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Financial Report

NT Fleet

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Financial statement overview

For the year ended 30 June 2026

NT Fleet operates the Northern Territory Government vehicle fleet, except for Northern Territory Police Force and Northern Territory Fire and Emergency Services vehicles. NT Fleet provides safe, cost-efficient, fit-for-purpose vehicles that support agencies' business requirements.

As a government business division (GBD), NT Fleet is primarily funded through vehicle lease charges on client agencies, rather than appropriation. NT Fleet managed 3,567 light and heavy vehicles at 30 June 2026. NT Fleet is subject to the Northern Territory tax equivalent regime and is expected to remit a dividend to government after income tax.

Financial performance (Comprehensive Operating Statement)

The financial performance of NT Fleet is presented in 2 ways. Table 1 compares NT Fleet's 2025–26 final budget with its performance for the year and table 2 compares performance with the previous year. More details are provided in subsequent commentary and analysis in tables 3 and 4.

Table 1: 2025–26 Final budget and performance

	2025–26		
	Final Budget	Actual	Variation
	\$000	\$000	\$000
Income	50 050	49 691	(359)
Expenses	36 343	34 577	1 766
Net surplus before tax	13 707	15 114	1 407
Income tax expense	4 112	4 534	(422)
Net surplus after tax	9 595	10 580	985
Comprehensive result	9 595	10 580	985
Dividend (50%)	4 798	5 290	(492)

NT Fleet achieved an operating result for 2025–26 of \$10.6 million after tax, which was almost \$1 million higher than the final budget estimate of \$9.6 million. This was mainly a result of lower than budgeted operating expenses.

NT Fleet will pay an income tax equivalent of \$4.5 million to government for 2025–26, and a dividend of \$5.3 million.

Table 2: 2025–26 and 2024–25 Performance

	2025–26	2024–25	Variation
	\$000	\$000	\$000
Income	49 691	49 487	204
Expenses	34 577	34 786	209
Net surplus before tax	15 114	14 701	413
Income tax expense	4 534	4 410	(124)
Net surplus after tax	10 580	10 291	289
Comprehensive result	10 580	10 291	289

NT Fleet realised a greater net surplus after tax compared to the previous financial year as a result of increased income and lower operating expenses.

Income

NT Fleet sources its primary income from vehicle lease charges. The vehicle lease related income, classified under the income category of goods and services in table 3 below, represented 90% of NT Fleet's total income.

The remainder is made up of gains on disposal of assets, interest income and other income from impairment revenue and refunds from cancellation of motor vehicle registrations. As a GBD, NT Fleet is required to perform a pricing review at least every 3 years.

Table 3: Income by category

	Goods and services		Gain on disposal of assets		Interest revenue		Other income		Total	
Year	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2025–26	44 718	90.0	3 702	7.5	481	1.0	790	1.6	49 691	100
2024–25	43 351	87.6	5 321	10.8	242	0.5	573	1.1	49 487	100

Higher revenue in 2025–26 mainly resulted from increased repairs and maintenance revenue recovered from agencies, interest income and other income including motor vehicle registration refunds and compensation for impairment. This was offset by lower disposal income mainly due to lower profit on vehicle disposals as 26% fewer vehicles were disposed in the reporting period than in 2024–25.

Expenses

NT Fleet incurred the majority of its expenses on depreciation and operational costs for the fleet.

Table 4: Expenses by category

	Depreciation		Operational		Employee		Impairment		Total	
Year	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2025–26	17 207	49.8	14 501	41.9	2 198	6.4	671	1.9	34 577	100
2024–25	16 067	46.2	15 360	44.1	2 983	8.6	376	1.1	34 786	100

Financial statement – NT Fleet

The rise in depreciation expense was due to increased value of vehicle assets.

NT Fleet recognises asset impairment expenses when damaged vehicles deemed uneconomical to repair are sold at a loss. These expenses were recovered from agencies.

Financial position (Balance Sheet)

The Balance Sheet details NT Fleet's asset, liability and equity balances at the end of the financial year. The table below compares NT Fleet's financial position at 30 June 2026 with the previous year.

Table 5: 2025–26 and 2024–25 Financial position

	2025–26	2024–25	Variation
	\$000	\$000	\$000
ASSETS			
Current assets	25 867	13 771	12 096
Non current assets	132 878	133 698	(820)
TOTAL ASSETS	158 745	147 469	11 276
LIABILITIES			
Current liabilities	12 827	7 427	(5 400)
Non current liabilities	586	-	(586)
TOTAL LIABILITIES	13 413	7 427	(5 987)
NET ASSETS	145 332	140 042	5 289
Equity	145 332	140 042	5 290
TOTAL EQUITY	145 332	140 042	5 290

NT Fleet's net asset position at the end of 2025–26 was \$145.3 million, compared with the previous year's position of \$140 million, an increase of \$5.3 million.

This improvement was mainly driven by an increase in current assets. The \$11.9 million increase in current assets was primarily attributable to a rise in cash at bank of approximately \$12 million (refer Note 9). This increase was largely due to the lack of a dividend payment in 2024–25 and a lower level of vehicle acquisitions in 2025–26, as disclosed in Note 13. Acquisitions of light and heavy motor vehicles decreased by \$10.8 million compared with the previous year. The reduced acquisition activity resulted in lower cash outflows, contributing to higher cash balances and, consequently, an increase in current assets.

NT Fleet's major assets at 30 June 2026 primarily comprised property, plant and equipment (mainly motor vehicles). Major current liabilities included provision for income tax and payables.

Certification of the financial statements

We certify that the attached financial statements for NT Fleet have been prepared based on proper accounts and records in accordance with Australian Accounting Standards and with the requirements as prescribed in the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2026 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.



Catherine Weber

Chief Executive

25 September 2026



Michelangelo Pino

Chief Financial Officer

25 September 2026



Independent Auditor's Report

To the Minister for Corporate and Digital Development

NT Fleet

Report on the audit of the financial report for the year ended 30 June 2026

Opinion

I have audited the financial report of NT Fleet, which comprises the balance sheet as at 30 June 2026, and the comprehensive operating statement, the statement of changes in equity and the cash flow statement for the year then ended, notes to the financial statements, including material accounting policy information, and the Chief Executive Officer's declaration.

In my opinion, the accompanying financial report:

- presents fairly, in all material respects, the financial position of NT Fleet as at 30 June 2026 and its financial performance, cash flows and changes in equity for the year then ended
- is in accordance with the *Financial Management Act 1995* and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of NT Fleet in accordance with the auditor independence requirements of the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to my audit of the financial report in Australia. My authorised auditors and I have also fulfilled our other ethical responsibilities in accordance with the Code. My independence is further established by the *Audit Act 1995*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer is responsible for the other information. The other information comprises the information included in the *Financial Statement Overview* for the year ended 30 June 2026 but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, I consider whether the other information is materially inconsistent with the financial report or the knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Chief Executive Officer for the financial report

The Chief Executive Officer is responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1995* and for such internal control as the Chief Executive Officer determines 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.

In preparing the financial report, management is responsible for assessing the ability of NT Fleet to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

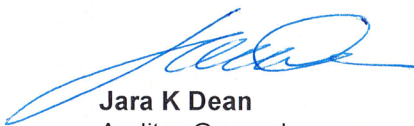
Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 NT Fleet' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer.,
- Conclude on the appropriateness of the Chief Executive Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of NT Fleet to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report however future events or conditions may cause NT Fleet to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Chief Executive Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Jara K Dean

Auditor-General

Darwin, Northern Territory

25 September 2026



Comprehensive operating statement

For the year ended 30 June 2026

	Note	2026 \$000	2025 \$000
INCOME			
Sales of goods and services	3	44 718	43 351
Interest revenue		481	242
Gain on disposal of assets	4	3 702	5 321
Other income	5	790	573
TOTAL INCOME		49 691	49 487
EXPENSES			
Employee expenses	6	2 198	2 983
Administrative expenses			
Property management		16	245
Purchases of goods and services	7	14 454	15 115
Depreciation and amortisation	13,14	17 207	16 067
Other administrative expenses		671	376
Interest expenses	8	31	-
TOTAL EXPENSES		34 577	34 786
NET SURPLUS		15 114	14 701
SURPLUS BEFORE INCOME TAX			
		15 114	14 701
Income tax expense		4 534	4 410
NET SURPLUS		10 580	10 291
COMPREHENSIVE RESULT		10 580	10 291

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

Balance sheet

As at 30 June 2026

	Note	2026 \$000	2025 \$000
ASSETS			
Current assets			
Cash and deposits	9	21 007	8 168
Receivables	11	3 760	4 294
Assets held for sale	15	1 100	1 309
Total current assets		25 867	13 771
Non current assets			
Property, plant and equipment	13	129 962	130 367
Intangibles	14	2 916	3 331
Total non current assets		132 878	133 698
TOTAL ASSETS		158 745	147 469
LIABILITIES			
Current liabilities			
Payables	16	2 447	2 504
Dividends payable		5 290	-
Unearned revenue		-	24
Borrowings and advances – lease liabilities	17	186	-
Provisions	18	370	489
Income tax liabilities		4 534	4 410
Total current liabilities		12 827	7 427
NON CURRENT LIABILITIES			
Borrowings and advances – lease liabilities	17	586	-
Total non current liabilities		586	-
TOTAL LIABILITIES		13 413	7 427
NET ASSETS		145 332	140 042
EQUITY			
Capital		6 565	6 565
Accumulated funds		138 767	133 477
TOTAL EQUITY		145 332	140 042

NT Fleet is subject to the Northern Territory tax equivalent regime and is expected to pay a dividend to government after income tax.

The balance sheet is to be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the year ended 30 June 2026

	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		\$000	\$000	\$000	\$000
2026					
Accumulated funds		133 477	10 580	-	144 057
Dividends payable		-	-	(5 290)	(5 290)
		133 477	10 580	(5 290)	138 767
Capital – transactions with owners					
Equity injections		6 565	-	-	6 565
		6 565	-	-	6 565
Total equity at end of financial year		140 042	10 580	(5 290)	145 332
2025					
Accumulated funds		123 186	10 291	-	133 477
Dividends payable		-	-	-	-
		123 186	10 291	-	133 477
Capital – transactions with owners					
Equity injections		565	-	6 000	6 565
		565	-	6 000	6 565
Total equity at end of financial year		123 751	10 291	6 000	140 042

The statement of changes in equity is to be read in conjunction with the notes to the financial statements.

Cash flow statement

For the year ended 30 June 2026

	Note	2026 \$000	2025 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Receipts from sales of goods and services		46 024	43 514
GST receipts		5 780	5 813
Interest received		435	230
Total operating receipts		52 239	49 557
Operating payments			
Payments to employees		(2 305)	(2 930)
Payments for goods and services		(14 107)	(15 436)
GST payments		(5 561)	(5 724)
Income tax paid		(4 410)	(3 745)
Interest paid		(31)	-
Total operating payments		(26 414)	(27 835)
Net cash from operating activities	10	25 825	21 722
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing receipts			
Proceeds from sales of non-financial assets		11 389	14 083
Total investing receipts		11 389	14 083
Investing payments			
Purchases of non-financial assets		(24 204)	(36 912)
Total investing payments		(24 204)	(36 912)
Net cash used in investing activities		(12 815)	(22 829)
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Equity injections		-	6 000
Total financing receipts		-	6 000
Financing payments			
Lease payments		(171)	-
Total financing payments		(171)	-
Net cash from/(used in) financing activities	10	(171)	6 000
Net increase in cash held		12 839	4 893
Cash at beginning of financial year		8 168	3 275
CASH AT END OF FINANCIAL YEAR	9	21 007	8 168

The cash flow statement is to be read in conjunction with the notes to the financial statements.

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1. Objectives and funding

NT Fleet operates the Northern Territory Government (NTG) vehicle fleet, with the exception of Northern Territory Police Force and Northern Territory Fire and Emergency Services vehicles.

Key functional responsibilities are:

- delivering a low-cost and fit-for-purpose passenger, light commercial and heavy vehicle fleet in accordance with the NTG Vehicle Policy Framework
- managing supply and service contracts
- managing the disposal of vehicles, plant and equipment
- providing agency fleet services.

The department considered primary users of these financial statements and their needs for information and quantitative thresholds to determine which accounting policy information is material and therefore must be disclosed.

Funding is predominantly from vehicle lease charges on client agencies.

2. Statement of material accounting policy information

a) Statement of compliance

i. Compliance framework

These financial statements are general purpose financial statements and have been prepared in accordance with the requirements of the *Financial Management Act 1995* (FMA), related Treasurer's Directions and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board. The FMA requires NT Fleet to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements should include:

- a certification of the financial statements
- a comprehensive operating statement
- a balance sheet
- a statement of changes in equity
- a cash flow statement
- applicable explanatory notes to the financial statements.

ii. Standards and interpretations effective from 2025–26 financial year

Several amendments and interpretations have been issued that apply to the current reporting period but are considered to have no or minimal impact on public sector reporting.

iii. Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for the 2025–26 financial year.

Financial statement – NT Fleet

The following new Australian Accounting Standard has been issued but is not yet effective and is expected to impact future reporting periods:

AASB 18 Presentation and Disclosure of Financial Statements (AASB 18).

AASB 18 Presentation and Disclosure in Financial Statements replaces AASB 101 and introduces new presentation and disclosure requirements for income statements, cash flow statements, and management-defined performance measures.

The standard is proposed to apply to not-for-profit public sector entities for annual reporting periods beginning on or after 1 January 2028 (the 2028–29 financial year for the agency).

AASB 18 would primarily affect the presentation and disclosure of financial information, including the classification of income and expenses, additional subtotals in the operating statement, revised cash flow classifications for interest and dividends, and new disclosures for management-defined performance measures. The standard does not affect the recognition or measurement of amounts.

Any changes to presentation of financial statements and disclosures will be incorporated into future Treasurer's Directions on proforma financial statements.

b) Presentation and rounding of amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of \$500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding.

c) Contributions by and distributions to government

NT Fleet may receive contributions from government where the government is acting as owner of NT Fleet. Conversely, NT Fleet may make distributions to government. In accordance with the *Financial Management Act 1995* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, government. These designated contributions and distributions are treated by NT Fleet as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by, and distributions to, government.

3. Sales of goods and services

	2026	2025
	\$000	\$000
Hire revenue (from vehicle leases)	38 904	37 678
Recoverable repairs and maintenance	5 814	5 673
Total sales of goods and services	44 718	43 351

Sale of goods and service delivery revenue

Sale of goods and service delivery revenue comprise income from rendering of services, and sales of goods and services. These are recognised at fair value, exclusive of GST.

Sales of goods

NT Fleet typically acquires and registers fit-for-purpose vehicles for customers/agencies. NT Fleet satisfies its performance obligations when the control of a vehicle is transferred to a customer/agency under a lease arrangement.

NT Fleet issues monthly tax invoices to customers for lease payments which are due within 30 days. Hire revenue arising is accounted for on a straight-line basis over the lease term and is included in revenue in the Statement of Comprehensive Income due to its operating nature (AASB 16).

Revenue from leased vehicles is based on the price specified in the lease agreement, and revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. There is no element of financing present as sales are made with a short credit term.

Rendering of services

Revenue from rendering of services is recognised when the agency satisfies the performance obligation by transferring the promised fleet services for customers to achieve optimal usage of government vehicles.

NT Fleet also manages various repair and maintenance services for leased vehicles throughout the lease term. Unscheduled repair and maintenance costs are recovered from agencies after vehicles have been serviced in accordance with lease terms and conditions.

4. Gain on disposal of assets

	2026	2025
	\$000	\$000
Net proceeds from the disposal of non current assets	11 389	14 083
Less: carrying value of non current assets disposed	(7 687)	(8 762)
Gain on the disposal of non current assets	3 702	5 321
Total gain on disposal of assets	3 702	5 321

Disposing of vehicles

Gain on disposal of assets comprises profits from disposing of lease vehicles after they are returned from customers. Pickles Auctions Pty Ltd (Pickles) provides auction services for NT Fleet under a disposal contract.

The contract requires Pickles to pay all proceeds of the auction sale into a trust account on the first banking day after completion of the sale. Once all proceeds are deposited pending settlement, Pickles is required to provide a detailed statement of services within 5 working days from the last day of the auction sale. Successful bidders are not provided with vehicles until payments have been made in full. NT Fleet then issues the recipient created tax invoices to Pickles and clears the clearing account.

Sale profits or losses are then recognised as a gain or loss on disposal of assets. These transactions neither create performance obligations nor give rise to liabilities for NT Fleet as income is recognised on receipt after vehicles are sold.

5. Other income

	2026			2025		
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Compensation for impairment	-	670	670	-	378	378
Refund for motor vehicle registration cancellations	-	120	120	-	195	195
Total other income	-	790	790	-	573	573

Other income refers to miscellaneous revenue items for NT Fleet which includes compensation for impairment and refunds from motor vehicle registration cancellations.

6. Employee benefits expense

	2026	2025
	\$000	\$000
Salaries and wages	1 920	2 563
Superannuation expenses	228	283
Fringe benefits tax	7	7
Payroll tax	2	90
Workers compensation	41	36
Legal fees	-	4
Total employee benefits expense	2 198	2 983

The number of full-time equivalent employees for 2025–26 was 21 (2024–25: 26).

Salaries and wages are recognised in the reporting period when the employee renders services to the Northern Territory Government. It includes recreation leave, labour hire costs, allowances and other benefits, which are recognised in the reporting period when employees are entitled to the benefit or when incurred.

The recognition and measurement policy for employee benefits is detailed in Note 16: Payables and Note 18: Provisions.

7. Purchases of goods and services

The net surplus has been arrived at after charging the following expenses:

	2026	2025
	\$000	\$000
Goods and services expenses		
Contractors and consultants ¹	223	93
Audit fees	57	57
Insurance premiums	2 051	2 142
Recruitment ²	1	1
Training and study	22	10
Official duty fares	5	2
Travelling allowance	2	1
Information technology charges and communications	907	1 067
Motor vehicle expenses	9 894	10 267
Other ³	1 292	1 475
Total purchases of goods and services	14 454	15 115

1 Includes marketing, promotion and IT consultants.

2 Includes recruitment-related advertising costs.

3 Includes expenses on agent service arrangements, parking, office requisitions, stationery and other office-related expenses.

Purchases of goods and services generally represent the day-to-day running costs incurred in normal operations, including supplies and service costs recognised in the reporting period in which they are incurred.

8. Interest expenses

	2026	2025
	\$000	\$000
Interest from lease liabilities	31	-
Total interest expenses	31	-

Interest expenses for NT Fleet relates to lease liabilities in accordance with AASB 16 – Leases.

9. Cash and deposits

	2026	2025
	\$000	\$000
Cash on hand	-	-
Cash at bank	21 007	8 168
Total cash and deposits	21 007	8 168

For the purposes of the balance sheet and the cash flow statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash.

10. Cash flow reconciliation

a) Reconciliation of cash

The total of agency 'Cash and deposits' of \$21 million recorded in the balance sheet is consistent with that recorded as 'Cash' in the cash flow statement.

Reconciliation of net surplus/deficit to net cash from operating activities

	2026	2025
	\$000	\$000
Net surplus	10 580	10 291
<i>Non-cash items:</i>		
Depreciation and amortisation	17 207	16 067
Gain/(loss) on disposal of assets (net of impaired assets)	(3 031)	(4 945)
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables and prepayments	740	(312)
Increase/(decrease) in payables	349	(104)
Increase/(decrease) in provision for employee benefits	(112)	43
Increase in other provisions	116	674
Increase/(decrease) in other liabilities	(24)	8
Net cash from operating activities	25 825	21 722

b) Reconciliation of liabilities arising from financing activities

		Cash flows			Non-Cash flows		
	1 July	Payments	Lease liabilities repayments	Total cash flows	Other	Total other	30 Jun
2026	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Borrowings and advances	-	-	(171)	(171)	-	-	(171)
Total	-	-	(171)	(171)	-	-	(171)

		Cash flows			Non-Cash flows		
	1 July	Payments	Lease liabilities repayments	Total cash flows	Other	Total other	30 Jun
2025	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Borrowings and advances	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Note: Prior year figures have been amended to enhance comparability and align with current disclosure requirements.

11. Receivables

	2026	2025
	\$000	\$000
Current		
Accounts receivable	424	390
Less: loss allowance	-	-
	424	390
Interest receivables	70	24
Prepayments	2 107	2 133
GST receivables	-	13
Other receivables ¹	1 159	1 734
Total receivables	3 760	4 294

1 Other receivables include accrued revenue for recoverable repairs and maintenance.

Financial statement – NT Fleet

Receivables are initially recognised when the agency becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs. Receivables include contract receivables, accounts receivable, accrued contract revenue, prepayments and other receivables.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairments.

Accounts receivable and other receivables are generally settled within 30 days.

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful.

Prepayments

Prepayments represent payments made in advance of receipt of goods and services. Prepayments are recognised on an accrual basis and amortised over the period in which the economic benefits from these assets are received. NT Fleet's prepayments mostly comprise motor vehicle registration fees and commercial insurance policy premiums.



Receivables are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The entity applies the simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on lifetime expected credit losses for all accounts receivables, contracts receivables and accrued contract revenue. To measure expected credit losses, receivables have been grouped based on shared risk characteristics and days past due.

Ageing analysis

	2026				2025			
	Gross receivables	Loss rate	Expected credit losses	Net receivables	Gross receivables	Loss rate	Expected credit losses	Net receivables
	\$000	%	\$000	\$000	\$000	%	\$000	\$000
Internal receivables								
Not overdue	179	-	-	179	188	-	-	188
Overdue for less than 30 days	192	-	-	192	82	-	-	82
Overdue for 30 to 60 days	-	-	-	-	-	-	-	-
Overdue for more than 60 days	-	-	-	-	-	-	-	-
Total internal receivables	371		-	371	270		-	270
External receivables								
Not overdue	14	-	-	14	11	-	-	11
Overdue for less than 30 days	17	-	-	17	109	-	-	109
Overdue for 30 to 60 days	-	-	-	-	-	-	-	-
Overdue for more than 60 days	22	-	-	22	-	-	-	-
Total external receivables	53		-	53	120		-	120

Total amounts disclosed exclude goods and services tax (GST) and prepayments as these do not meet the definition of a financial instrument and therefore will not reconcile the receivables note. It also excludes accrued contract revenue where no loss allowance has been provided.

Reconciliation of loss allowance for receivables

NT Fleet recognised no loss allowance for receivables in 2025–26 and 2024–25 from the assessment of expected credit losses.

12. Other financial assets

a) NT Fleet as a lessor

NT Fleet-owned vehicles and plant and equipment are leased to general government and non-government agencies under operating lease arrangements with rentals payable monthly. Lease payments include the capital cost, registration fee, administration fee, Automobile Association of the NT fee, scheduled repairs and maintenance cost, and financing rate.

Operating leases

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the comprehensive operating statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Future minimum rentals receivable (undiscounted) under non-cancellable operating lease as at 30 June are as follows:

	2026	2025
	\$000	\$000
Less than one year	30 155	30 587
One to two years	23 937	25 459
Two to three years	15 599	19 316
Three to four years	8 134	11 144
Four to five years	3 011	4 468
More than five years	5 308	5 746
Total	86 144	96 720

13. Property, plant and equipment

a) Total property, plant and equipment

	2026	2025
	\$000	\$000
Motor vehicles – light		
At cost	133 818	132 037
Less: accumulated depreciation	(35 692)	(32 067)
	98 126	99 970
Motor vehicles – heavy		
At cost	55 569	53 069
Less: accumulated depreciation	(25 613)	(23 892)
	29 956	29 177
Leasehold improvement¹		
At cost	1 519	1 549
Less: accumulated depreciation	(398)	(329)
	1 121	1 220
Right-of-use²		
At cost	943	-
Less: accumulated amortisation	(184)	-
	759	-
Total property, plant and equipment	129 962	130 367

1 Leasehold improvement mainly includes electric vehicle charging stations.

2 Relates to a new finance lease that commenced in 2025–26.

Reconciliation of carrying amount of property, plant and equipment

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end year is set out below:

	Motor vehicles light	Motor vehicles heavy	Leasehold improvements	Right-of-use	Total
2026	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	99 970	29 177	1 220	-	130 367
Additions	16 814	6 502	18	879	24 213
Disposals	(6 502)	(1 175)	(10)	-	(7 687)
Asset transfers	2 445	1 514	-	-	3 959
Depreciation expense – asset owned	(11 530)	(4 712)	(107)	(184)	(16 533)
Impairment losses	(555)	(115)	-	-	(670)
Revaluation increment/ decrement	-	-	-	64	64
Depreciation transfers	(2 516)	(1 235)	-	-	(3 751)
Carrying amount as at 30 June	98 126	29 956	1 121	759	129 962

	Motor vehicles light	Motor vehicles heavy	Leasehold improvements	Right-of-use	Total
2025	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	93 251	26 802	965	-	121 018
Additions	25 746	8 406	360	-	34 512
Disposals	(7 270)	(1 493)	-	-	(8 763)
Asset transfers	1 529	755	-	-	2 284
Depreciation expense – asset owned	(11 135)	(4 205)	(105)	-	(15 445)
Impairment losses	(298)	(77)	-	-	(375)
Revaluation increment/ decrement	-	-	-	-	-
Depreciation transfers	(1 853)	(1 011)	-	-	(2 864)
Carrying amount as at 30 June	99 970	29 177	1 220	-	130 367

b) Reconciliation of property, plant and equipment held and used by NT Fleet

A reconciliation of the carrying amount of property, plant and equipment held and used by the agency to deliver its outputs and services to the public is set out below:

	Motor vehicles light	Motor vehicles heavy	Leasehold improvements	Right-of-use	Total
	\$000	\$000	\$000	\$000	\$000
2026					
Carrying amount as at 1 July	26	-	1 220	-	1 246
Additions	-	-	18	879	897
Disposals	-	-	(10)	-	(10)
Revaluation increment/ decrement	-	-	-	64	64
Depreciation/amortisation expense	(4)	-	(107)	(184)	(295)
Carrying amount as at 30 June	22	-	1 121	759	1 902

	Motor vehicles light	Motor vehicles heavy	Leasehold improvements	Right-of-use	Total
	\$000	\$000	\$000	\$000	\$000
2025					
Carrying amount as at 1 July	28	-	965	-	993
Additions	28	-	360	-	388
Disposals	(26)	-	-	-	(26)
Revaluation increment/ decrement	-	-	-	-	-
Depreciation/amortisation expense	(4)	-	(105)	-	(109)
Carrying amount as at 30 June	26	-	1 220	-	1 246

c) Reconciliation of property, plant and equipment where the agency is a lessor under operating leases

A reconciliation of the carrying amount of property, plant and equipment where the agency is a lessor under operating leases is set out below:

	Motor vehicles light	Motor vehicles heavy	Total
2026	\$000	\$000	\$000
Carrying amount as at 1 July	99 943	29 177	129 120
Additions	19 259	8 016	27 275
Disposals	(6 502)	(1 175)	(7 677)
Depreciation/amortisation expense	(14 042)	(5 947)	(19 989)
Impairment losses	(555)	(115)	(670)
Carrying amount as at 30 June	98 103	29 956	128 059

	Motor vehicles light	Motor vehicles heavy	Total
2025	\$000	\$000	\$000
Carrying amount as at 1 July	93 222	26 802	120 024
Additions	27 247	9 161	36 408
Disposals	(7 244)	(1 493)	(8 737)
Depreciation/amortisation expense	(12 984)	(5 216)	(18 200)
Impairment losses	(298)	(77)	(375)
Carrying amount as at 30 June	99 943	29 177	129 120

i. Acquisitions

Property, plant and equipment are initially recognised at cost.

Items of property, plant and equipment with a cost or other value, equal to or greater than \$10,000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$10,000 threshold are expensed in the year of acquisition.

Major items of plant and equipment comprising a number of components that have different useful lives are accounted for as separate assets. Individual components may be replaced during the useful life of the complex asset.

ii. Revaluation of assets

Vehicles, plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

iii. Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Materially significant non-financial assets are assessed for indicators of impairment annually. If any indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Impairment loss may only be reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed the revised estimate of its recoverable amount, nor exceed the net carrying amount that would have been determined had not impairment loss been recognised for the asset in the prior years. Where an asset is carried at a revalued amount, impairment reversal is recognised in the comprehensive operating statement as income to the extent that an impairment loss was previously recognised in the profit or loss, otherwise, impairment reversal results in an increase in the asset revaluation surplus.

An impairment loss is recognised in expenses when a loss on sale is recoverable from an agency in a case of damage or loss of the leased asset.

iv. Depreciation and amortisation expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated using the straight-line method over their estimated useful lives. Assets are depreciated from the date of acquisition or from the time an asset is completed and held ready for use.

The estimated useful lives for each class of asset are in accordance with the agency's determination as follows:

	2026	2025
Vehicles – light	4 to 5 years	4 to 5 years
Vehicles – heavy	5 to 10 years	5 to 10 years
Leasehold improvements	10 years	10 years
Right-of-use	Lease term	Lease term

v. Right-of-use asset under leases

Recognition and measurement

NT Fleet assesses at contract inception whether a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration and hence contains a lease.

NT Fleet recognises lease liabilities representing an obligation to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets. Refer to Note 17 for Borrowings and advances for additional disclosures.

NT Fleet recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use).

If ownership of the leased asset transfers to NT Fleet at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are subsequently measured at fair value which approximates costs less accumulated amortisation and accumulated impairment losses.

Right-of-use assets are subject to remeasurement principles consistent with the lease liability. This includes applying indexation and market rent review. Right-of-use assets are also revalued where a trigger or event may indicate their carrying amount does not equal fair value.

14. Intangibles

a) Total intangibles

	2026	2025
	\$000	\$000
Intangibles with a finite useful life		
Computer software		
Gross carrying amount	7 086	6 826
Less: accumulated amortisation	(4 170)	(3 495)
Carrying amount at 30 June	2 916	3 331
Total intangibles	2 916	3 331

Intangible assets for NT Fleet comprise computer software.

Intangible assets are initially measured at cost. Where an asset is acquired at no or nominal cost, the cost is the fair value as at the date of acquisition.

Intangible assets arising from configuration and customisation costs for an application software in a software-as-a-service arrangement are only recognised where the services create a separately identifiable software code from which the agency has the power to both obtain the future economic benefits and restrict others' access to those benefits.

There is no active market for any of the agency's intangible assets. As such, intangible assets are subsequently recognised and carried at cost less accumulated amortisation and any accumulated impairment losses.

Intangibles with limited useful lives are amortised using the straight-line method over their estimated useful lives, which reflects the pattern of when expected economic benefits are likely to be realised.

The estimated useful lives for finite intangible assets are in accordance with agency's determination as follows:

	2026	2025
Computer software	2 to 20 years ¹	2 to 10 years

1 Useful life of finite intangible assets is in accordance with DCDD Non-financial Assets Policy – Intangibles (2025).

Intangible assets with finite useful life are assessed for indicators of impairment on an annual basis. If any indicator of impairment exists, the agency determines the asset's recoverable amount. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

b) Reconciliation of carrying amount of intangibles

	Computer software	Other intangibles	Software work in progress	Total
2026	\$000	\$000	\$000	\$000
Intangibles with a finite useful life				
Carrying amount at 1 July	3 331	-	-	3 331
Additions	259	-	-	259
Amortisation	(674)	-	-	(674)
Carrying amount as at 30 June	2 916	-	-	2 916

	Computer software	Other intangibles	Software work in progress	Total
2025	\$000	\$000	\$000	\$000
Intangibles with a finite useful life				
Carrying amount at 1 July	3 206	-	-	3 206
Additions	746	-	-	746
Amortisation	(621)	-	-	(621)
Carrying amount as at 30 June	3 331	-	-	3 331

15. Assets held for sale

	2026	2025
	\$000	\$000
Motor vehicles – light	933	447
Motor vehicles – heavy	167	862
Total assets held for sale	1 100	1 309

Assets are classified as held for sale if their carrying amount will be recovered through a sale transaction or a grant agreement rather than continuing use. This condition is regarded as met only when the asset is available for immediate sale or granting in their present condition and the sale is highly probable. Management must be committed to the sale or grant agreement, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell and are not subject to depreciation.

16. Payables

	2026	2025
	\$000	\$000
Accounts payable	1 327	1 693
Accrued salaries and wages	65	68
Other accrued expenses	850	743
GST payable	205	-
Other payables	-	-
Total payables	2 447	2 504

Liabilities for accounts payable and other amounts payable are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency. Accounts payable are normally settled within 20 days from receipt of valid invoices under \$1 million or 30 days for invoices over \$1 million.

Salaries and wages that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the amounts expected to be paid.

17. Borrowings and advances – lease liabilities

	2026	2025
	\$000	\$000
Current¹		
Lease liabilities	186	-
	186	-
Non current		
Lease liabilities	586	-
	586	-
Total lease liabilities	772	-

¹ Subsequent to year-end, a classification issue was identified whereby lease liabilities were not classified between current and non current. The error does not affect total liabilities, net assets or comprehensive result and will be corrected in 2026–27.

a) Lease liabilities

At the commencement date of the lease where the agency is the lessee, the agency recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

Lease payments include: fixed payments (including in substance fixed payments) less any lease incentives receivable; variable lease payments that depend on an index or a rate; exercise price of purchase options that are reasonably certain to be exercised by the agency; and payments of penalties for terminating the lease, if the lease term reflects the agency exercising the option to terminate.

Variable lease payments which depend on an index or a rate are included in the lease liabilities, otherwise, are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the agency's leases, the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (such as changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. The agency does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of property leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the agency and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

i. Reconciliation of lease liabilities

The following table presents liabilities under leases.

	2026	2025
	\$000	\$000
Balance at 1 July	-	-
Additions/remeasurements	943	-
Interest expenses	31	-
Payments	(202)	-
Balance at 30 June	772	-

ii. **Reconciliation of lease liabilities**

The following table presents total cash outflows associated with leases.

	2026	2025
	\$000	\$000
Lease liability payments	202	-
Short-term lease payments	-	-
Low-value asset lease payments	-	-
Total cash outflows	202	-

18. Provisions

	2026	2025
	\$000	\$000
Current		
<i>Employee benefits</i>		
Recreation leave	247	347
Leave loading	37	48
Other employee benefits	2	2
<i>Other current provisions</i>		
Provision for fringe benefits tax	2	2
Provision for superannuation	47	64
Provision for payroll tax	35	26
	370	489
Total provisions	370	489

a) Employee benefits

Provision for employee benefits include wages and salaries and recreation leave accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid.

Non current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value of estimated future cash flows, calculated using the appropriate government bond rate and taking into consideration expected future salary and wage levels, experience of employee departures and periods of service.

All recreation leave is classified as a current liability.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave and other leave entitlements
- other types of employee benefits.

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies, including NT Fleet, and therefore no long service leave liability is recognised within these financial statements.

b) Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS)
- Commonwealth Superannuation Scheme (CSS)
- non-government employee nominated schemes for those employees commencing on or after 10 August 1999.

The agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and therefore not recognised in agency financial statements.

19. Capital commitments

Capital commitments represent future obligations or cash outflows primarily related to the construction of assets that can be reliably measured and arise out of a contractual arrangement and typically binds the agency to performance conditions. Commitments are not recognised as liabilities on the balance sheet.

Commitments may extend over multiple reporting periods and may result in payment of compensation or return of funds if obligations are breached. These contracts are expected to be payable as follows:

	2026	2025
	\$000	\$000
Not later than one year	10 628	19 043
Later than one year and not later than five years	-	-
Later than five years	-	-
Total capital expenditure commitments (exclusive of GST)	10 628	19 043
Plus: GST recoverable	1 063	1 904
Total capital expenditure commitments (inclusive of GST)	11 691	20 947

20. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NT Fleet recognises its vehicles, leasehold improvements and computer software at cost less depreciation and amortisation. The carrying amounts of these financial assets and liabilities approximates their fair value.

21. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NT Fleet's financial instruments include cash and deposits, receivables and payables. These items represent noncomplex and standard financial instruments, with limited or no exposure to credit, market or liquidity risks.

a) Categories of financial instruments

The carrying amounts of the agency's financial assets and liabilities by category are disclosed in the table below.

	Category	2026	2025
		\$000	\$000
Cash and deposits	Amortised cost	21 007	8 168
Receivables ¹	Amortised cost	424	390
Total financial assets		21 431	8 558
		1 327	1 693
Payables ¹	Amortised cost	772	-
Total financial liabilities		2 099	1 693

¹ Total amounts disclosed here exclude statutory amounts, prepaid expenses and accrued contract revenue.

Financial assets at amortised cost

Financial assets categorised at amortised cost are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment.

NT Fleet's financial assets categorised at amortised cost include receivables and advances paid.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are measured at amortised cost using the effective interest rate method. NT Fleet's financial liabilities categorised at amortised cost include all accounts payable, advances received and lease liabilities.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation.

NT Fleet has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to government, the agency has adopted a policy of only dealing with creditworthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the agency's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

c) Liquidity risk

Liquidity risk is the risk the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring minimum levels of cash are held in the agency bank account to meet various current employee and supplier liabilities. The agency's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event of one-off extraordinary expenditure items arise that deplete cash to levels that compromise the agency's ability to meet its financial obligations.

The following tables detail the agency's remaining contractual maturity for its financial liabilities, calculated based on undiscounted cash flows at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the balance sheet, which are based on discounted cash flows.

Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
2026	\$000	\$000	\$000	\$000	\$000
Liabilities					
Payables ¹	1 327	1 327	-	-	1 327
Lease liabilities	772	212	618	-	830
Total financial liabilities	2 099	1 539	618	-	2 157

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
2025	\$000	\$000	\$000	\$000	\$000
Liabilities					
Payables ¹	1 693	1 693	-	-	1 693
Lease liabilities	-	-	-	-	-
Total financial liabilities	1 693	1 693	-	-	1 693

1 Amounts disclosed exclude statutory amounts and accruals (such as accrued expenses, unearned revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not be reconciled in the balance sheet.

d) Market risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

i Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

NT Fleet has limited exposure to interest rate risk as agency financial assets and financial liabilities, with the exception of leases are noninterest bearing. Lease arrangements are established on a fixed interest rate and therefore do not expose the NT Fleet to interest rate risk.

ii Price risk

NT Fleet is not exposed to price risk as NT Fleet does not hold units in unit trusts.

iii Currency risk

Currency risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

NT Fleet is not exposed to currency risk as NT Fleet does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

22. Related parties

a) Related parties

NT Fleet is a government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of the department include:

- the portfolio minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the department directly
- close family members of the portfolio minister or KMP including spouses, children and dependants
- all public sector entities that are controlled and consolidated into the whole of government financial statements
- any entities controlled or jointly controlled by KMP or the portfolio minister, or controlled or jointly controlled by their close family members.

b) Key management personnel

Key management personnel of NT Fleet are those persons having authority and responsibility for planning, directing and controlling the activities of NT Fleet. These include the Minister for Corporate and Digital Development, DCDD Chief Executive, DCDD Deputy Chief Executive Corporate Services, DCDD Chief Operating Officer, DCDD Chief Financial Officer, DCDD Executive Director Commercial Services and Director of NT Fleet.

c) Remuneration of key management personnel

The details below exclude the salaries and other benefits of the Minister as the Minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements.

The aggregate compensation of key management personnel of NT Fleet is set out below:

	2025–26	2024–25
	\$000	\$000
Short-term benefits	228	264
Post-employment benefits	26	26
Long-term benefits	-	-
Termination benefits	-	210
Total remuneration of key management personnel¹	254	501

¹ The decrease primarily reflects one-off employee separation costs incurred in 2024–25.

Long service leave benefits are centrally recognised and paid by the Central Holding Authority and do not form part of agency's accounts or cash outflows. As there is no financial impact on the agency's financial statements, long service leave benefits are excluded from the quantitative disclosures of KMP compensation.

d) Related party transactions: Transactions with Northern Territory Government-controlled entities

The following table provides quantitative information about related party transactions entered into during the year with all other NTG-controlled entities.

2026	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$000	\$000	\$000	\$000
Related party				
<i>All NTG departments</i>	43 799	7 293	1 271	10 560

2025	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$000	\$000	\$000	\$000
Related party				
<i>All NTG departments</i>	42 299	10 255	1 488	4 854

Other related party transactions are as follows:

Given the breadth and depth of NTG activities, related parties will transact with the Territory public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed. There were no other related party transactions to be reported.

NT Fleet had no other related party transactions in excess of \$10,000.

23. Contingent liabilities and contingent assets

NT Fleet had no contingent liabilities or contingent assets as at 30 June 2026 and 30 June 2025.

24. Events subsequent to balance date

No events have arisen between the end of the financial year and the date of this report that require adjustment to, or disclosure in, these financial statements.

25. Budgetary information

The following tables present the variation between the 2025–26 original budget financial statements, as reported in 2025–26 Budget Paper No. 3 Agency Budget Statements and the 2025–26 actual amounts reported in the financial statements, together with explanations for significant variations.

Comprehensive Operating Statement

	2026 Actual	2026 Original budget	Variance	Note
	\$000	\$000	\$000	
INCOME				
Sales of goods and services	44 718	42 927	1 791	1
Interest revenue	481	174	307	2
Gain on disposal of assets	3 702	5 000	(1 298)	3
Other income	790	207	583	4
TOTAL INCOME	49 691	48 308	1 383	
EXPENSES				
Employee expenses	2 198	3 070	872	5
Administrative expenses				
Property management	16	463	447	6
Purchases of goods and services	14 454	14 883	429	
Depreciation and amortisation	17 207	15 858	(1 349)	7
Other administrative expenses	671	-	(671)	8
Interest expenses	31	-	(31)	
TOTAL EXPENSES	34 577	34 274	(303)	
NET SURPLUS/(DEFICIT)	15 114	14 034	1 080	
Income Tax Expense	4 534	4 210	(324)	
NET SURPLUS	10 580	9 824	756	
COMPREHENSIVE RESULT	10 580	9 824	756	

Notes:

The following note descriptions relate to variances greater than 20% or \$1 million.

1. Higher than budget due to revised lease rates following a pricing review and higher recoveries of vehicle repair and maintenance costs.
2. Interest revenue was higher than budget as NT Fleet maintained higher average cash balances throughout the year.

Financial statement – NT Fleet

3. Lower than budget due to fewer vehicle disposals, following a strategic decision to retain selected vehicles and extend their service lives. The result was also affected by losses associated with damaged vehicles.
4. Other income higher than budget due to increased recoveries relating to damaged and impaired vehicles, including insurance proceeds and recoveries from losses incurred on vehicle disposals.
5. Lower than budget due to ongoing recruitment and retention challenges, resulting in positions remaining vacant during the year.
6. Property management costs were lower than budget due to a one-off refund received under revised leasing arrangements following the relocation of NT Fleet offices from Armidale Street Complex to Charles Darwin Centre.
7. Depreciation and amortisation expense exceeded budget due to higher vehicle acquisition costs than originally forecast, reflecting increased market prices for new vehicles. The higher asset values resulted in increased depreciation charges over the fleet's useful life.
8. Primarily reflects unbudgeted impairment expenses associated with damaged vehicles.

Balance Sheet

	2026 Actual	2026 Original budget	Variance	Note
	\$000	\$000	\$000	
ASSETS				
Current assets				
Cash and deposits	21 007	13 190	7 817	1
Receivables	1 653	1 819	(166)	2
Prepayments	2 107	2 163	(56)	
Assets held for sale	1 100	-	1 100	3
Total current assets	25 867	17 172	8 695	
Non current assets				
Property, plant and equipment	129 962	138 231	(8 269)	4
Intangibles	2 916	3 006	(90)	
Total non current assets	132 878	141 237	(8 359)	
TOTAL ASSETS	158 745	158 409	336	
LIABILITIES				
Current liabilities				
Payables	2 447	4 261	1 814	5
Dividends payable	5 290	4 912	(378)	
Unearned Revenue	-	15	15	
Borrowings and advances – lease liabilities	186	-	(186)	
Provisions	370	437	67	
Income tax liabilities	4 534	4 210	(324)	
Total current liabilities	12 827	13 835	1 008	
Non current liabilities				
Borrowings and advances – lease liabilities	586	-	(586)	
Total non current liabilities	586	-	(586)	
TOTAL LIABILITIES	13 413	13 835	421	
NET ASSETS	145 332	144 574	758	
EQUITY				
Capital	6 565	6 565	-	
Accumulated funds	138 767	138 009	(758)	
TOTAL EQUITY	145 332	144 574	758	

Financial statement – NT Fleet

Notes:

The following note descriptions relate to variances greater than 20% or \$1 million.

1. Increase in cash mainly due to decreased vehicle-asset acquisition.
2. Decrease due to improved timing of payments from agencies.
3. Assets held for sale originally included in the non current assets budget.
4. Decrease mainly due to lower than anticipated number of vehicles acquired in the reporting year.
5. Decrease due to improved timing of payments to vehicle and service providers.

Cash flow statement

	2026 Actual	2026 Original budget	Variance	Note
	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Receipts from sales of goods and services	46 024	43 134	2 890	1
GST receipts	5 780	-	5 780	2
Interest received	435	174	261	
Total operating receipts	52 239	43 308	8 931	
Operating payments				
Payments to employees	(2 305)	(3 070)	765	3
Payments for goods and services	(14 107)	(15 346)	1 239	4
GST payments	(5 561)	-	(5 561)	2
Income tax paid	(4 410)	(4 248)	(162)	
Interest paid	(31)	-	(31)	
Total operating payments	(26 414)	(22 664)	(3 750)	
Net cash from/(used in) operating activities	25 825	20 644	5 181	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Proceeds from asset sales	11 389	15 000	(3 611)	5
Total investing receipts	11 389	15 000	(3 611)	
Investing payments				
Purchases of assets	(24 204)	(32 000)	7 796	6
Total investing payments	(24 204)	(32 000)	7 796	
Net cash from/(used in) investing activities	(12 815)	(17 000)	4 185	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing payments				
Lease payments	(171)	-	(171)	
Dividends paid	-	-	-	
Total financing payments	(171)	-	(171)	
Net cash from/(used in) financing activities	(171)	-	(171)	
Net increase/(decrease) in cash held	12 839	3 644	9 195	7
Cash at beginning of financial year	8 168	9 546	(1 378)	
CASH AT END OF FINANCIAL YEAR	21 007	13 190	7 817	

Financial statement – NT Fleet

Notes:

The following note descriptions relate to variances greater than 20% or \$1 million.

1. Increase due to higher than expected lease rate revenue and recoveries of repair and maintenance costs.
2. GST receipts and payments not included in original budget.
3. Lower than budgeted number of full-time equivalent staff in the reporting year.
4. Lower than anticipated operating expenses such as repairs and maintenance and motor vehicle registrations.
5. Decrease due to lower than anticipated number of vehicles disposed.
6. Decrease resulting from lower than anticipated capital acquisitions.
7. Significant increase mainly resulted from lower than budgeted operating expenses and capital acquisitions.

