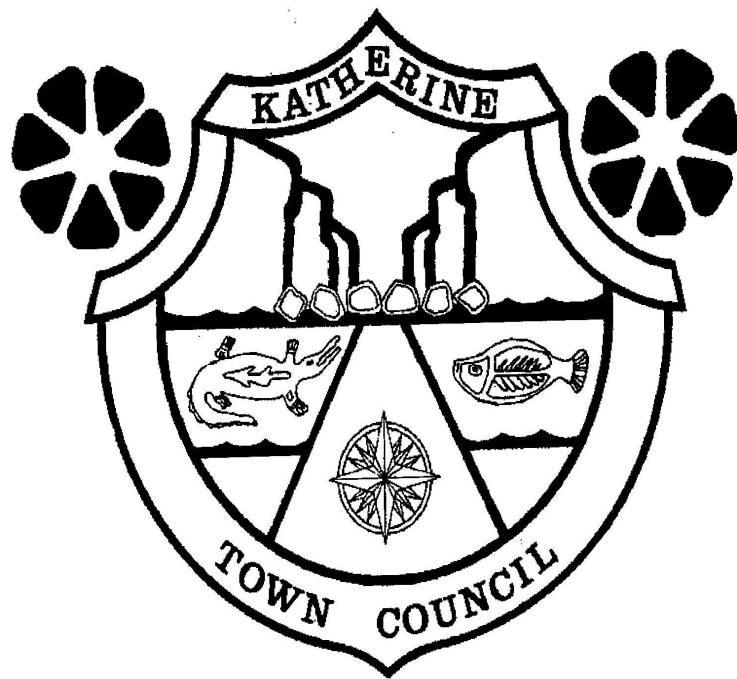


# KATHERINE TOWN COUNCIL



## ACCOUNTING AND POLICY MANUAL

**ACCOUNTING AND POLICY MANUAL**

**TITLE: ACCOUNTING & POLICY MANUAL**

**ADOPTED BY: COUNCIL**

**RESPONSIBILITY: CHIEF EXECUTIVE OFFICER**

**NEXT REVIEW DATE: 01/07/2016**

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<b>1</b>	1	24/02/009	<b>DRAFT</b>
<b>2</b>	2	01/11/2012	
<b>3</b>	3	27/11/2013	
<b>4</b>			

# ACCOUNTING AND POLICY MANUAL

## 1. INTRODUCTION

Local Government Accounting Regulations 9 (1) requires council to maintain an accounting and policy manual which must include, or incorporate by reference, the following:

- a. an organisation chart showing the functions of the council, its committees and responsible officers;
- b. a statement of the duties and responsibilities of the CEO and responsible officers;
- c. a statement of the principal accounting policies of the council;
- d. information about the timing and content of financial management reports to the council and the CEO;
- e. a statement of the procedures the council considers necessary to facilitate the timely preparation of the council's annual financial statement;
- f. the information necessary to ensure the proper operation of any computer based accounting system in use;
- g. details of all administrative and accounting procedures, policies and delegations of authority, including:
  1. details of internal control procedures;
  2. details of personnel and financial delegations;
  3. a chart of accounts divided into assets, liabilities, income, expenses and council equity accounts; and
  4. procedures relating to the receipt and banking of money, the payment of salaries and wages, the allocation of machinery operating costs to council functions, the purchase of goods and services and the granting of credit to council debtors.

The manual was written to satisfy the requirements of the Northern Territory Local Government (Accounting) Regulations and to provide a practical and useful guide to finance and accounting issues for the staff of the Katherine Town Council.

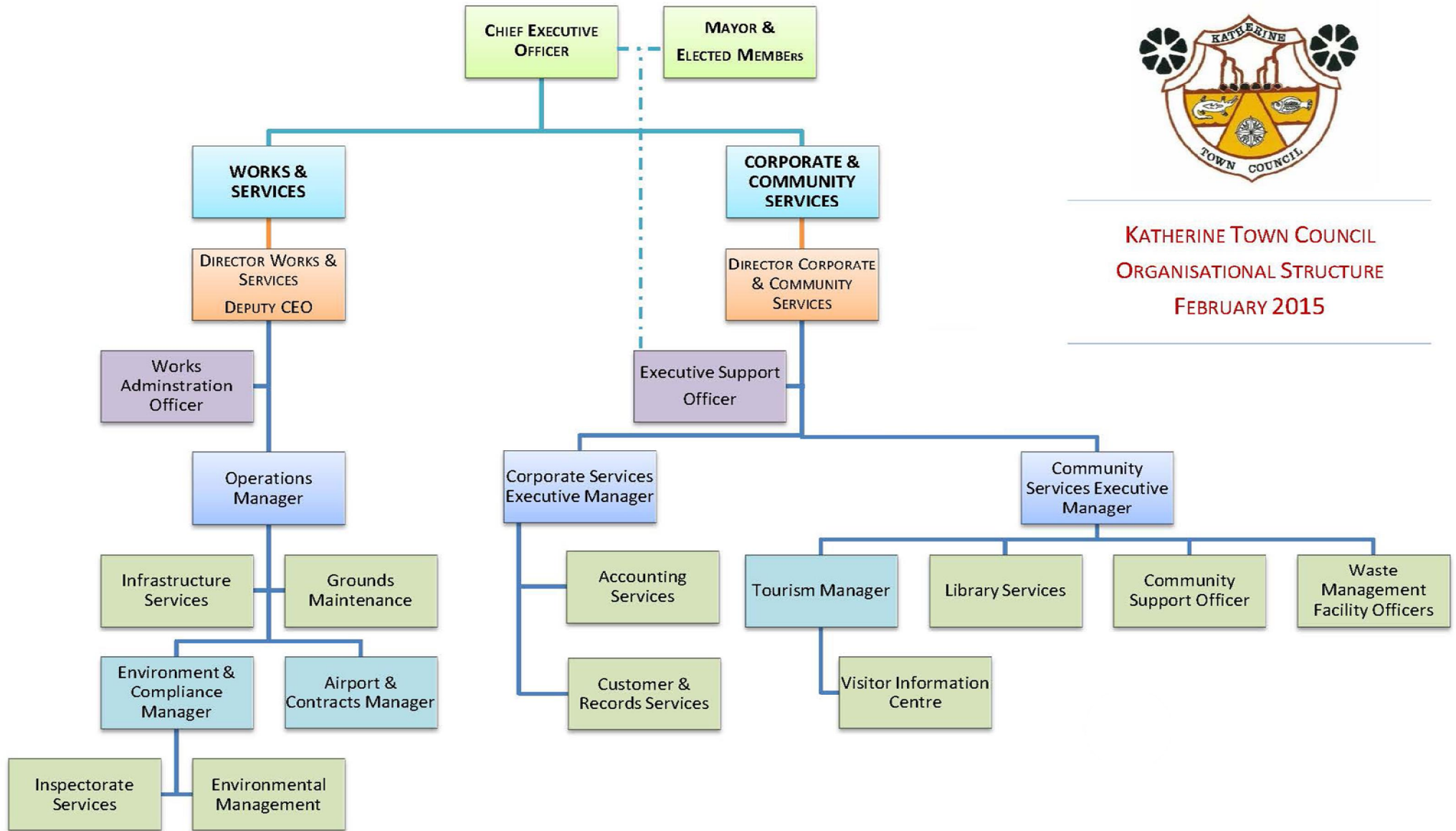
## 2. ORGANISATION CHART

Council's organisation chart provides list of current positions relating to the Executive and 2 directorates namely:

- Corporate & Community Services
- Works & Services



KATHERINE TOWN COUNCIL  
 ORGANISATIONAL STRUCTURE  
 FEBRUARY 2015



## Functions of the Council

The principal activities of the council include:

### 1. General Public Services

- Rates
- Administration Services
- Electronic Data Processing
- Elected Members
- Public Debt Transactions
- Grants and Donations
- Consultative Services

### 2. Public Order and Safety

- Inspectorial
- Impounding and Pest Extermination
- Fire Control
- Car Parking

### 3. Environmental Protection

- Noxious Weeds
- Mosquito Control
- Sanitary and Waste Services
- Street Sweeping

### 4. Housing and Community Amenities

- Cemetery
- Katherine East Community Centre
- Katherine East Child Care Centre
- Housing
- Stormwater Drainage
- Public Toilets
- Binjari
- Street Lighting

### 5. Recreation, Culture and Religion

- Halls & Clubs
- Sporting Venues
- Parks, Gardens and Reserves
- Museum
- Library Facility
- Community Services
- Other Recreational and Cultural Activities

### 6. Economic Affairs

- Bridges and Culverts
- Kerbs and Guttering
- Footpaths and Cycle ways
- Driveways and Kerb Crossovers
- Nature Strips
- Town Square
- Traffic Control
- Katherine Airport
- Costed Plant and Machinery
- Non-Costed Plant and Machinery
- Visitor Information Centre
- Private Works
- Municipal Depot

## ACCOUNTING AND POLICY MANUAL

### Committees

Council has a number of internal advisory committees. These committees provide advice to Council on specific matters and membership is made up of interested parties and/or users of Council facilities.

Council provides administrative support and plays a coordination role with the following internal advisory committees:

- Katherine Sports Precinct Network Advisory Committee
- Lambert Art & Craft Trust Management Committee
- Katherine Showgrounds Precinct Network Advisory Committee
- Katherine Town Council . Festival Grants Committee
- Katherine Town Council . Community Benefit Grants Committee
- Development Review Committee
- Administrative Review Committee
- Internal Audit Committee

Council maintains membership only on the following committees:

- Katherine Regional Cultural Precinct Board of Management
- Counter Disaster Planning Committee
- Development Consent Authority
- Inter-Agency Tasking & Coordination Group
- Katherine Chamber of Commerce
- Katherine Museum
- Katherine Flood Mitigation Committee
- Katherine Regional Economic Development Committee
- Katherine Local Tourism Committee

### 3. DUTIES AND RESPONSIBILITIES

#### Chief Executive Officer

1. Lead the development and implementation of Council's Strategic Plan and delivery of Council's Strategic Plan including the delivery of Council's strategic objectives.
2. Efficient and effective management of Council's physical, financial and human resources.
3. Ensure the provision of professional, high-level program and policy advice executive support to the Council.
4. Effectively position the Council with Federal, Territory and private sector organisations, providing an effective interface with the community and promoting and marketing the role of Council as a progressive authority.

#### Director Corporate & Community Services

The Director of Corporate & Community Services is responsible to the Chief Executive Officer for the efficient management of all corporate and community services, ensuring customer focused outcomes are delivered and Council's obligations are fully met.

### Key Responsibilities

- Contribute to the development and maintenance of an ethical culture within the organisation based on Katherine Town Council's Values and appropriate Codes.
- Comply with the requirements of the Local Government Act 2008 and all legislation relevant to the activities of the Corporate and Community Services Department. Monitor and report on legislative changes affecting the Corporate and Community Services Department or the Council as a whole and develop appropriate responses to address these changes.
- Provide assistance and advice to the Chief Executive Officer, Mayor, Elected Members and Service Providers on issues relating to economic development, planning, management and delivery of Corporate and Community Services.
- Assist the Corporate and Community Divisions in the development, implementation, monitoring and review of Strategic, Management and Operational plans and policies are aligned with and are integrated into the Council's Municipal Plan.
- Promote and ensure compliance with new and ongoing WHS requirements for all activities related to Corporate and Community including system design, development and implementation in accordance with best practice.
- Manage customer service and monitor customer satisfaction on behalf of the organisation and maintain networking relationships with external stakeholders such as Local Members of Parliament, professional colleagues, key community leaders and key business leaders.

### Director of Works & Services/Deputy Chief Executive Officer

The Director of Works & Services/Deputy Chief Executive Officer is responsible to the Chief Executive Officer for the efficient and effective management of the works department, ensuring customer focused services are delivered on a competitive basis and Council's obligations in the areas of Environmental Services and Infrastructure are met.

### Key Responsibilities

- As Deputy Chief Executive Officer, assist in the development, implementation and delivery of Council's Strategic Plan including the delivery of Council's strategic objectives.
- Provide professional, high-level program and policy advice, reports and assistance to the Chief Executive Officer in the overall management of the Katherine Town Council; including the existing and future infrastructure needs of the Municipality.
- Provide advice to the Elected Members and the community on local government issues within the expertise and knowledge base of the Department.
- Establish and maintain productive, cohesive relationships with all internal and external stakeholders (both government and public), with a clear focus on exceptional customer service and succinct advice.
- Maintain appropriate organisational structures and contemporary management practices to ensure competent and committed staff, in order to achieve Council's operational objectives.
- Work within the Local Government Act and Chief Executive Officer's delegated authority.
- Drive the annual Works & Services budget process, ensuring the fiscal management of the Department's operations in accordance with Council's Municipal Plan.

## ACCOUNTING AND POLICY MANUAL

- Implement Asset Management strategies, setting standards of services/service levels across all asset classes.
- Ensuring the application of modern engineering practices in both construction and maintenance, control the following areas under Council's responsibility:
  - Transport, roads, pathways, bridges and culverts
  - Environment, waste management and drainage
  - Buildings, facilities, reserves, and public spaces
- Ensure compliance with all relevant and applicable Work Health and Safety stipulations throughout the Department.
- Act as Group Leader Civil Engineering & Waste Control as per Katherine Town Council Local Counter Disaster Sub-Plan.
- Other duties as required by the Chief Executive Officer.

### 4. PRINCIPAL ACCOUNTING POLICIES

Katherine Town Council must comply with the following legislation/publications in the preparation of its annual financial statements:

- the Local Government (Administration) Regulations;
- the Local Government Act;
- the Local Government (Accounting) Regulations;
- the International/Australian Accounting Standards.

#### 4.1 Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition and all other costs incurred in getting the assets ready for use.

Non-monetary assets received in the form of grants or donations are recognised as assets and revenues at their fair value at the date of receipt.

Council does not recognise values for land under roads held at 30 June 2008.

#### 4.2 Revaluation of Non-current Assets

It is intended that all non-current assets, other than receivables, land held for commercial purposes and investments, are revalued to their current cost less accumulated depreciation at the date of revaluation. Current cost in relation to an asset means the lowest cost at which the gross service potential of the asset could currently be obtained in the normal course of operations. Land held for commercial purposes is valued at fair market value based upon existing use.

Where a non-current asset is revalued to its current cost less accumulated depreciation, revaluation increments are credited directly to the asset revaluation reserve account. To the extent revaluation increment previously credited to, and still included in the balance of the asset revaluation reserve, the decrement is debited directly to that reserve. Otherwise the decrement is recognised as an expense in the operating statement. Revaluations do not result in the carrying value of land and buildings exceeding their recoverable amount.





### 4.3 Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets. Land is not a depreciable asset.

Depreciation is calculated on a straight line basis. The following estimated lives are used in the calculation of depreciation:

- Buildings 30 . 100 years
- Plant & Equipment 2 . 10 years
- Furniture & Office Equipment 5 years
- Roads 100 years

Council is committed to the partial funding of depreciation.

### 4.4 Employee Entitlements

#### 4.4.1 Wages/Salaries and Annual Leave

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Council staff are paid fortnightly in arrears through Council's electronic banking system.

#### 4.4.2 Long Service Leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is also given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted. The amount expected to be paid to employees within the next twelve months is recognised as a current liability in the Balance Sheet.

### 4.5 Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

Investments are made in accordance with Section 121 of the NT Local Government Act and Katherine Town Council's Investment policy.

### 5. FINANCIAL MANAGEMENT REPORTS

Financial reports are presented to Council every month. These financial reports include:

- the actual income and expenditure of the council for the period from the commencement of the financial year up to the end of the previous month;
- the forecast income and expenditure for the whole of the financial year;
- the details of all cash and investments held by the council (including money held in trust);
- a statement of the debts owed to the council including the aggregate amount owed under each category with a general indication of the age of the debts.

### 6. ANNUAL FINANCIAL STATEMENTS

The following tasks are completed to facilitate the timely preparation of the council's annual financial statements:

#### 6.1 Reconcile Balance Sheet accounts

##### 6.1.1 Cash on hand and at bank

Conduct physical count of all cash on hand.

Ensure bank reconciliation is completed.

##### 6.1.2 Receivables & Other Debtors

Reconcile accounts receivable trial balance by category to the general ledger debtor control account.

Account for any prepayments.

##### 6.1.3 Non-current assets

Ensure that the invoices for capital purchases are photocopied and filed in the asset register folder.

Update asset register. Summarise asset additions, disposals and depreciation charge for the year.

Journalise any asset additions, disposals and depreciation for the year into the general ledger.

Ensure that the asset register balances agree to the general ledger balances.

##### 6.1.4 Liabilities

Review open purchase orders for items which may have been received but not recorded.

Ensure that all invoices received before year-end have been entered into the system in the correct financial year.

Print and reconcile accounts payable trial balance by category to the general ledger creditor control account.

Complete the spreadsheet for the calculation of employee provisions and make the necessary journal entries.

Account for any deferrals.

### 7. COMPUTER-BASED ACCOUNTING SYSTEM

Council's accounting system is Civicis Authority System. There are procedure manuals for all different modules that staffs follow to ensure proper operation of the system.

### 8. ADMINISTRATIVE AND ACCOUNTING PROCEDURES

#### 8.1 Internal control procedures

##### **Petty Cash**

In order to reduce the risk of loss, petty cash is kept in a tin and locked in the safe. All reimbursements must be supported by receipts. At all times the amount of cash left plus the value of the receipts must equal the petty cash.

##### **Credit Cards**

Council has currently three (3) credit cards. The use of credit cards is in accordance with Council's Corporate Credit Card Policy.

##### **Electronic Funds Transfer (EFT) and Cheque Payment**

Invoices are matched to purchase orders and approved for payment by the responsible officers. Once invoices are signed and approved, the Finance Officer enters the invoices for payment. All payments are approved by the Corporate Services Executive Manager then sent to two (2) authorised signatories.

8.2 Financial Delegations

**INSTRUMENT OF DELEGATION  
SCHEDULE 1**

Under Section 102 of the Local Government Act 2008 the following Financial Delegations are approved:

<b>EXTERNAL STAKEHOLDER ENGAGEMENT</b>	
<b>POSITION</b>	
Director of Works and Services	Below CEO level
Director Corporate and Community Services	Below CEO level
Community Services Executive Manager	Up to equivalent level
Corporate Services Executive Manager	Up to equivalent level
Operations Manager	Up to equivalent level
Tourism Manager	Up to equivalent level
Library Manager	Up to equivalent level
Community Support Officer	Up to equivalent level

<b>FEES AND CHARGES</b>	
Authority to waive or reduce fees and charges or penalties.	
<b>Position</b>	<b>Delegation Limit</b>
Director of Works and Services	\$500
Director of Corporate and Community Services	\$500

**FINANCIAL**

**CORPORATE CREDIT CARDS:**

Authorisation to carry our transactions as provided in Council budget.

Position	Monthly Limit	Transaction Limit
Director Works and Services	\$5,000	\$5,000
Director Corporate and Community Services	\$5,000	\$5,000

**FINANCIAL DELEGATIONS:**

A financial delegate may only approve expenditure:

- in cost centres under the delegate's authority,
- where there is sufficient budget to cover the cost,
- on goods and services related to official work and business use,
- where all relevant departmental procedures and policies have been followed,
- to the financial limit of the delegation, and
- where evidence exists that goods have been received and/or services have been performed in accordance with and at the rate/s of an agreed contract or arrangement.

A financial delegate may not:

- approve a gift or the settlement of any legal claim,
- transfer the expenditure authority of a delegated position; if an officer is relieving or acting in a position that has a financial delegation attached, that officer is deemed to automatically take over that delegation,
- break one purchase down into several smaller items to avoid breaching the financial limit of the delegation,
- approve any expenditure incurred by the delegate on travel, meals, conferences and other similar expenditure, or on any item where the delegate has a conflict of interest . the one-upqrule applies, and
- approve expenditure on capital works, contracts or special payments.

The limits of financial delegations are different for recurrent and non- recurrent expenditure:

- **recurrent expenditure** is for goods and services of a repetitive, periodic or standard nature relating to day-to-day operating expenses, for example, payroll, contracts and building utilities.
- **non-recurrent expenditure** results from a one-off previously approved contract, request, agreement or transaction or commitment, for example, travel, repairs and maintenance, journal subscriptions, books and library materials and software.

## ACCOUNTING AND POLICY MANUAL

### EXERCISING DELEGATED AUTHORITY:

- It is the responsibility of each Officer individually to ensure availability of funds and compliance with legislative and policy requirements prior to exercising authority under this delegation.
- It is the responsibility of each Officer approving payment of an invoice to ensure that the goods and services have been received.
- The delegations outlined within this policy are to be read in conjunction with the Delegations provided for under the Katherine Town Council Instrument of Delegations.
- Financial Delegations within this policy may be amended from time to time by the Chief Executive Officer.
- Corporate card holder delegations are separate delegations.

<b>Position</b>	<b>Recurrent Expenditure</b>	<b>Non-recurrent Expenditure</b>
Director of Works and Services	\$100,000	\$20,000
Director of Corporate and Community Services	\$100,000	\$20,000
Community Services Executive Manager	\$100,000	\$10,000
Corporate Services Executive Manager	\$100,000	\$10,000
Operations Manager	\$100,000	\$10,000
Airport and Contracts Manager	\$5,000	\$5,000
Environment and Compliance Manager	\$5,000	\$5,000
Library Manager	\$1,000	\$1,000
Tourism Manager	\$1,000	\$1,000
Works Administration Officer	Nil	\$1,000
Community Support Officer	Nil	\$500
Executive Support Officer	Nil	\$500

## ACCOUNTING AND POLICY MANUAL

<b>PROCUREMENT</b>	
<b>COMBINING TRANSACTIONS:</b>	
Dividing a commitment or transaction into two or more parts or purchase orders to evade a limit of authority is prohibited and is a contravention of these delegations. This delegation shall be interpreted broadly so that any two or more series of reasonably related purchases which, in the sole opinion of the CEO, are related, shall be considered as a single transaction for purposes of determining approval and authority levels required by this delegation.	
<b>INITIATE A PURCHASE DELEGATIONS</b>	
<b>Position</b>	<b>Delegation Limit</b>
Director of Works and Services	\$50,000
Director of Corporate and Community Services	\$20,000
Community Services Executive Manager	\$10,000
Corporate Services Executive Manager	\$10,000
Operations Manager	\$10,000
Airport and Contracts Manager	\$5,000
Environment and Compliance Manager	\$5,000
Library Manager	\$1,000
Tourism Manager	\$1,000
Works Administration Officer	\$1,000
Community Support Officer	\$500
Executive Support Officer	\$500
Ranger	\$500
<b>APPROVE PROCUREMENT PLAN DELEGATIONS</b>	
<b>Position</b>	<b>Delegation Limit</b>
Director of Works and Services	\$50,000
Director of Corporate and Community Services	\$20,000
Community Services Executive Manager	\$10,000
Corporate Services Executive Manager	\$10,000
Operations Manager	\$10,000



ACCOUNTING AND POLICY MANUAL

<b>AWARD CONTRACT OR DECLINE OF OFFERS (TENDERS AND QUOTATIONS) DELEGATIONS</b>	
<b>Position</b>	<b>Delegation Limit</b>
Director of Works and Services	\$50,000
Director of Corporate and Community Services	\$20,000
Community Services Executive Manager	\$10,000
Corporate Services Executive Manager	\$10,000
Operations Manager	\$10,000
<b>ADVISE UNSUCCESSFUL RESPONDENTS DELEGATIONS</b>	
<b>Position</b>	<b>Delegation Limit</b>
Director of Works and Services	\$50,000
Director of Corporate and Community Services	\$20,000
Community Services Executive Manager	\$10,000
Corporate Services Executive Manager	\$10,000
Operations Manager	\$10,000
<b>APPROVE CONTRACT MANAGEMENT PLAN DELEGATIONS</b>	
<b>Position</b>	<b>Delegation Limit</b>
Director of Works and Services	\$50,000
Director of Corporate and Community Services	\$20,000
Community Services Executive Manager	\$10,000
Corporate Services Executive Manager	\$10,000
Operations Manager	\$10,000
<b>EXERCISE OR DECLINE EXTENSION OPTIONS/PRICE AND CONTRACT VARIATIONS DELEGATIONS</b>	
<b>Position</b>	<b>Delegation Limit</b>
Director of Works and Services	\$50,000
Director of Corporate and Community Services	\$20,000
Community Services Executive Manager	\$10,000
Corporate Services Executive Manager	\$10,000
Operations Manager	\$10,000

## ACCOUNTING AND POLICY MANUAL

<b>APPOINT OFFICERS FOR THE PURPOSE OF OPENING TENDERS</b>	
<b>Position</b>	
Director of Works and Services	
Director of Corporate and Community Services	
Community Services Executive Manager	
Corporate Services Executive Manager	
Operations Manager	
Airport & Contracts Manager	
Environment & Compliance Manager	

<b>HUMAN RESOURCES</b>	
<b>TRAINING, SEMINARS, CONFERENCES, MEETINGS, AND OTHER EDUCATIONAL ACTIVITIES AUTHORISATION</b>	
<b>Position</b>	
Director Works and Services	Only within the Northern Territory
Director Corporate and Community Services	Only within the Northern Territory
Community Services Executive Manager	Only within the Northern Territory
Corporate Services Executive Manager	Only within the Northern Territory
Operations Manager	Only within the Northern Territory
<b>DISCIPLINARY PROCESSES OVERSIGHT</b>	
<b>Position</b>	
Director Corporate and Community Services	
Community Services Executive Manager	

<b>KATHERINE TOWN COUNCIL LOGO</b>	
Authority to approve the use of the Katherine Town Council logo	
<b>Position</b>	
Director of Works and Services	
Director of Corporate and Community Services	

## ACCOUNTING AND POLICY MANUAL

<b>LEGAL</b>	
<b>LEGAL DOCUMENTS EXECUTION AUTHORISATION</b>	
<b>Position</b>	
Director Works and Services	Service level agreements
Director Corporate and Community Services	Service level agreements
<b>LEGAL SERVICES ENGAGEMENT AUTHORISATION</b>	
<b>Position</b>	
Director Corporate and Community Services	Rates related services
Community Services Executive Manager	Rates related services
<b>INSURANCE SERVICES EXECUTION AUTHORISATION</b>	
<b>Position</b>	
Director Corporate and Community Services	Service level agreements
Community Services Executive Manager	Service level agreements

<b>MEDIA</b>	
<b>PRESS RELEASES OR COMMENT ON COUNCIL BUSINESS AUTHORISATION</b>	
Only the CEO or their respective designees are authorised to contact, disclose, or share information regarding the Council with the public and the media.	
<b>Position</b>	
Group Leader - Communications	As per the Katherine Town Council Emergency Sub Plan responsibilities

<b>ROADS</b>	
Authority to: Approve traffic, parking and regulatory controls, Issue permits for the use or occupation of road reserves, Temporarily close roads.	
<b>Position</b>	
Director of Works and Services	

**WORK HEALTH SAFETY**

Authority to:

- It is the responsibility of the Safety Coordinator to ensure that Occupational Health and Safety Committee meetings are held at least every three months in order to comply with the Act.
- The Safety Coordinator shall also be responsible for formulating and distributing the minutes and agendas from the Committee Meetings to all employees via electronic or hard copy format.
- Ensure meetings are adequately chaired.
- Make financial decisions - within budgetary constraints.
- Report to CEO/Divisional Manager if major funding is required.
- Report status of previous decisions and recommendations.
- Advise on safety issues.
- Follow up to ensure that issues raised at meetings receive necessary consideration.
- Co-ordinate Occupational Safety and Health Meetings (compile agenda, advise of dates and venues, send out Safety Audit Checklist, take and distribute minutes, provide background information as required etc).

**Position**

Chairperson on Work Health Safety Committee

**EXCLUSIONS**

Acquit grants.

Approve funding agreements.

Approve grant applications.

The authorisation to dispose / retire assets.

Creating of new or additional positions, either temporary or permanent positions

Donation of funds.

Employee disciplinary action.

Employment and termination of employees and employees on contract.

Litigation Claims and Commercial Disputes . Approval of the Council is required prior to the Council commencing or settling any litigation claims (including any administrative proceeding in front of a governmental/regulatory agency) or commercial disputes.

Real estate and equipment leases.

Sale and purchase of real estate.

Work related travel outside of the Northern Territory.

Virements between budget headings . the transfer of a surplus from one account to cover a deficit in another.

## ACCOUNTING AND POLICY MANUAL

### 8.3 Chart of Accounts

<u>Total Key</u>	<u>Master No</u>	<u>Master Description</u>
<b>Assets</b>		
1/1/01/01/01	101	Cash Floats
1/1/01/01/01	102	Petty Cash
1/1/01/01/02	108	Cash at Commonwealth Bank
1/1/01/01/02	109	KTC Trustee for Lambert Family Art & Craft
1/1/01/01/02	118	Cash on Term Deposit
1/1/01/02/00	121	Debtor Control Accounts
1/1/01/02/00	122	Sundry Debtors
1/1/01/04/00	130	Accrued Income
1/1/01/04/00	131	Prepayments
1/1/02/02/00	160	Administration - Furniture and Equipment
1/1/02/02/00	161	Public Order & Safety - Furniture and Equipment
1/1/02/02/00	164	Housing and Community Services - Furniture & Equip
1/1/02/02/00	165	Rec. and Related Cultural Services - Furn & Equip
1/1/02/02/00	166	Environmental Protection - Furniture & Equipment
1/1/02/02/00	168	Economic Affairs - Other - Furniture & Equipment
1/1/02/04/00	180	Administration - Land and Buildings
1/1/02/04/00	184	Housing and Community Services - Land & Buildings
1/1/02/04/00	185	Rec and Related Cultural Services - Land & Bldgs
1/1/02/04/00	186	Environmental Protection - Land & Buildings
1/1/02/04/00	188	Economic Services - Other - Land and Buildings
1/1/02/04/00	190	Indirect Services - Land and Buildings
1/1/02/05/00	191	Economic Services - Roads & Storm Water Drains
1/1/02/05/00	192	Economic Services - Infrastructure - Kerbing
1/1/02/05/00	193	Eco Services - Infrastructure - F/Paths & C/Ways
<b>Liabilities</b>		
1/2/01/02/01	201	Creditors Control
1/2/01/02/01	204	Creditors - Other
1/2/01/02/02	205	Annual Leave Provision - General
1/2/01/02/02	206	Long Service Leave Provision - General
1/2/01/02/02	211	Air Fares Provision
1/2/01/02/01	218	Other Grant
1/2/01/02/03	219	Unexpended Grants/Grants Received in Advance
1/2/01/02/03	220	Amounts Received in Advance
1/2/01/02/03	221	Accrued Expenses
1/2/02/01/00	601	Long Service Leave Provision - General
1/2/02/01/00	604	Annual Leave Provision - All Staff - Non-Current
1/3/03/00/00	830	Council Specific Grants
1/3/03/00/00	835	Developers Contributions
1/3/03/00/00	840	Third Party Grant Funds
1/3/03/00/00	850	Third Party Non Grant Funds

## ACCOUNTING AND POLICY MANUAL

<u>Total Key</u>	<u>Master No</u>	<u>Master Description</u>
<b>Equity</b>		
1/3/01/00/00	801	Accumulated Surplus From Previous Years
1/3/01/00/00	802	Rollover Income
1/3/01/00/00	803	Rollover Expense
1/5/01/00/00	9514	Asset Revaluation Reserve
<b>Clearing Accounts</b>		
1/3/04/01/00	901	Major Agent Rates Receipting Suspense
1/3/04/01/00	905	Suspense Clearing
1/3/04/01/00	906	Bank Rec Suspense Clearing Account
1/3/04/01/00	907	Purchasing Balance Clearing Account 1/10/96
1/3/04/01/00	908	Rates Clearing Account
1/3/04/02/00	910	Employee Payroll Clearing - Net Pay
1/3/04/02/00	911	Employee Payroll Clearing - PAYE Tax
1/3/04/02/00	912	Employee Payroll Clearing - Superannuation
1/3/04/02/00	913	Employee Payroll Clearing - ASU
1/3/04/02/00	914	Employee Payroll Clearing - LHMW
1/3/04/02/00	919	Employee Payroll Clearing - Child Support
1/3/04/02/00	922	Employee Payroll Clearing - CBA
<b>Expenses</b>		
1/4/01/00/00	2018	Rates Expenditure
1/4/02/01/00	3006	GENERAL PUBLIC SERVICES - ADMIN CAPITAL
1/4/02/01/00	3008	GENERAL PUBLIC SERVICES - ADMINISTRATION
1/4/02/02/00	3050	GENERAL PUBLIC SERVICES - EDP Capital Costs
1/4/02/02/00	3051	GENERAL PUBLIC SERVICES - EDP Operating Expenses
1/4/02/03/00	3069	Elected Members - Capital Purchases
1/4/02/03/00	3070	Elected Members -Surplus/Deficit on Sale of Assets
1/4/02/03/00	3071	Elected Members Expenses
1/4/03/01/00	3100	Inspectorial - Capital Purchases
1/4/03/01/00	3101	PUBLIC ORDER & SAFETY - Inspectorial Expenditure
1/4/03/02/00	3130	PUBLIC ORDER & SAFETY - Impounding & Pest Extermin
1/4/04/01/00	3150	PUBLIC ORDER & SAFETY - Fire Control Expenditure
1/4/04/02/00	3155	Noxious Weeds Expenditure
1/4/04/03/00	3160	Mosquito Control Expenditure
1/4/05/01/00	3200	Capital Purchases
1/4/05/04/00	3275	Katherine East Creche Expenses
1/4/06/01/00	3295	HOUSING & COMMUNITY AMENITIES - Cemetery Capital
1/4/06/01/00	3296	Cemetery Operating
1/4/06/02/00	3300	HOUSING & COMMUNITY AMENITIES - KECC

## ACCOUNTING AND POLICY MANUAL

<b><u>Total Key</u></b> <b>Expenses</b>	<b><u>Master No</u></b>	<b><u>Master Description</u></b>
1/4/06/02/00	3314	Katherine East Creche
1/4/06/02/00	3319	Capital Purchases - Chief Executive Officer
1/4/06/02/00	3320	Operating Costs - CEO's House
1/4/06/03/00	3345	Open Unlined Drains Expenditure
1/4/06/03/00	3350	Enclosed Drains and Side Entry Pit Expenditure
1/4/06/04/00	3360	Ryan Park Toilets Expenses
1/4/06/04/00	3363	Giles St Automatic Toilet
1/4/06/04/00	3365	Civic Centre Grounds Toilets Expenses
1/4/06/04/00	3367	VIC Car Park Automatic Toilet
1/4/06/04/00	3369	New Dual Auto Toilets
1/4/06/05/00	3370	Garbage Collection Expenditure
1/4/06/05/00	3375	Public Cleaning Area Expenditure
1/4/06/05/00	3379	Capital Purchases - Waste Disposal Centre
1/4/06/05/00	3380	Waste Disposal Centre Expenditure
1/4/06/06/00	3385	Council Streetsweeping Expenditure
1/4/06/06/00	3390	Council Contract Streetsweeping Expenditure
1/4/06/06/00	3395	Council Footpath and Cycleway Sweeping
1/4/06/07/00	3400	Community Liaison Officer
1/4/06/07/00	3405	Hire Equipment Maintenance
1/4/06/07/00	3410	Clean Up Australia Day
1/4/06/07/00	3415	Community Service Group Support
1/4/07/01/00	3445	Scout Hall
1/4/07/01/00	3450	Youth Club
1/4/07/02/00	3460	Katherine South Bore
1/4/07/02/00	3465	Showgrounds
1/4/07/02/00	3470	Sportsground
1/4/07/02/00	3475	Swimming Pool
1/4/07/02/00	3480	Tennis Courts
1/4/07/02/00	3490	Skate Park
1/4/07/06/00	3495	Katherine Region Cultural Precinct
1/4/07/03/00	3500	All Un-named Open Areas
1/4/07/03/00	3501	Bore Maintenance
1/4/07/03/00	3505	Civic Centre Grounds
1/4/07/03/00	3511	Katherine North Parks
1/4/07/03/00	3520	Katherine River Reserve
1/4/07/03/00	3535	Knotts Crossing Reserve
1/4/07/03/00	3551	Katherine South Parks
1/4/10/04/00	3580	Visitor Information Centre Park Area
1/4/07/03/00	3583	Katherine Icon
1/4/07/03/00	3585	Railway Terrace Reserve
1/4/07/03/00	3591	Katherine East Parks
1/4/06/02/00	3592	Binjari Community
1/4/07/03/00	3637	Lindsay Street Complex

## ACCOUNTING AND POLICY MANUAL

<b><u>Total Key</u></b> <b>Expenses</b>	<b><u>Master No</u></b>	<b><u>Master Description</u></b>
1/4/07/03/00	3650	Municipal Nursery
1/4/07/03/00	3655	DCA Grounds
1/4/07/04/01	3750	Capital Purchases - Katherine Library
1/4/07/04/01	3751	Katherine Library & Information Services
1/4/07/05/00	3900	DCA Museum
1/4/07/05/00	3905	Railway Station
1/4/07/06/00	3910	Art & Crafts & Brian Lambert Award
1/4/07/06/00	3915	Council Functions
1/4/07/06/00	3920	Australia Day Celebrations
1/4/07/06/00	3925	Mayoral Ball
1/4/07/06/00	3930	Katherine Festival
1/4/08/01/01	4000	Sealed Roads - Township
1/4/08/01/01	4100	Sealed Roads - Rural
1/4/08/01/01	4200	Unsealed Roads - Township
1/4/08/01/01	4300	Unsealed Roads - Rural
1/4/08/01/01	4325	Road Reseal - Township
1/4/08/01/01	4350	Road Reseal - Rural
1/4/08/01/03	4400	Car Parking
1/4/08/01/03	4500	Bridges & Culverts
1/4/08/01/04	4600	Kerbs & Water Tables - All Areas
1/4/08/01/05	4700	Footpaths - All Areas
1/4/08/01/06	4800	Driveways & Kerbs Crossovers - All Areas
1/4/08/02/01	5000	Sealed Roads - Township
1/4/08/02/01	5100	Sealed Roads - Rural
1/4/08/02/01	5200	Unsealed Roads - Township
1/4/08/02/01	5300	Unsealed Roads - Rural
1/4/08/02/02	5400	Nature Strips - Township
1/4/08/02/02	5500	Nature Strips - Rural
1/4/08/02/02	5600	Nature Strips - Katherine East
1/4/08/02/02	5650	Nature Strips - Katherine Terrace
1/4/08/02/02	5660	Town Square
1/4/08/02/02	5665	Central Business District
1/4/08/02/03	5700	Bridges & Culverts - All Areas
1/4/08/02/04	5800	Kerbs & Water Tables - All Areas
1/4/08/02/05	5900	Footpaths & Cycleways
1/4/08/02/06	6000	Driveways & Kerb Crossovers - All Areas
1/4/08/03/00	6200	Traffic Control - Township
1/4/08/03/00	6300	Traffic Control - Rural
1/4/09/01/01	6400	Plant Purchases
1/4/09/01/01	6405	Plant Purchases
1/4/09/01/02	6409	Plant & Machinery - Fuel
1/4/09/01/02	6412	Plant & Machinery - Repairs & Maintenance
1/4/09/01/02	6420	Plant & Machinery - Plant Hire Transfers



## ACCOUNTING AND POLICY MANUAL

<b><u>Total Key</u></b>	<b><u>Master No</u></b>	<b><u>Master Description</u></b>
<b>Expenses</b>		
1/4/09/02/00	6430	Minor Plant Purchases
1/4/09/02/00	6435	Minor Plant Operations
1/4/10/01/00	6450	Katherine Airport Capital Purchases
1/4/10/01/00	6451	Airport Operating Activities
1/4/10/02/00	6470	Parking
1/4/10/03/00	6480	Economic Development
1/4/10/04/00	6490	Visitor Information Centre
1/4/10/04/00	6491	Visitor Information Centre Capital Purchases
1/4/10/05/00	6500	Street Lighting
1/4/10/00/00	6505	Economic Development
1/4/11/01/00	6530	Other Grants
1/4/11/02/00	6535	Consultative Services
1/4/11/02/00	6536	Contingency - Works Program
1/4/11/02/00	6540	Counter Disaster Contingency
1/4/11/03/00	6550	Main Street Design & Planning Operational
1/4/12/01/00	6600	Depot Capital Purchases
1/4/12/01/00	6609	Depot - Operations
<b>Income</b>		
1/4/13/00/00	8000	Rates Income
1/4/14/01/00	8100	Administrative Services Income
1/4/15/01/00	8120	Inspectorial - Income
1/4/15/01/00	8125	Litter
1/4/15/01/00	8130	Camping
1/4/15/02/00	8135	Impounding & Pest Extermination Income
1/4/18/01/00	8170	Cemetery - Income
1/4/18/02/00	8178	Other Income - Katherine East Community Centre
1/4/18/02/00	8180	Income - CEO House
1/4/18/06/00	8192	Binjari Community
1/4/18/04/01	8200	Garbage Collection Income
1/4/18/04/02	8210	Public Area Cleaning Income
1/4/18/04/03	8215	Waste Disposal Centre Income
1/4/18/06/00	8235	Hire Equipment Maintenance
1/4/18/06/03	8240	Clean Up Aust Day
1/4/19/01/00	8246	Scout Hall
1/4/19/01/00	8247	Youth Club
1/4/19/02/00	8260	Katherine South Oval
1/4/19/02/00	8265	Showgrounds
1/4/19/02/00	8270	Sportsground
1/4/19/02/00	8275	Tennis Courts
1/4/19/02/00	8280	Swimming Pool

## ACCOUNTING AND POLICY MANUAL

<u>Total Key</u> Income	<u>Master No</u>	<u>Master Description</u>
1/4/19/03/00	8290	Katherine River Reserve
1/4/18/02/00	8296	Binjari Community
1/4/19/03/00	8297	Lindsay Street Complex - Hire Fee
1/4/19/04/01	8300	Katherine Library
1/4/19/05/00	8330	DCA Museum
1/4/19/05/00	8335	Art and Crafts (B. Lambert Art Award)
1/4/19/05/00	8336	Community Events Subsidies
1/4/19/05/00	8337	Australia Day Celebrations
1/4/19/05/00	8338	Mayoral Ball
1/4/19/05/00	8339	The Katherine Festival
1/4/20/01/00	8350	Roads
1/4/20/01/00	8355	Bridges
1/4/20/01/00	8360	Footpaths
1/4/20/01/00	8365	Driveways and Kerb Crossovers
1/4/20/01/00	8370	Cycleways
1/4/20/02/00	8375	Roads
1/4/20/02/00	8380	Nature Strips
1/4/20/02/00	8385	Bridges
1/4/20/02/00	8390	Footpaths
1/4/20/02/00	8395	Cycleways
1/4/20/02/00	8400	Driveways and Kerb Crossovers
1/4/20/02/00	8405	Traffic Control
1/4/20/02/00	8415	Costed Plant and Machinery
1/4/22/01/00	8420	Katherine Airport
1/4/22/02/00	8425	Parking
1/4/22/03/00	8430	Economic Development
1/4/22/04/00	8435	Visitor Information Centre
1/4/23/01/00	8440	Street Lighting
1/4/23/01/00	8450	General Grants Contributions and Subsidies
1/4/23/05/00	8452	Contingency - Works Program
1/4/23/02/00	8455	Consultative Services
1/4/23/03/00	8460	Investment Income
1/4/24/01/00	8470	Private Works
1/4/24/02/00	8475	Municipal Depot
1/4/11/02/00	6536	Contingency - Works Program
1/4/11/02/00	6540	Counter Disaster Contingency
1/4/11/03/00	6550	Main Street Design & Planning Operational
1/4/12/01/00	6600	Depot Capital Purchases
1/4/12/01/00	6609	Depot - Operations

#### 8.4 Receipt and Banking of Money

1. Customer Service Officer processes all receipts. At the end of the day, various receipting reports are printed and forwarded to the Finance Department together with all the takings for checking and banking preparation.
2. The Accounts Payable Officer:
  - Receives the reports and the takings.
  - Checks takings against reports.
  - Prepares banking and places in banking bag.
  - Stores banking bag in the safe ready for the next days morning run.

#### 8.5 Payment of Salaries & Wages

Procedure	Responsibility
Enter completed timesheets into the system. Print out the Pay Edit Listing report.	Payroll Officer
Forward print out together with the timesheets to the Community Services Executive Manager for checking.	Payroll Officer
Process and export payroll file to Commonwealth Bank online services once checked and signed off by the Community Services Executive Manager.	Payroll Officer
Send payroll printout to 2 signatories for authorisation.	Payroll Officer

#### 8.6 Allocation of Machinery Operating Costs to Council Functions

Machinery operating costs are allocated by charging plant hire to the different council functions on an hourly basis. Each machinery is assigned an hourly plant hire rate which is reviewed and increased annually by the Darwin CPI.

#### 8.7 Purchasing

Purchasing is the responsibility of each individual employee with purchasing and payment delegations. Please refer to 8.2 above for delegations.

##### Quotations and Tenders

Guide to Purchasing

1. Quotes are not required for provision of supplies and/or services worth \$10 000 or less.
2. Written quotes are required for provision of supplies and/or services worth over \$10 000 but not more than \$50 000 from at least 3 suppliers.
3. If it is not practicable to obtain 3 written quotes, the reasons must be recorded in writing.
4. Council must call for tenders by public notice if the provision of supplies and/or services is over \$50 000.

These requirements are more stringent than those contained in the Local Government (Accounting) Regulations.

Purchasing and Payment Procedure	Responsibility
Raise purchase order. Order goods and services and provide supplier with a signed purchase order. Forward the pink copy of the purchase order with account code written on it to the Finance Department	Responsible Officer
Input purchase order into the system and file in the Purchase Orders Awaiting Invoices file.	Accounts Payable Officer
When invoice is received, attached the related purchase order to the back of that invoice and stamp with the "Goods receipt and payment approval" stamp. Forward the invoice to the officer who issued the purchase order to verify that goods have been received or services delivered and for initial payment approval.	Accounts Payable Officer
Once signed and returned to the Finance Department, invoices are entered into the system for payment. Most invoices are paid at end of month unless otherwise stated on the invoice.	Accounts Payable Officer
At the end of each week, a payment listing report is printed, pull out in listed and match against the report. When satisfy, sign off the report as verification that it has been checked.	Accounts Payable Officer
Print cheques and EFT remittance advices and attach invoices to the back of the cheques or remittance advices. Then forward to the Finance Manager for final approval before sending to two (2) authorised signatories.	Accounts Payable Officer

**8.6 Granting of Credit**

Customers must complete an Account Application Form. Completed forms are forwarded to the Finance Department for processing. Where necessary, customers credit references are verified before credit is granted.

The granting of credit and recovery of outstanding debts must be controlled from the timely raising of invoices and subsequent monitoring and collection of debt.

**9. REVIEW & EVALUATION**

This policy will be reviewed annually or when necessary. The Chief Executive Officer will report to Council on the outcome of the review and make recommendations for amendment, alteration or a substitution of a new policy of considered necessary.

**10. AVAILABILITY OF THE POLICY**

This policy will be available for inspection at Council's principal office during ordinary business hours and at Council's website [www.ktc.nt.gov.au](http://www.ktc.nt.gov.au). Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

## ACCOUNTING AND POLICY MANUAL

### VARIATIONS

Katherine Town Council reserves the right to vary, replace or terminate this Policy from time to time.

### ASSOCIATED DOCUMENTS

Katherine Town Council Credit Card Policy  
Katherine Town Council Investment Policy  
Katherine Town Council Internal Audit Committee Policy  
Katherine Town Council Fraud Protection Policy  
Katherine Town Council Instrument of Delegation  
Katherine Town Council Code of Conduct for Employees

References and Related Legislation:

Northern Territory Local Government Act  
Northern Territory Local Government (Administration) Regulations  
Northern Territory Local Government (Accounting) Regulations  
Australian Accounting Standards  
Ministerial Guidelines

### POLICY VERSION AND REVISION INFORMATION

Policy Authorised by: Robert Jennings	Original issue: 24 February 2009
Title: Chief Executive Officer	
Policy Maintained by: Alice Anastacio	Current Version: 3
Title: Corporate Services Executive Manager	
Review Date: 30 June 2016	