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**Financial Report  
DCDD**

# Financial Statement Overview

For the year ended 30 June 2024

## Financial Performance (Comprehensive Operating Statement)

The Department of Corporate and Digital Development (DCDD) manages the Northern Territory Government's digital environment and supports government agencies through delivering corporate and digital services, advising agencies and developing transformative solutions.

DCDD's financial performance for the year is presented in two ways. Table 1 compares the Department's performance with the final approved revised budget and Table 2 compares the current year performance with the previous year. Both tables highlight the total income and expense movement, with more detailed analysis and commentary provided in Tables 3 to 5 showing income and expenses by category. Table 6 shows the Department's net worth and financial position, the impact of investment decisions and recognition of assets and liabilities.

Table 1: 2023-24 Final Budget and Performance

	2023-24		
	Actual \$000	Final Budget \$000	Variation \$000
Income	371 522	371 875	(353)
Expenses	397 347	401 357	4 010
Surplus/(Deficit)	(25 825)	(29 482)	3 657
Other Comprehensive Income	-	-	-
Comprehensive Result	(25 825)	(29 482)	3 657

DCDD's operating financial performance for the year showed a \$25.8 million deficit compared with the final budget estimated deficit of \$29.5 million. DCDD's improved result is primarily due to revised timing of expenses for delivery of major ICT projects and telecommunications grants which will be carried over and incurred in 2024-25.

Major ICT projects managed by DCDD include Core Clinical Systems Renewal Program (CCSRP), SerPro Policing System and Territory Revenue Office (TRO) project.

Table 2: 2023-24 and 2022-23 Performance

	Actual \$000		Variation \$000
	2023-24	2022-23	
Income	371 522	360 533	10 989
Expenses	397 347	364 800	(32 547)
Surplus/(Deficit)	(25 825)	(4 267)	(21 558)
Other Comprehensive Income	-	-	-
Comprehensive Result	(25 825)	(4 267)	(21 558)

The change in operating performance from a deficit of \$4.3 million in 2022-23 to a deficit of \$25.8 million in 2023-24 is a result of timing incurring expenses in 2023-24 where the actual funding was carried over from the prior year 2022-23.

## Income

DCDD is funded through a combination of Northern Territory Government appropriation and goods and services income sourced from Government Business Divisions (GBDs) and Government Owned Corporations (GOCs). DCDD services are billed under a cost allocation model that is based on service usage, including notional charges applied to general agencies.

Income received for the 2023-24 financial year was \$371.5 million compared to \$360.5 million in previous year.

**Table 3: Income by Category**

Year	Output Appropriation		Goods and Services		Other Income <sup>1</sup>		Grants		Goods and Services Received FOC		Total	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2023-24	311 065	83.7	45 371	12.2	12 993	3.5	1 864	0.5	229	0.1	371 522	100
2022-23	301 554	83.6	44 275	12.3	12 812	3.6	1 607	0.4	285	0.1	360 533	100

<sup>1</sup> Other income primarily includes cost recoveries.

In 2023-24 output appropriation was higher than the previous year primarily due to transfer from Department of Health (MoG), property indexation and funding for new projects.

The increase in other income relates to higher cost recoveries for projects undertaken on behalf of agencies and one-off ICT revenues.

## Expenses

DCDD expenses are primarily related to employee and digital (ICT) costs, reflecting DCDD's management of government's ICT systems, networks and major digital transformation initiatives. Depreciation is a substantial expenditure as a result of the adoption of AASB 16 - Leases and subsequent recognition of right-of-use assets.

**Table 4: Expenses by Category**

Year	Employee		Digital		Depreciation		Operational		Property		Grants		Other <sup>1</sup>		Total	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2023-24	144 079	36.3	120 814	30.4	90 967	22.9	12 046	3.0	10 417	2.6	3 155	0.8	15 869	4.0	397 347	100
2022-23	131 237	36.0	107 078	29.3	89 570	24.6	10 715	2.9	11 172	3.1	3 353	0.9	11 675	3.2	364 800	100

<sup>1</sup> Other expenses includes services free of charge, write-offs and interest expenses.

Employee expenses primarily increased as a result of the transfer of corporate services functions from the Department of Health, increased costs of processing enterprise agreements (EA), increased salary costs as a result of the EA and superannuation guarantee requirements and ICT projects support moving to business-as-usual operations. Digital and operational expenses increased primarily due to ICT related projects. Other expenses, specifically interest expense for leases under AASB 16 - Leases, increased as a result of lease extensions under the leased property stimulus scheme.

## 2023-24 Expenses and Final Budget by Output

Expenses are reported in Budget Papers by output and output groups. DCDD's output groups include:

- Corporate Support Development – professional, responsive and reliable corporate services, quality solutions and trusted advice that enables government and agencies to focus on core business
- Digital Government Development – transformative customer-focused digital solutions and services operating in a controlled ICT environment, leveraging technology and increasing connectivity to improve government service delivery
- Corporate and Shared Services – improved organisational performance through strategic and governance leadership and the provision of business support functions.

Table 5: 2023-24 Expenses and Final Budget by Output

	Actual	Final Budget	Variation
	\$000	\$000	\$000
<b>OUTPUT GROUP</b>			
<b>CORPORATE SUPPORT DEVELOPMENT</b>			
Workforce Services	29 042	28 099	(943)
Employment Services	21 082	21 373	291
Procurement and Contract Services	8 763	9 109	346
Information Management Services	8 697	9 193	496
Finance Services	8 244	8 376	132
Property Leasing Services	112 490	113 245	755
Vehicle Management Services	339	657	318
<b>CORPORATE SUPPORT DEVELOPMENT – TOTAL</b>	<b>188 657</b>	<b>190 052</b>	<b>1 395</b>
<b>DIGITAL GOVERNMENT DEVELOPMENT</b>			
ICT Network Services	44 907	50 047	5 140
Agency Business Systems and Support Services	70 957	66 433	(4 524)
Across-Government Systems and Support Services	27 354	26 223	(1 131)
Digital Projects	32 021	35 355	3 334
Data Services	14 560	12 992	(1 568)
Digital Communications	2 978	2 797	(181)
Digital Connectivity and Strategy	8 631	11 060	2 429
<b>DIGITAL GOVERNMENT DEVELOPMENT – TOTAL</b>	<b>201 408</b>	<b>204 907</b>	<b>3 499</b>
<b>CORPORATE AND SHARED SERVICES</b>			
Corporate and Governance	5 250	4 577	(673)
Shared Services Received	325	324	(1)
Shared Services Provided	1 707	1 497	(210)
<b>CORPORATE AND SHARED SERVICES – TOTAL</b>	<b>7 282</b>	<b>6 398</b>	<b>(884)</b>
<b>TOTAL</b>	<b>397 347</b>	<b>401 357</b>	<b>4 010</b>

The primary output variations were:

- Workforce Services – Variance due to a budget realignment.
- Property Leasing Services – higher than anticipated rental costs primarily due to increased CPI.
- ICT Network Services - lower than anticipated expenditure due to resource availability and challenges in recruiting and maintaining workforce capability.
- Agency Business Systems and Support Services – higher than anticipated expenditure due to one-off requirements as projects transition to business-as-usual operations.
- Across Government Systems and Support Services – higher than anticipated expenditure due to higher contracting and resource costs.
- Digital Projects – revised delivery timeframes for major ICT projects, carried over to 2024-25.
- Data Services – higher than expected one-off HR and Sage budgeting system data warehouse costs.
- Digital Connectivity and Strategy – revised timing of telecommunications grants, carried over to 2024-25.

## Financial Position (Balance sheet)

The Statement of Financial Position details the balances of the assets, liabilities and equity of DCDD at the end of the financial year. The table below compares DCDD's financial position as at 30 June 2024 with the position at 30 June 2023.

Table 6: 2023-24 and 2022-23 Financial Position

	2023-24	2022-23	Variation
	\$000	\$000	\$000
<b>ASSETS</b>			
Current Assets	72 016	95 286	(23 270)
Non-Current Assets	955 645	882 457	73 188
<b>TOTAL ASSETS</b>	<b>1 027 661</b>	<b>977 743</b>	<b>49 918</b>
<b>LIABILITIES</b>			
Current Liabilities	126 274	131 284	5 010
Non-Current Liabilities	551 170	516 657	(34 513)
<b>TOTAL LIABILITIES</b>	<b>677 444</b>	<b>647 941</b>	<b>(29 503)</b>
<b>NET ASSETS</b>	<b>350 217</b>	<b>329 802</b>	<b>20 415</b>
<b>EQUITY</b>	<b>350 217</b>	<b>329 802</b>	<b>20 415</b>
<b>TOTAL EQUITY</b>	<b>350 217</b>	<b>329 802</b>	<b>20 415</b>

DCDD's net asset position as at the end of 2023-24 was \$350.2 million, an increase of \$20.4 million compared with the previous year. The increase largely relates to new right-of-use assets recognised under AASB16 and government investment in the delivery of major ICT digital projects. During the financial year the change in current assets position reflects a reduction in cash due to building ICT assets. The non-current liabilities increased primarily due to extending the leases on a number of commercial properties in line with the lease property stimulus scheme.

DCDD's major assets as at 30 June 2024 included:

### Current Assets

- \$45.2 million cash and deposits
- \$21.6 million prepayments (primarily related to the property leasing portfolio and IT licensing)
- \$5.2 million receivables (GST, service fees and property leasing charges).

### Non-current Assets

- \$627.9 million property, plant and equipment
- \$325.4 million intangible assets
- \$2.4 million prepayments.

DCDD's major liabilities at 30 June 2024 included:

### Current Liabilities

- \$77.4 million leased property liabilities
- \$22.7 million provisions for employee entitlements
- \$23.2 million accrued expenses and payables.

### Non-current Liabilities

- \$551.2 million leased property liabilities.

# Certification of the Financial Statements

We certify that the attached Financial Statements for the Department of Corporate and Digital Development 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 2024 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.



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Catherine Weber  
*Chief Executive*  
19 September 2024

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Rex Schoolmeester  
*Chief Financial Officer*  
19 September 2024

# Comprehensive Operating Statement

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>INCOME</b>			
Grants and subsidies revenue			
Current	4	-	607
Capital	4	1 864	1 000
Appropriation			
Output	5	311 065	301 554
Sales of goods and services	6	45 371	44 275
Interest revenue		-	111
Goods and services received free of charge	7	229	285
Other income	9	12 993	12 701
<b>TOTAL INCOME</b>		<b>371 522</b>	<b>360 533</b>
<b>EXPENSES</b>			
Employee expenses	10	144 079	131 237
Administrative expenses			
Property management		10 417	11 172
Purchases of goods and services	11	132 860	117 791
Repairs and maintenance		-	2
Depreciation and amortisation	20, 22	90 967	89 570
Other administrative expenses		248	586
Grants and subsidies expenses			
Current	12a	155	233
Capital	12b	3 000	3 120
Interest expenses	13	15 621	11 089
<b>TOTAL EXPENSES</b>		<b>397 347</b>	<b>364 800</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(25 825)</b>	<b>(4 267)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>COMPREHENSIVE RESULT</b>		<b>(25 825)</b>	<b>(4 267)</b>

The Comprehensive Operating Statement is to be read in conjunction with the notes to the Financial Statements.



# Balance Sheet

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	15	45 208	68 675
Receivables	17	26 808	26 611
<b>Total Current Assets</b>		<b>72 016</b>	<b>95 286</b>
<b>Non-Current Assets</b>			
Receivables	17	2 365	1 971
Property, plant and equipment	20	627 898	604 308
Intangibles	22	325 382	276 178
<b>Total Non-Current Assets</b>		<b>955 645</b>	<b>882 457</b>
<b>TOTAL ASSETS</b>		<b>1 027 661</b>	<b>977 743</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits held	24	215	62
Payables	25	23 230	30 864
Borrowings and advances – Lease liabilities	26	77 437	78 616
Provisions	27	22 692	21 742
Other liabilities – Unearned contract revenue	28	2 700	-
<b>Total Current Liabilities</b>		<b>126 274</b>	<b>131 284</b>
<b>Non-Current Liabilities</b>			
Borrowings and advances – Lease liabilities	26	551 170	516 657
<b>Total Non-Current Liabilities</b>		<b>551 170</b>	<b>516 657</b>
<b>TOTAL LIABILITIES</b>		<b>677 444</b>	<b>647 941</b>
<b>NET ASSETS</b>		<b>350 217</b>	<b>329 802</b>
<b>EQUITY</b>			
Capital		379 607	333 367
Reserves	30	-	-
Accumulated funds		(29 390)	(3 565)
<b>TOTAL EQUITY</b>		<b>350 217</b>	<b>329 802</b>

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 2024

		Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
<b>2024</b>	Note	\$000	\$000	\$000	\$000
<b>Accumulated Funds</b>					
Accumulated funds		(2 782)	(25 825)	-	(28 607)
Transfers from reserves		(783)	-	-	(783)
		(3 565)	(25 825)	-	(29 390)
<b>Reserves</b>	30	-	-	-	-
<b>Capital – Transactions with Owners</b>					
<b>Equity injections</b>					
Capital appropriation		319 229	-	35 663	354 892
Equity transfers in		103 969	-	326	104 295
Other equity injections		42 014	-	14 315	56 329
<b>Equity withdrawals</b>					
Capital withdrawal		(76 711)	-	(778)	(77 489)
Equity transfers out		(55 134)	-	(3 286)	(58 420)
		333 367	-	46 240	379 607
<b>TOTAL EQUITY AT END OF FINANCIAL YEAR</b>		<b>329 802</b>	<b>(25 825)</b>	<b>46 240</b>	<b>350 217</b>
		Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
<b>2023</b>	Note	\$000	\$000	\$000	\$000
<b>Accumulated Funds</b>					
Accumulated funds		1 485	(4 267)	-	(2 782)
Transfers from reserves		(783)	-	-	(783)
		702	(4 267)	-	(3 565)
<b>Reserves</b>	30	-	-	-	-
<b>Capital – Transactions with Owners</b>					
<b>Equity injections</b>					
Capital appropriation		298 334	-	20 895	319 229
Equity transfers in		103 795	-	174	103 969
Other equity injections		37 579	-	4 435	42 014
<b>Equity withdrawals</b>					
Capital withdrawal		(60 211)	-	(16 500)	(76 711)
Equity transfers out		(55 134)	-	-	(55 134)
		324 363	-	9 004	333 367
<b>TOTAL EQUITY AT END OF FINANCIAL YEAR</b>		<b>325 065</b>	<b>(4 267)</b>	<b>9 004</b>	<b>329 802</b>

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 2024

		2024	2023
	Note	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current	4	-	607
Capital	4	1 864	1 000
Appropriation			
Output	5	311 065	301 554
Commonwealth		-	-
Receipts from sales of goods and services		103 050	114 346
Interest received		-	-
<b>Total Operating Receipts</b>		<b>415 979</b>	<b>417 507</b>
<b>Operating Payments</b>			
Payments to employees		(142 851)	(131 291)
Payments for goods and services		(196 472)	(189 845)
Grants and subsidies paid			
Current	12a	(155)	(233)
Capital	12b	(3 000)	(3 120)
Interest paid		(15 621)	(11 089)
<b>Total Operating Payments</b>		<b>(358 099)</b>	<b>(335 578)</b>
<b>Net Cash From/(Used in) Operating Activities</b>		<b>57 880</b>	<b>81 929</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing Payments</b>			
Purchases of assets		(55 601)	(70 681)
<b>Total Investing Payments</b>		<b>(55 601)</b>	<b>(70 681)</b>
<b>Net Cash From/(Used in) Investing Activities</b>		<b>(55 601)</b>	<b>(70 681)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Proceeds of borrowings		-	-
Deposits received		153	(23)
Equity injections			
Capital appropriation	5	35 663	20 895
Commonwealth capital appropriation		2 700	-
Other equity injections		14 968	5 284
<b>Total Financing Receipts</b>		<b>53 484</b>	<b>26 156</b>
<b>Financing Payments</b>			
Finance lease payments		(78 452)	(77 159)
Equity withdrawals		(778)	(16 500)
<b>Total Financing Payments</b>		<b>(79 230)</b>	<b>(93 659)</b>
<b>Net Cash From/(Used in) Financing Activities</b>		<b>(25 746)</b>	<b>(67 503)</b>
Net increase/(decrease) in cash held		(23 467)	(56 255)
Cash at beginning of financial year		68 675	124 930
<b>CASH AT END OF FINANCIAL YEAR</b>		<b>45 208</b>	<b>68 675</b>

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

The objective of the Department of Corporate and Digital Development (DCDD) is to support government agencies to achieve their goals by delivering high quality corporate and digital services, solutions and advice.

In the digital services discipline, DCDD, including the Office of Digital Government, delivers a full range of digital services from network architecture and cyber security, through agency and across government digital systems management, data management and digital projects delivery, to ICT infrastructure, telecommunications and end user support.

In the corporate services discipline, DCDD provides end-to-end support services across workforce management, procurement and contract services, information management and vehicle fleet services, along with finance services and property leasing management.

DCDD is predominantly funded by, and is dependent on, receipt of Parliamentary appropriations. The Financial Statements encompass all funds through which DCDD controls resources to carry on its functions and deliver its outputs.

Note 3 provides summary financial information in the form of an Operating Statement by output group.

### Machinery of government changes

The following functions moved between agencies and DCDD in the 2023-24 financial year. Employee and operational funding were transferred through administrative variations during the budget cycle, and the movements did not arise from revisions to the Administrative Arrangement Order by government.

#### Transfers in

AGENCY	Output appropriation transferred (\$000)
Department of Health <i>Various corporate services functions</i>	3 650
Department of the Attorney-General and Justice <i>Business Application Support function</i>	66
<b>Total</b>	<b>3 716</b>

#### Transfers out - Human Resources function

AGENCY	Output appropriation transferred (\$000)
Department of the Chief Minister and Cabinet <i>Freedom of Information function</i>	117
NT Fleet <i>Agency Fleet Services function</i>	223
<b>Total</b>	<b>340</b>

## 2. Statement of material accounting policies

### a) Statement of Compliance

The Financial Statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer's Directions. The *Financial Management Act 1995* requires DCDD to prepare Financial Statements for each year ended 30 June based on the form determined by the Treasurer. The form of DCDD Financial Statements should include:

1. Certification of the Financial Statements
2. Comprehensive Operating Statement
3. Balance Sheet
4. Statement of Changes in Equity
5. Cash Flow Statement
6. applicable explanatory notes to the Financial Statements.

### b) Basis of Accounting

The Financial Statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. As part of the preparation of the Financial Statements, all intra agency transactions and balances have been eliminated.

Except where stated, the Financial Statements have been prepared in accordance with the historical cost convention.

The form of DCDD Financial Statements is consistent with the requirements of Australian Accounting Standards. The effects of all relevant new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated.

### Standards and interpretations effective from 2023-24 financial year

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates has been applied for the first time from 2023-24.

The amendments in AASB 2021-2 require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments have not resulted in any changes to the accounting policies themselves, they have impacted accounting policy information disclosed in the Financial Statements. Accordingly, accounting policies that are not considered 'material' have now been removed from the Financial Statements.

Several other 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.

### Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2023-24 financial year.

Several amendments interpretations have been issued that apply to future reporting periods but are considered to have no or minimal impact on public sector reporting.

### c) Reporting Entity

The Financial Statements cover the department as an individual reporting entity.

DCDD is a Northern Territory Government department established under the *Interpretation Act 1978* and specified in the Administrative Arrangements Order.

The principal place of business of the department is: Level 9, Charles Darwin Centre, 19 The Mall, Darwin NT.

DCDD has no controlled entities.

### d) DCDD and Territory items

The Financial Statements of DCDD include income, expenses, assets, liabilities and equity over which DCDD has control (DCDD items) and is able to utilise to further its own objectives. Certain items, while managed by DCDD, are administered and recorded by the Territory rather than DCDD (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

#### Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the government's ownership interest in government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by agencies on behalf of the government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as Territory liabilities that are not practical or effective to assign to individual agencies, such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in DCDD's Financial Statements.

### e) Comparatives

Where necessary, comparative information for the 2022-23 financial year has been reclassified to provide consistency with current year disclosures.

### f) 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.

### g) Changes in Accounting Policies

There have been no changes to accounting policies adopted in 2023-24 financial year as a result of management decisions.

#### h) Accounting Judgments and Estimates

Judgments and estimates that have significant effects on the Financial Statements are disclosed in the rele-vant notes to the Financial Statements.

There were no material changes adopted during 2023-24.

#### i) Contributions by and Distributions to Government

DCDD may receive contributions from government where the government is acting as the owner of DCDD. Conversely, DCDD 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 DCDD as adjustments to equity.

The Statement of Changes in Equity provides additional information in relation to contributions by, and distributions to, government.



### 3. Comprehensive Operating Statement by output group

	Note	Corporate Support Development		Digital Government Development		Corporate and Shared Services		Total	
		2024	2023	2024	2023	2024	2023	2024	2023
		\$000		\$000		\$000		\$000	
<b>INCOME</b>									
Grants and subsidies revenue									
Current	4	-	-	-	32	-	574	-	606
Capital	4	-	-	1 864	1 000	-	-	1 864	1 000
Appropriation									
Output	5	159 981	161 214	124 881	135 929	26 203	4 411	311 065	301 554
Sales of goods and services	6	8 235	8 103	35 777	34 813	1 359	1 359	45 371	44 275
Goods and services received free of charge	7	-	-	-	-	229	285	229	285
Gain on lease extinguishment		-	112	-	-	-	-	-	112
Other income	9	788	298	11 988	12 057	217	346	12 993	12 701
<b>TOTAL INCOME</b>		<b>169 004</b>	<b>169 727</b>	<b>174 510</b>	<b>183 831</b>	<b>28 008</b>	<b>6 975</b>	<b>371 522</b>	<b>360 533</b>
<b>EXPENSES</b>									
Employee expenses		68 206	62 217	69 932	63 312	5 941	5 708	144 079	131 237
Administrative expenses									
Property Management		9 783	10 449	406	339	228	384	10 417	11 172
Purchases of goods and services	11	9 703	7 486	122 279	109 212	878	1 095	132 860	117 793
Repairs and maintenance		-	-	-	-	-	-	-	-
Depreciation and amortisation	20, 22	85 344	82 979	5 623	6 591	-	-	90 967	89 570
Other administrative expenses <sup>1</sup>		-	300	13	-	235	286	248	586
Grants and subsidies expenses									
Current	12a	-	-	155	233	-	-	155	233
Capital	12b	-	-	3 000	3 120	-	-	3 000	3 120
Interest Expenses	13	15 621	11 089	-	-	-	-	15 621	11 089
<b>TOTAL EXPENSES</b>		<b>188 657</b>	<b>174 520</b>	<b>201 408</b>	<b>182 807</b>	<b>7 282</b>	<b>7 473</b>	<b>397 347</b>	<b>364 800</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(19 653)</b>	<b>(4 793)</b>	<b>(26 898)</b>	<b>1 024</b>	<b>20 726</b>	<b>(498)</b>	<b>(25 825)</b>	<b>(4 267)</b>
<b>OTHER COMPREHENSIVE INCOME</b>									
Items that will not be reclassified to net surplus/deficit									
Changes in asset revaluation reserve		-	-	-	-	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>COMPREHENSIVE RESULT</b>		<b>(19 653)</b>	<b>(4 793)</b>	<b>(26 898)</b>	<b>1 024</b>	<b>20 726</b>	<b>(498)</b>	<b>(25 825)</b>	<b>(4 267)</b>

<sup>1</sup>Includes DIPL repairs and maintenance service charges.

This Comprehensive Operating Statement by output group is to be read in conjunction with the notes to the Financial Statements.

DCDD is predominantly funded by parliamentary appropriations for the provision of outputs. Outputs are the services provided or goods produced by an agency for users external to the agency. They support the delivery of the agency's objectives and or statutory responsibilities. The above table disaggregates revenue and expenses that enable delivery of services by output group which form part of the balances of DCDD

## 4. Grants and subsidies revenue

	2023			2024		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Current grants	-	-	-	-	607	607
Capital grants	1 864	-	-	1 000	-	1 000
<b>Total grants and subsidies revenue</b>	<b>1 864</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>607</b>	<b>1 607</b>

Grants revenue is recognised at fair value exclusive of the amount of GST.

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the agency to transfer goods or services to the grantor or a third party beneficiary, the transaction is accounted for under AASB 15 as revenue from contracts with customers. In this case, revenue is initially deferred as unearned contract revenue liability, included in Note 28. Other liabilities, when received in advance and recognised as or when the performance obligations are satisfied.

DCDD's current grant revenue for 2022-23 relates to recovery of COVID-19 related expenditure from the Commonwealth through the Department of Health. DCDD did not receive any current grant revenue for 2023-24.

Following the 2022-23 grant, DCDD received a further \$1.5 million capital grants revenue from the Commonwealth (Parks Australia) to continue the telecommunications upgrade at the Kakadu National Park.

A \$0.4 million contribution from Developing East Arnhem Limited (DEAL) was received in 2023-24 to improve telecommunication services in regional areas of the Northern Territory.

Grant agreements accounted as revenue from contracts with customers have been disaggregated below into categories to enable users of these Financial Statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2024	2023
	\$000	\$000
Type of good and service:		
Construction services	1 864	1 000
<b>Total revenue from contracts with customers</b>	<b>1 864</b>	<b>1 000</b>
Type of customer:		
Commonwealth Government	1 500	1 000
Non-government entities	364	-
<b>Total revenue from contracts with customers</b>	<b>1 864</b>	<b>1 000</b>
Timing of transfer of goods and services:		
Point in time	1 864	1 000
<b>Total revenue from contracts with customers</b>	<b>1 864</b>	<b>1 000</b>

## 5. Appropriation

Appropriation recorded in the operating statement includes output appropriation and commonwealth appropriation received for the delivery of services.

	2024			2023		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Output	-	311 065	311 065	-	301 554	301 554
Commonwealth	-	-	-	-	-	-
<b>Total appropriation in the operating statement</b>	<b>-</b>	<b>311 065</b>	<b>311 065</b>	<b>-</b>	<b>301 554</b>	<b>301 554</b>

Appropriation recorded in the cashflow statement includes capital appropriation and commonwealth capital appropriation received for the delivery of assets to be retained by the agency.

	2024			2023		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Capital	-	35 663	36 663	-	20 895	20 895
Commonwealth	2 700	-	2 700	-	-	-
<b>Total appropriation in the cashflow statement</b>	<b>2 700</b>	<b>35 663</b>	<b>38 363</b>	<b>-</b>	<b>20 895</b>	<b>20 895</b>

Output appropriation is the operating payment to each agency for the outputs they provide as specified in the *Appropriation Act*. It does not include any allowance for major non-cash costs such as depreciation. Output appropriations do not have sufficiently specific performance obligations and are recognised on receipt of funds.

Commonwealth appropriation follows from the intergovernmental agreement on federal financial relations, resulting in specific purpose payments (SPPs) and national partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then passed on to the relevant agencies as Commonwealth appropriation. DCDD received Commonwealth appropriation of \$2.7 million in 2023-24 to support delivery of mobile connectivity to regional and remote communities of the Northern Territory.

Where appropriation received has an enforceable contract with sufficiently specific performance obligations, the transaction is accounted for under AASB 15 as revenue from contracts with customers. In this case, revenue is recognised as and when goods and or services are transferred to the customer or third party beneficiary. Otherwise revenue is recognised when the agency gains control of the funds. DCDD's contracts with customers is for the delivery of mobile connectivity to the regional and remote communities. Funding is generally received upfront and DCDD typically satisfies obligations and recognises revenue as services are being delivered as specified in the agreement.

Appropriations accounted as revenue from contracts with customers have been disaggregated below into categories to enable users of these Financial Statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2024	2023
	\$000	\$000
Type of good and service:		
Regulatory services	-	-
Service delivery	-	-
Construction services	2 700	-
Sales of goods	-	-
Other	-	-
<b>Total revenue from contracts with customers</b>	<b>2 700</b>	
Type of customer:		
Commonwealth Government	-	-
State and territory governments	-	-
Non-government entities	2 700	-
<b>Total revenue from contracts with customers</b>	<b>2 700</b>	
Timing of transfer of goods and services:		
Overtime	2 700	-
Point in time	-	-
<b>Total revenue from contracts with customers</b>	<b>2 700</b>	

#### a. Summary of changes to appropriation

Output and capital appropriations reflect funding as a direct result of government-approved decisions, with actual funding received by DCDD in line with the budgeted amounts.

Commonwealth appropriation reflects funding anticipated to be received from the Commonwealth for both operational and capital purposes. As Commonwealth appropriations are largely recognised as or when performance obligations are satisfied, the actual amounts received by the Department of Corporate and Digital Development and reported in these Financial Statements may vary from the budgeted amounts reported in this table.

The following table presents changes to budgeted appropriations authorised during the current financial year together with explanations for significant changes. It compares the amounts originally identified in the *Appropriation (2023-2024) Act 2023* with revised appropriations as reported in 2024-25 Budget Paper No. 3 Agency Budget Statements and the final end of year appropriation.

The changes within this table relate only to appropriation and do not include agency revenue (for example, goods and services revenue and grants received directly by the agency) or expenditure. Refer to Note 37 Budgetary information for detailed information on variations to DCDD’s actual outcome compared to budget for revenue and expenses.

	Original 2023-24 budget appropriation (a)	Revised 2023-24 budget appropriation (b)	Change to budget appropriation (b-a)	Note	Final 2023-24 budget appropriation (d)	Change to budget appropriation (d-b)	Note
	\$000	\$000	\$000		\$000	\$000	
Output	322 499	311 065	(11 434)	1	311 065	-	
Capital	29 427	35 663	6 236	1	35 663	-	
Commonwealth	-	-	-		2 700	2 700	2
<b>Total appropriation</b>	<b>351 926</b>	<b>346 728</b>	<b>(5 198)</b>		<b>349 428</b>	<b>2 700</b>	

**Note 1:**

The following are explanations of changes over \$1 million or where there is a significant offset resulting in net changes under \$1 million.

**Output appropriation:** Changes primarily relates to:

- Total of -\$4.3 million transferred from operational funding to capital for Sage and CMSA.
- Total of -\$13.2 million transferred to the next year for CCSRP, AAPA data management system and Territory Services Project.
- Receipt of funding from DoH for the transfer of various corporate services functions to DCDD projects totaling \$3.7 million.
- Receipt of \$3.0 million funding from NT Police for the E-rostering project and DoH projects.

**Capital appropriation:** Primarily relates to category of cost adjustments to transfer operational funding to capital for Sage and CMSA, and new funding for Pensioner Concession System.

**Note 2:**

Commonwealth funding for the mobile connectivity project to regional and remote communities of the Northern Territory.

## 6. Sales of goods and services

	2024			2023		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Property – recovery of costs	-	5 304	5 304	-	5 135	5 135
Corporate services charges	-	8 659	8 659	-	8 268	8 268
ICT infrastructure program	-	30 359	30 359	-	29 830	29 830
Salary sacrifice administrative fee	1 049	-	1 049	1 042	-	1 042
<b>Total sales of goods and services</b>	<b>1 049</b>	<b>44 322</b>	<b>45 371</b>	<b>1 042</b>	<b>43 233</b>	<b>44 275</b>

## Sale of goods

Revenue from sales of goods is recognised when DCDD satisfies a performance obligation by transferring the promised goods.

Revenue from these sales are based on the price specified in the contract, 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.

DCDD sale of goods revenue includes:

**ICT infrastructure program** – a program to manage the supply of ICT hardware to agencies, including desktops, laptops, printers, telephone handsets, servers and multi-functional devices. Revenue is recognised as DCDD satisfies its performance obligation when services are performed, with the payments typically due a month after.

## Rendering of services

Revenue from rendering of services is recognised when DCDD satisfies the performance obligation by transferring promised services.

DCDD services revenue includes:

**Corporate services charges** – services are billed to agencies through a costing allocation model which covers the wide range of corporate services that DCDD provides. Data on services performed for each NTG agency is collected on a monthly basis, and applied to determine agency charges. Revenue is recognised as DCDD satisfies its performance obligation when services are performed for agencies. Where payments are required, the payments are typically due a month after being charged.

**Property – recovery of costs** – includes funds received from agencies for rent, cleaning, security and management fees. Revenue is recognised as DCDD satisfies its performance obligation when these services are performed, with the payments typically due a month after.

**Salary sacrifice administrative fee** – fees charged by DCDD for the work undertaken to facilitate personal salary packaging arrangements for NTPS employees. Revenue is recognised as DCDD satisfies its performance obligation when these services are performed, with the payments typically due a month after.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these Financial Statements to understand the nature, amount, timing and certainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2024	2023
	\$000	\$000
<b>Type of good and service:</b>		
Regulatory services	-	-
Service delivery	1 049	1 042
Construction services	-	-
Sales of inventory	-	-
Research services	-	-
<b>Total revenue from contracts with customers by good or service</b>	<b>1 049</b>	<b>1 042</b>

	2024	2023
	\$000	\$000
<b>Type of customer:</b>		
Australian Government entities	-	-
State and territory governments	-	-
Non-government entities	1 049	1 042
<b>Total revenue from contracts with customers by type of customer</b>	<b>1 049</b>	<b>1 042</b>

<b>Timing of transfer of goods and services:</b>		
Over time	-	-
Point in time	1 049	1 042
<b>Total revenue from contracts with customers by timing of transfer</b>	<b>1 049</b>	<b>1 042</b>

## 7. Goods and services received free of charge

	2024	2023
	\$000	\$000
Repairs and maintenance – DIPL notional charges	229	285
	<b>229</b>	<b>285</b>

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Repairs and maintenance expenses incurred on the agency's assets and costs associated with administration of these expenses are centralised in the Department of Infrastructure, Planning and Logistics on behalf of the agency, and form part of goods and services received free of charge by DCDD.

## 8. Gain on disposal of assets

DCDD has no gain on disposal of assets in 2023-24 and 2022-23.



## 9. Other income

	2024			2023		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Rental Income	-	-	-	-	-	-
Other recovered costs <sup>1</sup>	-	-	-	-	-	-
Miscellaneous revenue – ICT Services	-	3 215	3 215	-	3 032	3 032
Miscellaneous revenue – Digital Services (projects)	-	7 654	7 654	-	8 965	8 965
Miscellaneous revenue – Other	-	2 124	2 124	-	704	704
Gain on lease extinguishment	-	-	-	-	111	111
<b>Total other income</b>	<b>-</b>	<b>12 993</b>	<b>12 993</b>	<b>-</b>	<b>12 812</b>	<b>12 812</b>

### Rental income

Rental income arising from operating leases incidental to the core functions of the department is accounted for on a straight-line basis over the lease term. DCDD had no operating leases that resulted in rental income.

### Miscellaneous revenue

Miscellaneous revenue for DCDD includes reimbursements and project costs recoveries. Where funding is received for agreements that are enforceable and contain sufficiently specific performance obligations for the agency to transfer goods or services to the grantor or third-party beneficiary, the transaction is accounted for under AASB 15 as revenue from contracts with customers. Where this criteria is not met, revenue is generally accounted for under AASB 1058 and income is generally recognised upfront on receipt of funding.

DCDD pays for goods and services on behalf of other agencies and these expense recoveries primarily includes management costs for digital projects.

DCDD satisfies performance obligations when the goods or services have been completely delivered. Subsequently, DCDD recovers the expenditure from agencies through the issuance of invoices, with revenue recognised when payment is received.

### Donated assets

Donated assets include assets received at below fair value or for nil consideration that can be measured reliably. These are recognised as revenue at their fair value when control over the assets is obtained, normally either on receipt of the assets or on notification the assets have been secured.

DCDD had no donated assets for the 2023-24 financial year.

## 10. Employee benefits expense

	2024	2023
	\$000	\$000
Salaries and wages	122 385	112 099
Long service leave	(107)	(83)
Superannuation expenses	13 620	12 085
Workers compensation	-	3
Fringe benefits tax	359	346
Payroll tax	7 822	6 787
<b>Total employee benefits expense</b>	<b>144 079</b>	<b>131 237</b>

The number of full-time equivalent employees for 2023-24 was 1 159 (2022-23: 1 141).

Salaries and wages are recognised in the reporting period when the employee renders services to the 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 25: Payables and Note 27: Provisions.

## 11. Purchases of goods and services

	2024	2023
	\$000	\$000
The net surplus/(deficit) has been arrived at after charging the following expenses:		
<b>Goods and services expenses:</b>		
Information technology charges <sup>1</sup>	120 978	107 169
Telecommunications	1 703	2 233
Contractors and consultants <sup>2</sup>	3 704	2 841
Advertising <sup>3</sup>	9	4
Marketing and promotion <sup>4</sup>	233	112
Document production	2	35
Legal expenses <sup>5</sup>	577	617
Recruitment <sup>6</sup>	168	82
Training and study	1 039	1 151
Official duty fares	184	274
Travelling allowance	88	78
Equipment expenses – other	402	222
Other	3 773	2 973
<b>Total</b>	<b>132 860</b>	<b>117 791</b>

<sup>1</sup>Includes ICT hardware and software, ICT contractors and consultants and other IT charges.

<sup>2</sup>Includes other contractors and consultants.

<sup>3</sup>Does not include recruitment advertising or marketing and promotion advertising.

<sup>4</sup>Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the contractors and consultants category.

<sup>5</sup>Includes legal fees, claim and settlement costs.

<sup>6</sup>Includes recruitment-related advertising costs.

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.

## Property Management Expense

Property management expenses primarily relates to whole of government commercial property leasing costs, including rent, cleaning and security.

## Repairs and Maintenance Expenses

Repairs and maintenance expenses were centralised under the Department of Infrastructure, Planning and Logistics (DIPL). DCDD now recognises a notional repairs and maintenance expense under services received free of charge in Note 7.

## 12. Grant and subsidies expense

### a. Current grant and subsidy expense

	2024	2023
	\$000	\$000
<b>Current grant</b>		
Private sector	155	155
Other sectors of government	-	-
Northern Territory Government schools	-	78
Other	-	-
<b>Total current grants</b>	<b>155</b>	<b>233</b>
<b>Subsidy</b>		
Local government	-	-
Northern Territory Government schools	-	-
Private and not-for-profit sector	-	-
Other sectors of government	-	-
<b>Total current grant and subsidy expense</b>	<b>155</b>	<b>233</b>

Current grants expenses are intended to finance the current activities of the recipient for which no economic benefits of equal value are receivable in return. Current grant expense for DCDD in 2023-24 relates to telecommunications projects.

Subsidies are payments aimed at reducing all or part of the costs of an activity. DCDD did not provide any subsidies in the 2023-24 financial year.

Current grant and subsidy expenses are recognised as an expense in the reporting period in which they are paid or payable, exclusive of the amount of GST.

## b. Capital grant expense

	2024	2023
	\$000	\$000
Local government	500	500
Private sector	2 500	2 620
Other sectors of government	-	-
Northern Territory Government schools	-	-
Other	-	-
<b>Total capital grant expense</b>	<b>3 000</b>	<b>3 120</b>

Capital grant expenses are transfers made to a recipient for the purpose of acquiring or constructing a new physical asset or upgrading an existing physical asset, for which no economic benefits of equal value are receivable in return. It also includes the transfer of existing agency assets to another entity for which no economic benefits of equal value are receivable in return. Capital grant expenses for DCDD largely comprise of broadband network and mobile connectivity projects in the Northern Territory.

Capital grant expenses are recognised in the reporting period in which they are paid or payable, exclusive of the amount of GST. Where an existing agency asset is transferred to a recipient, the transaction is recognised when the agency transfers control of asset to the recipient.

## 13. Interest expenses

	2024	2023
	\$000	\$000
Interest from lease liabilities	15 621	11 089
<b>Total</b>	<b>15 621</b>	<b>11 089</b>

Interest expenses for DCDD relates to lease liabilities in accordance with AASB 16.

## 14. Write-offs, postponements, waivers, gifts and ex gratia payments

The following table presents all write-offs, waivers, postponements, gifts and ex gratia payments approved under the *Financial Management Act 1995* or other legislation that the agency administers.

	Agency				Territory items				Note
	2024	No. of trans.	2023	No. of trans.	2024	No. of trans.	2023	No. of trans.	
	\$000		\$000	\$000		\$000		\$000	
<b>Authorised under the <i>Financial Management Act 1995</i></b>									
<b>Write-offs, postponements and waivers approved by the Treasurer</b>									
Irrecoverable amounts payable to the Territory or an agency written off	-	-	-	-	-	-	-	-	-
Losses or deficiencies of money written off	5	1	300	1	-	-	-	-	1
<b>Total write-offs, postponements and waivers approved by the Treasurer</b>	<b>5</b>	<b>1</b>	<b>300</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Write-offs, postponements and waivers approved by delegates</b>									
Irrecoverable amounts payable to the Territory or an agency written off	-	-	2	2	-	-	-	-	
Losses or deficiencies of money written off	-	-	-	-	-	-	-	-	
Value of public property written off	13	4	-	-	-	-	-	-	
<b>Total write-offs, postponements and waivers approved by delegates</b>	<b>13</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total write-offs, postponements and waivers</b>	<b>18</b>	<b>5</b>	<b>302</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

DCDD had no waivers, postponements, gifts and ex gratia payments for the 2023-24 financial year.

### Notes (write-off):

1. Relates to loss of money due to an irrecoverable salary overpayment.

### Write-off

Write-offs reflect the removal from accounting records the value of public money or public property owing to, or loss sustained by the Territory or agency. It refers to circumstances where the Territory or an agency has made all attempts to pursue the debt, however is deemed irrecoverable due to reasons beyond the Territory or an agency's control. Write-offs result in no cash outlay and are accounted for under 'Other administrative expenses' in the Comprehensive Operating Statement.

### Waiver

Waivers reflect the election to forego a legal right to recover public money or receive public property. Once agreed with and communicated to the debtor, it will have the effect of extinguishing the debt and renouncing the right to any future claim on that public money or public property. Waivers result in no cash outlay, and are accounted for under 'Current grants and subsidies expense' in the Comprehensive Operating Statement.

## Postponement

A postponement is a deferral of a right to recover public money or receipt of public property from its due date. This has no effect on revenues or expenses recognised but may affect cash inflows or assets in use.

## Gifts

A gift is an asset or property, deemed surplus to government's requirements, transferred to a suitable recipient, without receiving any consideration or compensation, and where there is no constructive or legal obligation for the transfer. Gifted property is accounted under 'Other administrative expenses' in the Comprehensive Operating Statement.

## Ex gratia

Ex gratia payments or act-of-grace payments are gratuitous payments where no legal obligation exists. All ex gratia payments are approved by the Treasurer. Ex gratia payments result in cash outlay and are accounted for under 'Purchases of goods and services' in the Comprehensive Operating Statement.

## 15 Cash and deposits

	2024	2023
	\$000	\$000
Cash on hand	32	42
Cash at bank	45 176	68 633
	45 208	68 675

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. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner – refer also to Note 24.

## 16 Cash flow reconciliation

### a. Reconciliation of cash

The total of DCDD's 'Cash and deposits' of \$45.2 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

	2024	2023
	\$000	\$000
Net surplus/(deficit)	(25 825)	(4 267)
Non-cash items:		
Depreciation and amortisation	90 967	89 570
Asset write-offs/write-downs	13	-
Repairs and maintenance	-	2
(Gain)/Loss on lease extinguishment	-	(111)
Changes in assets and liabilities:		
Decrease/(Increase) in receivables	(591)	(2 658)
Decrease/(Increase) in other assets	-	-
(Decrease)/Increase in payables	(7 633)	(141)
(Decrease)/Increase in provision for employee benefits	673	(561)
(Decrease)/Increase in other provisions	276	95
(Decrease)/Increase in other deferred income	-	-
<b>Net cash from/(used in) operating activities</b>	<b>57 880</b>	<b>81 929</b>

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b. Reconciliation of liabilities arising from financing activities

	Cash flows							Other		
	1 July	Equity injection/ withdrawal	Appropriation	Deposits received	Lease liabilities repayments	Other	Total cash flows	Other	Total other	30 June
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2024</b>										
Deposits held	62	-	-	153	-	-	153	-	-	215
Provisions	21 742	-	-	-	-	-	-	950	950	22 692
Lease liabilities	595 273	-	-	-	(78 452)	-	(78 452)	111 786	111 786	628 607
Equity injections/ withdrawals	333 367	14 189	35 663	-	-	-	49 852	(3 612)	(3 612)	379 607
<b>Total</b>	<b>950 444</b>	<b>14 189</b>	<b>35 663</b>	<b>153</b>	<b>(78 452)</b>	<b>-</b>	<b>(28 447)</b>	<b>109 124</b>	<b>109 124</b>	<b>1 031 121</b>

	Cash flows							Other		
	1 July	Equity injection/ withdrawal	Appropriation	Deposits received	Lease liabilities repayments	Other	Total cash flows	Other	Total other	30 June
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2023</b>										
Deposits held	85	-	-	(23)	-	-	(23)	-	-	62
Provisions	22 208	-	-	-	-	-	-	(466)	(466)	21 742
Lease liabilities	568 359	-	-	-	(77 159)	-	(77 159)	104 073	104 073	595 273
Equity injections/ withdrawals	324 363	(11 216)	20 895	-	-	-	9 679	(675)	(675)	333 367
<b>Total</b>	<b>915 015</b>	<b>(11 216)</b>	<b>20 895</b>	<b>(23)</b>	<b>(77 159)</b>	<b>-</b>	<b>(67 503)</b>	<b>102 932</b>	<b>102 932</b>	<b>950 444</b>

c. Non-cash financing and investing activities

Lease transactions

During the financial year, DCDD recorded right-of-use asset for property leases in buildings for \$76 million (2023: \$79 million).



## 17 Receivables

	2024	2023
	\$000	\$000
<b>Current</b>		
Accounts receivable	1 596	2 742
Less: loss allowance	-	-
	<b>1 596</b>	<b>2 742</b>
<b>Interest receivables</b>	-	-
GST receivables	2 809	3 833
Prepayments	21 586	18 471
Other receivables	817	1 565
	<b>26 808</b>	<b>23 869</b>
<b>Non-current</b>		
Prepayments	2 365	1 971
Other receivables	-	-
	<b>2 365</b>	<b>1 971</b>
<b>Total Receivables</b>	<b>29 173</b>	<b>28 582</b>

Receivables are initially recognised when DCDD 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 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 DCDD estimates are likely to be uncollectible and are considered doubtful.

### Accrued contract revenue

Accrued contract revenue relates to the agency's right to consideration in exchange for works completed but not invoiced at the reporting date. Once the agency's rights to payment becomes unconditional, usually on issue of an invoice, accrued contract revenue balances are reclassified as contract receivables. Accrued revenue that does not arise from contracts with customers are reported as part of other receivables.

DCDD has no accrued contract revenues.

## 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. DCDD prepayments relate to ICT products, which include hardware, software, licenses and related support services.

### Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure exposure to bad debts is not significant. DCDD 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.

The expected loss rates are based on historical observed loss rates, adjusted to reflect current and forward-looking information, including macroeconomic factors.

In accordance with the provisions of the FMA, receivables are written-off when based on demonstrated actions to collect, there is no reasonable expectation of recovery for reasons beyond the agency's control.

The loss allowance for receivables at reporting date represents the amount of receivables the agency estimates is likely to be uncollectible and is considered doubtful. Ageing analysis and reconciliation of loss allowance for receivables as at the reporting date are disclosed below.

There is no loss allowance for the 2023-24 and 2022-23 financial year as the doubtful debts were written off in the same year. All other overdue receivables are deemed collectible as at 30 June 2024.

Internal receivables reflect amounts owing from entities controlled by the Northern Territory Government such as other agencies, government business divisions and government owned corporations. External receivables reflect amounts owing from third parties which are external to the Northern Territory Government

## Ageing analysis

	2024				2023			
	Gross Receivables	Loss rate	Expected credit losses	Net receivables	Gross receivables	Loss rate	Expected credit losses	Net receivables
	\$000	%	\$000	\$000	\$000	%	\$000	\$000
<b>Internal receivables</b>								
Not overdue	1 435	-	-	1 435	1 340	-	-	1 340
Overdue for less than 30 days	119	-	-	119	-	-	-	-
Overdue for 30 to 60 days	22	-	-	22	65	-	-	65
Overdue for more than 60 days	-	-	-	-	162	-	-	162
<b>Total internal receivables</b>	<b>1 576</b>	<b>-</b>	<b>-</b>	<b>1 576</b>	<b>1 567</b>	<b>-</b>	<b>-</b>	<b>1 567</b>
<b>External receivables</b>								
Not overdue	-	-	-	-	1 123	-	-	1 123
Overdue for less than 30 days	-	-	-	-	28	-	-	28
Overdue for 30 to 60 days	-	-	-	-	2	-	-	2
Overdue for more than 60 days	20	-	-	20	22	-	-	22
<b>Total external receivables</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>1 175</b>	<b>-</b>	<b>-</b>	<b>1 175</b>

Total amounts disclosed exclude statutory amounts 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

DCDD recognised no loss allowance for receivables for 2023-24 and 2022-23 from the assessment of expected credit losses.

## 18. Advances and investments

DCDD had no advances paid, equity accounted investments and investments in shares for the 2023-24 and 2022-23 financial years

## 19. Other financial assets

### a. Agency as a lessor

DCDD is not a lessor and therefore, does not have any finance lease, operating lease or sublease arrangements. There is no lease receivables for 2023-24 and 2022-23.

### b. Contract cost asset

For the 2023-24 and 2022-23 reporting period, no costs were capitalised as a contract cost asset.

## 20. Property, plant and equipment

### Total property, plant and equipment

	2024	2023
	\$000	\$000
<b>Plant and equipment</b>		
At cost	37 425	46 458
Less: Accumulated depreciation	(15 478)	(20 917)
	<b>21 947</b>	<b>25 541</b>
<b>Construction works in progress</b>		
At capitalised cost	326	22
	<b>326</b>	<b>22</b>
<b>Computer hardware</b>		
At cost	15 151	18 734
Less: Accumulated depreciation	(11 717)	(15 003)
	<b>3 434</b>	<b>3 731</b>
<b>Leased property, plant and equipment<sup>1</sup></b>		
At capitalised cost	887 623	811 756
Less: accumulated depreciation	(285 432)	(236 742)
	<b>602 191</b>	<b>575 014</b>
<b>Total property, plant and equipment</b>	<b>627 898</b>	<b>604 308</b>

<sup>1</sup>DCDD has no concessionary leases.

## Reconciliation of carrying amount of property, plant and equipment

Property, plant and equipment includes right-of-use assets under AASB 16 Leases and service concession assets under AASB 1059. Further information on right-of-use assets are disclosed in Note 25. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of year is set out below:

	Computer hardware	Plant and equipment	Construction (WIP) Infrastructure	Leased property, plant and equipment	Total
<b>2024</b>	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	3 731	25 541	22	575 014	604 308
Additions	2 400	(2 095)	-	54 934	55 239
Disposals	-	-	-	(8 747)	(8 747)
Depreciation expense - asset owned	(2 574)	(2 628)	-	-	(5 202)
Amortisation expense - right-of-use asset	-	-	-	(82 847)	(82 847)
Additions/disposals from administrative restructuring	-	-	-	-	-
Additions/disposals from asset transfers	(114)	1 133	304	-	1 323
Impairment losses reversed	(9)	(4)	-	-	(13)
Revaluation increments/(decrements)	-	-	-	65 598	65 598
Lease Incentives	-	-	-	(1 761)	(1 761)
<b>Carrying amount as at 30 June</b>	<b>3 434</b>	<b>21 947</b>	<b>326</b>	<b>602 191</b>	<b>627 898</b>

	Computer hardware	Plant and equipment	Construction (WIP) Infrastructure	Leased property, plant and equipment	Total
<b>2023</b>	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	4 285	28 492	-	552 649	585 426
Additions	2 063	(914)	-	62 147	63 296
Disposals	-	-	-	(850)	(850)
Depreciation expense - asset owned	(2 646)	(2 588)	-	-	(5 234)
Amortisation expense - right-of-use asset	-	-	-	(80 571)	(80 571)
Additions/disposals from administrative restructuring	-	-	-	-	-
Additions/disposals from asset transfers	29	551	22	(400)	202
Revaluation increments/(decrements)	-	-	-	42 039	42 039
Lease incentives	-	-	-	-	-
<b>Carrying amount as at 30 June</b>	<b>3 731</b>	<b>25 541</b>	<b>22</b>	<b>575 014</b>	<b>604 308</b>

## 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.

## Complex assets

A physical non-financial asset capable of disaggregation into separate and identifiable significant components which have different useful lives. The components may be replaced during the useful life of the complex asset.

## Construction (work in progress)

As part of the financial management framework, DIPL is responsible for managing general government capital works projects on an all-of-government basis. Therefore, appropriation for DCDD capital works is provided directly to DIPL and the cost of construction work in progress is recognised as an asset of DIPL. Once completed, capital works assets are transferred to DCDD.

## Revaluations and Impairment

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

For right-of-use assets, the net present value of the remaining lease payments is often an appropriate proxy for the fair value of relevant right-of-use assets at the time of initial recognition. Subsequently, right-of-use assets are stated at cost less depreciation, which is deemed to equate to fair value.

## Depreciation and Amortisation Expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2024	2023
Plant and equipment	10 years	10 years
Leased plant and equipment	5 years	5 years
Right-of-use assets	2 to 15 years	2 to 15 years
Computer hardware	3 to 6 years	3 to 6 years

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 disclosed above includes the useful lives of right-of-use assets under AASB 16. For further detail, refer to Note 21.

## 21. DCDD as a lessee

DCDD leases office, warehouse and specialty facilities. Lease contracts vary in lease terms and extension options. Lease terms are negotiated on an individual basis and are based on the standard memorandum of common provisions. The lease agreements do not impose any covenants. DCDD does not provide residual value guarantees in relation to leases.

Extension and termination options are only included in the lease term for measurement of the lease liability if the lease is reasonably certain to be extended. The majority of extension and termination options held are exercisable only by DCDD 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). In 2023-24, DCDD conducted a review and identified a number of leases which are reasonably certain to extend which resulted to a \$28.3 million increase to the lease liability.

Potential future cash outflows of \$81 million have not been included in the lease liability because it is not reasonably certain the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension was an increase in recognised lease liabilities and right-of-use assets of \$5 million.

DCDD has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less with no purchase option.

## Right-of-use asset

The following table presents reconciliation of right-of-use assets included in the carrying amounts of property, plant and equipment at Note 20.

	Land	Buildings	Infrastructure	Plant and equipment	Total
	\$000	\$000	\$000	\$000	\$000
<b>2024</b>					
Balance as at 1 July	-	575 014	-	-	575 014
Additions	-	54 934	-	-	54 934
Disposals <sup>1</sup>	-	(8 747)	-	-	(8 747)
Depreciation/amortisation expense	-	(82 847)	-	-	(82 847)
Revaluation increments/decrements including remeasurement	-	65 598	-	-	65 598
Impairment losses	-	-	-	-	-
Impairment losses reversed	-	-	-	-	-
Other movements (Lease incentives)	-	(1 761)	-	-	(1 761)
<b>Carrying amount as at 30 June</b>	<b>-</b>	<b>602 191</b>	<b>-</b>	<b>-</b>	<b>602 191</b>
	Land	Buildings	Infrastructure	Plant and equipment	Total
	\$000	\$000	\$000	\$000	\$000
<b>2023</b>					
Balance as at 1 July	-	552 649	-	-	552 649
Additions	-	62 147	-	-	62 147
Disposals <sup>1</sup>	-	-	-	-	-
Depreciation/amortisation expense	-	(80 571)	-	-	(80 571)
Revaluation increments/decrements including remeasurement	-	42 039	-	-	42 039
Impairment losses	-	-	-	-	-
Impairment losses reversed	-	-	-	-	-
Other movements (Lease incentives)	-	(1 250)	-	-	(1 250)
<b>Carrying amount as at 30 June</b>	<b>-</b>	<b>575 014</b>	<b>-</b>	<b>-</b>	<b>575 014</b>

<sup>1</sup>Commencing from 2021-22, where a new lease is commenced and an old lease for the same premises is terminated, it will be recognised as a disposal rather than a lease remeasurement.



The following amounts were recognised in the statement of comprehensive income for the year in respect of leases where DCDD is the lessee:

	2024	2023
	\$000	\$000
Depreciation expense of right-of-use assets	82 847	80 571
Interest expense on lease liabilities	15 621	11 089
Expense relating to short-term leases	1 599	2 473
Expense relating to leases of low-value assets	-	-
Variable lease payments, not included in the measurement of lease liabilities	-	-
Intergovernmental leases	348	525
Income from subleasing right-of-use assets	-	-
Gains or losses arising from sale and leaseback transactions	-	-
<b>Total amount recognised in the Comprehensive Operating Statement</b>	<b>100 415</b>	<b>94 658</b>

## Recognition and measurement

DCDD 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.

DCDD 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.

DCDD recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2024	2023
Building	20 to 50 years	20 to 50 years

If ownership of the leased asset transfers to the agency 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 except for those arising from leases that have significantly below-market terms and conditions principally to enable the department to further its objectives and are also subject to impairment.

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.

## Inter-governmental leases

DCDD applies the inter-governmental leases recognition exemption as per the Treasurer's Direction – Leases and recognises these as an expense on a straight-line basis over the lease term.

These largely relate to the lease of:

- motor vehicles from NT Fleet
- training centres with Department of Education
- government centres with Department of Infrastructure, Planning and Logistics.

## 22. Intangibles

### a. Total intangibles

	2024	2023
	\$000	\$000
<b>Intangibles with a finite useful life</b>		
<b>Computer software</b>		
Gross carrying amount	25 375	45 741
Less: accumulated amortisation	(21 472)	(38 998)
<b>Carrying amount at 30 June</b>	<b>3 903</b>	<b>6 743</b>
<b>Other intangibles</b>		
Gross carrying amount	-	354
Less: accumulated amortisation	-	(354)
<b>Carrying amount at 30 June</b>	<b>-</b>	<b>-</b>
<b>Software work in progress</b>		
At capitalised cost	321 479	269 435
	<b>321 479</b>	<b>269 435</b>
<b>Intangibles with an infinite useful life</b>		
<b>Other intangibles</b>		
Gross carrying amount	-	-
	-	-
<b>Total intangibles</b>	<b>325 382</b>	<b>276 178</b>

Intangible assets for DCDD are comprised of 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 (SaaS) 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 determined in accordance with the Treasurer's Directions and are determined as follows:

	2024	2023
Computer software – general (off the shelf)	2 to 5 years	2 to 5 years
Computer software – Corporate Systems	5 to 10 years	5 to 10 years

Due to the method of valuation of DCDD intangible assets, no assessment for impairment was undertaken for the year ended 30 June 2024 and year ended 30 June 2023.

## b. Reconciliation of carrying amount of intangibles

	Computer software	Other intangibles	Software work in progress	Total
<b>2024</b>	\$000	\$000	\$000	\$000
<b>Intangibles with a finite useful life</b>				
Carrying amount at 1 July	6 742	-	269 435	276 177
Additions	79	-	55 217	55 296
Disposals	-	-	-	-
Additions/disposals from administrative restructuring	-	-	-	-
Additions/disposals from asset transfers	(2 918)	-	(3 173)	(6 091)
Amortisation	-	-	-	-
Revaluation increments/decrements	-	-	-	-
Impairment losses	-	-	-	-
Impairment losses reversed	-	-	-	-
Other movements	-	-	-	-
<b>Carrying amount as at 30 June</b>	<b>3 903</b>	<b>-</b>	<b>321 479</b>	<b>325 382</b>
<b>Intangibles with an infinite useful life</b>				
Carrying amount at 1 July	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluation increments/decrements	-	-	-	-
<b>Carrying amount as at 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Computer software	Other intangibles	Software work in progress	Total
<b>2023</b>	\$000	\$000	\$000	\$000
<b>Intangibles with a finite useful life</b>				
Carrying amount at 1 July	3 083	-	208 208	211 291
Additions	414	-	68 238	68 652
Disposals	-	-	-	-
Additions/disposals from administrative restructuring	-	-	-	-
Additions/disposals from asset transfers	7 011	-	(7 011)	-
Amortisation	(3 766)	-	-	(3 766)
Revaluation increments/decrements	-	-	-	-
Impairment losses	-	-	-	-
Impairment losses reversed	-	-	-	-
Other movements	-	-	-	-
<b>Carrying amount as at 30 June</b>	<b>6 742</b>	<b>-</b>	<b>269 435</b>	<b>276 177</b>
<b>Intangibles with an infinite useful life</b>				
Carrying amount at 1 July	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluation increments/decrements	-	-	-	-
<b>Carrying amount as at 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 23. Assets held for sale

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.

DCDD had no assets held for sale in 2023-24 and 2022-23.

## 24. Deposits held

	2024	2023
	\$000	\$000
Accountable officer's trust account (a)	-	1
Clearing money	215	61
Other	-	-
<b>Total deposits held</b>	<b>215</b>	<b>62</b>

Deposits held mainly comprise of the Accountable Officer's Trust Account and clearing money relating to taxation activities.

Accountable Officer's Trust Accounts hold trust monies established under legislations held by the agency on behalf of others for a specific purpose and not for use in operations of government. These include unrepresented cheques, security deposits and contractor retention money.

Clearing money is public money in transit that is payable to another entity. These funds typically do not contribute to the operations of the agency.

### a. Accountable officer's trust account balance

There is no balance in the Accountable officer's trust account as at 30 June 2024

	2024	2023
	\$000	\$000
Retention money	-	-
Bond money	-	-
Security deposit	-	-
Unclaimed money	-	1
<b>Total accountable officer's trust account</b>	<b>-</b>	<b>1</b>

## 25. Payables

	2024	2023
	\$000	\$000
Accounts payable	3 882	10 681
Accrued salaries and wages	3 185	2 902
Other accrued expenses	15 865	16 983
Other payables	298	298
<b>Total Payables</b>	<b>23 230</b>	<b>30 864</b>

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 DCDD. 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.

## 26. Lease liabilities

	2024	2023
	\$000	\$000
<b>Current</b>		
Lease liabilities	77 437	78 616
	<b>77 437</b>	<b>78 616</b>
<b>Non-current</b>		
Lease liabilities	551 170	516 657
	<b>551 170</b>	<b>516 657</b>
<b>Total lease liabilities</b>	<b>628 607</b>	<b>595 273</b>

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

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.

The following table presents liabilities under leases.

	2024	2023
	\$000	\$000
Balance at 1 July	595 273	568 359
Additions/remeasurements	96 165	104 074
Interest expenses	15 621	11 089
Payments	(78 452)	(88 249)
<b>Balance as at 30 June</b>	<b>628 607</b>	<b>595 273</b>

DCDD had total cash outflows for leases of \$78.5 million in 2023-24 (\$88.2 million in 2022-23).

Future minimum lease payments under non-cancellable leases not recorded as liability are as follows:

	2024		2023	
	Internal	External	Internal	External
	\$000	\$000	\$000	\$000
Within one year	687	496	733	143
Later than one year and not later than five years	534	-	594	-
Later than five years	1	-	3	-
	<b>1 222</b>	<b>496</b>	<b>1 330</b>	<b>143</b>

## 27. Provisions

	2024	2023
	\$000	\$000
<b>Current</b>		
Employee benefits		
Recreation leave	16 940	16 510
Leave loading	2 105	1 870
Recreation leave airfares	122	90
Other provisions	3 525	3 272
	<b>22 692</b>	<b>21 742</b>
<b>Non-Current</b>		
Employee benefits		
Recreation leave		
<b>Total provisions</b>	<b>22 692</b>	<b>21 742</b>
<b>Reconciliations of other provisions</b>		
Balance as at 1 July	3 272	3 170
Additional provisions recognised	3 525	3 272
Reductions arising from payments	(3 272)	(3 170)
<b>Balance as at 30 June</b>	<b>3 525</b>	<b>3 272</b>

## 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, sick 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 DCDD, and as such no long service leave liability is recognised within these Financial Statements.

## 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.

DCDD 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 DCDD's Financial Statements.

## 28. Other liabilities

	2024	2023
	\$000	\$000
<b>Current</b>		
Unearned contract revenue liability	-	-
Unearned capital grants liability	2 700	-
	2 700	-
<b>Non-Current</b>		
Unearned contract revenue liability <sup>(a)</sup>	-	-
Unearned capital grants liability <sup>(b)</sup>	-	-
<b>Total other liabilities</b>	<b>2 700</b>	<b>-</b>

## Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued where the total value being guaranteed is greater than \$1 million.

DCDD had no financial guarantee contracts for 2023-24 and 2022-23.

## Unearned contract revenue liability

There is no unearned contract revenue for 2023-24 and 2022-23.

## Unearned capital grants liability

Unearned capital grants liability relate to contributions to enable the agency to acquire or construct a non financial asset to be controlled by the agency, received in advance of the agency satisfying the performance obligation. This balance is predominantly made up of a Commonwealth grant to support delivery of mobile connectivity to regional and remote communities of the Northern Territory. Expenditure will commence in 2024-25.

There is no unearned capital grants for 2022-23.

The table below is a reconciliation of unearned capital grants liability

	2024	2023
	\$000	\$000
Carrying amount at 1 July	-	-
Add: receipt of cash during the financial year	2 700	-
Less: income recognised during the financial year	-	-
<b>Carrying amount at 30 June</b>	<b>2 700</b>	<b>-</b>

The agency anticipates to recognise capital grant revenue, included in Note 4 Grants and subsidies revenue, for unearned capital grants liability in accordance with the time bands below:

	2024	2023
	\$000	\$000
Not later than one year	2 700	-
Later than one year and not later than five years	-	-
Later than five years	-	-
<b>Total<sup>(a)</sup></b>	<b>2 700</b>	<b>-</b>



## 29. Commitments

Commitments represent future obligations or cash outflows 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.

Internal commitments reflect commitments with entities controlled by the Northern Territory Government such as other agencies, government business divisions and government owned corporations. External commitments reflect those to third parties which are external to the Northern Territory Government.

Disclosures in relation to capital and other commitments are detailed below.

### a) Capital expenditure commitments<sup>1</sup>

Capital expenditure commitments primarily relate to hardware/software for digital projects. These contracts are expected to be payable as follows:

	2024		2023	
	Internal	External	Internal	External
	\$000	\$000	\$000	\$000
Not later than one year	-	62 141	2 800	12 525
Later than one year and not later than five years	-	6 970	-	27 249
Later than five years	-	-	-	-
<b>Total capital expenditure commitments (exclusive of GST)</b>	-	<b>69 111</b>	<b>2 800</b>	<b>39 774</b>
Plus: GST recoverable	-	6 911	280	3 977
<b>Total capital expenditure commitments (inclusive of GST)</b>	-	<b>76 022</b>	<b>3 080</b>	<b>43 751</b>

<sup>1</sup>Excludes amounts recognised as unearned revenue in the agency's financial records.

### b) Other non-cancellable contract commitments<sup>1</sup>

Other non-cancellable contract commitments predominantly comprise of grants and digital project related commitments. These contracts are expected to be payable as follows:

	2024		2023	
	Internal	External	Internal	External
	\$000	\$000	\$000	\$000
Not later than one year	-	53 629	-	13 214
Later than one year and not later than five years	-	53 832	-	96 559
Later than five years	-	4 086	-	-
<b>Total capital expenditure commitments (exclusive of GST)</b>	-	<b>111 547</b>	-	<b>109 773</b>
Plus: GST recoverable	-	11 105	-	10 915
<b>Total capital expenditure commitments (inclusive of GST)</b>	-	<b>122 652</b>	-	<b>120 688</b>

<sup>1</sup>Excludes capital and lease commitments, but includes maintenance contracts. Also excludes amounts recognised as unearned revenue in the agency's financial records.

## 30. Reserves

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the asset revaluation surplus.

DCDD has no asset revaluation surplus as at 30 June 2024 and as at 30 June 2023.

## 31. 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.

DCDD's property, plant and equipment, computer software and computer hardware are recognised at cost less depreciation or amortisation. The carrying amounts of these financial assets and liabilities approximates their fair value.

## 32. 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.

DCDD's financial instruments include cash and deposits, receivables, payables and finance lease liabilities. It excludes statutory receivables arising from taxes including tax receivables, GST input tax credits recoverable, and fines and penalties, which do not meet the definition of financial instruments as per AASB 132 Financial instruments: Presentation.

DCDD has limited exposure to financial risks as discussed below.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities.

## a) Categories of financial instruments

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

	Fair value through profit or loss		Amortised cost	Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value			
	\$000	\$000			
<b>2024</b>					
Cash and deposits	-	-	45 208	-	45 208
Receivables <sup>1</sup>	-	-	1 596	-	1 596
<b>Total financial assets</b>	-	-	<b>46 804</b>	-	<b>46 804</b>
Deposits held <sup>1</sup>	-	-	215	-	215
Payables <sup>1</sup>	-	-	4 180	-	4 180
Lease liabilities	-	-	628 607	-	628 607
<b>Total financial liabilities</b>	-	-	<b>633 002</b>	-	<b>633 002</b>

	Fair value through profit or loss		Amortised cost	Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value			
	\$000	\$000			
<b>2023</b>					
Cash and deposits	-	-	68 674	-	68 674
Receivables <sup>1</sup>	-	-	2 742	-	2 742
<b>Total financial assets</b>	-	-	<b>71 416</b>	-	<b>71 416</b>
Deposits held <sup>1</sup>	-	-	62	-	62
Payables <sup>1</sup>	-	-	10 979	-	10 979
Lease liabilities	-	-	595 273	-	595 273
<b>Total financial liabilities</b>	-	-	<b>606 314</b>	-	<b>606 314</b>

<sup>1</sup>Total amounts disclosed exclude statutory amounts, prepaid expenses and accrued contract revenue.

## Categories of financial instruments

### 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.

DCDD's financial assets categorised at amortised cost include cash and deposits and receivables.

## Financial liabilities at amortised cost

Financial liabilities at amortised cost are measured at amortised cost using the effective interest rate method. DCDD's financial liabilities categorised at amortised cost include all accounts payable, deposits held 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.

DCDD has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to government, DCDD has adopted a policy of only dealing with credit worthy 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 DCDD's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Credit risk relating to receivables is disclosed in Note 17.

### c) Liquidity Risk

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

The following tables detail DCDD'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
2024	\$000	\$000	\$000	\$000	\$000
<b>Liabilities</b>					
Deposits held <sup>1</sup>	215	215	-	-	215
Payables <sup>1</sup>	4 180	4 180	-	-	4 180
Lease liabilities	628 607	92 716	327 432	285 936	706 084
<b>Total financial liabilities</b>	<b>633 002</b>	<b>97 111</b>	<b>327 432</b>	<b>285 936</b>	<b>710 479</b>

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

2023	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
<b>Liabilities</b>					
Deposits held <sup>1</sup>	62	62	-	-	62
Payables <sup>1</sup>	10 979	10 979	-	-	10 979
Lease liabilities	595 273	90 604	301 339	262 814	654 757
<b>Total financial liabilities</b>	<b>606 314</b>	<b>101 645</b>	<b>301 339</b>	<b>262 814</b>	<b>665 798</b>

<sup>1</sup>Total amounts disclosed exclude statutory amounts and accrued items.

#### d) Market risk

Market risk is the risk that 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.

DCDD has relatively limited exposure to market 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.

DCDD is not exposed to interest rate risk as financial assets and financial liabilities, with the exception of leases, are non interest bearing. Lease arrangements are established on a fixed interest rate and therefore do not expose DCDD to interest rate risk.

##### (ii) Price risk

DCDD is not exposed to price risk as it 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.

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

## 33. Related parties

### i) Related parties

DCDD is a government administrative entity and is wholly owned and controlled by the Northern 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 DCDD 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 KMPs or the Portfolio Minister or controlled or jointly controlled by their close family members.

## ii) Key management personnel (KMP)

KMP of DCDD are those persons having authority and responsibility for planning, directing and controlling the activities of DCDD. KMPs for DCDD are listed below, and would include the Minister, members of the Executive Management Board (EMB) and the Finance and Governance Committee (FGC) of DCDD:

- Selena Uibo, Minister for Corporate and Digital Development
- Chris Hosking, Chief Executive Officer (EMB, FGC)
- Lisa Watson, Deputy Chief Executive Officer (EMB)
- Greg Connors, A/Deputy Chief Executive Officer (EMB)
- Ewan Perrin, Executive Director, Digital Government (EMB)
- Bruno Braga, Executive Director (from June 2024), Digital Government (EMB)
- Rex Schoolmeester, Chief Financial Officer (EMB, FGC)
- Lou-Anne Duncan, Senior Director, NT Property Management (FGC)
- Romi Peerzada, Senior Director, ICT Services (FGC)
- Donald Young, Senior Director, Digital Strategy (EMB)
- David Keirs, Senior Director, Procurement Services (FGC)
- Vicki Highland, Senior Director, Finance and Employment Services (FGC)
- Shelley Gray, Director Executive Services (EMB)
- Jayne McAlister, Director Regions (EMB)
- Tammy Dennis, HR Business Partner (EMB)

EMB Rotational members:

- Kate Stevenson, Senior Director, Information Management Services
- Shirley Wilkshire, Director, Workforce Performance

## iii) Remuneration of key management personnel

The details below exclude the salaries and other benefits of the Minister as the Minister's remuneration 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 KMP of DCDD is set out below:

	2024	2023
	\$000	\$000
Short-term benefits	3 572	4 374
Post-employment benefits	392	447
Long-term benefits	-	-
Termination benefits	-	-
<b>Total</b>	<b>3 964</b>	<b>4 821</b>

#### iv) Related party transactions

##### Transactions with Northern Territory Government controlled entities

DCDD's primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation.

The following table provides quantitative information about related party transactions entered into during the year with other Northern Territory Government controlled entities.

	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
<b>2024</b>	\$000	\$000	\$000	\$000
Related party				
NTG agencies	134 542	36 863	2 298	4 804

	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
<b>2023</b>	\$000	\$000	\$000	\$000
Related party				
NTG agencies	133 288	39 141	2 210	4 174

DCDD's transactions with other government entities are not individually significant.

#### Other related party transactions

Given the breadth and depth of Northern Territory Government activities, related parties will transact with the Northern 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.

DCDD had no other related party transactions in excess of \$10 000.

### 34. Contingent liabilities and contingent assets

DCDD had no contingent liabilities or contingent assets in 2023-24 and 2022-23.

### 35. 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.

### 36. Schedule of administered Territory items

DCDD had no administered Territory items for 2023-24 and 2022-23.

## 37. Budgetary information

The following tables present the variation between the 2023-24 original budgeted Financial Statements, as reported in 2023-24 Budget Paper No. 3 Agency Budget Statements, and the 2023-24 actual amounts reported in the Financial Statements, together with explanations for significant variations.

The variations within these tables do not include changes to budgeted appropriations from 2023-24 original budget to 2023-24 final budget. Refer to Note 5a for summary changes to budget appropriations.

The financial statement comparisons that follow are different from the tables presented in the financial statement overview at the front of this report, which references the final budget. The final budget incorporates budget adjustments approved during the year.

### Comprehensive Operating Statement

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000		
<b>INCOME</b>				
Grants and subsidies revenue				
Current	-	-	-	
Capital	1 864	-	1 864	1
Appropriation				
Output	311 065	322 499	(11 434)	2
Sales of goods and services	45 371	52 181	(6 810)	3
Interest revenue	-	-	-	
Goods and services received free of charge	229	323	(94)	
Gain on disposal of assets	-	-	-	
Other income	12 993	8 567	(4 426)	4
<b>TOTAL INCOME</b>	<b>371 522</b>	<b>383 570</b>	<b>(12 048)</b>	
<b>EXPENSES</b>				
Employee expenses	144 079	134 012	(10 067)	5
Administrative expenses				
Purchases of goods and services	143 277	168 495	25 218	6
Repairs and maintenance	-	-	-	
Depreciation and amortisation	90 967	88 734	(2 233)	7
Other administrative expenses	248	323	75	
Grants and subsidies expenses				
Current	155	209	54	
Capital	3 000	1 500	(1 500)	8
Interest expenses	15 621	15 214	(407)	9
<b>TOTAL EXPENSES</b>	<b>397 347</b>	<b>408 487</b>	<b>11 140</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>(25 825)</b>	<b>(24 917)</b>	<b>(908)</b>	
<b>COMPREHENSIVE RESULT</b>	<b>(25 825)</b>	<b>(24 917)</b>	<b>(908)</b>	



## Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. One-off funding for telecommunication upgrade projects:
  - \$1.5M from the Commonwealth for the Kakadu National Park
  - \$0.4M from DEAL for telecommunication services in regional NT.
2. Decrease in output appropriation primarily relates to:
  - -\$4.3 million transferred from operational funding to capital for Sage and CMSA.
  - -\$13.2 million transferred to the next year for CCSRP, AAPA data management system and Territory Services Project.
  - \$3.7 million funding from DoH for the transfer of various corporate services functions to DCDD.
  - \$3.0 million funding transferred from NT Police for the E-rostering project and various DoH projects.
3. Decrease in sales of goods and services is largely due to the return of funding to Department of Education for NEC contract charges (\$6.6 million).
4. Increase in other income primarily reflects higher than anticipated cost recovery of \$3.8 million for digital projects undertaken on behalf of agencies and \$0.6 million for one-off electricity and courier services.
5. Increase in employee expenses is primarily due to the following:
  - \$3.5 million transfer of corporate services function from DoH
  - \$2.1 million category of costs for employments services processing of EBAs
  - \$4.5 million category of costs for employee from capital to cover digital projects.
6. Purchase of goods and services primarily decreased due:
  - -\$12.6 million cat of cost changes from purchases of goods to capital
  - -\$4.4 million transfer of appropriation back to agencies
  - -\$6.5 million return of funding to Department of Education for NEC contract charges
  - -\$3.5 to be carried over to 2024-25 for ICT projects not completed
  - Offset by transfer in of small ICT projects.
7. Impact of revised estimates on amortisation expense for new and existing building leases and increased amortisation expenses relating to IT Systems.
8. Capital grants expense increased due to a grant paid for the FiberSense project (\$0.5M) and expenditure in relation to a Kakadu mobile connectivity project funded by Parks Australia (\$1.0M).
9. Variance is due to revised timing of commencement on a number of leases from 2023-24 to 2024-25.

## Balance Sheet

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000		
<b>ASSETS</b>				
Current assets				
Cash and deposits	45 208	19 031	26 177	1
Receivables	5 222	8 370	(3 148)	2
Prepayments	21 586	15 762	5 824	3
<b>Total current assets</b>	<b>72 016</b>	<b>43 163</b>	<b>28 853</b>	
Non-current assets				
Receivables	-	-	-	-
Property, plant and equipment	627 898	592 710	35 188	4
Intangibles	325 382	315 737	9 645	5
Prepayments	2 365	1 792	573	3
Other financial assets	-	-	-	
<b>Total non-current assets</b>	<b>955 645</b>	<b>910 239</b>	<b>45 406</b>	
<b>TOTAL ASSETS</b>	<b>1 027 661</b>	<b>953 402</b>	<b>74 259</b>	
<b>LIABILITIES</b>				
Current liabilities				
Deposits held	215	89	(126)	6
Payables	23 230	31 200	7 970	7
Borrowings and advances – lease liabilities	77 437	73 395	(4 042)	
Provisions	22 692	22 209	(483)	8
Other liabilities	2 700	-	(2 700)	
<b>Total current liabilities</b>	<b>126 274</b>	<b>126 893</b>	<b>619</b>	
Non-current liabilities				
Borrowings and advances – lease liabilities	551 170	512 177	(38 993)	7
<b>Total non-current liabilities</b>	<b>551 170</b>	<b>512 177</b>	<b>(38 993)</b>	
<b>TOTAL LIABILITIES</b>	<b>677 444</b>	<b>639 070</b>	<b>(38 374)</b>	
<b>NET ASSETS</b>	<b>350 217</b>	<b>314 332</b>	<b>35 885</b>	
<b>EQUITY</b>				
Capital	379 607	367 856	11 751	
Reserves	-	-	-	
Accumulated funds	(29 390)	(53 524)	24 134	
<b>TOTAL EQUITY</b>	<b>350 217</b>	<b>314 332</b>	<b>35 885</b>	

**Notes:**

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. Opening balance adjustment of \$49.6 million offset by use of cash of \$23.5 million.
2. Variance in receivables reflects normal business activity including a reduction in GST receivable and other receivables.
3. Variance primarily relates to an increase in software licensing prepayments for ICT Services and Agency Business Systems.
4. Original plant and equipment budget of \$592 million increased with an opening balance adjustment of \$12 million and adjustments within the year as specified in note 20.
5. Original intangibles budget of \$316 million decreased by an opening balance adjustment of \$40 million and adjustments within the year as specified in note 22b.
6. Opening balance adjustment of -\$0.3 million, combined with decreased liability relating to two major projects concluding during year.
7. Original borrowings and advances (lease liabilities) budget of \$585 million increased by an opening balance adjustment of \$10 million and adjustments within the year as specified in note 26.
8. Unearned capital grant liability following receipt of \$2.7M from the Commonwealth to support and deliver mobile connectivity to remote communities of the NT, with expenditure commencing in 2024-25.

## Cash Flow Statement

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating receipts</b>				
Grants and subsidies received				
Current	-	-	-	
Capital	1 864	-	1 864	1
Appropriation				
Output	311 065	322 499	(11 434)	2
Commonwealth (excluding capital appropriation)	-	-	-	
Receipts from sales of goods and services	103 050	60 748	42 302	3
Interest received	-	-	-	
<b>Total operating receipts</b>	<b>415 979</b>	<b>383 247</b>	<b>32 732</b>	
<b>Operating payments</b>				
Payments to employees	(142 851)	(134 012)	(8 839)	4
Payments for goods and services	(196 472)	(168 495)	(27 977)	5
Grants and subsidies paid				
Current	(155)	(209)	54	
Capital	(3 000)	(1 500)	(1 500)	6
Interest paid	(15 621)	(15 214)	(407)	
<b>Total operating payments</b>	<b>(358 099)</b>	<b>(319 430)</b>	<b>(38 669)</b>	
<b>Net cash from/(used in) operating activities</b>	<b>57 880</b>	<b>63 817</b>	<b>(5 937)</b>	

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investing payments				
Purchases of non-financial assets	(55 601)	(39 659)	(15 942)	7
Advances and investing payments	-	-	-	
<b>Total investing payments</b>	<b>(55 601)</b>	<b>(39 659)</b>	<b>(15 942)</b>	
<b>Net cash from/(used in) investing activities</b>	<b>(55 601)</b>	<b>(39 659)</b>	<b>(15 942)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Financing receipts				
Deposits received	153	-	153	
Equity injections				
Capital appropriation	35 663	29 427	6 236	8
Commonwealth capital appropriation	2 700	-	2 700	9
Other equity injections	14 968	8 789	6 179	10
<b>Total financing receipts</b>	<b>53 484</b>	<b>38 216</b>	<b>15 268</b>	
Financing payments				
Lease liabilities payments	(78 452)	(74 737)	(3 715)	11
Equity withdrawals	(778)	-	(778)	
<b>Total financing payments</b>	<b>(79 230)</b>	<b>(74 737)</b>	<b>(4 493)</b>	
<b>Net cash from/(used in) financing activities</b>	<b>(25 746)</b>	<b>(36 521)</b>	<b>10 775</b>	
Net increase/(decrease) in cash held	(23 467)	(12 363)	(11 104)	
Cash at beginning of financial year	68 675	31 394	37 281	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>45 208</b>	<b>19 031</b>	<b>26 177</b>	

**Notes:**

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. One-off funding for telecommunication upgrade projects:
  - \$1.5M from the Commonwealth for the Kakadu National Park
  - \$0.4M from DEAL for telecommunication services in regional NT.
2. Decrease in output appropriation primarily relates to:
  - -\$4.3 million transferred from operational funding to capital for Sage and CMSA.
  - -\$13.2 million transferred to the next year for CCSRP, AAPA data management system and Territory Services Project.
  - \$3.7 million funding from DoH for the transfer of various corporate services functions to DCDD.
  - \$3.0 million funding transferred from NT Police for the E-rostering project and various DoH projects.
3. The variance primarily relates to unbudgeted GST receipts and Commonwealth paid parental leave, and a decrease due to funding returned to DoE for NEC contract charges.
4. Increase in employee expenses is due to the following:
  - \$3.5 million transfer of corporate services function from DoH
  - \$2.1 million category of costs for employments services processing of EBAs
  - \$4.5 million category of costs for employee from capital to cover digital projects.
5. The variance primarily relates to unbudgeted GST payments and Commonwealth paid parental leave, offset by a decrease in payments for Goods and Services expenditure
6. Capital grants expense increased due to a grant paid for the FiberSense project (\$0.5M) and expenditure in relation to a Kakadu mobile connectivity project funded by Parks Australia (\$1.0M).
7. Purchase of non-financial assets varied as a result of increased budget requirements of \$21.4 million bringing total budget to \$61.4 million however \$5.7 million remained unspent as at 30 June and is to be carried over to 2024-25 financial year.
8. Capital appropriation varied as a result of increased budget requirements of \$6.2 million bringing total budget to \$35.7 million and was fully received.
9. Variance due to receipt of \$2.7M from the Commonwealth to support and deliver mobile connectivity to remote communities of the NT, with expenditure commencing in 2024-25.
10. Other equity injections varied as a result of increased budget requirements of \$5.9 million bringing total budget to \$14.7 million and were fully received.
11. Variance is due to higher than anticipated lease payments, offset by revised estimates for new and existing leases, in accordance AASB 16.