

WEST ARNHEM REGIONAL COUNCIL

FOR THE MEETING 1 JULY 2026

Agenda Reference:	6.3
Title:	Write Off Council Assets
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SUMMARY

The purpose of this report is to seek Council's approve the write-off of assets.

RECOMMENDATION

THAT COUNCIL:

1. Receive, note and accept the late report titled *Write Off Council Assets*; and
2. Approves the write off of the following assets:
 - Asset ID 100091 – 2018 Toyota Hilux, registration CE97UN, previously CD35MB – claim reference 4320
 - Asset ID 150010 – Hino Tipper Truck, registration CB93YF – claim reference 4175
 - Asset ID 150045 – Excavator, registration SV3957 – claim reference 4402
 - Partial write-off of damaged fencing and double gates associated with Asset ID 400024, Mechanical Workshop Lot 652, Gunbalanya – claim reference 4186.

BACKGROUND

As part of a recent review of the asset register, the following assets have been identified in Council's financial system as stolen, damaged, or no longer serviceable but have not yet been formally written off. Technical Services have confirmed that these assets have not been previously approved by the Council for write-off. Insurance claims relating to these assets have been lodged and finalised.

The purpose of this report is therefore limited to confirming the asset status, insurance claim outcome, replacement / repair status, and whether the asset or asset component should be removed from Council's asset register.

Incident Details

The assets proposed for write-off relate to separate theft and damage incidents as outlined below:

Claim 4320 – Vehicle (CE97UN, previously CD35MB)

- Date: 21 May 2025
 - Location: Warruwi near Aerodrome
 - Incident: A Council vehicle was involved in a collision with a contractor vehicle near the Warruwi Aerodrome. The incident occurred near a blind corner adjacent to the ceremony grounds. Front-end damage was sustained and the vehicle was sent to Darwin for assessment. Incident documentation records that the driver was medically checked and no injury was recorded.
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Claim 4175 – Vehicle (CB93YF)

- Date: 6 September 2024
- Location: WARC Gunbalanya Works Yard
- Incident: A white Hino tipper truck and yellow caged trailer were stolen from the secured works yard. Entry was gained via damage to fencing and gates. Police were notified and attended the site. 80 linear meters of fencing and gates were damaged. No reported injuries. The yellow caged trailer TL9955 was recovered, repaired and returned to use, and is therefore excluded from the write-off recommendation.

Claim 4186 – Fence (GUN062C – Mechanical Workshop Lot 652)

- Date: 6 September 2024
- Description / Location: Lot 652 WARC Gunbalanya Compound Works Yard
- Incident: Significant fence and gate infrastructure were damaged during forced entry to the site associated with the theft of the vehicle and trailer. No reported injuries. The fence write-off relates to the damaged fencing and double gates component only, not the full Mechanical Workshop asset.

Claim 4402 – Excavator (SV3957)

- Date: 6 October 2025
- Location: Maningrida Sand Pit
- Incident: Asset reported as damaged (tipped over) during training of operator and subsequently assessed as beyond economical repair as per the incident report and claim form. The incident report records that the operator attended Maningrida Health Clinic following the incident.

All incidents were reported through Council processes, with insurance claims lodged finalised. These assets are no longer in Council's possession or serviceable condition and require formal write-off.

Under the Local Government Act 2019, associated Regulations, and Council's Delegations Manual, assets that are lost, stolen, or otherwise no longer controlled by Council must be formally written off.

The write-off process ensures:

- Accurate financial reporting
- Integrity of the asset register
- Compliance with legislative and audit requirements

As these assets have been lost, stolen or damaged and are no longer expected to provide future economic benefit to Council, they are required to be derecognised from the asset register in accordance with applicable legislation and accounting standards.

Risk Implications

Failure to formally write off these assets may result in:

- Misstatement of Council's asset values
- Audit findings or qualification risks
- Non-compliance with legislative and policy requirements

This item considered at the Finance Committee meeting held on Monday, 29 June 2026 and the following was recommended:

FIN04/2026 RESOLVED:

On the motion of Mayor James Woods

Seconded Cr Ralph McCoy

THAT COUNCIL:

1. *Receives and notes the report titled Financial report for period ending 31 May 2026 and Write-Off of Assets;*
2. *Defers the write-off of the following assets:*
 - *CE97UN previously CD35MC – claim reference 4320*
 - *CB93YF and TL9955 – claim reference 4175*
 - *SV3957 – claim reference 4402*
 - *Fence (GUN062C – Mechanical Workshop Lot 652) – claim reference 4186**Pending further information in relation to the status of the excavator, vehicles and trailers;*
3. *Defer the decision until the Ordinary Council Meeting to be held on Wednesday, 1 July 2026; and*
4. *Reviews the security of keys for the council's vehicles.*

PROCESS IMPROVEMENT

Management will review the incident reporting and asset disposal process to ensure future incident reports contain sufficient information to support insurance claims, asset register updates, and Council write-off decisions. This includes recording asset numbers, registration numbers, location, damage sustained, police report numbers where applicable, repair or replacement outcome, and whether the asset remains in Council's control.

LEGISLATION AND POLICY

Local Government Act 2019 (NT)

Local Government (General) Regulations 2021 (NT)

Ministerial Guideline 4: Assets

West Arnhem Regional Council Delegations Manual

FINANCIAL IMPLICATIONS

Removal of the asset values and accumulated depreciation from the asset register.

Recognition of any gain or loss on disposal in the financial statements.

Any insurance proceeds have been recognised separately.

STRATEGIC IMPLICATIONS

This report is aligned to the following pillars and goals of the *Regional Plan and Budget*:

PILLAR 6 FOUNDATIONS OF GOVERNANCE

Integrity is at the heart of everything we do. We are leaders of best practice and excellence in governance, advocacy, consultation and administration. Our processes, procedures and policies are ethical and transparent.

Goal 6.1 Financial Management

Provision of strong financial management and leadership which ensures long term sustainability and growth.

ATTACHMENTS

1. Write Off Council Assets [6.3.1 - 1 page]

The following assets and asset components have been identified as requiring write-off:

Vehicles and Plants:											
Asset ID	Rego	Description	Insurance Claim NO.	Claim Status	Claim lodged date	Claim finalisation date	Police report number	Asset replaced - YES/NO	New asset number	New Asset Description	Claim received \$
100091	CE97UN (previous CD35MB)	2018 Toyota Hilux	4320	FINALISED	21/05/2025	8/07/2025	P25138062	Yes -Warruwi	Asset ID 100133	Rego CG09MI - TOYOTA Hilux 8GEN SSM	\$39,361
150010	CB93YF	Hino Tipper Truck	4175	FINALISED	12/09/2024	4/08/2025	P04244033	Not replaced - Gunbalanya	Funds used for fleet replacements	N/A	\$37,546
150045	SV3957	Excavator	4402	FINALISED	6/10/2025	23/12/2025	Not reported	Yes - Maningrida	Asset ID 151105	Kobelco SK55SRX-7 Excavator	\$28,395

Other Asset:										
Asset ID	LOT number	Description	Insurance Claim NO.	Claim Status	claim lodge date	Claim finalisation date	Police report number	Asset replaced - YES/NO	Existing asset number	Claim received \$
400024	Lot 652, Gunbalanya	Mechanical Workshop	4186	FINALISED	15/10/2024	16/07/2025	P04244033	Partial write off- Replaced the 80 lm fencing and the double gates	400024	\$18,049