

Provisions

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

2a   ACTIVITIES UNDERTAKEN

The Shire commenced operations on 1st July 2008, pursuant to the provisions of the Local Government Act 2008. The Northern Territory Government's reform program for local government resulted in the new MacDonnell Shire Council taking over all of the local government functions of the following entities with effect from 1 July 2008.

Amoonguna
Aputula Housing Association Inc
Areyonga Community Incorporated
Ikuntji Community Council Incorporated
Imanpa
Ltyentye Apurte Community Government Council
Ntaria Council (Hermannsburg) Incorporated
Papunya Community Council Incorporated
Tapatjatjaka Community Government Council
Wallace Rockhole Community Government Council
Watiyawanu Community Government Council

The assets and liabilities of these entities were transferred to the new MacDonnell Shire Council with effect from 1st July 2008 at their carrying values.

The major functions undertaken by the entity are:

General public services
Corporate management, administrative support and governance.
Public order and safety
Operation of a night patrol services.
Economic affairs
Community stores, Commercial Fuel Sales, Garage Workshop activities.
Housing, Community Amenities
Housing repairs and maintenance and new housing. Local roads maintenance
Health
Child nutrition program.
Recreation, Culture & Religion
Provision of sports, recreation and leisure facilities. BRACS operation.
Education
Preschool care.
Social Protection
Public Behaviour & Youth Programme, Aged care.

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

		2011 $	2010 $
3a	**GOVERNMENT GRANTS RECOGNISED AS REVENUE**		
	From Commonwealth of Australia Government Agencies		
	Operating grants	5,995,608	3,251,451
	Special Purpose grants	70,463	141,252
	Capital grants	298,174	1,618,563
	Agency services grants	10,170,780	8,822,359
	Sub-total	16,535,025	13,833,625
	From Northern Territory Government Agencies		
	Operating grants	5,978,145	13,699,279
	Special Purpose grants	125,521	320,588
	Capital grants	-	114,091
	Agency services grants	557,824	603,691
	Sub-total	6,661,490	14,737,649
	Total Grants Revenue	**23,196,515**	**28,571,274**
3b	**OTHER OPERATING REVENUE**		
	Income from commercial services	2,215,883	4,225,939
	Rates	400,079	409,219
	Service fees	4,602,690	2,965,279
	Domestic waste charges	93,088	93,300
	Fee for service - Territory Housing	3,652,785	-
	Fundraising & donations	33,355	47,066
	Reimbursements	2,434	96,535
	Gains from disposal of plant, equipment and vehicles	480,129	160,389
	Total Other Operating Revenue	**11,480,443**	**7,997,727**
4a	**EMPLOYEE COSTS**		
	Salaries, wages and allowances, including on-costs	15,158,279	15,130,142
	Employer's Superannuation contributions	1,181,376	1,210,149
	Employee benefits and other employee costs	225,455	160,141
	Training programs	478,951	316,804
	Recruitment expenses	166,035	68,771
	Protective clothing	4,415	7,803
	Total Employee Costs	**17,214,511**	**16,893,810**
4b	**DEPRECIATION**		
	Buildings	997,088	1,088,942
	Plant & Equipment	523,021	524,752

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

	2011 $	2010 $
Furniture & Equipment	53,865	56,719
Vehicles	756,908	657,990
Total Depreciation	**2,330,882**	**2,328,403**
4c OTHER OPERATING EXPENSES		
Elected Members' Allowances	176,904	173,790
Telephone & Internet services	626,350	647,386
Insurance Premiums and Fees	639,524	858,395
Gas, Power, Sewerage & Water	808,581	715,530
Fuel for Plant and Vehicles	558,817	531,654
Provision for Bad & Doubtful Debts	86,105	(35,476)
Repayment of unaccrued grant liabilities	2,945,006	418,990
Freight charges	312,222	508,732
Legal & Professional Services	180,212	257,097
Advertising & Promotional Activities	44,538	49,197
Audit Services	58,170	62,841
Computer Services	675,623	980,450
Loss on sale/destruction of assets	242,497	267,756
Memberships & subscriptions	64,073	51,832
Operating Leases	51,658	168,232
Travel, Accommodation & Entertainment	474,632	340,145
Contract Labour	3,442,992	3,178,037
Transaction Fees & Taxes	85,504	48,825
Other minor expenses	-	451
Total Other Operating Expenses	**11,473,408**	**9,223,864**
5 CASH AND CASH EQUIVALENTS		
Westpac Operating Account	90,777	238,623
Westpac Enterprise Development Account	12,152	582,565
Westpac Trust Account	1,318,836	732,329
Westpac ICC Account	103,682	735,829
Bank Accounts for community stores	18,687	626,260
Predecessor community council accounts	-	-
Westpac Centrelink Processing Account	28,879	90,893
Petty Cash	1,000	5,075
Total Cash & Cash Equivalents	**1,574,013**	**3,011,574**
6 INVESTMENTS		
Interest earning term deposits at Westpac Bank Ltd.	**9,000,000**	**11,000,000**

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

	2011 $	2010 $
The following portion of bank balances and investments is subject to restrictions in that it represents unexpended grant funds provided for specific purposes.		
Included in liabilities	4,948,246	5,601,402
Included in revenue	-	-
	4,948,246	**5,601,402**
7 TRADE AND OTHER RECEIVABLES		
Trade Receivables	2,112,362	1,364,128
Allowance for Doubtful Debts	(197,244)	(111,139)
Rates Receivable	27,568	23,622
GST Receivable	1,411,552	385,039
Sundry Receivables	151,706	458,213
Prepayments	-	34,322
Accrued Income	9,985	
Total Trade & Other Receivables	**3,515,929**	**2,154,185**

The average credit period on sales of goods and rendering of services is 60 days.
No interest is charged on the trade receivables.

Ageing of past due but not impaired trade debtors		
60-90 days	294,777	74,253
90-120 days	53,958	40,201
	348,735	114,454
Movement in the allowance for doubtful debts		
Balance at the beginning of the year	111,409	149,306
Impairment losses recognised	86,105	(37,897)
Amounts written off as uncollectible	(270)	
Balance at the end of the year	197,244	111,409

8 INVENTORIES & WORK IN PROGRESS		
Bulk fuel	-	6,017
Goods for sale held at community stores	17,382	285,350
Work in progress - partially completed capital works	34,150	-
Total Inventories & Work in Progress	**51,532**	**291,367**

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

9   PROPERTY, PLANT AND EQUIPMENT

Year Ended 30th June 2010	Land $	Buildings & Facilities $	Plant & Equipment $	Furniture & Fittings $	Vehicles $	Total $
Gross Carrying Amount at Cost or Valuation						
Opening balances at 1st July 2009	404,250	28,169,628	4,530,215	184,414	4,476,608	37,765,115
Add: Impairment Adjustment Reversed	-	-	60,965.00	-	-	60,965
Additions	-	2,000,819	790,195	116,869	729,465	3,637,348
Less: Disposals	-	(232,795)	(88,000)	(22,572)	(597,092)	(940,459)
Balance at 30th June 2010	404,250	29,937,652	5,293,375	278,711	4,608,981	40,522,969
Accumulated Depreciation						
Opening balances at 1st July 2009	-	22,685,572	3,077,503	58,292	2,160,154	27,981,521
Charge for the year	-	1,088,942	524,752	56,719	657,990	2,328,403
Less: Accumulated depreciation on disposals	-	-	(88,000)	-	(260,699) -	348,699
Balance at 30th June 2010	-	23,774,514	3,514,255	115,011	2,557,445	29,961,225
Net Book Value						
Carrying value at 1st July 2009	404,250	5,484,056	1,452,712	126,122	2,316,454	9,783,594
Carrying value at 30th June 2010	404,250	6,163,138	1,779,120	163,700	2,051,536	10,561,744

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

9   PROPERTY, PLANT AND EQUIPMENT

Year Ended 30th June 2011	Land $	Buildings & Facilities $	Plant & Equipment $	Furniture & Fittings $	Vehicles $	Total $
Gross Carrying Amount at Cost						
Opening balances at 1st July 2010	404,250	29,937,652	5,293,375	278,711	4,608,981	40,522,969
Additions	-	765,383	237,999	-	1,558,600	2,561,982
Less: Disposals	-	(379,528)	(321,484)	-	(980,679)	(1,681,691)
Balance at 30th June 2011	404,250	30,323,507	5,209,890	278,711	5,186,902	41,403,260
Accumulated Depreciation						
Opening balances at 1st July 2010	-	23,774,514	3,514,255	115,011	2,557,445	29,961,225
Charge for the year	-	996,072	521,399	51,467	756,908	2,325,846
Less: Accumulated depreciation on disposals	-	(254,670)	(183,640)	-	(618,732)	(1,057,042)
Balance at 30th June 2011	-	24,515,916	3,852,014	166,478	2,695,621	31,230,029
Net Book Value						
Carrying value at 1st July 2010	**404,250**	**6,163,138**	**1,779,120**	**163,700**	**2,051,536**	**10,561,744**
Carrying value at 30th June 2011	**404,250**	**5,807,591**	**1,357,876**	**112,233**	**2,491,281**	**10,173,231**

A building is secured as per the borrowings note.
Please refer to the next page for an explanation of the key assumptions made.

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MacDonnell Shire Council

Notes to the Financial Statements
For the Year Ended 30th June 2011

	2011 $	2010 $
10a TRADE AND OTHER PAYABLES		
Creditors	1,252,791	1,753,704
PAYG payable	128,635	229,491
GST payable	1,412,918	-
Accruals	1,424,700	2,125,592
	4,219,044	4,108,787
10b EMPLOYEE BENEFITS		
Annual leave, including on-costs	864,660	1,420,490
Sick leave	160,877	-
Long service leave	95,551	81,167
	1,121,088	1,501,657
10c BORROWINGS		
Finance lease		-
Westpac credit card liability	16,091	18,874
Westpac Mortgage over 50% of Headquarters premises.	956,077	976,613
	972,168	995,487
11 RECONCILIATION OF CHANGE IN NET ASSETS FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Surplus (Deficit) for the year	(1,771,943)	(2,677,454)
Loss on disposal of assets	242,497	267,756
Depreciation of non-current assets	2,330,882	2,328,403
Increase (decrease) in doubtful debts provision	86,105	(38,167)
Changes in Net Assets:		
Change in assets and liabilities		
(Increase) / Decrease in trade debtors	(1,437,864)	(1,406,146)
Decrease / (Increase) in Inventory	273,985	(33,297)
Increase / (Decrease) in trade creditors and accruals	110,257	(613,934)
Increase / (Decrease) in provisions	(380,569)	469,262
Increase / (Decrease) in unexpended grant liability	(653,156)	1,091,611
Net cash provided by operating activities	(1,199,806)	(611,966)

12 CAPITAL COMMITMENTS
There were no capital commitments at the balance sheet date.

MacDonnell Shire Council

Notes to the Financial Statements
For the Year Ended 30th June 2011

		2011 $	2010 $

13 DEFERRED GRANT INCOME

Unexpended grants that have been paid to the Shire Council for specific purposes are treated as deferred income at the end of the financial year. This is because funding bodies will require either that the unused funds be returned or that they be carried forward to be applied against activities undertaken in future periods.

13a Grants to Predecessor Entities Prior to 1st July 2008

	2011 $	2010 $
Amoonguna Night Patrol (F74)	-	30,682
Amoonguna CDEP oncosts (F80)	-	5,621
Areyonga DCITA Workforce Sports & Rec. (F57)	-	13,332
Areyonga DEST Nutrition (F29)	-	43,600
Ikuntji - Department of Family & Community Services - Childcare	-	64,721
Ikuntji - Department of Family & Community Services - OSHC	-	49,468
Ikuntji - Department of Family & Community Services - Capital	-	10,000
Ikuntji Night Patrol	-	19,926
Ikuntji DCITA Telecommunications Program	-	10,000
Ntaria DOHA CDEP Conversion	-	15,162
Watiyawanu Sports & recreation	-	2,822
Papunya ICC Recurrent	-	10,000
Papunya FACS Recurrent	-	30,324
Tapatjataka Indigenous Employment (6101)	-	6,554
Tapatjataka Night Patrol (6400)	-	98,413
Wallace Rockhole DEWR Special Measure	-	8,377
ICC Night Patrol - Ltyentye Apurte	-	68,160
ICC - FFP Ltyentye Apurte	-	9,500
ICC - Sport & Recreation Ltyentye Apurte	-	17,031
ICC - RIBS Ltyentye Apurte	-	2,203
ICC - DEEWHA Ltyentye Apurte	-	30,334
ICC - CDEP Wages Ltyentye Apurte	-	104,256
ICC - CDEP Operational Ltyentye Apurte	-	3,402
OATSIH - DOHA clinic renovations Ltyentye Apurte	-	631,088
OATSIH - DOHA housing Ltyentye Apurte	-	47,320
OATSIH - DOHA healthy for life Ltyentye Apurte	-	289,135
OATSIH - DOHA performance quality Ltyentye Apurte	-	12,281
OATSIH - DOHA patient recall Ltyentye Apurte	-	76,154
Sub total	-	1,709,866

13b Grants to MacDonnell Shire Council

	2011 $	2010 $
Imanpa Family Centre Renovations 2008/09	-	2,713
CCF Parks & Gardens Wallace Rockhole 2008/09	-	11,411
West MacDonnell Regional Youth Services Enhancement 2008/09	-	177,000
Provision of Municipal Services - Mutijulu Capital 2008/09	-	16,044

MacDonnell Shire Council

Notes to the Financial Statements
For the Year Ended 30th June 2011

	2011 $	2010 $
After School Care 2009/10	-	3,472
AASC Special initiative Amoonguna 2009/10	-	600
AASC Special initiative Kintore 2009/10	-	1,881
Active After School Care 2009/10	-	5,771
CDEP Converted Jobs - Outstations - 2009/10	-	112,245
Community Safety (Night Patrol) 2009/10	-	299,086
DOHA Community Aged Care Places 2009/10	-	111,660
DOHA Flexible Aged Care Program - Docker River 2009/10	-	123,108
DOHA Flexible Aged Care Program 2009/10	-	78,951
HACC Indigenous Workforce 2009/10	-	508,109
ICC dust suppression Areyonga 2009/10	-	2,245
ICC fire trailer Docker River 2009/10	-	2,466
ICC fire trailer Santa Teresa 2009/10	-	2,709
ICC Healthy Dog Program Hermannsburg 2009/10	-	381
ICC Imanpa shade structure 2009/10	-	2,702
ICC Male wellbeing centre Hermannsburg 2009/10	-	10,560
ICC NTES Shed fit out/service Hermannsburg 2009/10	-	11,169
ICC outside meeting place Hermannsburg 2009/10	-	70,250
ICC Repairs to 3 swimming pools 2009/10	-	178,233
ICC return to country Titjikala 2009/10	-	10,081
ICC School drop off area Hermannsburg 2009/10	-	25,000
ICC Titjikala basketball competition 2009/10	-	10,942
ICC Titjikala Choir community camp 2009/10	-	920
ICC Titjikala healthy dogs program 2009/10	-	47,932
ICC waste management Haasts Bluff 2009/10	-	730
ICC women's' centre Titkikala 2009/10	-	14,255
ICC Youth Workers - Youth in Communities Program 2009/10	-	503,657
Local board governance development 2009/10	-	92,100
Natural disaster relief 2009/10	-	240,000
NRETAS facility development Hermannsburg 2009/10	-	33,000
NRETAS facility development Papunya 2009/10	-	40,000
NT Jobs transition Arts 2009/10	-	54,720
Outstations tenancy management 2009/10	-	52,000
Purchase playground equipment 2009/10	-	92,999
Survey of residents outside communities and outstations 2009/10	-	20,124
School Nutrition Program 2009/10	-	156,176
Sport & Recreation Programs 2009/10	-	4,101
Volatile Substance Abuse Kintore 2009/10	-	1,197
Waste-water re-use project Amoonguna 2009/10	-	28,289
Youth Development Program Papunya 2009/10	-	1,781
Sub-total	-	3,162,770

MacDonnell Shire Council

Notes to the Financial Statements
For the Year Ended 30th June 2011

	2011 $	2010 $
Grants to MacDonnell Shire Council		
10/11 DEEWR After school Care Ikuntji CO-386	196	-
09/11 Youth Development Program Papunya CO-280	367	-
10/11 Titjikala Basketball competion CO-365	675	-
10/11 DEEWR After School Care Mt Liebig. CO-407	695	-
10/11 Kintore Park project SPG CO-429	818	-
09/11 ICC Santa Teresa Fire trailer CO-361	1,911	-
10/11 DEEWR Flexible Child Care Kintore CO-389	2,258	-
10/11 NT Local Board Funding Governance CO-369	3,475	-
09/10 Development of Aged Care Policy Manual CO-250	4,960	-
10/11 ICC Night patrols unexpended fund CO-431	5,386	-
10/11 DEEWR Flexible Child CareMt Liebig CO-404	7,100	-
10/11 ICC DEWHA RIBS Broadcasting P CO-412	7,188	-
10/11 DEEWR Child Care Apatula CO-380	7,526	-
09/11 ICC Repairs to 3 Swimming Pools CO-302	9,345	-
10/11 DOHA Job creation Package Sport&Re CO-372	9,910	-
09/12 Active remote communities CO-292	13,149	-
09/11 ICC Ntaria Outdoor Meeting Place CO-334	13,517	-
09/11 DOHA Docker River - Outside Area CO-251	13,697	-
10/11 DOHA Flexible Aged Care Program CO-356	14,055	-
09/11 DOHA Aged Care Indigenous Jobs CO-235	14,897	-
09/11 NRETAS 09/10 Facility dev. Ntaria CO-314	16,084	-
10/11 DEEWR Flexible Child Care Ikuntji CO-384	18,788	-
10/11 Residents outside town Governance CO-368	20,124	-
10/12 DHF Papunya Community Care upgrade CO-471	21,000	-
08/11 NT Library Grant Santa Teresa CO-127	21,596	-
10/11 DEEWR Child Care Creche Areyonga CO-381	23,501	-
08/11 Closing the Gap Local Boards CO-252	25,289	-
08/11 ICC Youth Enhancement Project CO-183	27,507	-
10/11 DEEWR Child Creche Papunya CO-396	29,188	-
10/11 Housing Maintenance Program- Outst CO291-CO 378	35,186	-
10/11 DOHA Flexible AC operational CO-379	35,669	-
10/12 LGANT Santa Teresa Swimming pool CO-476	40,909	-
10/11 DEEWR Flexible Child Titjikala CO-401	41,614	-
10/11 DEEWR Child Care Creche Docker Riv CO-383	51,826	-
08/09 HACC Home & Community CO-71	52,675	-
11/12 RLCIP Round 3 Capital CO-418	61,800	-
10/11 DOHA Major upgrades Docker River CO-424	70,579	-
10/11Closing the Gap - Manage Governance CO-132	76,780	-
09/10 HACC Home & Community CO-247	79,400	-
0811 DOHA Community Aged Care (CACP) CO-69	94,887	-
10/12 ICC Animal Dog Control Ntaria CO-433	100,000	-

MacDonnell Shire Council

Notes to the Financial Statements
For the Year Ended 30th June 2011

	2011 $	2010 $
10/11 ICC DEWHA Jobs Package CO-413	103,414	-
10/11 NT DHF HACC Home&Community CO-408	130,496	-
09/11 Urban Enhancement Project Hrmnsbrg CO-226	136,363	-
Outstations tenancy management CO290-CO377	141,241	-
09/10 DOHA Flexible AC operational CO110-355	147,930	
09/14 Roads to Recovery- Capital CO-371	175,952	
Converted Jobs 09/10 CO298-CO420	182,811	
09/11 DOHA HACC Workforce CO-272	211,292	
10/11 NT MUNS & ESSENTIAL SERVICES CO-409	288,351	
09/12 ICC Youth Workers CAPSUS CO-328	687,263	
Night patrols 09/10 CO294-CO421	797,229	
Nutrition Program CO428	209,631	
Sub-total	4,287,500	-
13c 2011/12 Grants Received in Advance		
FAA General Purpose Grant - 1st Quarter 2011/12	453,214	419,676
FAA Roads Grants - 1st Quarter 2011/12	193,932	187,416
Flexible Aged Care Grant - 2010/11	-	121,674
11/12 NRETAS Basketball competitions	7,000	
Service fee accommodation received in advance	6,600	
Sub-total	660,746	728,766
Total Deferred Grant Income	**4,948,246**	**5,601,402**

MacDonnell Shire Council

Notes to the Financial Statements
For the Year Ended 30th June 2011

	2011 $	2010 $

14 OTHER INFORMATION

The entity is a body corporate under the Local Government Act 2008 of the Northern Territory of Australia.The principal place of business and registered address of the entity is:1 Bagot Street, Alice Springs, NT, 0870.

MacDonnell Shire is a member of CouncilBiz, a local subsidiary operating under the auspices of the Local Government Act 2008 (NT). The other members are Barkly, Central Desert, East Arnhem, Roger Gulf, Tiwi Islands, Victoria Daly and West Arnhem Shire Councils and the Local Government Association of the Northern Territory.

The Chief Executive Officer of Central Desert Shire Council is the chairman of the CouncilBiz Board. During 2009-10, the Board determined that the operations of CouncilBiz would be restructured. As from 1 July 2010, CouncilBiz' operations were restructured down to an Information Technology Support Service only. Previously, it had also provided a variety of financial and records management functions as required individually by the member councils.

A new staff structure with fewer staff was established, with the most senior staff member being the IT Director, in lieu of the previous general manager's position.

From January 2011, the Board changed the previous method of charging the members from an equal split to a user-pays basis based on a formula agreed to by all members.

During the year, several other improvements were also made to CouncilBiz' operations resulting in our total charge being reduced for 2011-12.

Information regarding CouncilBiz can be found on the MacDonnell Shire Council Web Site: www.macdonnell.nt.gov.au

15 KEY MANAGEMENT PERSONNEL COMPENSATION

	2011 $	2010 $
Aggregate compensation made to councillors	176,904	173,790
Short term employee benefits	-	-
Termination benefits	176,904	173,790

The councillors during the financial year were:

Sid Anderson (Shire President), Roxanne Kenny (Deputy President), Lance Abbott, Marlene Abbott, Raymond Kiernan, David Doolan, Joe Rawson, Lisa Sharman, Peter Wilson, Irene Nangala, Carl Inkamala and Mildred Inkamala.

16 POST BALANCE DATE EVENTS

The Council finalised negotiations to transfer the operation and control of the stores at Santa Teresa and Titjikala to independent Indigenous entities on the 01 December 2010.
The stores were transferred with the related assets and liabilities.

The assets and liabilities of the stores at balance date were:

	2011 $	2010 $
Santa Teresa store assets	-	504,287
Titjikala Store assets	-	391,966
	-	896,253
Santa Teresa store liabilities	-	284,660
Titjikala Store liabilities	-	486,158
	-	770,818
Net assets	-	125,435

MacDonnell Shire Council

Notes to and Forming Part of the General Purpose Financial Report
For the Year Ended 30th June 2011

17 FINANCIAL INSTRUMENTS
The Council is exposed through its financial instruments to liquidity risk, credit risk, and interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Council will not be in a position to meet its financial obligations as and when they fall due. The Council manages its liquidity risk by monitoring cash flows and through budget management. Liquidity is also supported by the fact that a high proportion of government subsidies and grants are received before the activities and projects to which they relate are undertaken.

Credit Risk

Credit risk is the risk of financial loss to the Council in the event of the failure by a commercial debtor or funding agency to meet its contractual or statutory obligations. Credit risk is greatly mitigated by the fact that the only parties with whom the Council has material dealings are agencies of the Commonwealth and Northern Territory Governments.

Interest rate risk management
The entity has no material exposure to interest rate risk as its only borrowing is a mortgage over 50% of its HQ building. The loan facility was renegotiated in early July 2011. The two business loans were converted in to one loan at a variable rate of 6.75%

	Ave. Int. rate %	Variable Int. rate $	Fixed Interest rate		Non-Interest Bearing	Total
			Less than 1 year	1 to 5 years		
2011						
Financial Assets						
Cash *	4.55	1,574,013				1,574,013
Term deposits at bank	6.05		9,000,000			9,000,000
Trade receivables					1,915,118	1,915,118
Rates Receivable					27,568	27,568
Total financial assets		1,574,013	9,000,000	-	1,942,686	12,516,699
Financial Liabilities						
Trade payables					1,252,781	1,252,781
Bank bill business Loan	6.73	474,404				474,404
Bank bill business Loan	6.84			481,704		481,704
Unexpended grants					4,948,246	4,948,246
Total financial liabilities		474,404	-	481,704	6,201,027	7,157,135

	Ave. Int. rate %	Variable Int. rate $	Fixed Interest rate		Non-Interest Bearing	Total
			Less than 1 year	1 to 5 years		
2010						
Financial Assets						
Cash *	4.55	3,011,574				3,011,574
Term deposits at bank	5.70		11,000,000			11,000,000
Trade and rates receivables					1,387,750	1,387,750
Total financial assets		3,011,574	11,000,000	-	1,387,750	15,399,324
Financial Liabilities						
Trade payables					1,753,704	1,753,704
Bank bill business Loan	5.99	488,648				488,648
Bank bill business Loan	6.40			487,965		487,965
Unexpended grants					5,601,556	5,601,556
Total financial liabilities		488,648	-	487,965	7,355,260	8,331,873

There is no foreign exchange risk.

CONTACTING THE SHIRE

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SHIRE SERVICE DELIVERY CENTRES

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　　　　08 8952 9055
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　　　　08 8956 0713
Fax: 08 8956 0672
Email: titjikala@macdonnell.nt.gov.au

Wallace Rockhole
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Fax: 08 8956 7491
Email: wallacerockhole@macdonnell.nt.gov.au

Watiyawanu / Mount Liebig
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Fax: 08 8956 8589
Email: mountliebig@macdonnell.nt.gov.au

Ltyentye Apurte / Santa Teresa
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Fax: 08 8956 0923
Email: santateresa@macdonnell.nt.gov.au

many voices, one dream,
building a quality desert lifestyle

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