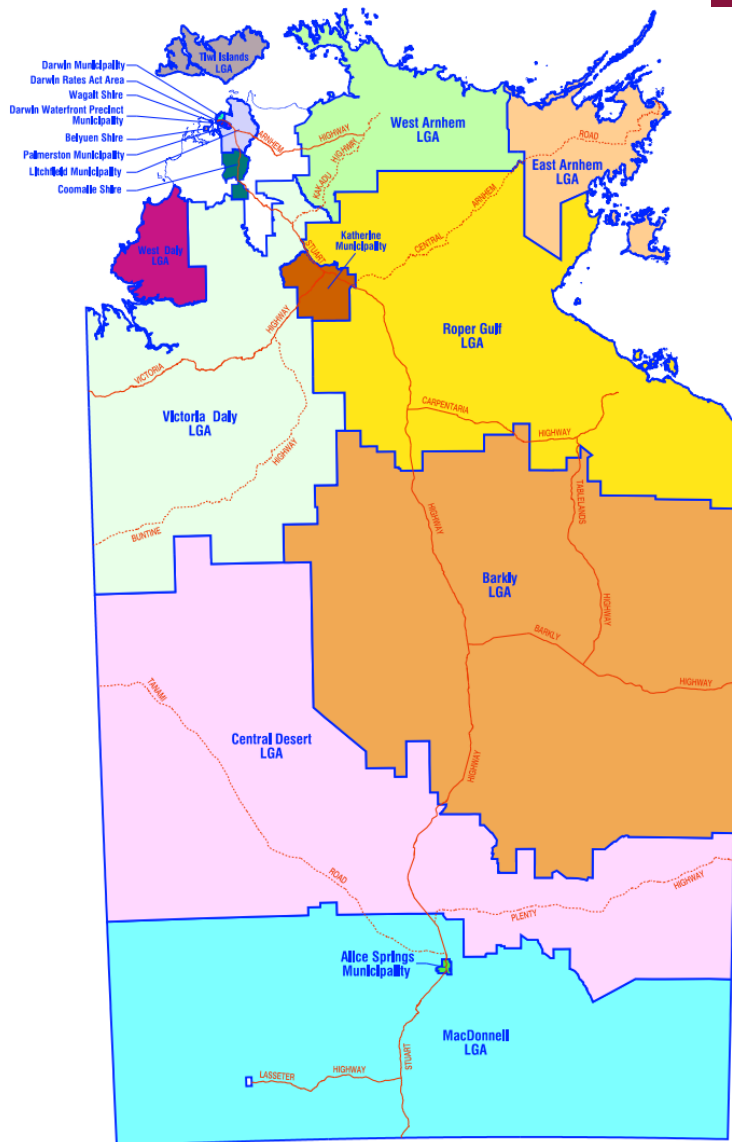


2015/2016 Annual Report



CouncilBIZ Annual Report 2015-16

CouncilBIZ is a Local Government Subsidiary as defined by the *Local Government Act* with the following members:

- Barkly Regional Council
- Central Desert Regional Council
- East Arnhem Regional Council
- MacDonnell Regional Council
- Roper Gulf Regional Council
- Tiwi Islands Regional Council
- Victoria Daly Regional Council
- West Arnhem Regional Council
- West Daly Regional Council
- Local Government Association of the Northern Territory (LGANT).

Each member nominates one person to be their representative at Board meetings of CouncilBIZ. The chair of the Board is Tony Tapsell, the Chief Executive Officer of LGANT.

The Board held meetings in August, November, February and June. The Board has an Executive Committee that meets every second month.

The Board employs a General Manager, and the organisation has a staffing complement of fifteen. The organisation operates from leased premises at 14 Shepherd Street, Darwin.



Introduction from the Chair

A degree of change was undergone during the year which has seen the organisation perhaps now better positioned than it has ever been to deliver on its promise of providing quality shared services to member councils with information and communications technology.

The catalyst for most change came with the issue of a compliance report from the Department of Local Government and Community Services issued on 3 November 2015 which highlighted deficiencies in the organisation's operations and called for an action plan to ensure CouncilBIZ business activities were conducted in a proper manner.

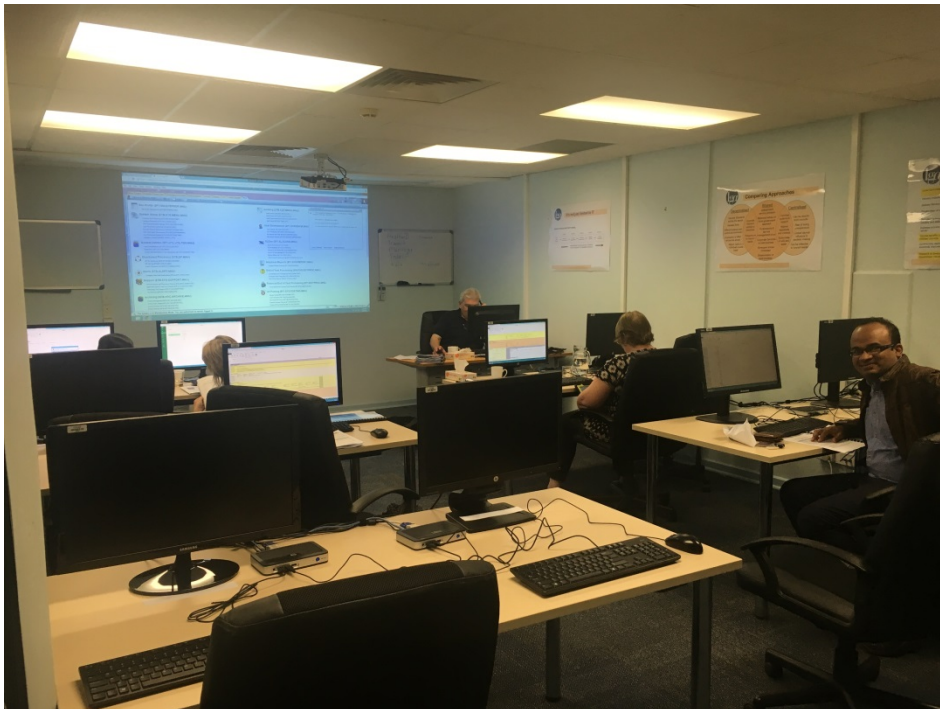
What followed was a series of outcomes that effected change including, but not limited to, the:

- departure of senior staff
- recruitment of senior staff including a new General Manager, Michael Freeman (a person with extensive shared services and local government experience)
- rebuilding of management and employees to deliver a shared services offering to member councils
- implementation of major projects to do with payroll, human resources and business systems for the Roper Gulf, Barkly and Victoria Daly Regional Councils
- the provision of training courses in business systems for council employees
- review of all CouncilBIZ plans, assets, constitution and delegations
- adoption of an extensive policy manual
- drafting of comprehensive statement of intent for 2016/17 which included (amongst other things) a model of governance and management, strategic plan and annual budget
- the reduction in CouncilBIZ fees to member councils
- report(s) detailing responses to the Department's compliance report
- establishing an audit and risk committee.

While the Board was faced with some challenging matters throughout the year there is no doubt that the actions taken since the issue of the compliance review report have been very much for the better of the organisation.

I sincerely thank Michael Freeman and the staff of CouncilBIZ for their efforts in not only embracing change but in helping the Board to adopt new directions that will hopefully see in the future a greater acceptance of the value of shared services.

Tony Tapsell



Training in Technology One software

CouncilBIZ Governance and Management

The Board held a significant planning session in August 2015 to review the levels of service provided by the organisation, and the potential for additional services. The revised Strategic Plan contains a modified Future and Purpose Statement.

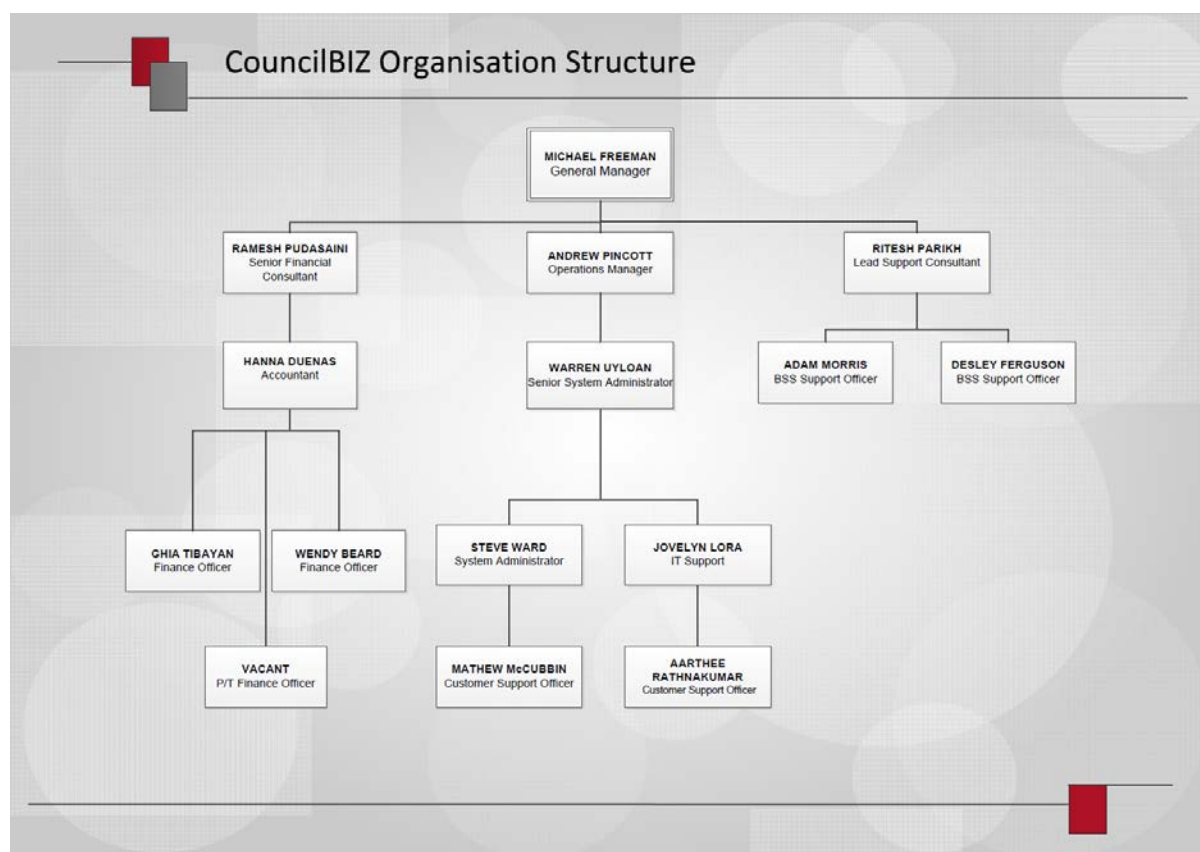
Our Future

We will deliver innovative services that allow our customers to be recognised as exemplary organisations in their field. We will be governed and managed so effectively that we attract terrific, skilled staff. We will have a reputation for getting things done. We will be adaptive and flexible to our customers' needs. In fact, we anticipate those needs. We will communicate, communicate, and communicate with each other, with our customers and with our people.

Our Purpose

To be the organisation known for changing attitudes to the delivery of shared services in local government so that everyone wants to be involved.

A new management team commenced in January 2016 to implement the revised strategy.



CouncilBIZ Infrastructure

Established to facilitate the efficient provisioning of administration, information technology and financial services, CouncilBIZ boasts an impressive array of on premise, cloud based, infrastructure technologies to support its member Councils.

Delivering the core services of messaging, document management, and financial ERP systems, the infrastructure is built around IBM PureFlex Systems with a chassis and associated x240 compute node blade servers. Integrated ethernet and storage modules simplify configuration making the system scalable.

Further supplementing this foundation, the addition of independent x3650 standalone servers has created a virtualisation cluster of 8 physical servers and a pool of resources surpassing 3.5 Terabytes of physical memory and 55 Terabytes of Production storage. CouncilBIZ has designed the server delivery with an emphasis on siloed systems to protect our members.

Redundant 10 GB Brocade Top of Rack switching optimises the data networks within the core and provides fault tolerance. Multiple storage options, including IBM Flashsystems, and Storwize V7000 easy Tier technology, provide significant opportunities for growth and unprecedented speed for the virtual environment.

Sitting on top of the base infrastructure, application delivery is accomplished via the latest Citrix XenDesktop 7.6 Farm. Citrix Machine Creation Services leveraging VMWare allow for “single-click” provisioning of XenApp servers custom built for each Council. The end user experience is further enhanced by presenting the farm through an active/passive cluster of Storefront webservers and Netscaler gateway appliances ensuring consistent delivery of the farm 24 hours a day both internally and externally to the corporate LAN.

This system is due for review during 2016-17 with a refresh cycle scheduled for 2017-18.



CouncilBIZ Services

Utilising the array of infrastructure that CouncilBIZ provides for its members, CouncilBIZ hosts the Technology One financial, property and asset management suite of software, Magiq Documents (InfoXpert) document management, InfoCouncil agenda management, the full suite of Microsoft Office productivity software, and Civica's Authority package, for use by the members. Helpdesk services are offered for both general network support and assistance with the hosted software.

CouncilBIZ provides joint procurement of insurance brokerage services for the nine members, with a three year contract with Jardine Lloyd Thompson that expires in March 2017.

For West Daly Regional Council CouncilBIZ carries out financial processing of accounts payable, receivable, rates, general ledger transactions, payroll and asset registers. During 2015-16 CouncilBIZ commenced payroll processing for Victoria Daly Regional Council and provided relief financial reporting during a period of recruitment.

Late 2015-16 saw two significant implementation projects, with the implementation of payroll processing within the Technology One software for Roper Gulf Regional Council and a full migration for Barkly Regional Council from Civica's AUTHORITY to the Technology One solution.

The following table details the direct service fees contributed by each member, which are calculated by 50% of the cost being shared equally, and 50% in proportion to the number of users from each member.

Service Fees

Barkly Regional Council	273,139.75
Central Desert Regional Council	311,223.41
East Arnhem Regional Council	268,993.52
MacDonnell Regional Council	327,986.32
Roper Gulf Regional Council	300,108.36
Tiwi Islands Regional Council	237,587.50
Victoria Daly Regional Council	218,355.44
West Arnhem Regional Council	222,792.85
West Daly Regional Council	182,762.11
	<hr/>
	2,342,949.26

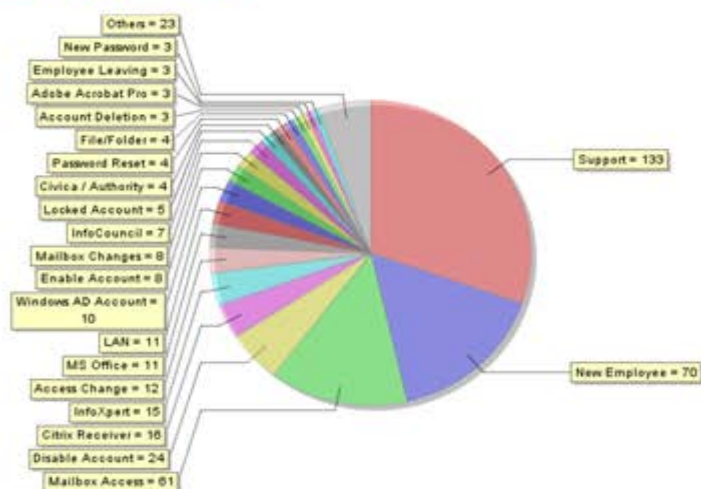
Financial/HR Processing Fees

West Daly Regional Council	164,500.00
Victoria Daly Regional Council	24,800.00

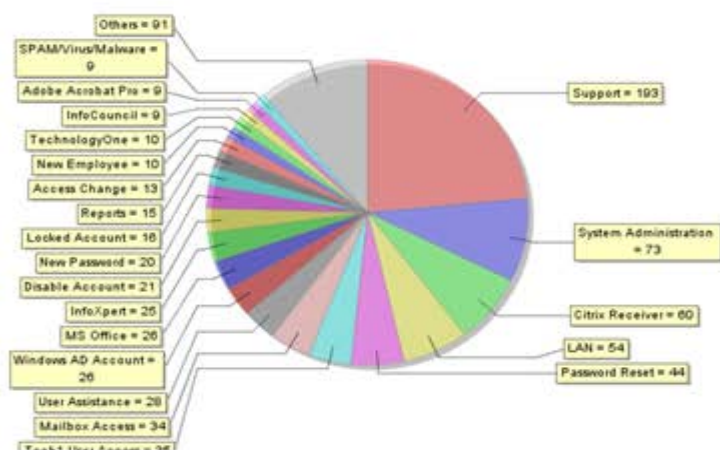
During the year CouncilBIZ received 6,652 support calls from the user population. A major portion of the shared resources are consumed by the storage of data and documents by the member Councils. The following charts give an indication of the size and scope of the operation:



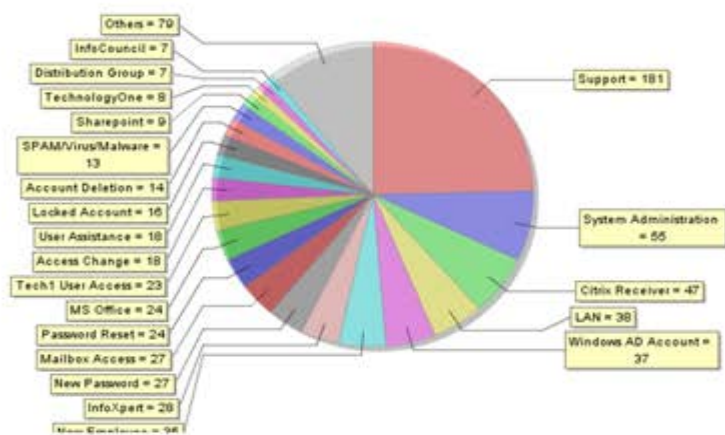
TOTAL SUPPORT CALLS: 438



TOTAL SUPPORT CALLS: 821

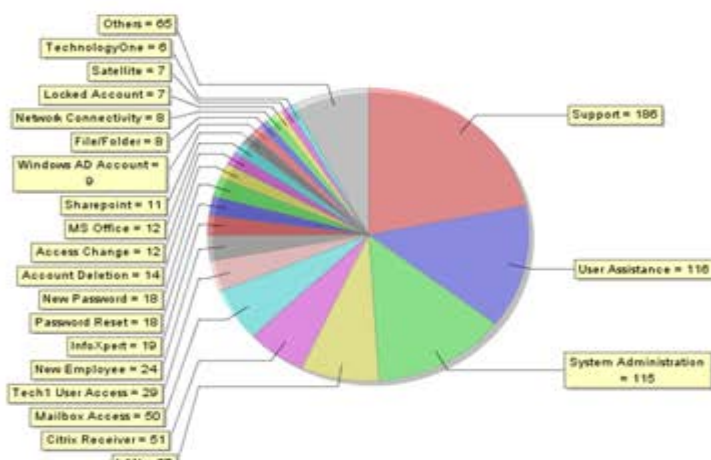


TOTAL SUPPORT CALLS: 735

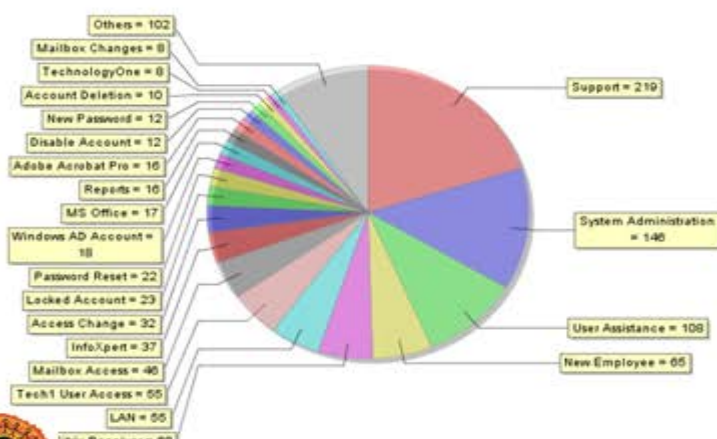




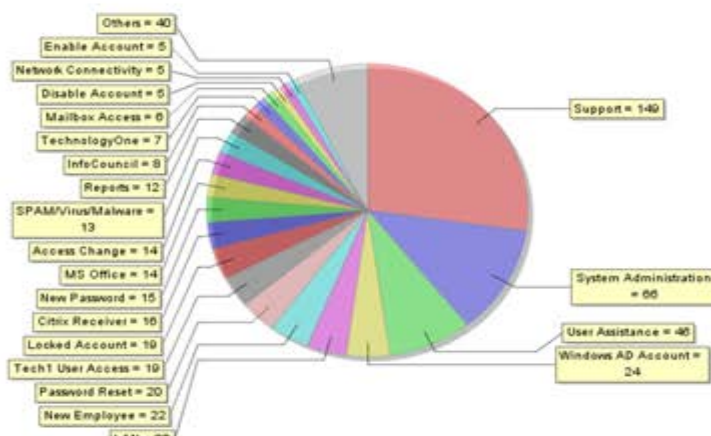
TOTAL SUPPORT CALLS: 852



TOTAL SUPPORT CALLS: 1087

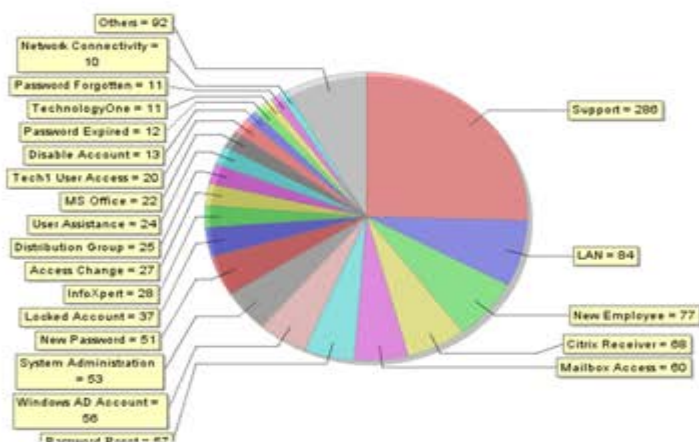


TOTAL SUPPORT CALLS: 547

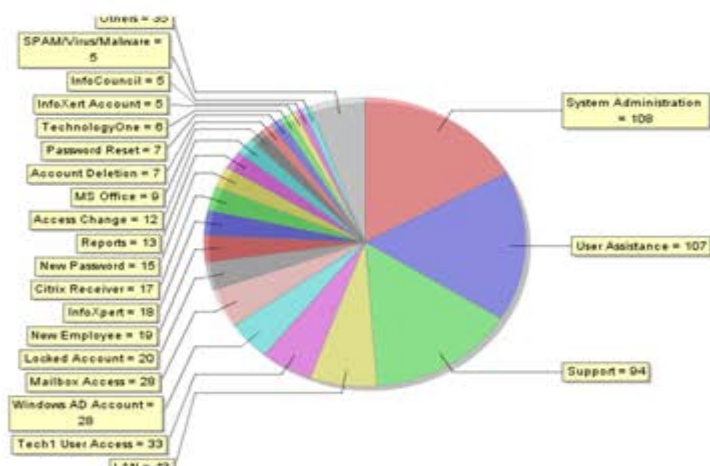




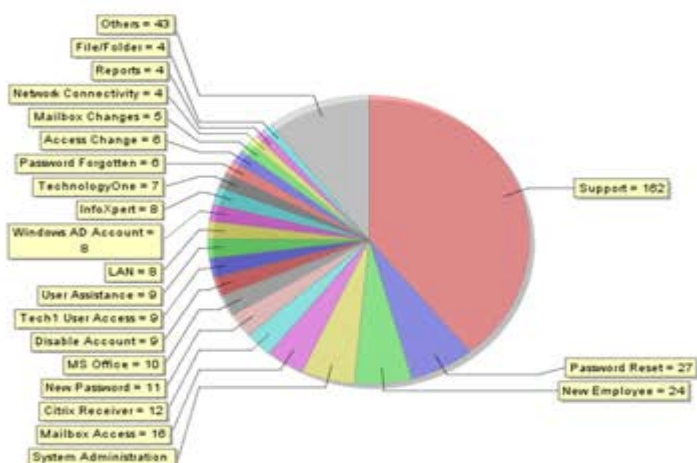
TOTAL SUPPORT CALLS: 1124

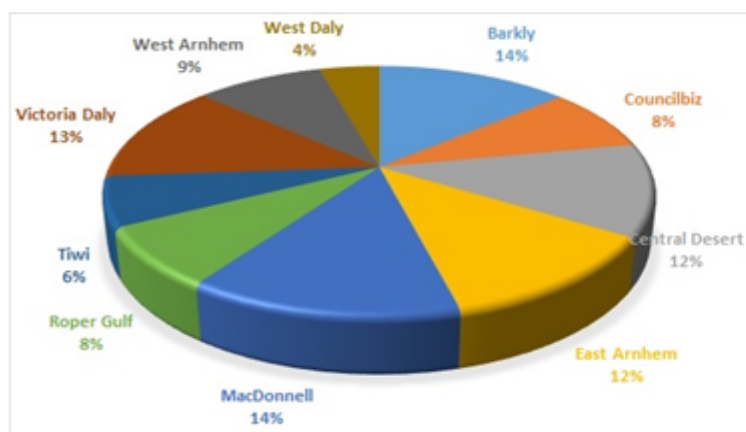


TOTAL SUPPORT CALLS: 634



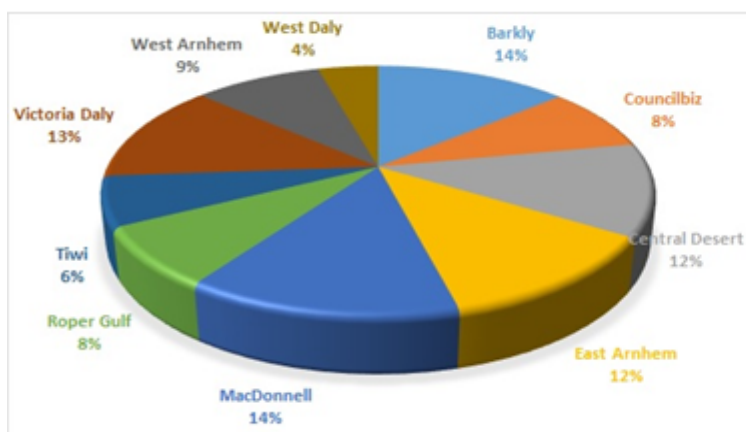
TOTAL SUPPORT CALLS: 414





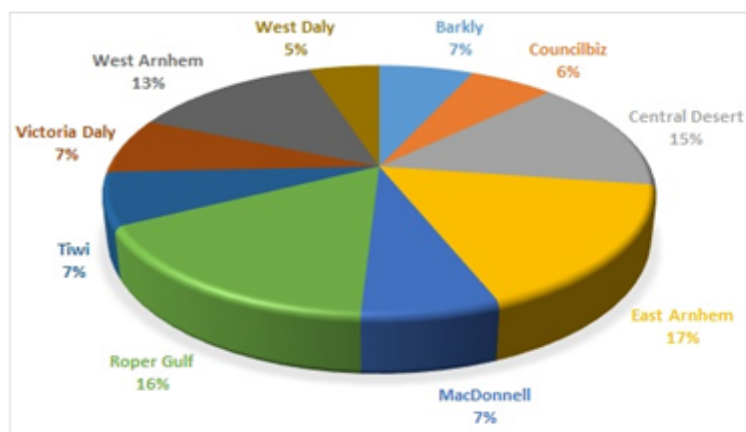
TOTAL USER ACCOUNTS PER COUNCIL

	205		45
	132		156
	183		121
	261		237
	254		80



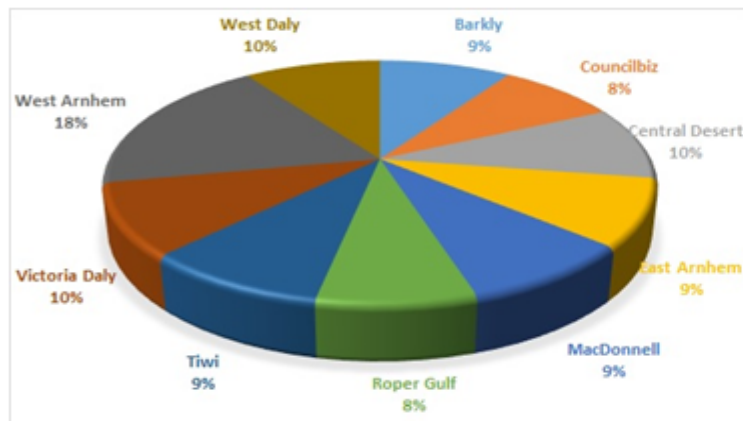
TOTAL STORAGE FOR P & G: DRIVES PER COUNCIL

	610GB		372GB
	406GB		289GB
	544GB		578GB
	612GB		346GB
	541GB		191GB



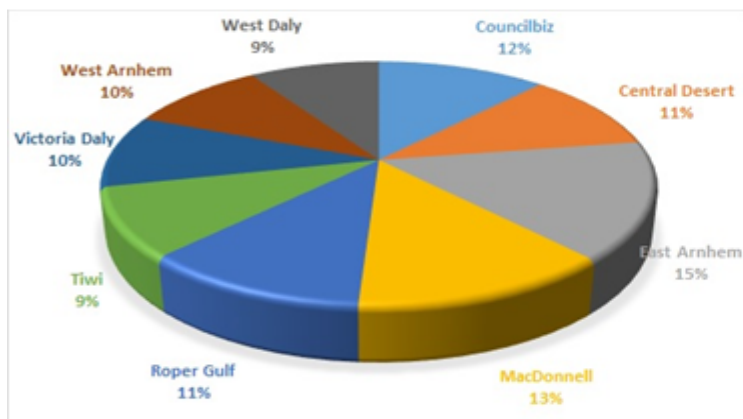
TOTAL INFOXPRT STORAGE PER COUNCIL

	225GB		200GB
	456GB		231GB
	561GB		244GB
	231GB		556GB
	496GB		166GB



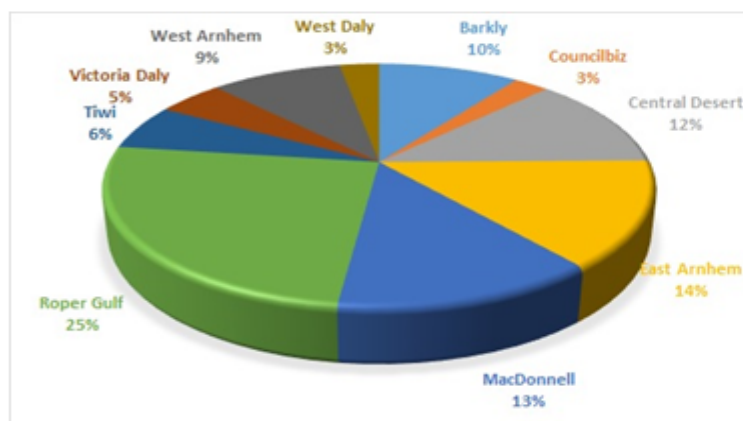
TOTAL TECHONE APPLICATION STORAGE PER COUNCIL

	144GB		131GB
	285GB		142GB
	138GB		148GB
	136GB		122GB
	150GB		149GB



TOTAL DATABASE STORAGE (TECHONE/ETOOLS) PER COUNCIL

	SHARED		241GB
	197GB		187GB
	318GB		197GB
	262GB		230GB
	217GB		187GB



TOTAL EMAIL STORAGE PER COUNCIL

	89GB		22GB
	83GB		54GB
	126GB		42GB
	117GB		224GB
	110GB		25GB

CouncilBIZ Annual Accounts 2015-16

CouncilBIZ continues to be in a healthy financial state. Accumulated funds exceed \$2.3m.

During the 2015/16 year the Board reduced planned service fee income from Members to a level that ensured CouncilBIZ received sufficient income to cover direct operating expenses excluding depreciation. The Board also classified previously accumulated funds into reserves to provide for the future replacement of system hardware, business software and productivity software.

Sufficient funds are available to implement the next major refresh cycle of equipment and software scheduled for 2017/18 financial year.

COUNCILBIZ
ABN 58 556 215 599

Financial Report
For the year ended 30 June 2016

COUNCILBIZ
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

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Statement of Working Capital	8
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COUNCILBIZ

**EXECUTIVE OFFICER'S STATEMENT
FOR THE YEAR ENDED
30 JUNE 2016**

I, the Executive Officer of CouncilBIZ, certify that the Annual Financial Statements:

- (a) have been, to the best of my knowledge, information and belief, properly drawn up in accordance with all applicable Australian Accounting Standards, the Local Government Act, Local Government (Accounting) Regulations and the CouncilBIZ Constitution so as to present fairly the financial position of CouncilBIZ and its results for the year ended 30 June 2016; and
- (b) are in accordance with the accounting and other records of CouncilBIZ.



Michael Freeman
General Manager
Darwin, 24 October 2016

INDEPENDENT AUDITOR'S REPORT

To the members of CouncilBIZ.

We have audited the accompanying financial statements of CouncilBIZ, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of working capital, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and the executive officer's statement.

Board's Responsibility for the Financial Report

The Board of CouncilBIZ is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Northern Territory Local Government Act, the Northern Territory Local Government (Accounting) Regulations and the CouncilBIZ Constitution, and for such internal control as the Board determine is necessary to enable the preparation and fair presentation 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. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of CouncilBIZ as of 30 June 2016, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Northern Territory Local Government Act, the Northern Territory Local Government (Accounting) Regulations and the CouncilBIZ Constitution.

BDO Audit (NT)

C J Sciacca
Chartered Accountant
Audit Partner

Darwin: 25 October 2016

COUNCILBIZ

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Operating Revenues			
Investment revenue	3(a)	32,941	39,630
Service fee and other operating revenues	3(b)	2,535,259	3,492,186
Total operating revenues		<u>2,568,200</u>	<u>3,531,816</u>
Operating Expenses			
Employee costs	4(a)	1,270,530	1,568,240
Depreciation and amortisation	4(b)	276,719	274,055
Contract expenditure	4(c)	646,215	845,413
Other operating expenses	4(d)	544,591	478,192
Total operating expenses		<u>2,738,055</u>	<u>3,165,900</u>
Gain on disposal of property, plant and equipment	3(c)	4,700	-
(Deficit)/surplus for the year		<u>(165,155)</u>	<u>365,916</u>
Other comprehensive income		-	-
Total Comprehensive Income		<u>(165,155)</u>	<u>365,916</u>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

COUNCILBIZ

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	2,043,389	2,189,811
Trade and Other Receivables	6	60,316	62,783
Other assets	7	229,984	261,526
Total Current Assets		<u>2,333,689</u>	<u>2,514,120</u>
Non-Current Assets			
Other assets	7	8,148	8,799
Property, Plant and Equipment	8	151,526	440,632
Total Non-Current Assets		<u>159,674</u>	<u>449,431</u>
Total Assets		<u>2,493,363</u>	<u>2,963,551</u>
LIABILITIES			
Current Liabilities			
Trade and Other Payables	9	54,902	386,299
Provision for Employee Entitlements	9	75,501	76,335
Total Current Liabilities		<u>130,403</u>	<u>462,634</u>
Non-Current Liabilities			
Provision for Employee Entitlements	9	50,576	23,378
Total Non-Current Liabilities		<u>50,576</u>	<u>23,378</u>
Total Liabilities		<u>180,979</u>	<u>486,012</u>
NET ASSETS		<u>2,312,384</u>	<u>2,477,539</u>
EQUITY			
Accumulated Funds	10	2,312,384	2,477,539
Total Equity		<u>2,312,384</u>	<u>2,477,539</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

COUNCILBIZ

STATEMENT OF WORKING CAPITAL AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash and Cash Equivalents	5	2,043,389	2,189,811
Trade and Other Receivables	6	60,316	62,783
Other assets	7	229,984	261,526
Total Current Assets		<u>2,333,689</u>	<u>2,514,120</u>
Current Liabilities			
Trade and Other Payables	9	54,902	386,299
Provision for Employee Entitlements	9	75,501	76,335
Total Current Liabilities		<u>130,403</u>	<u>462,634</u>
NET CURRENT ASSETS (working capital)		<u>2,203,286</u>	<u>2,051,486</u>
CURRENT RATIO (ratio of current assets to current liabilities)		<u>17.90</u>	<u>5.43</u>

The Statement of Working Capital should be read in conjunction with the accompanying notes.

COUNCILBIZ

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Asset Replacement Reserve	Productivity Reserve	Business Reserve	Accumulated Surplus	Total
	\$	\$		\$	\$
Accumulated Funds					
Balance at 30 June 2014	-	-	-	2,111,623	2,111,623
Surplus for the year	-	-	-	365,916	365,916
Other comprehensive income for the year	-	-	-	-	-
Balance at 30 June 2015	-	-	-	2,477,539	2,477,539
Deficit for the year	-	-	-	(165,155)	(165,155)
Transfer to Other Reserves	700,000	300,000	1,000,000	(2,000,000)	-
Other comprehensive income for the year	-	-	-	-	-
Balance at 30 June 2016	700,000	300,000	1,000,000	312,384	2,312,384

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

COUNCILBIZ

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
Cash flow from operating activities			
Receipts from user charges and fees		2,569,922	4,012,779
Interest received		32,941	39,630
Payments to employees		(1,268,661)	(1,567,956)
Payments for materials and contracts		(1,497,710)	(1,715,742)
Net cash provided by operating activities	11(b)	<u>(163,508)</u>	<u>768,711</u>
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment		17,086	997
Purchase of assets		-	(177,229)
Net cash used from investing activities		<u>17,086</u>	<u>(176,232)</u>
Net (decrease)/ increase in cash and cash equivalents		(146,422)	592,479
Cash and cash equivalents at the beginning of the financial year		2,189,811	1,597,332
Cash and cash equivalents at the end of the financial year	11(a)	<u>2,043,389</u>	<u>2,189,811</u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements of CouncilBIZ, a not-for-profit-entity, are set out below. These policies have been consistently applied, unless otherwise stated.

The Local Government Reporting Entity

The consolidated fund through which CouncilBIZ controls resources to carry on its functions has been included in the financial statements forming part of this report.

In the process of reporting on CouncilBIZ as a single unit, all transactions and balances between functional areas have been eliminated. A summary of contributions to the operating result and net assets by function is provided at note 2(a).

General information

CouncilBIZ is a Local Government Subsidiary established under the Local Government Act.

Its members are:

- Local Government Association of the Northern Territory
- Barkly Regional Council
- Central Desert Regional Council
- East Arnhem Regional Council
- MacDonnell Regional Council
- Roper Gulf Regional Council
- Tiwi Islands Regional Council
- Victoria Daly Regional Council
- West Arnhem Regional Council
- West Daly Regional Council

The principal activity of CouncilBIZ is to provide information technology support to the Northern Territory Regional Councils.

New, revised or amending Accounting Standards and Interpretations adopted

CouncilBIZ has adopted all of the new, revised accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Any new or revised accounting standards or interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of CouncilBIZ from the adoption of these accounting standards and interpretations are disclosed in the relevant accounting policy. The adoption of these accounting standards and interpretations did not have any significant impact on the financial performance or position of CouncilBIZ.

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. SUMMARY OF ACCOUNTING POLICIES (cont.)

New, revised or amending Accounting Standards and Interpretations adopted (cont.)

The following accounting standards and interpretations are most relevant to the entity:

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

CouncilBIZ has applied AASB 2012-3 from 1 July 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

CouncilBiz has applied AASB 2013-3 from 1 July 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

CouncilBIZ has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 2 'Share-based Payment': clarifies the definition of 'vesting condition' by separately defining a 'performance condition' and a 'service condition' and amends the definition of 'market condition'; AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; AASB 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of AASB 9 and AASB 139; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity; AASB 140 'Investment Property': clarifies that the acquisition of an investment property may constitute a business combination.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. SUMMARY OF ACCOUNTING POLICIES (cont.)

Basis of preparation

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ('AASB') and the Local Government Act and Regulations. The financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ('IASB').

These financial statements comprise CouncilBIZ financial statements as an individual entity. For the purposes of preparing the financial statements, the entity is a not-for-profit entity.

The financial statements are presented in Australian dollars, which is the functional and presentation currency. All amounts have been rounded off to the nearest dollar.

Historical cost convention

The financial statements have been prepared on a historical cost convention.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying CouncilBIZ accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1(m).

(a) Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to CouncilBIZ and the revenue can be reliably measured. Revenue is measured at fair value of the consideration received or receivable.

(i) Services fee revenue

Service fee revenue is recognised when the outcome of such transactions can be measured reliably.

(ii) Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(iii) Sale of property, plant and equipment

The profit or loss on sale of an asset is determined when control of the asset has passed from CouncilBIZ.

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. SUMMARY OF ACCOUNTING POLICIES (cont.)

(a) Revenue recognition (cont.)

(iv) Grants

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

(b) Income tax

CouncilBIZ is exempt from Income Tax under section 50-25 of the Income Tax Assessment Act 1997.

(c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of readily convertible to known amounts of cash and which are subject to an insignificant risk of changes three months or less, that are in value.

(e) Trade and other receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectable amounts and have repayment terms between 30 and 90 days. Collectibility of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that CouncilBIZ will not be able to collect all amounts due according to the original terms. Objective evidence of impairment include financial difficulties of the debtor, default payments or debts more than 60 days overdue. On confirmation that the trade receivable will not be collectible the gross carrying value of the asset is written off against the associated provision.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. SUMMARY OF ACCOUNTING POLICIES (cont.)

(f) Property, plant and equipment

All property, plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairment.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment / Motor Vehicles / Furniture and fittings / Infrastructure	3 to 11 years
--	---------------

The residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to CouncilBIZ. Gains and losses between carrying amount and the disposal proceeds are taken to profit or loss.

(g) Intangibles

Intangible assets acquired are recorded at cost less accumulated amortisation. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each reporting period, with any changes in this accounting estimates being accounted for on a prospective basis.

(h) Impairment of non financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(i) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to CouncilBIZ prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. SUMMARY OF ACCOUNTING POLICIES (cont.)

(j) Employee benefits, wages and salaries and Annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of reporting date are recognised in respect of employees' services rendered up to reporting date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for wages and salaries are included as part of Trade and other payables and liabilities for annual leave are included as part of provisions.

Long service leave

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future cash payments to be made in respect of the services provided by employees up to the reporting date using the projected credit unit method. Consideration is given to expected future wage and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows.

(k) Goods and services tax

Revenues, expenses are recognised net of Goods and Service Tax (GST) except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(l) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights and obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

Financial Assets

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities, including loans and borrowings, are recognised at amortised cost, comprising original debt less principal payments and amortisation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

1. SUMMARY OF ACCOUNTING POLICIES (cont.)

(l) Financial Instruments (cont.)

Impairment

At the end of each reporting period CouncilBIZ assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of 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.

(m) Critical Accounting Estimates and Judgements

The key assumptions concerning the future and other key sources of estimation uncertainty at financial reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimation of useful lives of property and equipment

CouncilBIZ determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down. Net book value of property and equipment amounted to \$151,526 as at 30 June 2016 (\$440,632 in 2015).

Impairment of property and equipment

CouncilBIZ assesses impairment of non-current assets at each reporting date by evaluating conditions specific to CouncilBIZ and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions. No impairment loss recognised as at 30 June 2016 (nil in 2015).

Long service leave provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates, pay increases through promotion and inflation have been taken into account. Long service leave provision recognised amounted to \$50,576 as at 30 June 2016 (\$23,378 in 2015).

(n) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted for the annual reporting period ended 30 June 2016. The entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the entity, are set out below.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. SUMMARY OF ACCOUNTING POLICIES (cont.)

AASB 9 Financial instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers.

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. SUMMARY OF ACCOUNTING POLICIES (cont.)

AASB 15 Revenue from Contracts with Customers (cont.)

For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. CouncilBIZ will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by CouncilBIZ.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The entity will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the entity.

COUNCILBIZ

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

2(a) Components of functions

Revenues, expenses and assets have been attributed to the following functions/activities. Details of these functions/activities are provided at Note 2(b).

	GENERAL PUBLIC SERVICES	
	2016	2015
	\$	\$
OPERATING REVENUES		
User Charges and fees	2,342,949	3,113,987
Finance Processing fees	164,500	378,199
Other	27,810	-
Investment revenue	32,941	39,630
Gain on disposal of property, plant and equipment	4,700	-
TOTAL REVENUES	2,572,900	3,531,816
OPERATING EXPENSES		
Employee costs - Normal	1,123,726	1,207,721
Employee costs - Finance Processing	146,804	360,519
Materials and contracts	503,203	714,404
Depreciation and amortisation expenses	276,719	274,055
Other operating expenses	687,603	609,201
TOTAL EXPENSES	2,738,055	3,165,900
TOTAL	(165,155)	365,916
ASSETS (Non-current)	151,526	440,632

2(b) Components of functions

The activities relating to CouncilBIZ functions reported on in Note 2(a) are as follows:

General Public Services

Administrative, legislative and executive affairs, financial and fiscal affairs, general research and general services.

	2016	2015
	\$	\$
3. Operating revenues		
(a) Investment Revenue		
Interest on Bank deposits	32,941	39,630
Total interest on bank deposits	32,941	39,630
(b) Service fee and other operating revenues		
Service fee income	2,507,449	3,442,186
Other	27,810	50,000
Total Service fee and other operating revenue	2,535,259	3,492,186

COUNCILBIZ

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

3.	Operating revenues (cont.)	2016	2015
	(c) Gain on disposal of property, plant and equipment	\$	\$
	Gain on disposal of property, plant and equipment	<u>4,700</u>	<u>-</u>
	Total Gain on disposal of property, plant and equipment	<u>4,700</u>	<u>-</u>
4.	Operating expenses		
	(a) Employee costs		
	Salaries and wages - Normal	839,978	932,362
	Salaries and wages - Finance Processing	132,932	273,020
	Employee leave benefits	151,509	178,352
	Superannuation	102,191	123,158
	Fringe benefits tax	-	1,250
	Training costs (excluding salaries)	19,872	35,926
	Other	24,048	24,172
	Total operating employee costs	<u>1,270,530</u>	<u>1,568,240</u>
	 (b) Depreciation and amortisation expenses		
	Infrastructure	270,109	260,801
	Plant and equipment	510	897
	Furniture and fittings	2,538	7,281
	Motor vehicles	3,562	3,880
	Intangibles	-	1,196
	Total depreciation and amortisation expenses	<u>276,719</u>	<u>274,055</u>
	 (c) Contract expenditure		
	Operating lease expense property	143,014	131,008
	Software license maintenance and development	221,496	270,191
	Server management	281,705	444,214
	Total contract expenditure	<u>646,215</u>	<u>845,413</u>

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
4. Operating expenses (cont.)		
(d) Other operating expenses		
Audit fees	30,200	12,550
Communication expenses	312,031	42,459
Consulting fees	75,415	112,756
Insurance	25,194	20,273
Legal expenses	516	600
Motor vehicle costs	1,668	3,439
Travel, accommodation and airfares	15,095	20,250
Utilities	11,422	8,925
Other	73,050	256,940
Total other operating expenses	544,591	478,192
5. Cash and cash equivalents		
Cash at bank - Operational general	2,042,889	2,189,811
Petty cash	500	-
Total cash	2,043,389	2,189,811
6. Trade and other receivables		
Trade and other receivables	60,316	27,331
Goods and services tax receivable	-	35,452
Total unrestricted trade and other receivables	60,316	62,783
7. Other assets		
Current		
Accrued revenue	6,384	-
Prepayments	223,600	261,526
Total other assets	229,984	261,526
Non-current		
Other	8,149	8,799
	8,149	8,799
8. Property, Plant and Equipment and Intangibles		
Infrastructure		
Cost	1,776,438	1,780,345
Accumulated Depreciation	(1,647,421)	(1,377,312)
	129,017	403,033

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

8. Property, Plant and Equipment and Intangibles (cont.)

	2016	2015
	\$	\$
Furniture and fittings		
Cost	58,336	58,336
Accumulated Depreciation	(36,514)	(33,977)
	<u>21,822</u>	<u>24,359</u>
Plant and Equipment		
Cost	1,928	1,928
Accumulated Depreciation	(1,241)	(731)
	<u>687</u>	<u>1,197</u>
Motor Vehicles		
Cost	-	19,399
Accumulated Depreciation	-	(7,356)
	<u>-</u>	<u>12,043</u>
Intangibles		
Cost	-	7,109
Accumulated Depreciation	-	(7,109)
	<u>-</u>	<u>-</u>
Property, Plant and Equipment	<u>151,526</u>	<u>440,632</u>

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

8. Property, Plant and Equipment and Intangibles (cont.)

	CARRYING AMOUNT MOVEMENTS DURING THE YEAR							2016				
	\$							\$				
	At Cost	Accumulated Depreciation/Amortisation	Carrying Amount	Asset Purchase	Asset Transfers (Cost)	Asset Disposal (Cost)	Asset Transfer (Accum Depr)	Asset Disposal (depreciation/ amortisation)	Depreciation/ Amortisation Expense	At Cost	Accumulated Depreciation/ Amortisation	Carrying Amount
UNRESTRICTED												
Infrastructure	1,780,345	(1,377,312)	403,033	-	-	(3,907)	-	(3,906)	(270,109)	1,776,438	(1,647,421)	129,017
Furniture and Fittings	58,336	(33,977)	24,359	-	-	-	-	-	(2,538)	58,336	(36,514)	21,822
Plant and Equipment	1,928	(731)	1,197	-	-	-	-	-	(510)	1,928	(1,241)	687
Motor Vehicles	19,399	(7,356)	12,043	-	-	(19,399)	-	(10,918)	(3,562)	-	-	-
Work in progress	-	-	-	-	-	-	-	-	-	-	-	-
Total Property, plant and equipment	1,860,008	(1,419,376)	440,632	-	-	(23,306)	-	(14,824)	(276,719)	1,836,702	(1,685,176)	151,526
Intangibles	7,109	(7,109)	-	-	-	-	-	-	-	7,109	(7,109)	-
Total Intangibles	7,109	(7,109)	-	-	-	-	-	-	-	7,109	(7,109)	-
TOTAL UNRESTRICTED	1,867,117	(1,426,485)	440,632	-	-	(23,306)	-	(14,824)	(276,719)	1,843,811	(1,692,285)	151,526

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
9. Trade and other payables and provisions		
<i>Trade and other payables:</i>		
Trade and other payables	28,411	332,027
PAYG Withholding	-	24,494
Accrued expenses	24,598	7,530
Accrued wages	-	16,949
Other	1,893	5,299
Total trade and other payables	54,902	386,299

No interest is charged on the trade payables for the first 30 days from the date of the invoice. CouncilBIZ has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Provisions for Employee Entitlement

Annual leave (current)	75,501	76,335
Long service leave (non-current)	50,576	23,378
Total provisions	126,077	99,713

10. Contributed equity and Reserves

The entity commenced the year with an equity balance of \$2,477,540 made up of \$2,227,124 million in accumulated funds and \$250,000 set aside in an asset replacement replacement reserve. During the year a board resolution approved the transfer from contributed equity to the asset replacement reserve and \$2,227,124 was transferred from accumulated surplus to the business and productivity reserves.

Reserves

Productivity reserve	300,000	-
Business reserve	1,000,000	-
Asset replacement reserve	700,000	-
Accumulated surplus	312,384	2,477,539
Total Reserves	2,312,384	2,477,539

11 Statement of cash flows reconciliation

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and at bank, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

11. 11 Statement of cash flows reconciliation (cont.)

	2016	2015
	\$	\$
Cash on hand and at bank	2,043,389	2,189,811
Balance per Statement of Cash Flows	2,043,389	2,189,811

(b) Reconciliation of surplus for the year to net cash flows provided by operating activities

(Deficit)/Surplus for the year	(165,155)	315,916
Add back non-cash items:		
Gain on disposal of property, plant and equipment	(4,700)	-
Depreciation and amortisation expense	276,719	274,055
Net cash provided by operating activities before change in assets and liabilities	106,864	589,971
Change in assets and liabilities during the reporting year:		
Movement in trade and other receivables	2,467	468,461
Movement in other assets	32,193	52,132
Movement in trade and other payables	(303,616)	154,958
Movement in provisions	26,366	284
Movement in unearned income	-	(557,814)
Movement in other liabilities	(27,782)	10,719
Net cash (expended)/ provided by operating activities	(163,508)	718,711

(c) Non-cash financing and investing activities

CouncilBIZ does not have any other non-cash financing and investing activities.

(d) Financing facilities

CouncilBIZ does not have any financing facilities or arrangements in place.

12. Commitments for expenditure - operating lease

Committed at the reporting date but not recognised as a liability

Within one year	124,800	516,086
One to five years	239,200	-
	364,000	516,086

Leasing arrangements

Operating lease relate to office accommodation of CouncilBIZ at 14 Shepherd Street, Darwin and the lease runs till 31 May 2019.

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

13. Financial risk management

(a) General objectives, policies and processes

In common with all other businesses, CouncilBIZ is exposed to risks that arise from its use of financial instruments. This note describes CouncilBIZ objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in CouncilBIZ exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

CouncilBIZ hold the following financial instruments:

	2016 \$	2015 \$
Financial assets		
Cash and cash equivalents	2,043,389	2,189,811
Trade and other receivables	60,316	62,783
	<u>2,103,705</u>	<u>2,252,594</u>
Financial liabilities		
Trade and other payables	54,902	386,299
	<u>54,902</u>	<u>386,299</u>

CouncilBIZ had no financial instruments that are carried at fair value as at 30 June 2016 and 2015.

The Executive Officer have overall responsibility for the determination of risk management objectives and policies and, whilst retaining ultimate responsibility for them, they have delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the management team. CouncilBIZ risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of CouncilBIZ where such impacts may be material. The Executive Officer receives monthly reports from management through which they review the effectiveness of the processes put in place and the appropriateness of the objectives and policies set.

The overall objective of the Executive Officer is to set policies that seek to reduce risk as far as possible without unduly affecting CouncilBIZ flexibility. Further details regarding these policies are set out below:

(b) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in CouncilBIZ incurring a financial loss. Credit risk arises from cash assets and deposits with financial institutions, as well as credit exposures to CouncilBIZ outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted. The maximum exposure to credit risk at the end of the reporting period is as follows:

COUNCILBIZ

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

13. Financial risk management (cont.)

	2016 \$	2015 \$
Cash and cash equivalents	2,043,389	2,189,811
Trade and other receivables	60,316	62,783
	<u>2,103,705</u>	<u>2,252,594</u>

(c) Liquidity risk

Vigilant liquidity risk management requires CouncilBIZ to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable. CouncilBIZ manages liquidity risk by maintaining adequate cash reserves by continually monitoring actual forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Maturity Analysis - 2016

Financial Liabilities	Carrying Amount \$	Contractual Cash flows \$	< 6 mths \$	6- 12 mths \$	1-3 years \$	> 3 years \$
Non-interest bearing						
Trade and other payables	54,902	54,902	54,902	-	-	-
TOTAL	<u>54,902</u>	<u>54,902</u>	<u>54,902</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial Assets	Carrying Amount \$	Contractual Cash flows \$	< 6 mths \$	6- 12 mths \$	1-3 years \$	> 3 years \$
Non-derivatives						
Trade and other receivables	60,316	60,316	60,316	-	-	-
TOTAL	<u>60,316</u>	<u>60,316</u>	<u>60,316</u>	<u>-</u>	<u>-</u>	<u>-</u>

Maturity Analysis - 2015

Financial Liabilities	Carrying Amount \$	Contractual Cash flows \$	< 6 mths \$	6- 12 mths \$	1-3 years \$	> 3 years \$
Non-interest bearing						
Trade and other payables	386,299	386,299	386,299	-	-	-
TOTAL	<u>386,299</u>	<u>386,299</u>	<u>386,299</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial Assets	Carrying Amount \$	Contractual Cash flows \$	< 6 mths \$	6- 12 mths \$	1-3 years \$	> 3 years \$
Non-derivatives						
Trade and other receivables	62,783	62,783	62,783	-	-	-
TOTAL	<u>62,783</u>	<u>62,783</u>	<u>62,783</u>	<u>-</u>	<u>-</u>	<u>-</u>

COUNCILBIZ

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

14. Contingent Liabilities

CouncilBIZ had no contingent liabilities as at 30 June 2016 (nil in 2015).

15. Events Subsequent to end of Reporting Date

No matters have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results of operations and the state of affairs of CouncilBIZ in subsequent financial years.

The carrying amount of assets and liabilities as recorded in the financial statements and the realisation and settlement amounts of assets and liabilities have not changed materially since end of reporting date.