

# Annual Report

## 2008–09



© Northern Territory Government  
Department of Business and Employment

GPO Box 3200  
Darwin NT 0801  
**[www.nt.gov.au/dbe](http://www.nt.gov.au/dbe)**

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## PURPOSE OF THE REPORT

The annual report provides insight into activities undertaken by the Department of Business and Employment towards achieving its business outcomes as identified in the 2008-09 Budget.

The department was established by an Administrative Arrangements Order as part of the administrative restructure on 18 August 2008 to continue to provide a broad range of services to all Northern Territory Government agencies, and align business and employment synergies together.

The report aims to:

- provide Government, employees, organisations and individuals with an understanding of the department's objectives, activities and measures of its performance
- provide qualitative and quantitative commentary on progress towards achieving departmental goals
- to provide an insight into future directions.

This annual report is prepared in accordance with section 28 of the *Public Sector Employment and Management Act* and the *Financial Management Act*. It presents the Ministers with a summary of the activities of the department in 2008-09.



Visit our website [www.nt.gov.au/dbe](http://www.nt.gov.au/dbe) for further information about the Department of Business and Employment.

Acting Chief Executive  
Level 2, Development House  
76 The Esplanade, Darwin NT 0801  
**Postal Address:** GPO Box 3200  
DARWIN NT 0801  
**Tel:** 08 8999 5461  
**Fax:** 08 8999 5333  
**eMail:** [GrahamD.Symons@nt.gov.au](mailto:GrahamD.Symons@nt.gov.au)

Dr Chris Burns MLA  
Minister for Business  
Minister for Defence Support  
Parliament House  
DARWIN NT 0800

Hon Paul Henderson MLA  
Minister for Employment  
Parliament House  
DARWIN NT 0800

Mr Karl Hampton MLA  
Minister for Information, Communication and Technology Policy  
Parliament House  
DARWIN NT 0800

Dear Ministers

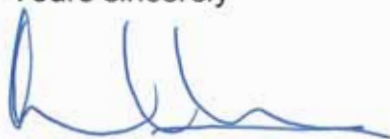
I am pleased to present you the Department of Business and Employment's annual report for the year ending 30 June 2009, in accordance with the provisions of Section 28 of the *Public Sector Employment and Management Act*.

In respect of my duties as an accountable officer pursuant to Section 13 of the *Financial Management Act*, I advise that, to the best of my knowledge and belief, the system of internal control within the department provides reasonable assurance that:

- a) proper records of all transactions affecting the department are kept and employees under my control observe the provisions of the *Financial Management Act*, the Financial Management Regulations and Treasurer's Directions;

- b) procedures within the department afford proper internal control and a current description of such procedures is recorded in the department's Accounting and Property Manual which has been prepared in accordance with the requirements of the *Financial Management Act*;
- c) there is no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exist;
- d) in accordance with Section 15 of the *Financial Management Act*, the results of internal audits have been reported to me and the internal audit capacity is adequately available to the department;
- e) the financial statements included in the annual report have been prepared from proper accounts and records and are in accordance with Part 2 Section 5 and Part 2 Section 6 of the Treasurer's Directions where appropriate;
- f) all Employment Instructions issued by the Commissioner for Public Employment have been satisfied; and
- g) in respect of my responsibilities pursuant to Section 131 of the *Information Act*, I advise that to the best of my knowledge and belief, the department has implemented processes to achieve compliance with the archives and records management provisions as prescribed in Part 9 of the *Information Act*.

Yours sincerely



Graham Symons  
**Acting Chief Executive**

15 October 2009

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## OVERVIEW

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### CHIEF EXECUTIVE'S FOREWORD

Change and challenge marked an interesting year 2008-09 for the Department of Business and Employment. On 18 August 2008, the Chief Minister, the Hon Paul Henderson MLA, announced a restructure of the public service, which meant some responsibilities of the Department of Business, Economic and Regional Development (DBERD) and the Department of Employment, Education and Training (DEET) were combined with the Department of Corporate and Information Services (DCIS) in the creation of the Department of Business and Employment (DBE). This diversity involved reporting to three Ministers in respect to employment, information and communication technology policy, and business services.

Ministerial responsibility for the department is primarily with Dr Chris Burns MLA, Minister for Business and Minister for Defence Support, with the Hon Paul Henderson MLA, Minister for Employment and Mr Karl Hampton MLA, Minister for Information, Communication and Technology Policy. Minister Burns assumed the Business portfolio in February 2009. Previously the Hon Konstantine Vatskalis MLA held the portfolio.

Highlights of the department's activities in 2008-09 were similarly diversified, ranging from improving the efficiency of government in procuring private sector services, to boosting the number of apprentices being trained and emerging to take up placements in the Territory's workforce. The government set a target of 200 new public sector apprentices in its Jobs Plan 3 initiative, and I am pleased to report 236 apprentices have been employed as a result. Of these, 56 per cent were Indigenous and 40 per cent were in regional or remote locations.

Other highlights included:

- Arnhem fibre optic link and remote communications infrastructure strategies
- establishment of Workforce Growth NT
- growing awareness and uptake of business growth across the Territory, including regional centres
- changes to the Land Development Corporation (LDC) charter and legislation to include residential development.
- the introduction of **ecoBiz NT**, a service offering advice and financial assistance to help Territory businesses reduce their environmental impact, achieving a reduction of 542 tonnes of CO<sub>2</sub> emissions in 2008-09
- core finance and payroll functions across government were co-located in Alice Springs and Darwin respectively in July 2008, resulting in further process efficiencies and standardisation
- Human Resources Services Contact Centre established
- assisting government to meet Working Future targets, taking particular responsibility for three initiatives of cross-cultural training, boosting Indigenous employment in the Northern Territory Public Sector (NTPS) via the administrative stream and developing procurement strategies to support Indigenous employment



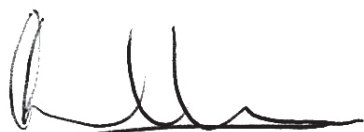
- supporting government strategy to respond to climate change by developing and implementing green policies in the areas of fleet, procurement, leasing and information technology
- coordinating development and implementation of an e-services strategy, with particular emphasis on e-services applications in education, health and e-government support to business
- managing the next round of major information and communications technology (ICT) contracts, including computers, telecommunications and messaging services, by developing a sourcing strategy to meet the needs of government
- establishment of an outposted procurement network in agencies and changes to the procurement system, including tender thresholds.

The department's continuing evolution, plus population, business and industrial growth Territory-wide, will mean further challenges in 2009-10. Strategic issues will need to have a strong focus on:

- alignment with the Territory 2030 strategy
- developing services to the 20 Territory Growth Towns
- green initiatives, through fleet, leasing and procurement activities
- remote telecommunications
- third generation ICT outsourcing contracts
- development of e-business strategies
- procurement network
- internal investment assessment framework
- Defence support
- business development programs
- Indigenous employment programs, both NTPS and Indigenous Training for Employment Program (ITEP)
- a new Jobs Plan strategy.

I would like to acknowledge Dennis Bree who, as Chief Executive of the department for most of 2008-09, provided effective leadership through the transition and positioned the Department of Business and Employment to move forward.

In presenting this annual report, I thank employees for their ongoing efforts in a time of change, for their commitment and willingness to deliver the achievements that are outlined in this report, and for their continued commitment to increasing these outcomes in 2009-10.



Graham Symons

## OUR ORGANISATION

DBE comprises five entities: the Department of Business and Employment and three government business divisions (GBDs) named Data Centre Services, NT Fleet, the Government Printing Office; and a statutory authority – the Land Development Corporation (LDC).

The diagram on page 16 represents a high-level view of the organisation's structure.

The organisation comprises around 800 staff (by budget allocation), with the majority working in the department (674 based on allocated budget), and the remainder spread across the GBDs and Land Development Corporation.

The total budget for 2008-09 is just over \$144 million, excluding the GBDs, which are separate budget entities. Refer to page 88 for more financial information. Land Development Corporation as a statutory authority produces its own annual report.

The department has centres in Darwin, Alice Springs, Katherine, Tennant Creek and Nhulunbuy.

Details of our performance highlights for 2008-09 and priorities for 2009-10 can be found in the performance reports starting on page 52.

A glossary of acronyms used throughout this report is detailed in Appendix A.

### Profiles and Key Functional Responsibilities

#### Department of Business and Employment

The Department of Business and Employment's primary responsibilities are to deliver business and industry development services, defence support, employment and corporate shared services.

The department works with business to develop and broaden the Northern Territory economic base. This includes the provision of strategic programs and activities to support business and industry development.

It is responsible for providing strategic labour market policy advice and forecasting to maximise employment opportunities for Territorians and meet industry needs.

The department provides corporate shared services to all Northern Territory Government (NTG) agencies and business divisions, including financial and human resource administration, procurement, information technology management and property management.

Key functional responsibilities are to:

- operate corporate systems to enable processing of NTG transactions such as accounts and payroll
- develop procurement policy, provide secretariat services to the Procurement Review Board and provide procurement advice to agencies
- coordinate employment programs for graduates, new apprentices and Indigenous cadets
- provide information technology services to support government business
- develop information and communications technology policy including telecommunications strategy for remote area communication services
- lease office accommodation and manage leased property to support NTG service delivery
- identify, assess and support business and industry development opportunities
- improve business competitiveness and productivity
- stimulate business innovation, research and knowledge development
- provide strategic labour market research and advice
- develop, promote and implement employment strategies, including coordination of Indigenous employment, Regional Job Hubs, skilled migration programs and Workforce Growth NT.

### **Data Centre Services**

Data Centre Services (DCS) delivers a range of information technology services to all Northern Territory Government agencies.

Key functional responsibilities are to:

- host and manage mainframe applications
- host and manage mid-range server applications
- administer databases
- manage enterprise data storage
- host information and communications technology (ICT) infrastructure for agencies and contracted service providers
- manage various whole of government information technology functions, electronic security and identity management.

## **Government Printing Office**

The Government Printing Office (GPO) provides cost-effective printing and publication services to Parliament and government agencies.

Key functional responsibilities are to:

- provide a secure environment for the timely production of government documents
- outsource to local industry as appropriate.

## **NT Fleet**

NT Fleet is responsible for management of all government vehicles except for Northern Territory Police, Fire and Emergency Services.

Key functional responsibilities are to:

- manage the strategic replacement program for the fleet
- match vehicles with agencies' operational needs
- administer supply and service contracts
- manage the maintenance and disposal of vehicles, plant and equipment.

## **Land Development Corporation**

As a statutory authority, the Land Development Corporation has prepared a separate annual report.

## OUR OPERATIONAL STRUCTURE

The department's operational structure and outputs (service delivery) contribute to the achievement of its strategic goals. The operational structure is underpinned by the Corporate Support Services division, which supports all areas of the department.

The following diagrams outline the department's operational structure by output group and the areas of the department that are responsible for the outputs.

Output Group	Business Unit responsible	Outputs
Shared Services	<ul style="list-style-type: none"> <li>▶ Finance Services</li> <li>HR Services</li> <li>Corporate Reporting</li> <li>CSR Review Program Office</li> <li>Procurement Policy</li> <li>CAPS</li> <li>IT Service Management</li> <li>ICT</li> <li>NT Property Management</li> </ul>	<ul style="list-style-type: none"> <li>▶ Finance Services</li> <li>HR Services</li> <li>Procurement Policy and services</li> <li>ICT Services</li> <li>Office Leasing Management</li> </ul>
Business Development	<ul style="list-style-type: none"> <li>▶ Industry Development</li> <li>Innovation</li> <li>Economics</li> <li>Investment Services</li> <li>Defence Support</li> <li>Commercial Services</li> <li>Business Support</li> <li><b>ecoBiz NT</b></li> <li>Business Liaison</li> <li>Territory Business Centre</li> <li>Procurement Liaison</li> <li>Business Services</li> </ul>	<ul style="list-style-type: none"> <li>▶ Business Development</li> </ul>
Employment	<ul style="list-style-type: none"> <li>▶ Employment</li> <li>Indigenous Workforce Development</li> <li>Workforce Growth NT</li> <li>Strategy and Research</li> <li>Business and Skilled Migration</li> </ul>	<ul style="list-style-type: none"> <li>▶ Employment</li> </ul>

GBD	Division responsible to	Business Line
Data Centre Services	Corporate and Information Services	Data Centre Management
GPO	Procurement	Printing and Publication Services
NT Fleet	Procurement	Management of the Vehicle Fleet

## OUR CORPORATE PLAN

The department's Corporate Plan covers 2009-2011. It outlines strategic issues and sets priorities that focus on supporting the department to realise the tactical issues it faces over the next three years.

**We Value**  
**People**  
**Performance**  
**Professionalism**

- Our business is to:**
- build industry capabilities through support and solutions for Territory businesses
  - develop, attract and retain a skilled Territory workforce
  - provide corporate shared services to the NTG.

- Our strategic issues:**
- employment
  - business support and industry development
  - Indigenous development
  - electronic service delivery
  - land development
  - climate change.

**To meet and respond to our strategic issues we must employ the following targeted actions:**

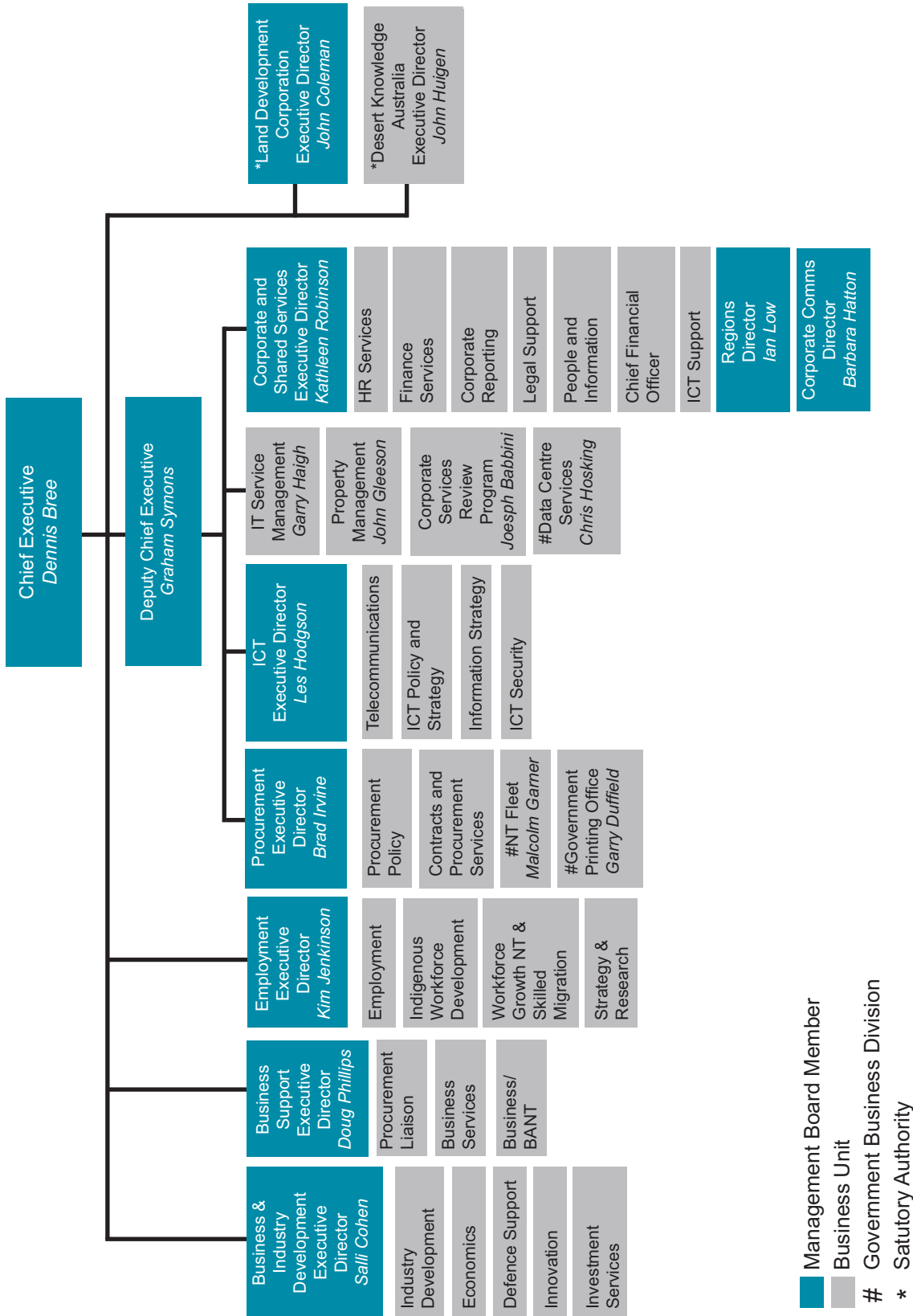
- Employment**
- establish Workforce Growth Unit
  - enhance labour Market Analysis model
  - develop NT Employment Strategy across the Territory incorporating Indigenous employment and career development
  - establish regional Job Hubs
  - enhance Skilled Worker Campaign
  - develop NT Business and Skilled Migration Strategy.

- Business and Industry Growth**
- promote and facilitate industry and business development
  - conduct forums to inform small businesses about major project opportunities
  - land for industry growth initiative
  - identify and support the development of new industries, opportunities and investment
  - stimulate innovation, research and knowledge development
  - maintain and improve the Territory's business operating environment.

<p><b>Working Future – Indigenous Development</b></p>	<p>Develop and implement:</p> <ul style="list-style-type: none"> <li>• cross-cultural training for government</li> <li>• Indigenous recruitment to NTG administrative stream</li> <li>• recruitment and support for NTG Indigenous apprentices and trainees</li> <li>• telecommunications infrastructure and e-services applications.</li> </ul>
<p><b>e-Services</b></p>	<ul style="list-style-type: none"> <li>• Develop an Information and Communications Technology (ICT) strategy for NTG</li> <li>• NTG to advance electronic service delivery in the areas of:             <ul style="list-style-type: none"> <li>• e-health</li> <li>• e-government</li> <li>• e-learning</li> <li>• e-government support to business</li> <li>• high speed broadband.</li> </ul> </li> </ul>
<p><b>Corporate Services</b></p>	<ul style="list-style-type: none"> <li>• implement Corporate Services Review for Finance and Human Resource Services</li> <li>• improve reporting to assist in agency decision making</li> <li>• plan for development of enhanced Human Resources information systems</li> <li>• identify future opportunities to improve corporate services efficiency and effectiveness.</li> </ul>
<p><b>Climate Change</b></p>	<p>Develop and implement policies for:</p> <ul style="list-style-type: none"> <li>• Green Fleet, Procurement and Leasing strategies</li> <li>• green IT</li> <li>• <b>ecoBiz NT</b> initiative</li> </ul>
<p><b>We will deliver our strategic actions by:</b></p>	<ul style="list-style-type: none"> <li>• attracting capable employees</li> <li>• realising staff potential</li> <li>• building leadership capacity</li> <li>• being solution-focused</li> <li>• strengthening policy skills</li> <li>• understanding and anticipating customer needs</li> <li>• actively engaging with stakeholders</li> <li>• supporting work life balance and occupational health and safety.</li> </ul>

# OUR EXECUTIVE STRUCTURE

as at 30 June 2009





## OUR PEOPLE

The department strives to foster a positive and productive working environment that provides a platform for open and honest communication, empowers staff, treats them fairly and equitably and encourages them to take personal responsibility. The department actively promotes occupational health and safety within the work environment, particularly in those specialised workplaces where heavy machinery is used.

The department supports and promotes staff learning and development through its Corporate Capability Plan, which facilitates networking and learning opportunities through various in-house programs and external leadership and development programs.

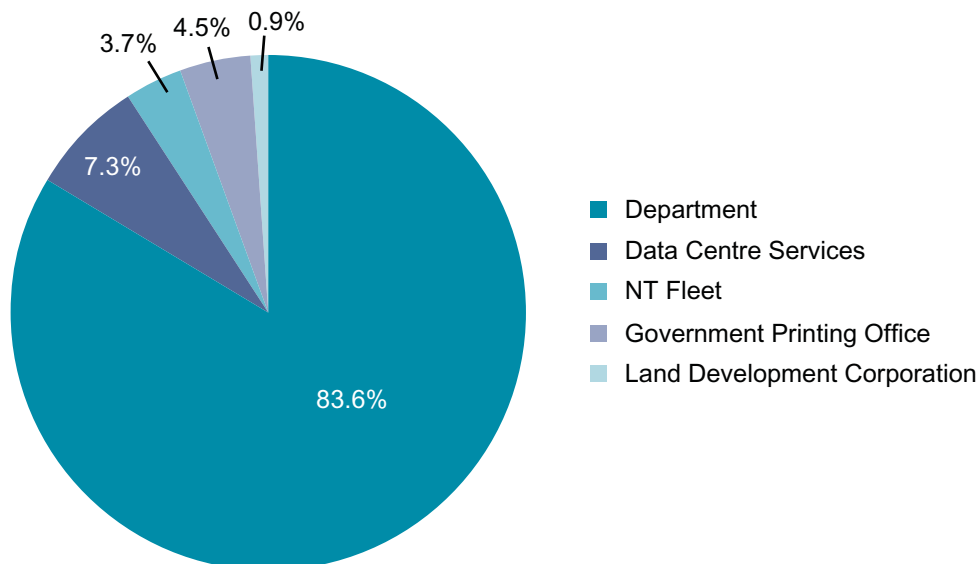
The department is staffed according to the following full-time budgeted allocations:

- Department – 674
- Data Centre Services – 59
- NT Fleet - 30
- Government Printing Office – 36
- Land Development Corporation – 7

Within the department, 58 per cent of staff work for Finance Services (162) and Human Resource Services (226). The remaining 42 per cent of staff work in the areas of procurement services, property management, information, communications and technology services, employment, business and industry support, and internal corporate management.

Further details of the department’s staff profile and human resource strategies and achievements are included in this report at page 46.

### Full Time Equivalent (FTE)



## OUR CUSTOMERS AND STAKEHOLDERS

A key priority for the department is continuous improvement of our relationship with customers and stakeholders.

Our customers are:

- the business community
- NTG agencies, business divisions and statutory authorities
- NTG employees and prospective employees.

Other stakeholders are:

- business and industry
- the ICT industry
- the Territory community.

The department's approach and responses are consistent across all groups, with an emphasis on prompt and reliable service delivery, open communication and a consultative approach that encourages input and feedback.

## OUR FINANCES

As the department was established as part of the administrative restructure on 18 August 2008 with retrospective effect for accounting purposes from 1 July 2008, no comparative disclosures are available (this does not apply to the GBDs).

There are four budget entities reported in this report: the department and three government business divisions. The Land Development Corporation is a separate budget entity and is reported in a separate annual report.

The department is primarily funded by Output appropriation from the Central Holding Authority which comprises around 90 per cent of departmental revenue, and provides for:

- shared corporate services to NTG agencies and government business divisions
- leadership to develop and broaden the Northern Territory economic base, and strategic programs and activities to support business and industry development
- strategic labour market policy advice and forecasting to maximise employment opportunities for Territorians and to meet industry needs.

The remaining revenue is earned from charges for services.

Departmental expenses comprise property leasing costs (34.6 per cent), employee costs (34.5 per cent), grants (11.1 per cent), IT support costs to operate and maintain whole of government corporate systems (10.8 per cent) and operational costs (9 per cent).

The department notionally charges NTG agencies and actually charges government business divisions for the services it provides. Its overall aim is to provide cost-effective services, with service prices based on a cost recovery model. The price list as at 30 June 2009 is detailed in Appendix B.

## Financial Statements

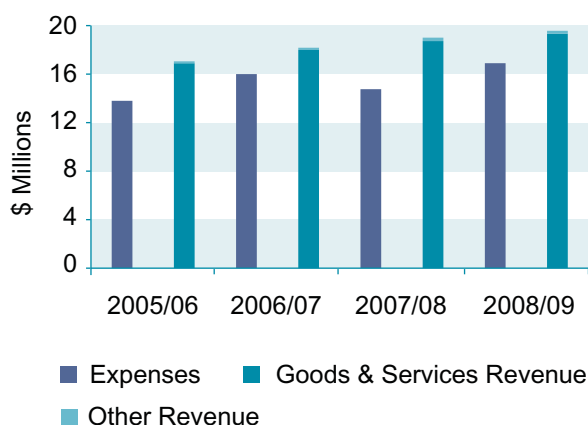
Financial statements for each of the four budget entities are included in this report, starting at page 88. The audited statements for the three government business divisions received unqualified audit opinions.

## Data Centre Services

Data Centre Services continues to see revenue growth in mid-range services and ePass services. In line with increasing demands for storage and backup services, it has acquired a new storage area network at a capital cost of \$0.7 million. Revenue and operational costs of the electronic passport2 system (ePASS2) have increased following the completion of development and the subsequent implementation in July 2008.

Data Centre Services net surplus after tax for 2008-09 was \$0.2 million higher than anticipated at \$1.9 million.

### DCS – Expenditure and Revenue Trends

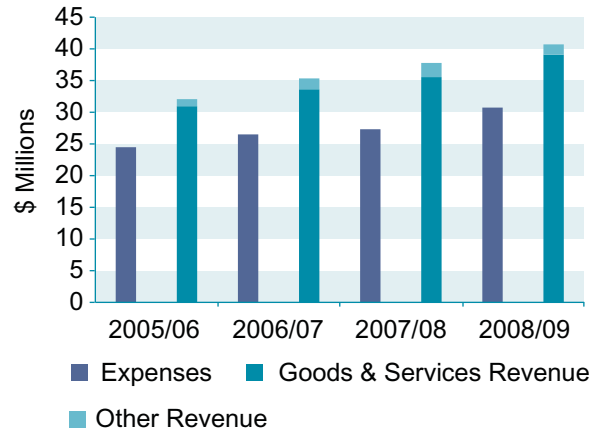


## NT Fleet

NT Fleet continues to operate profitably with increased revenues from vehicle hire contracts. Expenses also increased, primarily from higher depreciation and vehicle repairs and maintenance due to growth in vehicle numbers.

NT Fleet's net surplus after tax was \$7.0 million for 2008-09, around \$0.5 million higher than anticipated.

**NT Fleet – Expenditure and Revenue Trends**



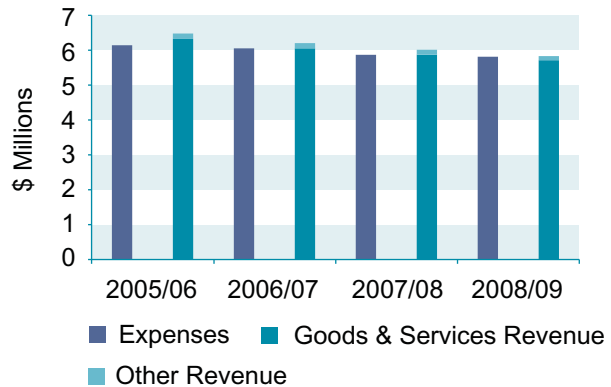
## Government Printing Office

The demand for printed materials reduced across various product categories during the year.

In response to changes in revenue, the GPO actively focused on improving internal efficiencies to offset cost increases for labour, power and raw materials.

The GPO has continued to make a profit, achieving a net surplus after tax of \$0.013 million for 2008-09.

**GPO – Expenditure and Revenue Trends**



## ACHIEVEMENTS IN 2008-09

### Output Group – Shared Services

#### Finance Services

- Implemented a number of corporate systems and process improvements as part of a multi-year program to streamline the provision of corporate services across government, including:
  - Travel Request Information Processing System (TRIPS) improved and made available to all agencies
  - Receipts Processing System (RePS) introduced into selected client agencies to reduce manual processing of receipts
  - new credit management policies revised and implemented
  - core accounts receivable and accounts payable functions across government centralised in July 2008, with further process efficiencies and standardisation.

#### Human Resource Services

- Implemented a number of corporate system and process improvements as part of a multi-year program to streamline the provision of corporate services across government, including:
  - payroll processing for casual nurses automated, improving accuracy and timeliness of salary payments
  - new payslip supplement developed to provide greater payroll information to hospital shift-based staff, primarily nursing staff
  - HR Services Contact Centre established on a trial basis to provide a first point of contact for all payroll enquiries from NTPS employees.
- Supported the Working Future strategy by:
  - successfully piloting across four NTG agencies the Indigenous Employment Program (Administrative Stream) with eight Indigenous job-seekers gaining a Certificate II in Business and permanent full-time employment at the Administrative Officer level 2
  - developing a cultural competence framework, together with learning outcomes for a range of new cross-cultural training courses in consultation with key agencies and in collaboration with Charles Darwin University.
- As part of the Jobs Plan 3 initiative employed a total of 236 apprentices.

## Procurement Policy and Services

- Implemented government policy to streamline a range of procurement initiatives:
  - an increase to all procurement thresholds
  - Tier 3 – \$50 000 but less than \$200 000 - public quotations issued via Tenders Online
  - disclosure of tender assessment criteria weightings for all tenders with an estimated value of \$200 000 and greater
  - mandatory use of Agency Procurement Requisition Online (APRO) for Tier 2, \$15 000 but less than \$50 000, to Tier 5, \$5 million and greater
  - increased delegation to Agency Chief Executive's for Certificate of Exemption from Public Tendering.
- Stage two of the Northern Territory Government procurement initiatives established a Procurement Network of departmental procurement professionals out-posted to agencies to improve procurement outcomes.
- In supporting the Working Future strategy the Procurement Policy unit worked closely with the Employment Division to review the Procurement Directions to identify how more accurate recording of achievements in employment can be achieved.
- Developed a procurement policy which takes into account environmental sustainability.

## Information and Communication Technology Services

- Sourcing Strategy developed and endorsed by government for release of tenders in July 2009 as part of the third generation of major ICT outsourcing contracts in 2009-10.
- Prepared for the next round of ICT service contracts by:
  - appointing a Project Director and establishing a project office
  - forming a Steering Committee along with Agency Advisory Group
  - completing the industry and agency consultation process.
- Completed e-services strategy consultancies for e-business, e-health and e-learning to enhance the Territory's capacity in electronic service delivery.
- Invested \$6.8 million in partnership with Telstra, the Northern Land Council and Rio Tinto to build a \$34 million fibre communications link across Arnhem Land, connecting nine remote communities with high speed broadband.
- The NTG has bid for funding from the following national programs:
  - the National Broadband Network Backbone Blackspots - \$250 million available nationally. Bids have been lodged for work in the Territory for a competitive fibre link
  - Public Internet Access - \$2.2 million funding bid under the Australian Government's Digital Regions program over four years to remote communities.

## Office Leasing Management

- Developed and implemented policies for a Green Leasing Strategy to support the government's focus on reducing energy consumption.
- Drafted a national sustainability framework for NTG occupied office premises as part of the Government Real Estate Group.
- Developed the Commercial Property Management Framework.
- Worked with the Department of the Chief Minister to develop policy and procedures for land leasing in remote communities for non-housing infrastructure.

## Output Group – Business Development

- Launched **ecoBiz NT**, a business efficiency program to assist Territory businesses reduce their environmental impact through **ecoBiz NT** grants.
- Successful delivery of the 14th October Business Month, targeted at providing new business management knowledge and ideas to the Territory business community.
- Continued the Territory Business Upskills program offering Territory small businesses opportunities to identify areas for improvement that can increase capacity and capability.
- Encouraged business, through the Territory Business Growth Program, to achieve growth and employment, and improve chances of gaining government tenders and developing and implementing quality assurance and occupational procedures.
- Provided support to ensure that Territory businesses utilise the department's wide range of business development programs.
- Continued membership and input to the Aviation Inter-agency Advisory Committee, leading to the development of a three year aviation strategy.
- Implemented and enhanced the Building Northern Territory Industry Participation (BNTIP) policy.
- Assisted the continued broadening and growth of the Territory's economic base.
- Promoted the Common User Area and its availability and benefits to project proponents and prime contractors in the mining and oil and gas industries.
- Continued priority promotion of Territory industry capability, and promotion and marketing of the Territory and its Defence support industry.

## **Output Group – Employment**

- Completed Jobs Plan 3, which achieved:
  - the target of 10 000 apprentice and trainee commencements over four years
  - increased knowledge of the labour market in government, industry and the community through the release of the Workforce NT Report 2008 and the NT Occupation Shortage list 2009.
- The Indigenous Training for Employment Program supported 13 ongoing programs across all regions and initiated 12 new programs.
- Continued promotion of the Territory as a business and skilled migration destination.
- Established Workforce Growth NT unit.

## **Business Line – Data Centre Management**

- Finalised the electronic passport2 system (ePASS2) and implemented the system's second phase to manage all NTPS employee identity information and ICT service requests.
- Developed a strategic forward plan for future enterprise storage requirements.
- Delivered more efficient application hosting and reduced carbon emissions through server virtualisation technologies.

## **Business Line – Printing and Publication Services**

- Continued to work in partnership with private sector printing firms to support private industry by outsourcing work fairly and equitably.
- Implemented a customer feedback questionnaire to ascertain customer satisfaction with the GPO services.

## **Business Line – Management of the Government Vehicle Fleet**

- Developed and implemented a Green Fleet Strategy as part of the government's focus on reducing energy consumption.
- Continued to work with agencies to:
  - acquire a safer, more environmentally friendly fleet
  - minimise the cost of owning and operating the fleet.



## REGIONAL HIGHLIGHTS

The department has regional offices in Alice Springs, Katherine, Tennant Creek and Nhulunbuy. Of these, Alice Springs is the largest and delivers the broadest range of services including finance and human resource, business and industry support and employment, together with procurement, properties, ICT and fleet services. Accounts receivable administration functions for all government agencies across the Territory are provided from the Alice Springs office. This office also directly supports the Tennant Creek office, with the Katherine office providing support for the Nhulunbuy office.

Regional staff benefited from greater use of teleconferencing and video conferencing in 2008-09 to allow participation in workshops and meetings. Increased use of these applications expected in 2009-10.

### Highlights: Alice Springs and Tennant Creek

- Highly successful transfer of the Accounts Receivable functions from across the department to the Alice Springs office, together with a successful skills transfer and training program.
- Transfer of the Accounts Payable and Asset Management functions to Darwin, together with the transfer of the payroll function to Casuarina and Palmerston.
- Effective organisational merger of the business and industry support and employment functions with the shared services functions to form a strong departmental presence within the region.
- In Tennant Creek, the Territory Business Centre and the shared services group successfully amalgamated to establish the new Department of Business and Employment office.
- Over 30 regional apprentices engaged during 2008-09, including 10 Indigenous apprentices. The apprentices work in 12 different apprenticeship areas, with the majority working in Business Skills or Captive Animals.
- October Business Month activities were well attended and well received, with 14 events delivered in Alice Springs to 807 attendees and six events in Tennant Creek delivered to 192 attendees.
- Business Support Client Managers and Procurement Liaison regularly visited Alice Springs and Tennant Creek businesses.
- Successful delivery of business improvement programs, including:

#### Alice Springs

- 20 New Starter Workshops, 18 Territory Business Upskills Workshops and 15 Business Coaching sessions delivered
- 23 grants under the Territory Business Growth program

### **Tennant Creek**

- Five New Starter Workshops and nine Territory Business Upskills Workshops
- Five grants under the Territory Business Growth program

### **Highlights: Katherine and Nhulunbuy**

- Developed a strong working relationship between the corporate and business areas of the department, realising joint projects such as the Katherine Show stand and the Farm and Garden Day stand, and joint sponsorship of the Rivers Region Youth Development Service Industry Breakfast.
- Nhulunbuy office relocated to new premises.
- Over 15 regional apprentices engaged in 2008-09, including nine Indigenous apprentices.
- Departmental apprentice Kathleen Jeans won the Katherine region NT Apprentice of the Year, gaining a Certificate III in Business.
- October Business Month events were well attended and well received, with 10 events delivered in Katherine to 325 attendees and three events delivered in Nhulunbuy to 45 attendees.
- Client Managers regularly visited Katherine and Nhulunbuy businesses and Procurement Liaison met with businesses in Katherine.
- Successful delivery of business improvement programs including:

#### **Katherine**

- 10 New Starter Workshops, 17 Territory Business Upskills Workshops and one Business Coaching session delivered
- eight grants under the Territory Business Growth program

#### **Nhulunbuy**

- five New Starter Workshops, one Territory Business Upskills Workshops and two Business Coaching sessions delivered
- six grants under the Territory Business Growth program

## PRIORITIES IN 2009-10

### Output Group – Shared Services

- Complete the Territory's commitment to the construction of the fibre optic telecommunications link between Jabiru and Nhulunbuy to facilitate the delivery of e-services to Nhulunbuy and nine Arnhem Land communities.
- Assess, negotiate and sign ICT contracts for third generation ICT outsourcing contracts.
- Successfully disengage from existing ICT contracts and transition to new arrangements.
- Streamline the provision of corporate services across government.
- Implement the Electronic Invoice Management System to automate the accounts payable process.
- Complete the pilot of the Indigenous Employment Program (Administrative Stream) and undertake a comprehensive review of phase I of the pilot.
- Implement programs to deliver cross-cultural awareness training for NTPS recruits and senior officers.
- Progress strategies to enhance communications infrastructure across the Territory
- Support the development of e-services strategies to meet the needs of the Territory, in partnership with service delivery agencies, especially in relation to education, health and support to business.
- Complete the procurement and commence implementation of a new HR Reporting Solution that will deliver a full suite of HR reports for use across government.
- Complete the procurement and commence implementation of a new electronic recruitment system across government that will deliver contemporary automated recruitment processes for government agencies.

### Output Group – Business Development

- Promote business and industry development and growth, and provide assistance to business in responding to the challenges of current market conditions.
- Deliver an internal investment assessment framework for the department to help evaluate requests for government assistance including the web-based investment information portal, an investment inquiries database and an investment project assessment tool for project developers.
- Continue the Industry Development Support Program to provide operational and program support.
- Carry out the commitment of a new Business Efficiency Program to improve environmental aspects through grants and training to business operators.
- Support research and innovation, including the Northern Territory Research and Innovation Grants program.

- Assist Territory businesses with their export marketing objectives through the provision of Trade Support Scheme grants.
- Progress the project to improve provision of e-government support to business and to increase the range of government services available electronically.

### **Output Group – Employment**

- Develop and implement a whole of government employment strategy which will include direction and initiatives to support the Territory workforce.
- Continue to identify employment opportunities in remote communities and provide relevant training and workforce development strategies through the Indigenous Training Employment Program that lead to employment outcomes.
- Advance the development of the Skilled Worker Campaign and Workforce Growth Unit to attract skilled and unskilled labour to the Territory from around Australia and overseas.
- Establish Regional Job Hubs in Nhulunbuy and Tennant Creek.

### **Business Line – Data Centre Management**

- Improve technological and computing capabilities through the acquisition of a new mainframe processor and further expansion of virtual server infrastructure.
- Meet agency demand for fully-managed computing services.
- Contain the carbon footprint of an energy intensive facility.
- Ensure minimal disruption and continuity of critical government business systems by enhancing disaster recovery capabilities.
- Implement improvements to the ePASS2 system to improve and automate the ICT service requests in preparation for the third generation outsourcing contracts.
- Implement the use of electronic forms interface technologies integrated to key government IT systems to replace current paper forms.

### **Business Line – Printing and Publication Services**

- Work in partnership with private sector printers to provide cost-effective printing, publication and distribution services to government.
- Review internal production procedures to deliver greater efficiencies across the operations of the Government Printing Office.

### **Business Line – Management of the Government Vehicle Fleet**

- Implement the Green Fleet initiative.
- Continue to provide clients with quality and timely fleet management information.
- Continue to achieve an acceptable return on the asset base.

## CORPORATE GOVERNANCE

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This section highlights key elements of the Department of Business and Employment's corporate governance framework including leadership and governance structures, risk management, reviews and audits, planning, communication, information management requirements under the Information Act and legislation governed.

### CORPORATE GOVERNANCE FRAMEWORK

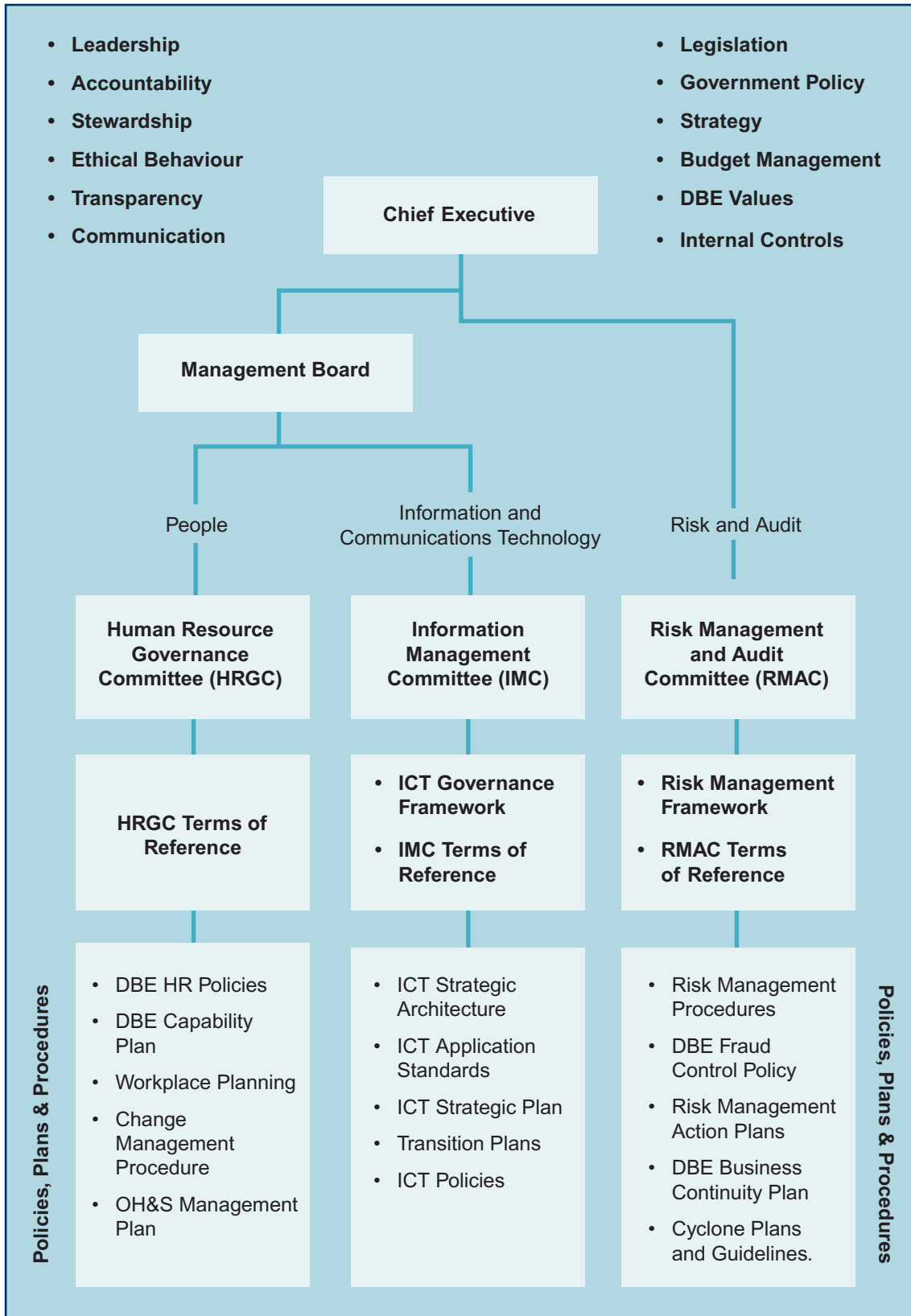
The department's Governance Framework:

- provides a structured framework through which the department is directed, controlled and held to account for its actions
- guides how decisions are made, risks are managed and the future of the department is planned
- facilitates and guides the necessary planning, budgeting and management of performance
- requires accountability for the stewardship of resources, while encouraging effective and efficient use of these resources
- supports the Chief Executive, Executive Management Group and the Management Board in providing leadership of the department
- strategically links management, principles and services with our people and customers.

The Corporate Governance Model outlines a governance structure consisting of a Management Board and three sub-committees reporting to the Executive Group and Chief Executive. The board and sub-committees oversee the strategic deployment of resources across the department and the development and implementation of policies, plans and procedures that will provide a foundation of good governance for the department's activities.

The Corporate Governance Model encompasses the department, its Government Business Divisions (GBDs) - Data Centre Services, NT Fleet, Government Printing Office and the statutory authority Land Development Corporation (LDC). The Land Development Corporation as a statutory authority produces its own annual report. While the GBDs and Land Development Corporation are treated as distinct budget entities and are required to produce audited financial statements, they report, and are accountable, to the Chief Executive.

## DBE Corporate Governance Model



Corporate Governance within the department is guided by the following principles:

- strong leadership with a clearly defined executive and a robust and active governance committee structure
- accountability through the implementation of appropriate internal controls and corporate policies
- effective stewardship of resources through compliance with legislation, Northern Territory Government policies and internal procedures
- comprehensive planning and a continuous improvement approach to management and service delivery
- cohesive governance frameworks addressing the department's primary resources – people, finances and information
- a focus on risk and appropriate risk mitigation through a risk management framework
- ethical behaviour expectations communicated at all levels with fair and equitable treatment, respect for others, and professional and responsive service delivery
- clear advice and guidance for staff to ensure that governance requirements are well understood
- communication with stakeholders, including Ministers and Government.

## GOVERNANCE COMMITTEES

The Corporate Governance Model is supplemented by frameworks which outline the requirements for core governance responsibilities. Together the model, frameworks and their associated policies and procedures form a comprehensive foundation for the good governance of the department.

Frameworks developed under the Corporate Governance Model at this time are:

- ICT Governance Framework
- Risk Management Framework.

Each framework is managed by its own governance committee to provide a specific focus and careful monitoring of its requirements.

In addition, the department maintains a suite of governance committees to provide a specific focus and careful monitoring of critical corporate governance requirements

The committees report to the Chief Executive through the Management Board.

## Risk Management and Audit Committee

The Risk Management and Audit Committee:

- oversees risk management activities, audit and review programs for the department
- monitors progress against recommendations arising from audits and reviews conducted under these programs
- oversees reviews which are required under the conditions of the ICT outsourcing contracts.

During 2008-09, the department implemented a number of key governance frameworks including a Risk Management Framework and an Internal Audit Charter. The Risk Management Framework provides a structured approach to risk management through the development of key procedures and business processes designed to identify, analyse, monitor and report on key risks across the department. This approach enables risk mitigation strategies to be developed in relation to strategic and operational risks, and strengthen the department's current risk management processes for major projects and programs. The Internal Audit Charter outlines the purpose of the internal audit function within the department, including the role and responsibilities of the function, scope of activities and authority to conduct reviews and audits.

The Risk Management and Audit Committee is chaired by the Executive Director Corporate and Shared Services, and its members are the Chief Executive, Director Finance Services and Director Information Technology Service Management. A representative from the Department of Planning and Infrastructure is an external member and a representative of the NT Auditor-General's Office participates in an observer role.

With the department's whole of government roles in providing corporate services and maintaining critical corporate systems, the NT Auditor-General's Office continued its comprehensive audit program during 2008-09. The audit findings were mostly satisfactory, with some isolated instances of control breakdowns, non-observance of procedures and minor issues noted. A summary of the findings for this year's external audits is at Appendix C.

The department continues to undertake internal reviews across the agency to improve processes and provide assurance. The internal reviews completed during 2008-09 were focused on ICT service provider compliance with service level agreements and contracts. A summary of internal reviews conducted in 2008-09 is at Appendix D.

## Human Resource Governance Committee

The Human Resource Governance Committee (HRGC):

- oversees and advises on human resourcing requirements for the department and its business divisions
- reviews and endorses recruitment action
- actively monitors unattached officers
- undertakes a human resources governance role for the department.



In 2008-09 the committee continued to actively and cohesively manage human resources and employment strategies across the department. The process was invaluable during the recent Corporate Services Review, facilitating the placement of redeployed officers within a three month period.

The committee is chaired by the Executive Director Corporate and Shared Services, and its members are the Director Information Technology Service Management, Executive Director Business and Industry Development and Director People and Information (secretariat). The committee meets weekly and reports regularly to the Management Board. Procedures governing the functions and terms of reference have been developed and disseminated across the department and business divisions.

All unattached officers from stage one of the Corporate Services Review co-location project have been successfully placed. In 2009-10 the committee will again be integral to the placing of unattached officers as a result of Corporate Services Review stage two projects, the implementation of electronic invoice management.

The HRGC also oversees Occupational Health and Safety (OH&S) requirements including site committee structures, roles and OH&S management plans.

### Occupational Health and Safety Steering Committee

The department's Occupational Health and Safety (OH&S) Steering Committee:

- ensures that mechanisms are in place to identify and address OH&S issues
- ensures that site-specific OH&S committees meet on a regular basis
- ensures the department's OH&S guidelines are available and understood by staff.

The committee is chaired by the Director People and Information and comprises representatives from each work site, together with a regional representative.

The committee monitors the department's OH&S performance, reports to the Management Board on a quarterly basis and, where required, develops OH&S policy for endorsement by the board and the Chief Executive.

The committee is actively working towards achieving compliance with the requirements of the *Workplace Health and Safety Act* and this will be completed in 2009-10.

### Information Management Committee

The Information Management Committee:

- oversees the development of the department's information management strategic direction by overseeing the ICT Governance Framework and facilitating the strategic planning of ICT requirements
- develops and reviews the department's ICT policies and standards for the assessment of technology proposals to ensure they meet departmental ICT objectives

- monitors ICT projects and the implementation of appropriate new technologies to ensure consistency with the department's strategic direction and its ICT Governance Framework.

The committee is chaired by the Director Data Centre Services, with the Executive Director Business and Industry Development, Director ICT Policy and Strategy, Director Human Resource Services and Director Corporate Communications and Secretariat as members.

The committee implemented an ICT Governance Framework during 2008-09 as part of an overarching corporate governance framework. The framework is supported by a set of internal policies and procedures including the ICT Business Application Criteria and Standards, ICT Systems Management Guidelines and a detailed inventory of existing ICT systems. The framework provides a structured and strategic approach to the management of information and communication technology in the department.

## MANAGEMENT ENVIRONMENT

### Executive Management Group

The Executive Management Group is a key part of the department's leadership group and decision making body, including governance matters. The Chief Executive has the primary responsibility for providing strategic leadership and systems development for the department. The group meets weekly and consists of the Chief Executive, Deputy Chief Executive, Executive Director Corporate and Shared Services, Executive Director Business and Industry Development, Executive Director Employment, Executive Director Business Support and General Manager Land Development Corporation.

### Management Board

The board provides advice to the Chief Executive and the Executive Management Group on governance matters across the department and focuses on achieving the department's objectives and strategies.

The board reviews, endorses and approves corporate policies to provide a cohesive approach to the delivery of organisational strategies and to monitor and review departmental performance.

Chaired by the Chief Executive, the Management Board is the department's principal planning and decision making body and meets monthly to:

- provide advice and assist the Chief Executive in governing the department and meeting statutory responsibilities
- facilitate a co-operative approach to the delivery of organisational strategies and to monitor and review departmental performance.

Because the department was only formed during the current reporting period, a strong emphasis has been to work on reports to the board. In particular, performance

reporting requirements needed to be aligned with the new Corporate Plan, government and department priorities and election commitments to keep track of and to focus on strategic challenges facing the department. Other key initiatives arising from the board included the refinement of the meetings and agenda planning, with a strong focus on the establishment of key corporate policies and governance frameworks for the department, and business planning to align with the Corporate Plan.

The Disclosure of Interest Policy was one of the first corporate policies endorsed by the Management Board. It requires all board members and other executives to complete a full disclosure declaration on an annual basis.

Members of the Management Board are highlighted in the Executive Structure on page 16.

### Engagement with Divisional Managers

At the Management Board November 2008 meeting, the Board endorsed an Executive Officers Group. Membership is drawn from staff at EO1 level and above and the group will be engaged to provide input into the broader NTG strategic issues such as Working Futures, Climate Change and Managing Growth.

The board also endorsed the Senior Officers Group which will incorporate the Executive Officers Group and extend to AO7 and AO8 levels in management roles, including regional section heads.

Both groups met and were intensively involved in the planning stages for the Corporate Plan. This was also the first time that officers from across the new agency were brought together and was a key driver to syndicating work groups to identify department synergies and form the department's culture.

### Ethical Standards

The department's values are underpinned by the Northern Territory Public Sector (NTPS) Principles and Code of Conduct, which provide guidance to staff on a range of moral and ethical issues they may face during their employment in the NTPS. The Code of Conduct forms part of the terms and conditions of employment and is therefore binding on all employees. All new employees to the department are provided with a copy of the Code of Conduct booklet.

The binding nature of the Code of Conduct is explained to all new staff at induction programs. As the department is responsible for the collection and retention of sensitive personal information for all NT Government employees, privacy requirements for information are highlighted.

The department recognises that any conflict of interest, whether real or perceived, erodes confidence in the integrity of the department specifically, or of the NTG in general. All Executive Directors and Directors are required to declare private and other interests which might result in a conflict of interest. If such interests are identified, appropriate action is taken to resolve the conflict or prevent it from arising. Completed declarations are held as evidence of disclosure and, as such, provide

some protection against unfounded allegations of bias concerning department advice or decisions. The Disclosure of Interest Policy was one of the first corporate policies endorsed by the board.

Specific departmental policies have been developed to guide employees in ethical issues such as outside employment, harassment in the workplace, addressing grievances, gifts and benefits, and preventing and responding to fraud and dishonesty. The policies and procedures are located on the staff-only intranet site, where they are available to all employees.

## PLANNING

### Corporate Plan

The planning process for a new Corporate Plan began when the department was formed in August 2008. Facilitated by the People and Development team, staff input sessions were conducted across the department and regions in October 2008. Discussions centred on where the agency was heading, identifying synergies across the department, what employees sought from an employer, what staff thought was the department's purpose and priorities and how they could be achieved. This process was followed by other planning forums for senior officers, where information collected was further analysed and formed the basis for the Corporate Plan.

The Corporate Plan 2009-11 sets the strategic priorities and focuses on supporting the department to realise the issues facing it over the next three years. The plan also stresses the importance of its employees. Providing a capable and committed workforce which then underpins the success of the department meeting its strategic priorities.

The Corporate Plan defines our purpose, values and strategic issues and sets our strategic priorities for the ensuing three years.

### Business Plans

Business plans for individual services, providing practical tasks and projects to be completed in the coming year, contribute to the overall departmental objectives and support the Corporate Plan. These business plans are developed in consultation with staff and stakeholders, and progress against planned projects is reported monthly to the Management Board. This provides a regular update on key organisational goals and ensures a coordinated approach to our business initiatives.

### Performance Measures

The department has developed and adopted specific performance measures designed to provide the organisation with an overview of how well each service line is performing in relation to our customers, our people and our processes. The measures are compiled from a range of data sources.

Key Performance Indicators (KPIs) for 2008-09 align with the Corporate Plan and focus on qualitative and timeliness measures rather than on more traditional quantitative measures.

Our internal monthly reporting is being further refined in 2009-10 to address the key objectives and measures in our corporate and business plans. Reporting to the Management Board on a monthly basis has been tailored to highlight those areas of significant activity, performance concerns and corresponding corrective action. This has assisted in monitoring efficiencies and seeking opportunities to further develop processes to achieve more effective service outcomes.

KPIs comparing actual performance against targets for the 2008-09 year are reported extensively in the performance reporting beginning on page 52.

## COMMUNICATION

The department has several mechanisms for ensuring effective internal and external communication.

The department website presents information about the department to the broader community. In addition to the primary departmental website, corporate communications staff manage further sites, including the staff intranet, the DBE (former DCIS) intranet, The Territory, Operation Stimulus, Buy Territory, Business and Skilled Migration, October Business Month and the Land Development Corporation.

The DBE intranet is the department's main business communication tool for the shared services part of the department and contains information on services, procedures and forms utilised by both the department and agencies in the delivery of corporate services.

Staff only intranet for use by department staff only. This contains policies, forms and procedures utilised within the department and information on employment and news within the department.

A Chief Executive's Newsletter is issued regularly to keep staff informed of corporate initiatives and developments, key staff achievements, across agency projects and significant customer interactions. It is posted on the staff intranet. An internal communication strategy will be implemented in 2009-10.

The department's corporate communications team maintains regular contact with the Minister's office to ensure accurate and timely release of news and information to the public through the media. More than 50 media releases were prepared during 2008-09.

The corporate communications staff work closely with other business units in the department to manage and promote programs and services including Defence Support, Innovation, Employment Services, Land Development Corporation, Recruitment, October Business Month, Upskills, and Territory Business Centre.

The department participated in the Northern Territory show circuit, promoting its activities and services to the public at shows in Alice Springs, Tennant Creek, Katherine, Nhulunbuy and Darwin.

Regional newspapers run regular columns managed by the department to keep regional Territorians advised of the department's activities and programs.

## ACCOUNTABILITIES

### Statutory Accountability

The department is required to comply with the *Financial Management Act*, *Superannuation Act*, *Public Sector Employment and Management Act* and other employment-related legislation such as the *Anti-Discrimination Act* and the *Workplace Health and Safety Act*. Through the department's Orientation Program, staff are made aware of the department's corporate governance system and the relevant statutes, and training in these matters is included in the department's staff development plans.

### Legislation Administered

DBE has responsibility for administering the following Acts:

- Biological Resources
- Desert Knowledge Australia
- Information (*Part 9 except Archives Management*)
- Northern Territory Products Symbol
- Procurement
- Year 2000 Information Disclosure.

The *Biological Resources Act* and subordinate legislation provides for and regulates bioprospecting in the Territory.

The *Desert Knowledge Australia Act* and subordinate legislation encourages and facilitates learning, research and sustainable economic and social development relating to deserts and arid lands and establishes Desert Knowledge Australia.

The *Information Act* (Part 9 except Archives Management) – in so far as it relates to Northern Territory Government records management.

The *Northern Territory Products Symbol Act* and subordinate legislation authorises the use of a products symbol to distinguish and promote the sale of products made in the Territory.

The *Procurement Act* and subordinate legislation provides a cohesive framework for the procurement of supplies by government agencies and aims at achieving

value for money from expenditure on supplies by way of procedures and processes that are transparent to all suppliers.

The *Year 2000 Information Disclosure Act* was to encourage the voluntary disclosure and exchange of information about year 2000 computer problems and remediation efforts.

## Delegations

The Chief Executive is the Accountable Officer for the department for the purposes of the *Financial Management Act* and the *Procurement Act*. The department maintains and regularly reviews delegations covering procurement, financial and human resource management activities. The delegations allow appropriately authorised departmental staff to undertake specific responsibilities of the Accountable Officer or Chief Executive Officer prescribed in the *Financial Management Act*, the *Procurement Act* and the *Public Sector Employment and Management Act*. The functions and authority of the governance committees are recognised in the respective delegations. A comprehensive review of the delegations commenced in 2008-09 due to the formation of the department and is due for release in 2009-10.

## Accounting and Property Manual

In accordance with the *Financial Management Act*, the department has a detailed Accounting and Property Manual that specifies finance procedures and internal control requirements to be observed by departmental staff. This manual is also made available to other agencies to assist them in meeting their financial accountabilities.

## Policies and Standard Operating Procedures

Comprehensive standard operating procedures have been developed for finance, human resources, information management and procurement functions. The procedures provide guidance and instruction for the department's staff to ensure consistent and appropriate processes are observed across the department. These procedures are regularly reviewed and updated as improvements are made to policy, processes and systems.

As the Northern Territory Government's shared services provider, the department also has a requirement to develop and maintain policies and procedures that have a whole of government focus.

## Legal Services

The department has an out-posted lawyer from the Solicitor for the Northern Territory (a statutory body managed by the Department of Justice) located full time within the Executive Unit, who is available to give advice, prepare legal documentation and manage any necessary outsourcing of legal services on behalf of the department.

## **Information Act Requests**

The department received one application under the *Information Act* to access information in 2008-09 that was finalised within 90 days of receipt of application. A total of 107 pages of information was released in full to the applicant.

The department received a total of 45 applications under the *Information Act* on behalf of other government agencies.

In accordance with the Act, the Freedom of Information Annual Statistical Return for the department has been recorded in the Department of the Chief Minister's Freedom of Information dataset for the Information Commissioner and this information is incorporated in the Commissioner's annual report.

## **Ombudsman Enquiries**

There was one preliminary enquiry in 2008-09 relating to payroll services, which the Ombudsman found no need to undertake further investigation after receiving the department's response.

## **Insurance Arrangements**

### **Department of Business and Employment**

Consistent with the department's Risk Management Framework, an external consultant was engaged during 2008-09 to facilitate risk assessment workshops of operational risks across the department, including any applicable insurable risks. Risks identified during the risk management process were evaluated to determine the level of risk to the department and strategies identified to mitigate or manage those risks.

In accordance with Treasurer's Direction R2.1 – Insurance Arrangements released in November 2008, the department's risk management processes did not identify a requirement to obtain commercial insurance cover for 2008-09 and the department continues to self insure all applicable insurable risks. As the department was created as a result of a Northern Territory Government administrative restructure and did not exist prior to 2008-09, departmental self insurance data is not available for earlier years. Any claims applicable to self insurance for the department for 2008-09 are detailed in Appendix E.

### **Data Centre Services**

Data Centre Services undertakes risk management in accordance with the department's Risk Management Framework and mitigates risks to its operations via internal controls, policies and where required policies of commercial insurance. Prior to the release of Treasurer's Direction R2.1 – Insurance Arrangements in November 2008, Data Centre Services self insured all insurable risks through the department.

Data Centre Services undertook an operational risk assessment during 2008-09 and a specific internal assessment of insurable risks was undertaken subsequent to the



release of Treasurer's Direction R2.1. As a result of this assessment, Data Centre Services obtained commercial insurance during 2008-09 with the total premium cost \$27 300. In addition, Data Centre Services is currently investigating the procurement of commercial insurance for a number of other insurable risks. There were no claims on commercial insurance policies during 2008-09, however, there were claims on self insured risks during 2007-08 and 2008-09 prior to the release of Treasurer's Direction R2.1. Details of claims applicable to self insurance are detailed in Appendix E.

### **Government Printing Office**

The Government Printing Office undertakes risk management in accordance with the department's Risk Management Framework, mitigating and managing risks to its operations via internal controls and policies. The Government Printing Office was included in the whole of department risk assessment workshops in 2008-09 and undertook an internal assessment of its insurable risks subsequent to the release of Treasurer's Direction R2.1. In addition, the Government Printing Office engaged an insurance consultant during 2008-09 to undertake a risk assessment of its operations, including its insurable risks.

Prior to the release of Treasurer's Direction R2.1 the insurable risks of the Government Printing Office were self insured through the department. Subsequently and following the evaluation of findings from both the internal and insurance consultant's reviews, policies of commercial insurance were obtained to protect or reduce the Government Printing Office from exposure to financial loss or undue claims from activities. The total cost of premiums for commercial insurance policies during 2008-09 was \$12 600 with no claims on policies during the year. Details of self insurance claims for 2008-09 and 2007-08 are detailed in Appendix E.

### **NT Fleet**

NT Fleet undertakes risk management in accordance with the department's Risk Management Framework, mitigating and minimising risks to its operations via internal controls and policies and was included in whole of agency operational risk assessments conducted in 2008-09. Following the release of Treasurer's Direction R2.1 in November 2008, NT Fleet undertook an internal risk assessment of its insurable risks and identified a number of risks requiring policies of commercial insurance to protect or reduce NT Fleet's exposure to financial loss or undue claims. The total premium cost for commercial insurance policies in 2008-09 was \$32 600.

Prior to the release of Treasurer's Direction R2.1, the insurable risks of NT Fleet were self insured through the department. Details of the cost of claims of self insured risk for 2008-09 and 2007-08 are detailed in Appendix E.

## **GREENER GOVERNMENT**

As the Shared Services provider the department is also charged with leading and developing various initiatives and activities designed to reduce and improve better environmental practices across government for government leased buildings, the government fleet, IT space, business, procurement and printing.

## Chan Data Centre

- Data centres around the world are facing an increasing demand to provide additional computer support. Growing demand by agencies for IT infrastructure and managed computing services have resulted in a large increase in the number of servers and storage devices located in the Chan Data Centre. Electricity usage is increasing commensurately. Within this operational constraint, staff continue to monitor electricity usage to ensure effective use of energy and minimal wastage.
- To deliver more efficient application hosting and reduced carbon emissions through server virtualisation technologies, the department has implemented a 'virtualise first' policy, where business systems are hosted in a virtualised server environment rather than physical server devices.
- To contain the carbon footprint of the Chan Data Centre within an energy intensive business environment that is experiencing significant and sustained growth, the department has delivered a reduction in total potential carbon emissions of 50 metric tonnes per month, largely as a result of server virtualisation.

## NT Fleet

- NT Fleet has implemented the Government's 'Greening the Fleet' strategy which will see a 20 per cent reduction in the average CO<sub>2</sub> gases produced by its passenger and light commercial fleets measured in gm/km over the next five years. Discussions commenced with a view to setting individual agency targets over the 2009-10 financial year.
- Four-cylinder vehicles now comprise 64 per cent of the fleet. However the focus during the year shifted from the number of four cylinder vehicles to the acquisition of more fuel efficient vehicles, particularly those vehicles with a 'green vehicle guide' rating of 5.5 or higher.

## Government Printing Office

- The GPO investigated the opportunity to join the National Printing Industry 'Sustainable Green Print' Environmental Management Certification System.

## Procurement

- A Procurement Policy which takes into account environmental sustainability has been developed with the Office of Climate Change within the Department of the Chief Minister and will be incorporated with the proposed NT Climate Change Policy.
- A proposal was prepared for the NT Government to adopt the Australian Procurement and Construction Council Sustainable Procurement Framework.

## NT Property Management

- NT Property Management works closely with the Department of Planning and Infrastructure to achieve energy efficiencies in government-leased accommodation. Energy usage reports have been prepared for all significant leases, with recommendations implemented during lease negotiations. During 2008-09, a draft

Green Leasing strategy to support the Government's proposed climate change policy was developed. The proposed policy settings are consistent with other state and territory jurisdictions. The recommended Rating Tools for buildings are:

- National Australian Built Environment Rating System (NABERS) – Energy Efficiency; Green Star – Environmental Sustainability
- existing buildings - 4.5 Stars NABERS for leased > 2000m<sup>2</sup> and three year term
- new buildings - 5 Stars NABERS and Green Star.

### ecoBiz NT

- **ecoBiz NT** is a business efficiency program to assist businesses reduce their environmental impact. The pilot program was launched in late 2008 and has already achieved a reduction of 542 tonnes of CO<sub>2</sub>.

### ICT Services

- The department is working with ICT service providers to reduce carbon emissions associated with services delivered under outsourced contracts.
- New contracts will have achievable targets for carbon emissions reductions.
- Initiatives will be incorporated in the NT Climate Change Policy for inclusion in ICT contracts.

### Departmental Green Office Initiatives

The department has continued to make concerted efforts to reduce its carbon emissions and energy usage in 2008-09 through a range of activities to reduce the environmental impact of its operations.

The following initiatives are encouraged across all departmental buildings and locations:

- defaulting department computers to double-sided and black and white printing
- paper recycling bins installed across business units
- toner and ink cartridge recycling bins in place throughout the department
- utilising intranet and internet to publish large documents
- changing behaviours to switch off lights and computers when not in use
- review and rationalise the department's fleet where possible
- active participation in Earth Hour
- encouraging all staff to switch off all electrical equipment when not in use
- building lights and air-conditioning pre-timed to switch off after office hours and operate on a two-hour timer for outside hours use
- timers installed on photocopiers and hot water heaters to reduce after hours use of electricity
- introduction of zone lighting controls in certain buildings.

## OUR PEOPLE

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### OVERVIEW

The Department of Business and Employment's services are delivered through its people. Our business outcomes are underpinned by the corporate values of *People, Professionalism and Performance*. We are committed to supporting and developing our people to guide performance and build skills and competencies.

Since the formation of the department in August 2008, significant work has been undertaken to establish a corporate identity and build productive networks. Three workshops have been facilitated that included all Executives and Senior Officers. The purpose of these workshops was to:

- understand the business of the department
- develop a corporate plan
- identify corporate values
- identify synergies across the department
- develop productive networks.

These workshops led to the development of Corporate Plan 2009-2011 which is available online. It is planned that during 2009-10 the corporate values of People, Professionalism and Performance will be workshoped with staff at the manager and team leader level, who will then work with their teams to incorporate the values within their team's activities and behaviours.

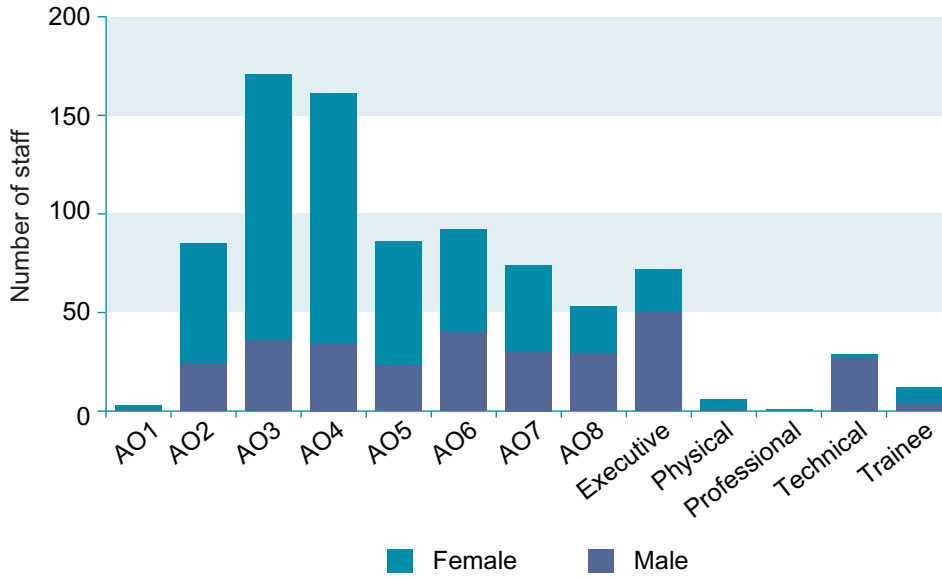
Another significant milestone for the People and Development (P&D) unit was to review all policies and ensure relevance to the new department. This review also provided an opportunity for staff input into the revised documents which are now available on the department's staff-only intranet site.

### Our Staff in Profile

At 30 June 2009, 845 people (by head count) were employed across the department in a range of classifications, with more than half in the AO2 and AO4 classifications.

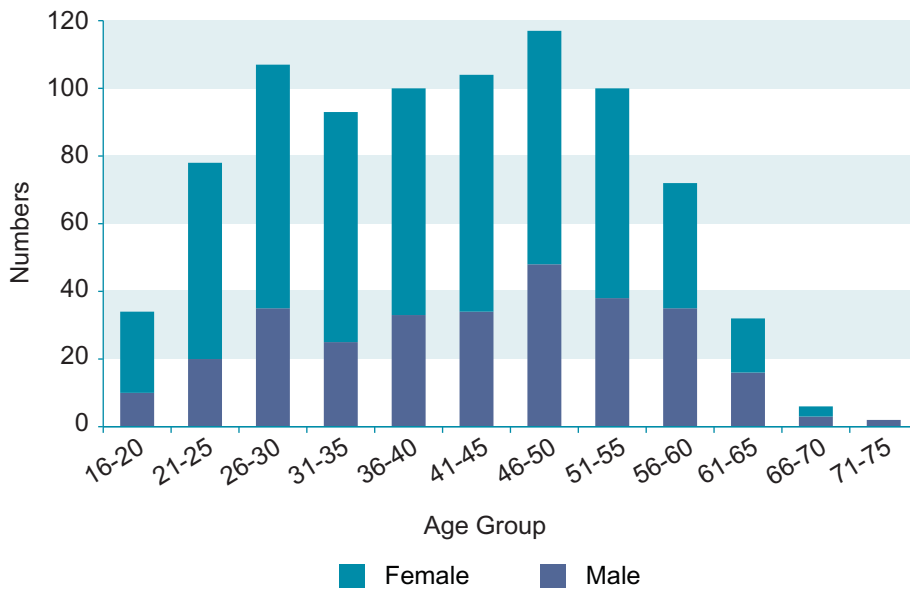
The following graph shows a breakdown of classifications by gender, and the variation in staff numbers by classification over a two-year period.

### DBE Classification Streams by Gender at 30 June 2009



The distribution of age is fairly even across the department, with females representing more than 65 per cent of staff.

### DBE Staffing by Age and Gender



## SUPPORTING AND GROWING OUR PEOPLE

The department recognises the need to develop its staff, build skills, make provision for succession planning, facilitate careers and progress knowledge to build a competent and capable workforce. In 2008-09, the department spent almost \$430 000 on training and study expenses.

The following table outlines a number of corporate initiatives progressed or undertaken to support and develop our people during 2008-09.

Program / Process	Action
<p><b>Personal Planning Process (3P)</b></p> <p>3P is a mechanism for staff and their supervisors to establish a shared understanding of work unit objectives and identify personal professional development needs on an annual basis.</p>	<p>This year's 3P process saw a return of more than 70% across the department.</p> <p>The completion of a work plan and professional development plan by all staff encourages personal responsibility for learning and development needs.</p> <p>Through this process the department's corporate learning needs are identified and incorporated in the Corporate Capability Plan.</p>
<p><b>Corporate Capability Plan</b></p> <p>The Corporate Capability Plan identifies and maps the department's capability gaps. The plan is used throughout the year to guide development initiatives and drive the content and availability of a number of programs.</p>	<p>Focus areas identified for development in the 2008-09 Corporate Capability Plan were:</p> <ul style="list-style-type: none"> <li>• leadership</li> <li>• staff selection</li> <li>• project management</li> <li>• cross-cultural awareness.</li> </ul> <p>These areas were addressed through formal and informal development programs.</p>
<p><b>In-House Workshops</b></p> <p>The in-house workshops provide a forum for staff to network and learn through sharing information and experiences related to a specific topic or theme. Sessions are conducted by People and Development consultants and/or external providers.</p> <p>When P&amp;D consultants visit regional offices the delivery of workshops are incorporated as part of the visit. Topics are selected by staff in that region relevant to them or corporate initiatives.</p>	<p>Workshop topics during 2008-09 included:</p> <ul style="list-style-type: none"> <li>• Stress Management</li> <li>• Time Management</li> <li>• Staff Selection</li> <li>• Work-life Balance</li> <li>• Succession Planning</li> </ul> <p>Telephone and video conferencing have been utilised to deliver programs to regional offices and there are plans to increase the use of this delivery mechanism in 2009-10.</p>

Program / Process	Action
<p><b>Leadership Programs</b></p> <p>The department continues to support specialised management programs.</p> <p><b>Women in Leadership</b></p> <p>The department supports women to undertake development programs at different stages of their careers.</p>	<p>Five staff members undertook the Public Sector Management Program, three of whom were female.</p> <p>One staff member participated in the Discovery program.</p> <p>Nine staff members undertook the Effective Supervision program.</p> <p>People Aiming Towards Higher Skills (PATHS). This management capabilities framework identifies leadership capabilities from the AO3 to AO8 levels.</p> <p>Ongoing informal mentoring and coaching is actively promoted to grow and encourage women into senior positions.</p>
<p><b>Graduates and Apprentices</b></p> <p>the department supports an active apprenticeship and graduate program to improve staff retention and build skills and knowledge.</p>	<p>Nine apprentices placed within the department graduated in 2008-09. Six apprentices continued or commenced within the department in 2008-09.</p> <p>Two graduates continued with the graduate program. A further four graduates commenced the two-year program in 2008-09.</p>
<p><b>Staff Sensing</b></p> <p>Annual program to ascertain the views of staff on important and current business issues. Regional staff members are included in this process through annual visits by People and Development, teleconferencing and video conferencing.</p>	<p>This year the focus was on staff input into the development of the department's Wellness Strategy. Eight workshops were conducted in Darwin, Katherine, Alice Springs, Tennant Creek and Nhulunbuy, and were attended by 120 participants. Topics included:</p> <ul style="list-style-type: none"> <li>• Identifying challenges and solutions to flexible work practices</li> <li>• Discussing reward and recognition options</li> <li>• Identifying options for greater employee involvement and participation in agency projects</li> <li>• Identifying ways in which the department can support employees in achieving health and wellbeing.</li> </ul> <p>The outcome of these workshops will be a staff Wellness Strategy to be implemented in 2009-10.</p>
<p><b>Chief Executive's Recognition Scheme</b></p>	<p>The previous rewards and recognition scheme was not continued in the same form after the public sector restructure. A revised scheme will be developed in 2009-10.</p>
<p><b>Chief Executive's Newsletter</b></p> <p>Forum for updating staff on key topics and happenings within the department.</p>	<p>The Chief Executive has utilised a monthly newsletter to continue to acknowledge the performance of employees.</p> <p>In 2008-09, 19 newsletters were issued and were a particularly useful communication medium during the formation of the department.</p>
<p><b>Employee Assistance Program</b></p> <p>Provides a confidential range of professional counselling services for staff and their immediate families, independent of both the department and the NTPS.</p>	<p>Two principle providers - Darwin Clinical Psychologists and the Employee Assistance Service - have delivered training and development courses, facilitated workshops and management planning sessions and provided mediation, career counselling and management coaching.</p>

## INITIATIVES PLANNED FOR 2009-10

In keeping with the department's commitment to grow and support our people, key initiatives planned for 2009-10 include:

- Develop and implement a Wellness Strategy within the department. This will incorporate rewards and recognition, health and wellbeing and employee involvement initiatives
- Provide ongoing training, growth and development opportunities for staff across the department, further multi-skill our employees through the encouragement of participation in leadership programs, staff rotations, coaching and continuing support for the graduate and apprenticeship programs
- Assist managers and staff with transitioning functions and job changes following the implementation of major system projects as part of the Corporate Services Review program
- Refine the department's performance management systems through updating and modernising policies and documentation for both the 3Ps and executive contractor performance monitoring processes
- Increase the use of video conferencing to bring networking, involvement and development opportunities to the regions
- Explore opportunities for online learning to ensure equity of access to development opportunities and flexible delivery.

## LEGISLATIVE COMPLIANCE

### Reporting Against Employment Instructions

The department's performance against each instruction is reported below.

Employment Instruction and Agency Requirements	Department's Action
<p><b>Number 1 – Recruitment</b></p> <p>Agency to develop procedures on recruitment and selection for internal use.</p> <p>Chief Executive required to report annually on the number of employees in each designation and variations since last report.</p>	<p>The department implemented policy and established procedures for use by managers and selection panels.</p> <p>During 2008-09, 188 vacancies were advertised, 199 staff commenced and 146 separations were processed.</p> <p>One appeal was lodged in 2008-09 and was disallowed.</p>



Employment Instruction and Agency Requirements	Department's Action
<p><b>Number 2 - Probation</b></p> <p>Chief Executive to develop a probationary process for the agency and convey details of the probationary process to employees within their first week of reporting for duty.</p>	<p>The department probation policy has been implemented and is distributed to staff through workplace induction. In 2008-09, one employee was terminated under the probation process.</p>
<p><b>Number 3 – Natural Justice</b></p> <p>The rules of natural justice to be observed in all dealings with employees.</p>	<p>The department endeavours to observe the principles of natural justice in all dealings with employees.</p> <p>The Supervisors' Toolkit includes a short guide to natural justice principles.</p>
<p><b>Number 4 – Performance Management</b></p> <p>Chief Executive to report annually to the Office of the Commissioner for Public Employment (OCPE) on management training and staff development programs.</p> <p>Chief Executive to develop and implement performance management systems for their agency.</p>	<p>Management training and staff development activities and performance management are reported through the 3P program, as described in this report.</p> <p>Further information on management and staff development programs are included in this section of this report.</p>
<p><b>Number 5 – Medical Incapacity</b></p> <p>No agency action or reporting requirements.</p>	<p>Department managers liaise with the People and Development (P&amp;D) Unit and the OCPE for specific advice on resolving medical incapacity as required and on a case-by-case basis.</p>
<p><b>Number 6 – Inability to Discharge Duties</b></p> <p>Chief Executive to provide OCPE with information on the extent to which this Employment Instruction has been used by the agency.</p> <p>Chief Executive may establish procedures regarding inability within their agency.</p>	<p>Department managers liaise with the P&amp;D Unit and the OCPE seeking specific advice and assistance as required and on a case by case basis. One process was commenced in 2008-09.</p>
<p><b>Number 7 – Discipline</b></p> <p>Chief Executive to provide OCPE with information on the extent to which this Employment Instruction has been used by the agency.</p> <p>Chief Executive may establish procedures regarding discipline within their agency.</p>	<p>The department has implemented performance management policy and procedures. P&amp;D consultants work closely with managers to ensure processes are followed correctly.</p> <p>No formal disciplinary action was required in the department during 2008-09.</p>
<p><b>Number 8 – Grievances</b></p> <p>Chief Executive shall establish written procedures for the agency that should outline steps for dealing with grievances and be available to employees.</p>	<p>The department has implemented grievance policy and procedures. P&amp;D consultants work closely with managers and employees to ensure processes are followed correctly.</p>

Employment Instruction and Agency Requirements	Department's Action
<p><b>Number 9</b> – Now incorporated in Employment Instruction 1</p>	
<p><b>Number 10 – Employee Records</b></p> <p>Agencies are required to maintain appropriate employee records and implement procedures for maintaining and accessing these records.</p>	<p>The department is responsible for storing Northern Territory Government agency personnel files. In 2008-09 the department commence the implementation of Electronic Documents Records Management (EDRM). This will include all personnel files that will be transitioned into electronic format and will be managed within the Tower Records Information Management (TRIM) system by the end of 2009-10.</p> <p>Any requests by department employees to access their employee records are made through the P&amp;D Unit.</p>
<p><b>Number 11 – Equal Employment Opportunity</b></p> <p>Chief Executive to devise and implement programs to ensure equal employment opportunities and outcomes are achieved.</p> <p>Chief Executive to report annually to the OCPE on programs and initiatives agency has developed.</p>	<p>The department strives to increase the representation of Indigenous employees within the agency. In 2008-09 activities included a preference to recruit Indigenous apprentices and the piloting of the Indigenous Employment Program from which the department placed three participants. Expressions of interest have been called for staff to participate on an Indigenous Employment Reference group to assist with further progressing Indigenous employment and development initiatives.</p> <p>The department employs people with a range of disabilities and has a wide range of staff from non-English speaking backgrounds with 36 different countries of birth identified.</p>
<p><b>Number 12 – Occupational Health and Safety</b></p> <p>Chief Executive to develop programs to ensure employees are consulted in the development and implementation of occupational health and safety programs.</p> <p>Chief Executive to report annually to the OCPE on occupational health and safety programs.</p>	<p>The department has an OH&amp;S framework comprising a representative steering committee to ensure appropriate monitoring of the health and safety of staff. OH&amp;S committees for each work site are tasked with monitoring and addressing site-specific OH&amp;S issues.</p> <p>Management is committed to providing a safe workplace. The department fully funds flu vaccinations.</p> <p>In 2008-09, agency compliance against the new <i>Workplace Health and Safety Act</i> was commenced. This project will be completed in 2009-10.</p>

Employment Instruction and Agency Requirements	Department's Action
<p><b>Number 13 – Code of Conduct</b></p> <p>Chief Executive may issue guidelines regarding acceptance of gifts and benefits to employees. Chief Executive may issue agency specific Code of Conduct.</p>	<p>New staff are provided with the NTPS Principles and Code of Conduct as part of their commencement package. The code is also an integral component in the department Orientation Program that is mandatory for all new staff.</p> <p>Refresher sessions are conducted by P&amp;D staff for individual work units as required.</p>
<p><b>Number 14 – Part-time Employment</b></p> <p>Chief Executive to advise unions on a six monthly basis of number of part-time employees by salary stream.</p>	<p>The department is supportive of part-time working arrangements and other flexible work arrangements and has a policy as part of its Flexible Work Practices policy. In 2008-09:</p> <ul style="list-style-type: none"> <li>• 18 people were undertaking part-time work</li> <li>• 12 people utilised recreation leave at half pay</li> <li>• eight people utilised extended leave for a career break</li> <li>• 25 people have home-based work arrangements.</li> </ul> <p>It is the department's aim to make flexible working arrangements available wherever practical.</p>

## OUTPUT PERFORMANCE REPORTING

### OVERVIEW

There have been significant changes to the agency's outputs structure since the original 2008-09 Budget Papers were published. Output groups were moved from the former agencies of Department of Corporate and Information Services, Department of Business, Economic and Regional Development (DBERD) and Department of Employment, Education and Training (DEET) and now form the Department of Business and Employment.

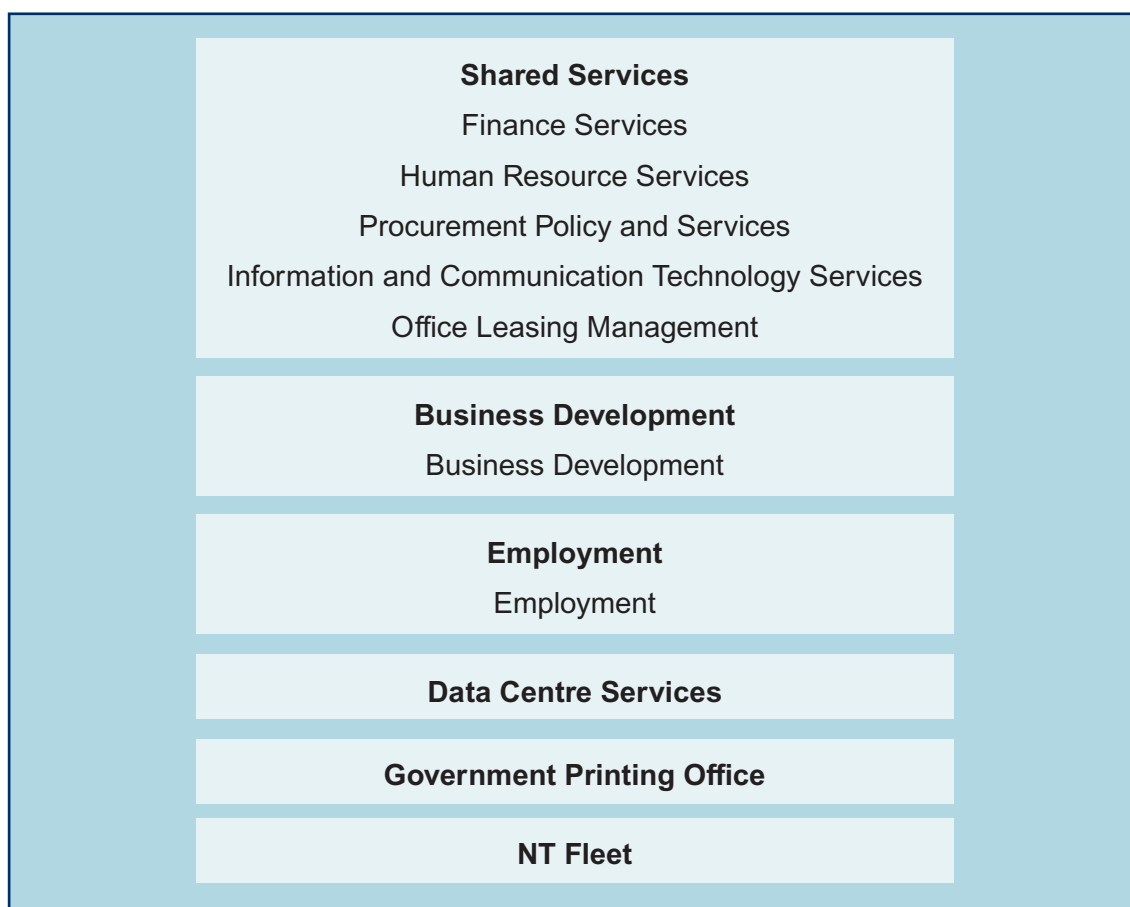
The former Output Group Office Leasing Management was incorporated in the newly-titled Output Group Shared Services (formerly Corporate Services).

The performance measures and targets included in this annual report are consistent with the 2009-10 Budget Paper No. 3, which reflects the current output structure that has been in place for most of the reporting period.

Elements of the former DBERD have been incorporated into a new Output Group Business Development.

Elements of the Employment Output Group within the former DEET have become the new Output Group Employment.

The following diagram sets out the output structure:



## OUTPUT GROUP – SHARED SERVICES

This Output Group provides shared corporate services to support Northern Territory Government agencies and business divisions.

The outcome is the provision of cost-effective shared financial and human resource administration, procurement, information technology management and office leasing services for all Government agencies.

### OUTPUT: FINANCE SERVICES

Responsibilities:

- delivering finance services to Government agencies, including accounts, asset records, corporate tax returns, financial system management and administration of corporate credit cards
- providing support, maintenance and development of the Government Accounting System (GAS), a financial reporting warehouse and a number of smaller corporate financial systems that are linked to GAS
- providing regular finance-related training and awareness sessions for agencies.

### Performance

Initiative or Activity		Achievement
Automated Ledger Transfer Facility for inter-government transactions - finalise development and roll-out.	✓	The updated Ledger Transfer Facility was successfully implemented across all agencies by April 2009.
Receipts Processing System (RePS) – introduce into selected client agencies to assist in reducing manual processing of receipts	✓	12 agencies are using the Receipts Processing System. Further enhancements have been identified to incorporate self service for RTM advance reimbursements, receipt prepayments and other minor administrative improvements in later versions.
Travel Request Information Processing System (TRIPS) – improve functionality and make the system available to all agencies	→	Several major enhancements have been implemented to accommodate specific agency and whole of government requirements. In 2009 TRIPS will be fully integrated with the Government Accounting System (GAS) to automate travel allowance payments.  A further enhancement to TRIPS to automate payments for Fares out of Isolated Locations (FOILs) is planned.
Electronic Card Management System (ECMS) – enhance reporting and automate reconciliation processes	✗	While some progress has been made, this initiative has mostly been deferred with resources redirected to higher priority Corporate Services Review projects. It is likely that the initiative will be deferred until 2010-11.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity		Achievement
Improve system automation and process standardisation across Finance Services	✓ →	Core accounts receivable and accounts payable functions across Government were centralised in July 2008. This has resulted in further process efficiencies and standardisation.  Selected successful tender for EIMS.
Develop and present training and awareness sessions for customers	✓ →	Credit card and procurement training program addressing new Government credit card procedures was rolled out to all agencies.  ECMS training sessions updated to meet client needs were held throughout the year.  Corporate Taxation (GST and FBT) seminars delivered across Government.  Corporate Reporting information sessions and client training were held in Darwin, Katherine and Alice Springs.
Enhance agency extracts and business views in the financial reporting data warehouse to increase efficiency and reduce server requirements	→	Business Objects software was upgraded to latest supported release which improved functionality but caused delays in advancing other financial reporting projects.  Technology retirement and new products provided a change of direction with business views in 2008-09. New products acquired and deployed and trials have commenced with the new functionality.
Enhance financial reporting to agencies to better meet their management information and statutory reporting requirements	→	New reporting tools promise increased flexibility, better self service and more efficient report development and deployment.  A simple and interactive finance report was developed which replaced numerous budget reports and has been well received by clients.
Revise and implement new credit management policies	→	A single customer master file was created to enable cross Government sharing of debtor information and benefits through streamlining records.
Enhance the Fixed Asset Wizard to remove the need to rely on external unsupported software	✗	Project put on hold while new whole of government Asset Management System is implemented by the Department of Planning and Infrastructure. Future requirements for this enhancement are to be reassessed in 2010-11 after the new system is implemented.

✓ Achieved

◊ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

## Finance Services Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Creditor Invoices processed	330 000	340 000	359 665	345 000
Debtor Invoices issued	32 000	32 000	30 960	33 000
<i>Quality</i>				
Processing error rate	<0.5%	<0.5%	<0.4%	<0.5%
System availability	100%	100%	100%	100%
<i>Timeliness</i>				
Creditor Invoices paid within 30 days	-	90%	88%	90%
Average days to collect debts	45	55	52	55

## Priorities for 2009-10

Continue to implement a number of corporate system and process improvements as part of the multi-year Corporate Services Review program to streamline the provision of corporate services across Government. The major initiatives in this program that will improve efficiency and service quality are described below:

- Implement an Electronic Invoice Management System (EIMS) which will see invoices scanned and managed through the payment process electronically. This represents a major new corporate system which will have key functional requirements such as:
  - invoice scanning and optical character recognition to provide automated data capture
  - automated purchase order matching
  - electronic workflow of invoice coding and approval throughout all agencies across Government
  - financial and process reporting
  - tracking of invoices with audit trails and automatic escalation provisions.
- Design and implement an electronic purchase requisition workflow for Tier 1 (less than \$15 000) purchases, which will see requisitions raised and approved online and automatic generation of purchase orders in the Government Accounting System
- Identify and record standard forms used by agencies across Finance and Human Resource Services and provide recommendations on the most cost effective way of creating “Smart Forms” as part of the e-Government strategy

- Financial reporting – continue to enhance existing financial reporting through improving security and access, consolidating similar reports for more useful output and developing reports more efficiently
- Leverage new reporting products to pilot the design of new generation finance reports, focusing initially on refreshable financial management reports.

## OUTPUT: HUMAN RESOURCE SERVICES

### Responsibilities:

- recruitment of employees
- delivering payroll and other human resource administration services across government to assist agencies, employees and prospective employees
- coordinating employment programs for graduates, new apprentices and Indigenous cadets
- providing support, maintenance and development of the government’s core IT systems of PIPS, the employee self-service interface to PIPS (known as myHR) and the payment disbursement system (PAPMS)
- coordinating the delivery of short course training, employment programs and job evaluation services for government agencies
- coordinating the Northern Territory Public Service Traineeship Program with a particular focus on employing Indigenous apprentices in remote areas to build skills and a local workforce.

### Performance

Initiative or Activity	Achievement
Improvements to human resource reporting to meet agency management information and statutory reporting requirements	→ During 2008-09, the department: <ul style="list-style-type: none"> <li>• completed a full review of existing HR reports produced for agencies</li> <li>• automated some agency workforce demographic reporting</li> <li>• commenced development of reports for agency HR managers to track new and temporary employees</li> </ul>
Develop strategies to support the Working Future initiative such as programs to facilitate an increase in the number of Indigenous people employed in the Northern Territory Public Service (NTPS) administrative stream	→ The Indigenous Employment Program Administrative Stream was successfully piloted in 2009 with eight Indigenous job-seekers gaining a Certificate II in Business and permanent full-time employment as an Administrative Officer level 2. Agencies participating in the pilot program were the departments of Local Government and Housing, the Chief Minister, Business and Employment and NT Treasury.  Phase II of the pilot program is due to commence in early 2010, and will be made available to all agencies.

✓ Achieved    ◊ Partially Achieved    ✗ Not Achieved    → Continues into 2009-10



Initiative or Activity	Achievement
Develop strategies to support the Working Future initiative such as delivery of cross-cultural training programs for NTPS employees	<p>→ A cultural competence framework, together with learning outcomes a range of new cross-cultural training courses has been developed in consultation with key agencies and in collaboration with Charles Darwin University.</p> <p>It is anticipated that course delivery will commence in early 2010.</p>
Implement a number of corporate system and process improvements as part of a multi-year program to streamline the provision of corporate services across government, including improvements to system automation and process standardisation across human resource services	<p>→ Payroll processing for casual nurses was automated, improving accuracy and timeliness of salary payments. A new payslip supplement was developed to provide greater payroll information to hospital shift-based staff, primarily nursing staff.</p> <p>An HR Services Contact Centre was implemented on a trial basis providing a first point of contact for all payroll enquiries from employees across the NTPS.</p>
<p>Provision of additional funding of \$1.6 million over three years to assist with the employment of 200 apprentices within government as part of the Jobs Plan Initiatives</p> <p>Coordinate the Northern Territory Public Sector Traineeship Program with a focus on employing Indigenous apprentices in remote areas to build skills and local workforces</p>	<p>✓ A total of 236 apprentices have been employed under the Jobs Plan 3 initiative: 56% of these were Indigenous and 40% located in regional or remote workplaces.</p> <p>To help maintain these participation rates the 2008-09 recruitment campaign for apprentices included advertising in diverse media outlets such as the Koori Mail, Tennant Times, Centralian Advocate, Territory Regional Weekly and Katherine Times as well as radio stations CAAMA, TEABBA, Yolngu and Radio Larrakia.</p> <p>Apprenticeship disciplines cover a variety of vocations including:</p> <ul style="list-style-type: none"> <li>• Agriculture</li> <li>• Automotive Mechanical Technology (Heavy/Light Vehicle)</li> <li>• Business</li> <li>• Captive Animal Management</li> <li>• Children's Services</li> <li>• Community Services</li> <li>• Conservation and Land Management</li> <li>• Dental Assisting</li> <li>• Drilling</li> <li>• Horticulture</li> <li>• Indigenous Education Worker</li> <li>• Information Technology</li> <li>• Laboratory Skills</li> <li>• Printing and Graphic Arts</li> <li>• Tourism</li> <li>• Veterinary Nursing</li> </ul>
Implement a new human resources reporting framework	<p>→ Functional specifications were developed and procurement of a new HR reporting solution commenced.</p>

✓ Achieved

◊ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

## Human Resource Services Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Payroll transactions processed	-	920 000	932 324	950 000
Commencements and terminations processed	13 300	13 300	14 794	13 420
<i>Quality</i>				
Processing error rate	-	0.08%	0.03%	0.05%
Proportion of apprentices completing qualification	-	80%	60%	80%
<i>Timeliness</i>				
Payroll transactions processed in applicable pay period	-	98%	98%	98%
Average days to commence new employees	-	5	5	5
Workers compensation claims processed within statutory time limits	100%	100%	97%	100%

## Priorities for 2009-10

- HR Services will complete the pilot of the Indigenous Employment Program Administrative Stream and conduct a post implementation review of phase I of the pilot. Subject to the outcome of the review, phase II of the pilot will see the program expanded in 2009-10 to include all agencies.
- The HR Services Division will go to the market to establish a panel of suitably qualified training providers to deliver a range of training courses under an endorsed cultural competence framework for the NTPS. It is expected that training will be incorporated in the department's 2010 short course training calendar.
- Through the implementation of several HR system enhancements and process automation initiatives committed savings will be delivered during 2009-10 and beyond as part of the multi-year Corporate Services Review program. Specific initiatives include:
  - enhance the TRIPS system to enable automatic calculation of entitlements for Fares Out of Isolated Locations (FOILs)
  - evaluate the pilot HR Services Contact Centre with a view to deciding and progressing an appropriate permanent solution
  - streamline processing of Payroll Transaction Records (PTR) through processing high volume low-risk payroll transactions without secondary manual intervention

- develop electronic timesheets and workflow to facilitate automatic processing of hours worked, particularly overtime, for some key employee categories. The initial focus in 2009-10 will be timesheets for police.
- Corporate reporting will complete the procurement and commence the implementation of a new HR Reporting Solution that will deliver a full suite of HR reports for use across government, ranging from practical reporting for program managers to summarised visual executive reporting. This solution will enable a comprehensive and flexible reporting capability for HR practitioners in all agencies. Implementation of this solution will extend into 2010-11.
- Market testing and procurement of an electronic recruitment system are planned for 2009-10. The system will significantly enhance and modernise recruitment processes, with expanded functionality, automation improved job application lodgement, candidate management and workflow. A project to implement a selected e-recruitment system and business processes will continue into 2010-11.
- Identify and record standard forms used by agencies across Finance and Human Resource Services and provide recommendations on most cost effective way of creating “Smart Forms” as part of the e-Government strategy.

## OUTPUT: PROCUREMENT POLICY AND SERVICES

### Responsibilities:

- administering the *Procurement Act* and its subordinate legislation, which includes providing advice to agencies on compliance requirements, engaging industry stakeholders and proposing amendments to the legislation
- establishing and administering across-government common use contracts
- providing advisory and consulting services to agencies on procurement, This includes advice and assistance with procurement planning, specifying requirements, tender assessment and preparing recommendations
- placing a strong focus on effective two-way communication with industry through regular contact with a number of industry groups including the Chamber of Commerce, NT Industry Capability Network and Contractor Accreditation Limited
- ensuring that the relationship with industry is fostered to achieve successful outcomes for both sectors.

## Performance

Initiative or Activity	Achievement
Implement government policy to streamline a range of procurement initiatives in response to the Australian Government's stimulus package and in an effort to "Cut Red Tape" in Northern Territory Government procurement processes	<p>✓ Effective from 30 March 2009:</p> <ul style="list-style-type: none"> <li>• all procurement thresholds increased</li> <li>• Tier 3 – \$50 000 but less than \$200 000 - public quotations issued via Tenders Online.</li> <li>• Disclosure of tender assessment criteria weightings for all tenders with an estimated value of \$200,000 and greater</li> <li>• Mandatory use of Agency Procurement Requisition Online (APRO) for Tier 2, \$15 000 but less than \$50 000, to Tier 5, \$5 million and greater</li> <li>• Increased delegation to Agency Chief Executive's for Certificate of Exemption from Public Tendering</li> </ul>
Stage two of procurement reforms to establish a model of out-posted strategic procurement professionals in agencies	→ Recruitment of staff and transfer of some existing staff from other agencies arranged, effective from 1 July 2009.
Implement changes to standard tender response schedules to simplify and clarify requirements	→ Modifications to response schedules are implemented on an ongoing basis to reflect agency specific needs.
Develop and present information sessions targeting agency needs in the areas of government procurement policy and tendering requirements	<p>✓ Six procurement awareness sessions were delivered for agencies throughout the year, covering general procurement and the use of the electronic tender assessment tool.</p> <p>Quarterly meeting for Procurement Managers and the Executive Procurement Group were achieved.</p>
Develop procurement strategies to support Indigenous employment as part of the Closing the Gap initiatives	◇ Existing provisions with the Procurement Directions have been reviewed and the Procurement Policy unit has worked closely with the Employment division to identify how it can more accurately record achievements in employment.
Develop procurement policy which takes into account environmental sustainability	<p>✓ Procurement Policy has worked with the Office of Climate Change within the Department of the Chief Minister and on the development of the NT Climate Change Policy.</p> <p>Proposal prepared for the NT Government to adopt the Australian Procurement and Construction Council Sustainable Procurement Framework.</p>

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity	Achievement
Continue the development of the Agencies Purchase Requisitions Online (APRO) system to capture data following tender assessment, incorporate Procurement Review Board approvals workflow and provide enhanced agency reporting	→ Due to changes in procurement thresholds on 30 March 2009 and the introduction of public quotations, this project has been broken down into three sub-projects. The first phase, incorporating agency recommendations, is complete and awaiting testing.  Phase two, Procurement Review Board (PRB) Approval Workflows and Phase three Reporting will be progressed in 2009-10.
Develop a business case for interfacing with the Australian Business Register to more efficiently allow tenderers to identify themselves and reduce repetitive data entry when registering to acquire tender documents	→ This project was postponed due to the workload generated by changes to tendering thresholds in March 2009. Some technical issues require resolution prior to proceeding with the initiative.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

## Procurement Services Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Tenders awarded	-	700	757	600
<i>Quality</i>				
Addenda to tenders issued	<20%	14%	31.7%	14%
Proportion of tenders lodged electronically	-	50%	46.5%	70%
Procurement Review Board appeals upheld as a proportion of tenders awarded	-	2%	1.25%	2%
<i>Timeliness</i>				
Average days to issue tenders	7	7	4.9	7

## Priorities for 2009-10

- Continue the establishment and development of the Procurement Network of out-posted procurement consultants into line agencies
- Ongoing development of procurement policy which takes into account environmental sustainability

- Develop procurement strategies to support Indigenous employment as part of the Government's Working Futures initiatives
- Improving efficiency and service quality through increased automation and standardisation of processes across government by implementing significant corporate systems and business process changes across core service lines, including:
  - continued development of the Agencies Purchase Requisitions Online (APRO) system to capture data following tender assessment, incorporate Procurement Review Board approvals workflow and provide enhanced agency reporting
  - upgrading the Tender Document Management System (TDMS).

## OUTPUT: INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES

### Responsibilities:

- management of whole of government outsourced ICT services and security and the provision of ICT infrastructure and services across government
- development of whole of government ICT strategies, architectures and policies encompassing IT systems and data communications, including internet and telephones
- providing ICT security advice, incident response coordination and management of the NT Government's internet and intranet web sites
- identifying economic development opportunities for the ICT industry in the Northern Territory and delivers government components of the NT ICT Industry Strategic Plan to help grow the local ICT industry
- developing telecommunications and broadcasting policy, including establishing strategies to improve telecommunications services, particularly to remote communities in the Territory
- coordinating funding submissions to boost the provision of contemporary telecommunications services across the Northern Territory
- providing government agencies with an advisory service to support management of their IT requirements and ICT environment
- developing a records management policy, maintaining the records management system and providing records management support to agencies.

## Performance

Initiative or Activity	Achievement
Develop a sourcing strategy for the third generation of major ICT outsourcing contracts in 2009-10 to ensure maximum benefits to the government and continued reliability of systems and infrastructure	→ Sourcing Strategy developed and endorsed by government for release of tenders in July 2009.  The tender process is due for completion in February 2010.  Transition to new contracts and delivery model expected by 30 June 2010.
Develop a roadmap for government in managing the identities of citizens and businesses needing to interact online with government	✗ Initiative re-scheduled to align with COAG On-Line and Communications Council national direction on authentication in 2009-10.
Progress an application development strategy to lower the cost and speed up development of applications which support online services	→ The NTG ICT Application Strategy has been developed and is awaiting endorsement by the NTG Information Management Committee (IMC).
Prepare a business case for the upgrade to TRIM Context version 6 release 2	✓ The upgrade to TRIM 6.2 across the NTG is in progress and approximately 50% completed. The project is scheduled for completion in late December 2009.
Progressively review and plan the implementation of electronic documents records management (EDRM) solutions across government	→ The move to EDRM is based on individual agency resourcing. Most agencies are waiting on the TRIM 6.2 upgrade project to finish as a prerequisite to moving to EDRM.
Revise the records management Certificate III training module and develop Certificate IV training modules to assist agencies to comply with the records management provisions of the Information Act	✓ The Certificate IV training modules have been completed and the first training based on these new modules scheduled for September 2009.
Monitor the progress of initiatives incorporated in the NT ICT Strategic Plan	→ The NTG ICT Strategic Intent is to be submitted for endorsement to the NTG IMC in July 2009 and then submitted for Territory 2030.
Assess the application of emerging information technologies that could lead to cost and service efficiencies across government	✓ Completed the development of the NTG ICT Strategic Intent which addresses emerging ICT as an enabler to cost and service efficiencies.
Continue to encourage skills development and recognise academic achievement	✓ \$500 prize awarded to the highest achieving Year 12 Territory high school student in IT studies. ICT industry presentations at six Territory schools to encourage tertiary studies to further a career in ICT.
Continue monitoring the maintenance flights of IT service provider technicians to remote communities	✓ 40 hours of free maintenance time used to support local ICT remote community services.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity	Achievement
Complete the Advanced Training project, providing train the trainer and advanced ICT skills training in remote communities for Indigenous residents	✓ Final report accepted by the Australian Government and all funds acquitted. The Australian Government has adopted a similar training regime nationally to address social access issues identified in the Glasson response.
Continue to focus on accessing Australian Government funding for improved telecommunications services in the Territory, including telecommunications infrastructure in remote areas and wholesale competition through a second fibre optic cable connecting the Territory to other jurisdictions	✓ The NTG has bid for funding from the following national programs: <ul style="list-style-type: none"> <li>• The National Broadband Network Backbone Blackspots - \$250 million available nationally. Bids have been lodged for work in the Territory for a competitive fibre link and awarding of tenders is expected prior to the end of December 2009.</li> <li>• Public Internet Access - \$2.2 million funding under the Australian Government's Digital Regions program over four years to remote communities.</li> </ul>
Through a focused information campaign, improve the uptake of digital TV and reduce the reliance on NT House as a television broadcasting site for Darwin	✗ Take-up now estimated at 73% in Darwin. There has been no action this year. Program was delayed to bring the activity into closer alignment with the Australian Government's revised timeline for the cessation of analogue TV.
Enable not for profit community groups and non-government organisations to apply for 'refurbished' government computers at little or no cost	✓ 'Computers for the Community' initiative was launched in October 2007 and 400 computers have been provided to community organisations since then.
Prepare for the next round of ICT outsourced service contracts which are due to go to tender in late 2008-09	✓ Project Director appointed and project office established.  Steering committee formed along with agency advisory group.  Industry and agency consultation process completed.  Tenders released to the market late July 2009.
Work with all ICT service providers to achieve reduced carbon emissions associated with services delivered under new outsourced contracts	✓ Ensure new contracts have achievable targets for carbon emissions reductions. Work with the Department of the Chief Minister on NTG's policy inclusion in ICT contracts.
Progress strategies to enhance communications infrastructure in the Territory, particularly in remote communities	✓ NTG invested \$6.8 million in partnership with Telstra, the Northern Land Council and Rio Tinto to build a \$34 million fibre communications link across Arnhem Land, connecting nine remote communities with high speed broadband.
Develop a strategy to enhance the Territory's capacity in electronic service delivery, in cooperation with relevant agencies	✓ Completed e-services strategy consultancies for e-business, e-health and e-learning.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10



## Information and Communications Technology Services Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Laptops/workstations	11 700	12 500	12 697	12 500
Average monthly user service calls to help desk	9 000	11 000	11 156	10 000
Remote communities connected to broadband	-	17	17	21
<i>Quality</i>				
Agency scorecard for desktop services (out of 10)	7.5	7.7	8.8	7.8
Outsourced services provided within agreed service levels	100%	85%	98%	87%
Records management system availability	99%	99%	98%	99%
<i>Timeliness</i>				
Severe desktop faults restored within the service level agreement	100%	100%	100%	100%
Records management system work requests resolved within two days	100%	98%	98%	100%

### Priorities for 2009-10

- Develop National Broadband Network strategy to maximise opportunities in the Northern Territory under the \$43 billion Australian Government investment.
- National Broadband Network Backhaul Blackspots funding of fibre link into the Territory due for announcement in 2009-10.
- Continue ICT industry presentations at NT schools to encourage tertiary studies to further a career in ICT.
- Continue the Computers for Community initiative.
- Develop a Northern Territory ICT Industry website to showcase capability and provide an information portal for the industry.
- Assess, negotiate and sign ICT contracts for third generation ICT outsourcing contracts.
- Successfully disengage from existing ICT contracts and transition to new arrangements.
- Completion of NTG Voice network upgrade under the Telstra Telecommunications contract.

- Successfully complete all Desktop Transformation projects under the Fujitsu contract.
- Digital Regions Initiative to seek up to \$7 million of Australian Government funding for e-Health/e-Learning initiatives and broadband infrastructure in identified 20 Territory Growth Towns.
- Deploy with the Northern Territory Library (Department of Natural Resources, Environment, the Arts and Sport) and the Department of Education and Training public internet access to nine of the 20 remote Territory Growth Town.
- Respond to climate change by developing and implementing strategies to reduce greenhouse gases associated with the operation of the NTG ICT.
- Develop e-business strategies to meet the needs of Territory businesses, in partnership with service delivery agencies, especially in relation to licences and registrations with the Department of Justice and the Department of Regional Development, Primary Industry, Fisheries and Resources.
- Continue the TRIM upgrade to all agencies by December 2009.

## OUTPUT - OFFICE LEASING MANAGEMENT

Property leasing matters are overseen by the Government Office Accommodation Committee (GOAC), which is responsible for providing a whole of government approach to coordinating and managing the office accommodation portfolio. GOAC comprises the Chief Executives of the department, Treasury, the Department of Planning and Infrastructure (DPI) and the Commissioner for Public Employment.

Responsibilities:

- management of leased properties, security and cleaning services which meet the service demands of government agencies
- management of commercial accommodation leased by the NT Government. The portfolio currently consists of more than 400 leases over approximately 186 000 m<sup>2</sup> of space leased throughout the Northern Territory
- providing corporate real estate services to government agencies including accommodation strategies, lease negotiation, contract procurement and tenant advocacy. This includes managing relationships with landlords, developers and other government agencies which supply tenancy services.

## Performance

Initiative or Activity	Achievement
As part of the Government Real Estate Group, draft a national sustainability framework for government occupied office premises	<p>✓ Participation in three ongoing working groups working towards the draft framework - Green Leasing, Asset Management and Effective Portfolio Utilisation.</p> <p>The framework is to be presented to Council of Australian Governments in 2009 for implementation in 2010.</p>
Develop the commercial property management framework	<p>✓ GOAC has endorsed the management framework.</p> <p>Northern Territory Property Management (NTPM) is developing five year portfolio plans for each urban centre in conjunction with client business plans, and the management framework.</p>
Implement a new suite of Standard Lease Documents: Office, Retail and Industrial, and Green Lease Schedule	<p>→ Three new standard lease documents are drafted ready for use as part of a broader policy framework.</p> <p>Ongoing consultation with the Property Council of Australia (PCA) regarding key commercial terms.</p> <p>It is intended that the new lease will be implemented by end of December 2009.</p>
Evaluate current and future requirements for a leased property management system	<p>◇ NTPM is working with DPI to develop a scope of NTPM's requirements so they can be addressed as part of the new whole of government asset management system – funding yet to be confirmed.</p> <p>Development of a formal business case underway with SAP.</p>
Work with property owners to achieve reduced carbon emissions in leased government accommodation	<p>→ Adopt a partnership approach to develop green occupancy agreements between NTPM, client agencies and building owners.</p> <p>Green occupancy agreements developed in all leases &gt; 2000m<sup>2</sup> and terms of three years. Develop, implement and monitor via Building Management Committees.</p>
Develop and implement policies for a Green Leasing Strategy to support the government's Climate Change Policy	<p>→ Draft policy has been developed with proposed policy settings consistent with other state and territory Jurisdictions. The recommended rating tools are: National Australian Built Environment Rating System (NABERS) – Energy Efficiency; Green Star – Environmental Sustainability.</p> <p>Recommended policy settings are included in the Department of the Chief Minister Climate Change submission to government.</p>

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity	Achievement
Work with the Department of the Chief Minister (DCM) to develop policy and procedures for land leasing in remote communities for non-housing infrastructure.	<p>✓ NTPM sits on a working group with other key agencies run by DCM, which is developing a lease policy for remote communities.</p> <p>The department, with input from NTPM, is preparing a strategy to support Working Futures 20 Territory Growth Towns. As part of strategy development, agency surveys have been distributed by NTPM to identify potential tenants in the 20 Territory Growth Towns.</p> <p>The process for developing Government Business Centre (GBC) model commenced.</p> <p>DCM is preparing a draft submission to government.</p>

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

## Office Leasing Management Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Property leases	148	170	183	195
Area leased (000m <sup>2</sup> )	172	183	187	200
Average cost per m <sup>2</sup>	\$280	\$274	\$262	\$285
<i>Quality</i>				
Area of leased commercial property accredited for energy efficiency under NABERS 4 Star or better (m <sup>2</sup> ) <sup>1</sup>	-	11 437	11 437	13 577
<i>Timeliness</i>				
Rental payments made on time	99.8%	99.0%	99.0%	99.0%

<sup>1</sup> NABERS is the Australian built environmental rating system, 4 Star is equivalent to Australian best practice.

## Priorities for 2009-10

- Support Working Futures by:
  - servicing requests for leased commercial property in urban and remote areas in a timely and professional manner
  - establishing Government Business Centres in the 20 Territory Growth Towns in conjunction with the Department of the Chief Minister

- provision of central lease administration services for land tenure in remote communities.
- Reduce the impact of the leased office portfolio on the natural environment by developing and implementing strategies to reduce energy consumption and promote recycling.
- Develop and implement policy in relation to Workplace Design and Management to reduce the time and costs associated with the design, installation and maintenance of fit-outs.
- Obtain Government approval for the Portfolio Management Framework endorsed by the Government Office Accommodation Committee. Once approved implement the framework via leasing initiatives and other actions to improve overall portfolio performance.

## OUTPUT GROUP: BUSINESS DEVELOPMENT

This Output Group provides strategic programs and activities to support sustainable business development.

The outcome is substantial and lasting economic benefits for business and the broader community.

### Output: Business Development

Responsibilities:

- assisting in the development of a better informed and capable Territory business community through providing business information, access to training, coaching and business planning programs
- provision of strategic policy advice and analysis to enhance economic development, business competitiveness and productivity
- pursuing industry development opportunities in specific industry sectors such as Defence support
- stimulating business innovation, research and knowledge development
- providing strategic business advice and administrative management of industry development funding programs and ensuring the loan portfolio is prudently managed
- providing Territory Business Centres as a first contact and referral point for many business-related services and products from government agencies, including start-up business information, and assistance with the lodgement and issue of permits and registrations required to operate in business.

## Performance

Initiative or Activity	Achievement
<p>The Business Enterprise Centre (BEC NT) is contracted to provide new and intending business owners with workshops that cover the basics of running a business</p>	<p>✓ This workshop series will continue to be held across all major centres in the Territory.</p> <p>110 workshops were delivered to 1175 participants, including:</p> <ul style="list-style-type: none"> <li>• 20 workshops in Alice Springs (178 attendees)</li> <li>• 10 in Katherine (40)</li> <li>• five in Tennant Creek (five)</li> <li>• five in Nhulunbuy (26).</li> </ul> <p>877 client management services were also provided.</p>
<p>Procurement Liaison</p>	<p>✓ 53 matters were referred to Procurement Liaison, compared to 46 in 2007-08.</p>
<p><b>ecoBiz NT</b> is a business efficiency program to assist NT businesses reduce their environmental impact</p>	<p>✓ The pilot program was successfully launched in late 2008. The program has been reviewed and processes refined to achieve maximum effect. 17 grants totalling \$314 965 were delivered and a reduction of 542 tonnes of CO2 per year was achieved.</p>
<p>October Business Month (OBM) is targeted at providing new business management knowledge and ideas to the NT business community</p>	<p>✓ Up-to-date information provided on topics identified by the business community.</p> <p>OBM 2008 delivered a total of 94 events with 4424 attendees, broken into regions as follows:</p> <ul style="list-style-type: none"> <li>• Darwin – 51 events, 2860 attendees</li> <li>• Katherine – 10 events, 325 attendees</li> <li>• Tennant Creek – six events, 192 attendees</li> <li>• Alice Springs – 14 events, 807 attendees</li> <li>• Nhulunbuy – three events, 45 attendees</li> <li>• Community Roadshow – 10 events, 195 attendees.</li> </ul>

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity	Achievement
The Territory Business Upskills program offers existing Northern Territory small businesses the opportunities to identify areas for improvement that can increase the capacity and capability of each enterprise	<p>→ Identification of potential new workshop topics in conjunction with consultants and clients to address emerging business issues.</p> <p>78 workshops were delivered to 656 attendees, as well as 62 Business Coaching Sessions including:</p> <ul style="list-style-type: none"> <li>• Darwin – 33 workshops, 344 attendees and 42 coaching sessions</li> <li>• Katherine – 17 workshops, 92 attendees and one coaching session</li> <li>• Tennant Creek – nine workshops, 49 attendees</li> <li>• Alice Springs – 18 workshops, 162 attendees and 15 coaching sessions</li> <li>• Nhulunbuy – one workshop, nine attendees, two coaching sessions</li> <li>• Jabiru – two coaching session</li> </ul>
Territory Business Growth (TBG) Program	<p>✓ The TBG program provided 111 grants totalling \$502 934 to NT businesses to develop formal business plans that address areas of need for each business. The program is available Territory wide and is delivered by suitably qualified business consultants.</p> <p>Appendix G provides a regional breakdown of the businesses that have completed the program.</p>
<p>Client Management Program</p> <p>Met with industry associations conducting presentations on government services and support</p>	<p>✓ 2400 businesses were visited across regional Territory centres promoting NT and Australian Government assistance programs.</p> <p>Business issues reported to management and 9 business snapshot surveys were conducted.</p>
Reviewed the Meet the Buyers program for improvements to business needs – better met outcome was the Government to Business Expo	<p>→ Following the success of Meet the Buyers workshops and attendee feedback to involve all levels of Government to create a one stop shop forum for Territory businesses, the Government to Business Exhibition was developed. First one held in Darwin July 2009 and Alice Springs August 2009.</p>
Territory Business Centres (TBC) provide a single point of contact for business to access government services and requirements	<p>→ TBCs operate in Darwin, Katherine, Tennant Creek and Alice Springs. More than 120 000 client contacts were made in 2008-09.</p> <p>Appendix G provides a breakdown by month and by region.</p>

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity	Achievement
<p>The Federal Minister for Innovation, Industry, Science and Research announced the National Innovation System (NIS) Review on 22 January 2008 and invited submissions from all jurisdictions. Further Northern Territory input and advocacy will be important when the NIS Review report and the Australian Government's policy and program responses are released</p>	<p>→ As a consequence of the review of NIS, the Territory endorsed the establishment of a Framework of Principles for Innovation Initiatives, to be completed in 2009-10.</p>
<p>The Australian Department of Education, Science and Training launched a new initiative in 2007 (Scientists in Schools) aimed at inspiring school children to enter science as a career</p>	<p>✓ The department and the Northern Territory Research and Innovation Board continued to encourage Territory schools and scientists to participate in the Scientists in Schools initiative with national and Territory academic institutions and Commonwealth agencies based on the success of the 2007-08 program.</p>
<p>Backing Territory Research – Research Priorities for the Northern Territory 2008-15</p>	<p>→ Development of a comprehensive implementation strategy was delayed following the Australian Government's decision to delay the release of the White Paper Powering Ideas: an innovation agenda for the 21st Century until the release of the 2009-10 budget in May 2009. This will carry over to 2009-10.</p>
<p>NT Research and Innovation</p>	<p>✓ The NT Research and Innovation Board recommended funding of 14 research projects and five innovation projects totalling \$391 000.</p> <p>Refer to Appendix H.</p>
<p>2009 NT Research and Innovation Awards</p>	<p>✗ Decision made to hold the awards on a biennial basis with the next awards to be held in 2010.</p> <p>The Charles Darwin Research and Innovation Medal was introduced acknowledging lifelong or sustained contribution to innovation. Inaugural medals are to be presented at the Charles Darwin Symposium Dinner September 2009.</p>
<p>Provide support to ensure that Territory businesses utilise the department's wide range of business development programs</p>	<p>→ Support was provided to NT industry associations and business to ensure effective utilisation of the department's programs. This was particularly important following the onset of the global financial crisis and the subsequent changes to business conditions.</p>
<p>Continue membership and input to the aviation inter-agency advisory committee leading to the development of a three-year aviation strategy</p>	<p>→ The department chaired and managed the NT Aviation Committee and developed a draft NT Aviation Strategy to be released in late 2009. Assistance and support was also provided for the development of the Darwin Aviation Hub by Jetstar Airlines Limited.</p>

✓ Achieved

◊ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10



Initiative or Activity	Achievement
Continue ongoing liaison with key sector service providers to ascertain likely changes to aircraft schedules and load capacity	→ Liaison continued with aviation service providers on aircraft placement, schedules, load factors, utilisation data and related industry developments, in conjunction with the Tourism NT Director Aviation, including action to achieve more competitive operating conditions in the Territory.
Continue to encourage, facilitate and support the development of biodiscovery-based research projects with the potential to generate economic benefits for the Northern Territory. Key among these is with the US-based National Cancer Institute, which will continue a large scale screening program of Northern Territory biological resources in the coming year	✓ The department continued to encourage biodiscovery based research projects with five Benefit Sharing Deeds executed by organisations, including Australian and international universities, a listed biotech company) and a further six drafts issued for consideration. An extensive initial screening by the US National Cancer Institute for novel compounds with potential to generate economic benefit is continuing. The NT has been recognised nationally and globally by the United Nations Working Group on Access and Benefit Sharing of Genetic Resources under the Convention on Biological Diversity for its legislative leadership in managing access to biological resources.
Small Business Ministerial Council (SBMC) – host and manage the secretariat duties of the SBMC	✓ Preparation for the July SMBC meeting and associated Indigenous Small Business Development Seminar in Darwin.  Three Senior Officials meetings were held during 2008-09, including a face to face meeting in Alice Springs in February 2009. Planning for an officials meeting in Darwin in July 2009 was also advanced.
Assisting with the continued broadening and growth of the Territory's economic base	✓ Planning documents on prospective sectors were completed and used to guide commencement of prospective sector development initiatives.
In conjunction with other agencies, commence a review of the investment facilitation process and ways in which it could be improved	✓ In conjunction with other agencies, development commenced on a web-based investment facilitation portal and framework. An interagency investment group is to be established to oversee its future development and management.
Investment Services – Common User Area	✓ The department continued its key role in promoting the Common User Area and its availability and benefits to project proponents and prime contractors in the mining and oil and gas industries. A strategic management group was established to guide future development, consisting of the department, Land Development Corporation, Darwin Port Corporation, Northern Territory Industry Capability Network and the Manufacturers Council.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity	Achievement
Provide specialist advice and input related to the planning for, and development of, the East Arm Marine Services Precinct and the development of marinas and berthing on Darwin Peninsula	<p>✓ Specialist advice and input was provided to the Land Development Corporation on planning for the East Arm Marine Maintenance Precinct. Further progress on the marina and berth development was also achieved.</p>
Commercial Services – continue to provide strategic business advice and administrative management of industry development funding programs and ensure the department’s loan portfolio is prudently managed	<p>✓ The department provided a range of grant and sponsorship programs to eligible businesses and industry organisations across the Territory. Details of all grant payments during 2008-09 are at Appendices I to J.</p> <p>Strategic business advice and administrative management support for industry development funding programs was provided throughout the year. This encompassed:</p> <ul style="list-style-type: none"> <li>• departmental programs (Territory Business Growth, Industry Development Grants, Industry Association Grants, <b>ecoBiz NT</b> and sponsorships)</li> <li>• Department of Regional Development, Primary Industry, Fisheries and Resources programs (Indigenous Business Development, Regional Economic Development, Exceptional Circumstances Drought Scheme (Commonwealth))</li> <li>• DCM programs (Trade Support Scheme) T-NT program.</li> </ul> <p>The department’s loan portfolio was also managed prudently. Details are at Appendix K.</p>
Industry Participation Plans	<p>✓ Implementation of the Building Northern Territory Industry Participation (BNTIP) policy continued. Further reforms to the operational arrangements and procurement policies relating to industry participation were introduced. Refer Appendix M.</p> <p>Additional Industry Participation Plans relating to major projects receiving government assistance were also finalised or commenced by proponents, including the three SIHIP Alliances, Territory Alliance, New Future Alliance and Earth Connect Alliance, in accord with the BNTIP policy during the year.</p>
Continue to work with the Land Development Corporation (LDC) to develop and promote the Defence Support Hub and to attract defence support businesses and defence related contracts to the Territory	<p>→ Development of the Defence Support Hub in collaboration with the Land Development Corporation continued during 2008-09.</p> <p>In particular, the hub was promoted to small and medium enterprises (SMEs) and to prime Defence contractors at national defence industry conferences, exhibits and elsewhere.</p>

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity	Achievement
Promote living in Katherine via a DVD to inform defence personnel and families about to be posted, or considering a posting, to RAAF Base Tindal	✓ The DVD to promote living in Katherine to Defence personnel and families was well received.
Facilitate the development of a hand guide to Territory Government services and contacts for Defence personnel and their families to use when posted to the Territory	✓ Project redesigned to take advantage of low cost, environmentally friendly technology. Information now available on the department website.
Study of the benefit to the Katherine economy of the Defence presence at RAAF Base Tindal	✓ The study was completed and the results fed into the wider Katherine Regional Economic Study.
Promote and market the Northern Territory and its defence support industry through Defence media, at conferences and exhibits	→ The NTG hosted exhibits at the Land Warfare Conference in Brisbane in October 2008 and the Defence and Industry Conference in Adelaide in June 2009.  NT SMEs and business associations also participated.  Industry capability was particularly promoted to Defence and prime contractors.
Continue to engage with Defence prime contractors who have won contracts to deliver through life support service contracts on platforms based in the Territory, such as the Armidale Class Patrol Boats, the Abrams Tanks and ASLAVs and Tiger Armed Reconnaissance Helicopters	→ Good relationships are now established with the key contractors. The Abrams tanks and ASLAVs contract for through-life support is yet to be awarded by Defence and a decision is expected in early 2010.
Continue to support AIDN-NT to implement the Northern Territory Defence Support Industry Development Strategy and other projects	→ The Defence Support Division continued to assist AIDN-NT with the implementation of the Strategy, prime contractor visits, exhibiting and networking at major conferences, arranging forums for SME's and support for the Annual Gala Dinner.
Continue to promote to Defence the Northern Territory industry capability to support Defence equipment based in the Territory	→ Promotion of NT industry capability continued as an ongoing priority through engagements with Minister for Defence and Minister for Defence Personnel, Materiel and Science and senior Defence representatives.  Assisted local industry to promote its capabilities on the new Defence e-Portal, with over 100 NT businesses now on the database promoting more than 1000 capabilities.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

## Business Development Services Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Licence and business infrastructure services provided by Territory Business Centres	-	100 000	120 463	100 000
Economic reports and fact sheets issued	-	35	54	35
Industry and investment projects facilitated	-	71	67	60
Businesses and Industry Associations provided with financial assistance	150	100	222	100
Research and Innovation grants	10	19	19	15
<i>Quality</i>				
October Business Month participant satisfaction <sup>1</sup>	-	90%	94%	90%
Upskills Workshops participant satisfaction <sup>1</sup>	-	96%	97%	96%
<i>Timeliness</i>				
Business Growth applications assessed within 30 days	-	100%	100%	100%

<sup>1</sup> This measure is defined as the proportion of participant evaluation responses recording an above average or excellent rating.

### Priorities for 2009-10

- Continue to promote to Defence the Northern Territory industry capability to support Defence equipment based in the Northern Territory.
- Assist with the continued broadening and growth of the Territory's economic base.
- Evaluate and deliver a suite of professional business development programs and services to people and businesses across the Territory.
- Assist Territory business and industry to adjust to changed business and market conditions.
- Deliver an internal investment assessment framework for the department to help evaluate requests for government assistance, including a web-based investment information portal, an investment inquiries database and an investment project assessment tool for project developers.
- Continue to work with the Land Development Corporation to develop and promote the Defence Support Hub and to attract Defence support businesses and Defence related contracts to the Northern Territory.

- Promote and market the Northern Territory and its Defence support industry through Defence media, at conferences and exhibits.
- Continue to engage with Defence prime contractors who have won contracts to deliver through life support service contracts on platforms based in the Territory, such as the Armidale Class Patrol Boats, the Abrams Tanks, ASLAVS and Tiger Armed Reconnaissance Helicopters.
- Continue to support AIDN-NT to implement the Northern Territory Defence Support Industry Development Strategy and other projects, such as facilitating visits by leaders of Defence and Defence prime contractors and to lead delegations of Territory SMEs interstate with the objective of facilitating engagement in prime contractor bids and projects.
- Continue key role of promoting the Common User Area and its availability and benefits to project proponents and prime contractors in the mining and oil and gas industries.
- Coordinate an interagency investment group to oversee the future development and management of the investment portal and framework.
- The Territory Business Growth program will expand to include the tourism business sector and will work with regional businesses to ensure they can maximise their opportunities from Working Futures strategies.

## OUTPUT GROUP: EMPLOYMENT

This Output Group provides the capacity to forecast and determine employment opportunities and promotes the Northern Territory nationally and internationally as a place to live and work.

The outcomes are a diversified skill base with fewer skills shortages and maximised employment opportunities for Territorians.

### Output: Employment

Responsibilities:

- providing strategic advice and forecasts on employment opportunities in the Northern Territory to ensure a skilled workforce is available to meet identified employment needs
- developing, promoting and implementing employment strategies, including coordination of Indigenous employment and Regional Job Hubs
- matching labour and skills development supply and demand through Workforce Growth NT and skilled migration to meet employers' needs, particularly in the regions
- providing advice and information about business and skilled migration programs and promoting the Territory to potential skilled and business migrants overseas to settle, work and establish businesses and contribute to the skills, population and overall economic base of the Territory.

## Performance

Initiative or Activity	Achievement
The Business and Skilled Migration Strategy enters its fourth year of implementation in 2008-09. Key elements of the strategy are communication and promotion.	<p>→ The NT has increased its share of the Australian skilled migrant intake to 0.62% in 2007-08. Refer Appendix N.</p> <p>Visas for nominations and sponsorships certified increased to 1340.</p> <p>Established an officer in Alice Springs to support the strategy.</p>
Promotion of the Territory as a business and skilled migration destination will continue	<p>✓ In 2008-09, the department participated in five international migration exhibitions in three countries: South Africa, New Zealand and the United Kingdom.</p> <p>In addition to the international migration exhibitions, the department worked with the Charles Darwin University to promote the Territory as an international student destination in China, Indonesia and the Philippines.</p>
The NT Business and Skilled Migration Strategy Implementation Working Group will continue to meet	<p>✓ The Implementation Working Group met in 2008-09 to provide advice to government on the strategy.</p> <p>An independent evaluation of the progress of the strategy was undertaken during 2008-09.</p> <p>Outcomes of the review are to be incorporated into 2009-10 implementation plans where appropriate.</p>
Jobs Plan 3 - a comprehensive, long-term strategy to create a highly skilled and flexible workforce and to maximise employment opportunities for all Territorians	<p>✓ Jobs Plan 3 reached completion in 2009 and achieved:</p> <ul style="list-style-type: none"> <li>• the target of 10 000 apprentice and trainee commencements over four years</li> <li>• increasing the knowledge of the labour market amongst government, industry and the community through the release of the Workforce NT Report 2008 and the NT Occupation Shortage list 2009.</li> </ul>
Indigenous Training for Employment Program (ITEP)	<p>→ ITEP supported 13 ongoing programs across all regions of the NT in a combination of accredited and non-accredited training, and to achieve employment outcomes.</p> <p>Initiated 12 new programs in 2008-09.</p>
Improved processes supported by systems enhancements are being implemented	<p>→ Commenced enhancement of the Territory Worker Database.</p>
The Northern Territory Occupation Shortage List 2009 was released in March 2009	<p>✓ The list is reviewed annually in consultation with industry, businesses, government agencies and the community to take into account emerging and existing occupation shortages.</p> <p>More than 50 responses were received from stakeholders, resulting in 18 new occupations being added to the list in 2009.</p>

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity		Achievement
Skilled Worker Campaign	✓	The campaign included a comprehensive program of local and interstate print, radio and exhibition promotions. Three job shows were held interstate, in Newcastle, Adelaide and Melbourne.
Workforce Growth NT	→	The Workforce Growth NT unit has been established within the department.  Initial consultations on the Regional Job Hubs in Nhulunbuy and Tennant Creek were completed in preparation for implementation in the 2009-10 year.

✓ Achieved    ◇ Partially Achieved    ✗ Not Achieved    → Continues into 2009-10

## Employment Services Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10
	Original Budget	Revised Budget	Actual	Original Budget
<i>Quantity</i>				
Workforce Growth NT / Skilled migration database registrations				
- International	-	550	543	550
- Interstate	-	2 000	2 158	2 000
Employment programs developed and introduced <sup>1</sup>	-	-	-	2
Business and skilled migration visas for nominations and sponsorships certified	-	870	1 340	850
<i>Quality</i>				
Client satisfaction with employment programs <sup>1</sup>	-	-	-	80%
<i>Timeliness</i>				
Timeframes met as agreed <sup>1</sup>	-	-	-	100%

<sup>1</sup> New measure in 2009-10; data not available for 2008-09.

## Priorities for 2009-10

- Business and Skilled Migration Strategy - continue awareness raising activities with employers and businesses, and strengthen regional business and skilled migration services.
- Review the Northern Territory Occupation Shortage List, due for release in March 2010.
- Continue the ITEP grant program to support initiatives for Indigenous Territorians in regional and remote areas.

- Recruit Workforce Growth NT officers in Katherine and Alice Springs to provide a local conduit to ensure employees and employers in the regions are linked into all elements of the Territory Worker Campaign.
- Continue to participate in targeted migration promotions activities in countries which are key sources for skilled migrants and for occupations where ongoing skill shortages exist in the Territory.
- Continue joint promotional work with the International Office of the Charles Darwin University with a focus on the major source countries for overseas tertiary students.
- Develop and implement a whole of government employment strategy which will include direction and initiatives to support the Territory Workforce through a workforce development framework.
- Enhance the Territory Worker Database as a tool to link employees with Territory employers.
- Promote employment opportunities and skill shortages in the Territory through regional and interstate job shows and target migration expos.
- Establish Regional Job Hubs in Nhulunbuy and Tennant Creek.
- Endeavour to influence national skilled migration policy by engaging with the Department of Immigration and Citizenship and profiling the Territory's employment environment and the needs of Territory employers.

## GOVERNMENT BUSINESS DIVISIONS

### Data Centre Services

Data Centre Services (DCS) manages the operations of the Northern Territory Government's mainframe, mid-range, application services and other centralised computer processing facilities.

The outcome is that the government's critical business systems operate in a computing environment that is flexible, reliable and secure, with high levels of access and availability.

Responsibilities:

- mainframe application hosting and management
- mid-range server application hosting and management
- database administration
- enterprise data storage management
- hosting information and communications technology (ICT) infrastructure for agencies and contracted service providers
- operation of the Chan Data Centre facility
- management of various whole of government information technology functions, electronic security and identity management.



## Performance

Initiative or Activity		Achievement
Provide the host environment for the government's shared services portal	✓	Completed. DCS has implemented a shared hosting infrastructure for the SharePoint suite of software.
Finalise the electronic passport2 system (ePASS2) to manage all government employee identity information and communication technology service requests	✓	ePASS2 was successfully implemented in July 2008.
Implement measures to mitigate the risks associated with a Data Centre disaster scenario and strengthen capability to respond to a disaster or major business interruption	→	Project in progress but not completed. A submission proposing options to government is expected to be finalised in early 2010.
Develop a strategic forward plan for future enterprise storage requirements	✓	DCS implemented a new enterprise storage solution in 2008 and government business systems data has been consolidated into this environment.
Commence a benchmarking study of mid-range services to examine market parity	✗	Not completed. This work will be undertaken in 2009-10 as part of an extensive benchmarking study encompassing mainframe, mid-range, data storage and data centre carbon footprint.
Develop a strategic capital replacement framework for major IT infrastructure over a four-year rolling replacement program	✓	A four-year capital replacement program has been developed and approved.
Expand fully managed computing services for agencies	✓	DCS has continued to expand its fully-managed computing services with a footprint of over 230 virtual servers providing end to end management for government business systems.
Deliver more efficient application hosting and reduced carbon emissions through server virtualisation technologies	✓	DCS has implemented a 'virtualise first' policy where business systems are hosted in a virtualised server environment rather than physical server devices.
Contain the carbon footprint of the Chan Data Centre within an energy intensive business environment that is experiencing significant and sustained growth	✓	DCS has delivered a reduction in total potential carbon emissions of 50 metric tonnes per month, largely as a result of server virtualisation.
Implement the second phase of the ePASS2 system to manage government employee identity information and ICT service requests	✓	Completed. Increased functionality was delivered through the upgrade of ePASS to the latest release of the software.
Implement a central service desk as the next phase of adopting the ITIL service delivery framework	✓	Completed. All DCS requests for services are now routed through a central ITIL service desk.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

## Data Centre Services Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Billable mainframe (CPU) seconds processed per month	1.65M	1.72M	1.65M	1.70M
Servers hosted in a secure Data Centre facility	440	440	440	440
Fully managed servers	270	299	311	325
Terabytes of Storage Area Network	35	51	75	65
<i>Quality</i>				
Unplanned outages per month – mainframe services	-	-	0.1	-
Unplanned outages per month – virtual server environment	-	3	3	3
<i>Timeliness</i>				
Response time for mainframe services (<5 seconds)	98.5%	98.5%	98.3%	98.5%
Performance report for mid-range services provided to clients each month	<10 days	<10 days	<10 days	<10 days

## Priorities for 2009-10

- Meeting agency demand for fully managed computing services.
- Upgrading mainframe computing infrastructure.
- Implementation of a new back-up solution to improve efficiency in the back-up of NTG business data.
- Containing the carbon footprint of an energy intensive facility.
- Ensuring minimal disruption and continuity of critical government business systems by enhancing disaster recovery capabilities.
- Improving technological and computing capabilities through:
  - the acquisition of a new mainframe processor
  - further expansion of virtual server infrastructure.
- Infrastructure review of the Chan Data Centre.
- Implementing improvements to the ePASS system to improve and automate ICT service request in preparation for the third generation outsourcing contracts.
- Implementing the use of electronic forms interface technologies integrated to key government IT systems to replace paper forms.

## Government Printing Office

The Government Printing Office (GPO) delivers efficient and high quality specialised and general printing and government publications, involving the use of both in-house and local printing industry sources.

The outcome is printing and publications that meet client requirements in respect of time, cost, quality and security.

Responsibilities:

- delivering cost-effective and specialised printing and publication services to Parliament and Government agencies in a secure environment including the Daily Hansard, Bills, Acts, subordinate legislation, Gazettes annual reports, budget papers, ballot papers, stationery, brochures, posters, and other reports, publications and promotional material
- applying commercial practices in delivering centralised printing services for government in partnership with the private sector printing industry to outsource a consistent portion of print jobs in order to best meet its customers' specific printing requirements.

## Performance

Initiative or Activity	Achievement
Continue to work in partnership with private sector printing firms to support private industry by outsourcing work fairly and equitably	→ Outsourced 28.6% of work to the private sector.
Foster professional relationships with the GPO's panel contractors	✓ Professional relationships were maintained by regular contact with panel contractors and timely reporting to panel contractors on successful and unsuccessful tenders.
Transition to a contemporary print management system utilising digital imaging technology that will deliver better service and allow customers to achieve efficiency gains	◇ This project is progressing, with business strategies for upgrading the printing and digital imaging technology being considered currently.
Continue to improve the Prism Print Management Information System for the benefit of the GPO and customers	✓ Refinements to various PRISM information reporting modules were actioned during 2008-09. These refinements have greatly improved access to day to day business data.
Implement a customer feedback questionnaire to ascertain customer satisfaction with the GPO's services to assist in assessing performance	→ An independent customer survey will be undertaken in July 2009 to ascertain the level of customer service achieved by the GPO during 2008-09.  Customers will rate their overall experience with the GPO including the following aspects: Helpfulness, Product Quality, Customer Service, Knowledge, Timeliness, Accuracy and Communication.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity	Achievement
Enhance efficiency to better achieve the GPO's business objectives and deliver more streamlined services to customers.	→ The GPO business performance improved throughout 2008-09. The independent customer survey was one mechanism used to rate performance delivery. Results will be available July 09.
Consider ways to reduce the GPO's carbon footprint through lowering energy usage and greenhouse gas emissions.	→ The GPO investigated the opportunity to join the National Printing Industry 'Sustainable Green Print' Environmental Management Certification System.
Continue to build business relationships with customers and suppliers.	→ The GPO fostered excellent relationships with its valued customers and suppliers during 2008-09 and delivered positive outcomes for many local industry participants.

✓ Achieved    ◇ Partially Achieved    ✗ Not Achieved    → Continues into 2009-10

## Printing Services Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Jobs undertaken	3 450	3 050	3 130	3 100
Proportion of printing sales outsourced	24%	25%	28.6%	25%
<i>Quality</i>				
Jobs reworked	<0.1%	<0.1%	0.4%	<0.1%
<i>Timeliness</i>				
Quotes provided within required timeframes	99%	99%	99%	99%
Jobs completed within required timeframes	99%	99%	98%	99%

## Priorities for 2009-10

- Continue to build business relationships with customers and suppliers.
- Review customer future demands for printed materials to ensure the GPO is positioned to be able to deliver the required services in a highly effective manner.
- Enhance efficiency to better achieve the GPO's business objectives and deliver more streamlined value added services to customers.
- Implement the National Printing Industry 'Sustainable Green Print' Environmental Management Certification System within its business during 2009-10.

## NT Fleet

NT Fleet provides agencies with a modern fleet of vehicles matched to their operational needs.

The outcome, in cooperation with client agencies, is to strive to achieve a safe, environmentally friendly and cost-effective government vehicle fleet.

Responsibilities:

- managing the NTG vehicle fleet, including light and heavy vehicles and plant and equipment, except for police, fire and emergency services vehicles
- managing vehicle acquisition and disposal, contract management, vehicle usage monitoring, coordination of maintenance and repairs, and reporting to agencies
- providing policy advice to government on vehicle fleet matters and fleet planning and operational advice to agencies
- providing 'not for profit' community based organisations with vehicles as a gift or loan following successful application to the government's Community Benefit Fund. A list of vehicles gifted or loaned through this government initiative detailed in Appendix L.

## Performance

Initiative or Activity		Achievement
Continue to work with agencies to acquire a safer, more environmentally friendly fleet, and minimise the cost of owning and operating the fleet	✓	NT Fleet continued to benchmark against other jurisdictions to assist identification and adoption of best practice fleet management. Regular negotiations took place with agencies to ensure vehicles acquired were safe, complied with green fleet policy and were matched to operational needs.
Review NT Fleet business systems to establish the strategic ICT direction	→	Consultancy delayed until second half of 2009 as a result of a system technology upgrade which needed to be factored into the consultancy brief.
Implement the 'pool vehicle booking system' across government and monitor usage	✗	Without affecting those agencies already using the system, the strategy changed from full roll out across government to pilot agency approach. Working directly with the Department of Health and Community Services has resulted in considerable improvement in functionality which will increase the system's effectiveness when full role out is resumed in the first half of 2010.
Implement a range of strategies from the 'Fleet Stages of Excellence' model to improve the effectiveness of service delivery and strengthen customer relationships	✓	Considerable effort has been made in increasing customer awareness of the need to acquire vehicles whose functionality matches operational needs and is greenhouse friendly in readiness for the introduction of the Government's 'Greening the Fleet' strategy. A comprehensive unfair wear and tear document is now available.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

Initiative or Activity		Achievement
Meeting the demands of the Northern Territory National Emergency Response (the Intervention)	✓	The demand brought on by the Australian Government Intervention was met in part by retaining some vehicles due for replacement, thus avoiding the need for additional capital spending. The downside to this strategy, due to ageing vehicles and increased utilisation, has been lower returns and lower numbers of vehicles available for disposal. However, this has been more than offset by agencies' ability to deliver on government programs.
Increase numbers of four-cylinder vehicles in the fleet thus reducing greenhouse gas emissions	✓	Four-cylinder vehicles now comprise 64% of the fleet. However the focus during the year shifted from the number of four-cylinder vehicles to the acquisition of more fuel efficient vehicles, particularly those vehicles with a 'green vehicle guide' rating of 5.5 or higher.
Further enhance the fleet management information provided to clients	✓	The website continued to be updated during the year. Green vehicle guide ratings were added to Indicative Hire Rate schedules. Agencies were given the opportunity to evaluate suitability of new models as they were released onto the market.
Continue to achieve an acceptable return on the asset base	✓	NT Fleet made a net profit of \$7 million after tax which represents an 8.6% return on asset base.
Develop and implement a Green Fleet Strategy as part of the government's Climate Change Policy	✓	NT Fleet has implemented the government's 'Greening the Fleet' strategy which will see a 20% reduction in the average CO <sup>2</sup> gases produced by the government's passenger and light commercial fleets measured in gm/km over the next five years. Discussions commenced with the view to setting individual agency targets in 2009-10.
Finalise the elevating work platforms (EWP) replacement program for the Power and Water Corporation	✗	Almost Complete. Unreasonable delays in the delivery of the last two units has meant the replacement of EWP is scheduled for October 2009.

✓ Achieved

◇ Partially Achieved

✗ Not Achieved

→ Continues into 2009-10

## NT Fleet Budget Performance Indicators

Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget; and movements between original Revised and Actual Budget 2008-09 are explained in Appendix F.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Light vehicles managed	2 485	2 695	2 680	2 700
Light vehicles disposed	920	830	851	1 050
Heavy vehicles managed	-	650	639	650
<i>Quality</i>				
Age profile of light vehicle fleet (proportion less than two years old)	80%	65%	66%	80%
Reduction in greenhouse gases produced per km travelled (gm/km of CO <sub>2</sub> ) <sup>1</sup>	-	-	-	5%
<i>Timeliness</i>				
Vehicles available for auction within 36 days	-	73%	73%	95%

<sup>1</sup>. New measure in 2009-10; data not available for 2008-09.

## Priorities for 2009-10

- Responding to climate change by developing and implementing strategies to reduce greenhouse gases associated with the operation of the Northern Territory Government vehicle fleet.
- Implementing the 'Green Fleet' initiative.
- Continuing to achieve an acceptable return on the asset base.
- Continuing to provide clients with quality and timely fleet management information.
- Work with agencies to acquire a safer, more environmentally friendly fleet and minimise the cost of owning and operating the Government fleet.

## DEPARTMENT OF BUSINESS AND EMPLOYMENT

## FINANCIAL REPORT

### FINANCIAL STATEMENT OVERVIEW

#### For the Year Ended 30 June 2009

The Department of Business and Employment (DBE) provides:

- shared corporate services for government agencies and business divisions including financial and human resource administration, procurement, information technology management and office leasing
- leadership to develop and broaden the Northern Territory economic base and strategic programs and initiatives to support business and industry development
- strategic labour market policy advice and forecasting to maximise employment opportunities for Territorians and meet industry needs.

### ADMINISTRATIVE RESTRUCTURE

The Department of Business and Employment was established as a part of the administrative restructure on 18 August 2008 with retrospective effect for accounting purposes from 1 July 2008. Some responsibilities of the previous Department of Business, Economic and Regional Development and the Department of Employment, Education and Training were combined with the then Department of Corporate and Information Services to create the Department of Business and Employment.

No comparative disclosures are available because the agency was created on 18 August 2008.

### FINANCIAL PERFORMANCE

The Department's operating *surplus* of \$3.9 million for 2008-09 is a strong improvement on the budgeted *deficit* of \$1.7 million. This was primarily due to:

- a one-off \$3.6 million revenue item received as a settlement in lieu of contract service credits, which was applied to transfer the perpetual licence for the human resource information system to DBE
- Commonwealth grant funding of \$1.5 million received in 2008-09 with related expenditure due in 2009-10, requiring the expenditure amount to be carried forward
- higher than anticipated goods and services revenue
- partially offset by an increase in operating expenses.

**Table 1: 2008-09 Actual and Budget Performance**

	Actual \$'000	Budget \$'000	Variation \$'000
Income	146 687	142 362	4 325
Expenses	142 778	144 016	1 238
<b>Surplus/(Deficit)</b>	<b>3 909</b>	<b>(1 654)</b>	<b>5 563</b>



## Income

By far the majority of the Department's income is sourced from appropriation from the Central Holding Authority (called output revenue). The Department's corporate shared services are provided free-of-charge to general government agencies, although notional charges are recorded and reflected in each agency's budget and output costs. Government business divisions are charged for the Department's corporate shared services with this income included in goods and services revenue. Additionally, direct costs for some specific services, such as salary packaging administration and training courses are recouped from recipients.

The 'goods and services revenue' category includes the one-off \$3.6 million revenue item described above.

**Table 2: Income by Category**

Output Revenue		Goods and Services Revenue		Commonwealth Revenue		Other Revenue		TOTAL	
\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
125 454	85.5	18 055	12.3	1624	1.1	1 554	1.1	146 687	100

## Expenses

Property costs, primarily office lease rents for all government agencies, comprise the largest expense category for the Department, followed closely by employee costs. Both property and ICT costs are mostly committed by long term, fixed contracts and are generally non-discretionary. Employee expenses are the second major expense category with ongoing efforts to contain and reduce these costs.

**Table 3: Expense by Category**

Employee		Property		ICT		Operational		Grants		TOTAL	
\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
49 308	34.5	49 436	34.6	15 390	10.8	12 814	9.0	15 830	11.1	142 778	100.0

The Department had a \$15.8M grant program in 2008-09, with Business Development grants making up the bulk (63%) of the grant expenses.

Significant one-off grants in 2008-09 include:

### Business Development

- \$5M aviation hub
- \$0.3M centre bush bus
- \$0.2M major projects election commitment

### Shared Services

- \$4M ICT infrastructure project

In considering expenses by output group, the Shared Services output group represents the largest share as it incorporates property costs, almost all ICT costs and the majority of employee costs.

**Table 4: Expense by Output Group**

	Shared Services	Business Development	Employment	Total
	\$'000	\$'000	\$'000	\$'000
Employee	39 928	7 744	1 636	<b>49 308</b>
Operational	72 161	4 203	1 276	<b>77 640</b>
Grants	4 274	10 008	1 548	<b>15 830</b>
<b>Total</b>	<b>116 363</b>	<b>21 955</b>	<b>4 460</b>	<b>142 778</b>
Percentage	81.5%	15.4%	3.1%	100.0%

## FINANCIAL POSITION

The Department's net asset position at the end of 2008-09 is \$10.7M.

Major assets include:

- \$5.0M – cash and deposits
- \$4.0M – receivables, primarily relating to the property leasing portfolio
- \$3.7M – prepayments, primarily relating to the property leasing portfolio
- \$9.9M – property, plant and equipment, primarily ICT infrastructure assets.

Major liabilities include:

- \$3.8M – payables
- \$5.5M – current provisions – includes employee entitlements of \$4.7M and payroll on-costs of \$0.8M
- \$2.2M – non-current employee entitlements.

The most significant asset movement in 2008-09 was the transfer of the perpetual licence for the human resource information system for \$3.6M.

## DEPARTMENT OF BUSINESS AND EMPLOYMENT FINANCIAL REPORT

### CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for the Department of Business and Employment have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the 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 2009 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.



.....  
**Graham Symons**  
**A/CHIEF EXECUTIVE**

10 September 2009



.....  
**Rex Schoolmeester**  
**CHIEF FINANCE OFFICER**

8 September 2009

**DEPARTMENT OF BUSINESS AND EMPLOYMENT  
OPERATING STATEMENT  
For the year ended 30 June 2009**

	NOTE	2009 \$'000
<b>INCOME</b>		
<i>Grants and Subsidies Revenue</i>		
Current		1 624
<i>Appropriation</i>		
Output		125 454
Sales of Goods and Services		18 055
Interest Revenue		16
Goods and Services Received Free of Charge	4	1 476
Other Income		62
<b>TOTAL INCOME</b>	<b>3</b>	<b>146 687</b>
<b>EXPENSES</b>		
Employee Expenses		49 308
<i>Administrative Expenses</i>		
Purchases of Goods and Services	6	75 122
Repairs and Maintenance		321
Depreciation and Amortisation	10	719
Other Administrative Expenses	21	1
Goods and Services Received Free of Charge	4	1 476
<i>Grants and Subsidies Expenses</i>		
Current		6 515
Capital		9 315
Loss on Disposal of Assets	5	1
<b>TOTAL EXPENSES</b>	<b>3</b>	<b>142 778</b>
<b>NET SURPLUS</b>	<b>14</b>	<b>3 909</b>

*The Operating Statement is to be read in conjunction with the notes to the financial statements.*

No comparative disclosure is available because the agency was created on 1 July 2008 from Administrative Arrangements Order of 18 August 2008.

**DEPARTMENT OF BUSINESS AND EMPLOYMENT**  
**BALANCE SHEET**  
**As at 30 June 2009**

	NOTE	2009 \$'000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Deposits	7	5 023
Receivables	8	3 970
Loans and Advances	9	231
Prepayments		3 672
<b>Total Current Assets</b>		<b>12 896</b>
<b>Non-Current Assets</b>		
Property, Plant and Equipment	10	9 854
<b>Total Non-Current Assets</b>		<b>9 854</b>
<b>TOTAL ASSETS</b>		<b>22 750</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Deposits Held		337
Payables	11	3 835
Provisions	12	5 542
Other Liabilities	13	136
<b>Total Current Liabilities</b>		<b>9 850</b>
<b>Non-Current Liabilities</b>		
Provisions	12	2 245
<b>Total Non-Current Liabilities</b>		<b>2 245</b>
<b>TOTAL LIABILITIES</b>		<b>12 095</b>
<b>NET ASSETS</b>		<b>10 655</b>
<b>EQUITY</b>		
Capital	14	7 882
Reserves		324
Accumulated Funds		2 449
<b>TOTAL EQUITY</b>		<b>10 655</b>

*The Balance Sheet is to be read in conjunction with the notes to the financial statements.*

No comparative disclosure is available because the agency was created on 1 July 2008 from Administrative Arrangements Order of 18 August 2008.

**DEPARTMENT OF BUSINESS AND EMPLOYMENT**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 June 2009**

	NOTE	2009 \$'000
<b>BALANCE OF EQUITY AT 1 JULY</b>		<b>3 111</b>
<b>Capital</b>	14	
Balance at 1 July		4 247
Equity Injections		3 726
Equity Withdrawals		(91)
Balance at 30 June		<b>7 882</b>
<b>Reserves</b>	14	
Balance at 1 July		324
Changes in Accounting Policies		-
Correction of Prior Period Errors		-
Increase/(Decrease) in Asset Revaluation Reserve		-
Balance at 30 June		<b>324</b>
<b>Accumulated Funds</b>	14	
Balance at 1 July		(1 460)
Surplus/(Deficit) for the Period		3 909
Balance at 30 June		<b>2 449</b>
<b>BALANCE OF EQUITY AT 30 JUNE</b>		<b>10 655</b>

*The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.*

No comparative disclosure is available because the agency was created on 1 July 2008 from Administrative Arrangements Order of 18 August 2008.

**DEPARTMENT OF BUSINESS AND EMPLOYMENT**  
**CASH FLOW STATEMENT**  
For the year ended 30 June 2009

	NOTE	2009 \$'000 (Outflows) / Inflows
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating Receipts</b>		
<i>Grants and Subsidies Received</i>		
Current		1 624
Appropriation		
Output		125 454
Receipts From Sales of Goods And Services		25 511
Interest Received		18
<b>Total Operating Receipts</b>		<b>152 607</b>
<b>Operating Payments</b>		
Payments to Employees		(47 273)
Payments for Goods and Services		(83 931)
<i>Grants and Subsidies Paid</i>		
Current		(6 515)
Capital		(9 315)
<b>Total Operating Payments</b>		<b>(147 034)</b>
<b>Net Cash From Operating Activities</b>	15	<b>5 573</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing Receipts</b>		
Proceeds from Asset Sales	5	(1)
Repayment of Advances		184
<b>Total Investing Receipts</b>		<b>183</b>
<b>Investing Payments</b>		
Purchases of Assets		(3 860)
Advances and Investing Payments		(22)
<b>Total Investing Payments</b>		<b>(3 882)</b>
<b>Net Cash Used In Investing Activities</b>		<b>(3 699)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing Receipts</b>		
Proceeds of Borrowings		394
Deposits Received		(52)
<i>Equity Injections</i>		
Capital Appropriation	14	762
Other Equity Injections		2 055
<b>Total Financing Receipts</b>		<b>3 159</b>
<b>Financing Payments</b>		
Repayment of Borrowings		(395)
Equity Withdrawals	14	(91)
<b>Total Financing Payments</b>		<b>(486)</b>
<b>Net Cash From Financing Activities</b>		<b>2 673</b>
Net Increase in Cash Held		4 547
Cash at Beginning of Financial Year		476
<b>CASH AT END OF FINANCIAL YEAR</b>	7	<b>5 023</b>

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

No comparative disclosure is available because the agency was created on 1 July 2008 from Administrative Arrangements Order of 18 August 2008.

**DEPARTMENT OF BUSINESS AND EMPLOYMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2009**

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## 1. OBJECTIVES AND FUNDING

The objective of the Department of Business and Employment is to build industry capabilities through support and solutions for Territory businesses, develop, attract and retain a skilled Territory workforce and provide shared corporate services to the Northern Territory Government.

The Department is predominantly funded by, and is dependent on the receipt of Parliamentary appropriations. The financial statements encompass all funds through which the Department controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the Department are summarised into three Output Groups. Note 3 provides summary financial information in the form of an Operating Statement by Output Group.

The Department has the following output groups and outputs:

### Shared Services

- Finance Services
- Human Resource Services
- Procurement Policy and Services
- Information and Communication Technology Services
- Office Leasing Management

### Business Development

- Business Development

### Employment

- Employment

Detailed information about these outputs can be found within the annual report.

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a) Basis of Accounting

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

- (i) a Certification of the Financial Statements
- (ii) an Operating Statement
- (iii) a Balance Sheet
- (iv) a Statement of Changes in Equity
- (v) a Cash Flow Statement
- (vi) applicable explanatory notes to the financial statements.

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.

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

The form of the Department financial statements is also 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. The Standards and Interpretations and their impacts are:

*AASB 1004 Contributions (revised)*

The revisions have the effect of relocating the requirements on contributions from AASs 27, 29 and 31, substantively unamended (with some exceptions), into AASB 1004. The Standard will not have an impact on the financial statements.

*AASB 1052 Disaggregated Disclosures*

The main requirements of the Standard are for a government department to disclose by each major activity the major classes of income and expenses, assets deployed and liabilities incurred. The Department is unable to conform to all the requirements of the Standard for 2008-09 because assets and liabilities are not disaggregated by output group.

*AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AAS 27, AAS 29 and AAS 31*

The Standard relocates certain relevant requirements from AASs 27, 29 and 31, substantively unamended, into existing topic based standards. This standard also makes consequential amendments, arising from the short term review of AASs 27, 29 and 31, to AASB 5, AASB 8, AASB 101 and AASB 114. The Standard will not have an impact on the financial statements.

*AASB 2008-10 Amendments to Australian Accounting Standards – Reclassification of Financial Instruments.*

The Standard will not have an impact on the financial statements.

**b) Australian Accounting Standards and Interpretations issued but not yet effective**

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Note: It is likely that the 2009-10 Department financial statement formats will be brought in line with those within the Treasurer's Annual Financial Report (TAFR). An Exposure Draft (ED174 Amendments to Australian Accounting Standards to facilitate GAAP/GFS Harmonisation for Entities within the general government sector) is currently under review.

*AASB 2009-2 Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments*

Effective for annual reporting periods beginning on or after 1 January 2009 that end on or after 30 April 2009.

The Standard amends AASB 7 to require enhanced disclosures about fair value measurement of financial instruments.

### **c) Agency and Territory Items**

The financial statements of the Department include income, expenses, assets, liabilities and equity over which the Department has control (Agency items). Certain items, while managed by the Department, are controlled and recorded by the Territory rather than the Department (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 certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

### **d) Comparatives**

The Department of Business and Employment was established as a result of the administrative restructure of 18 August 2008. As a new entity, the Department of Business and Employment is not required to provide comparative financial disclosures for the 2008-09 financial year in this financial report. See Note 2(w).

### **e) 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.

### **f) Changes in Accounting Policies**

There have been no changes to accounting policies adopted in 2008-09 as a result of management decisions.

## **g) Accounting Judgements and Estimates**

The preparation of the financial report requires the making of judgements and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgements and estimates are:

- Employee Benefits – Note 2(s) and Note 12: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service.
- Contingent Liabilities – Note 18: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year Government bond rate.
- Allowance for Impairment Losses – Note 2(n) and Note 8: Receivables.
- Depreciation and Amortisation – Note 2(k), Note 10: Property, Plant and Equipment.

## **h) Goods and Services Tax**

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

## **i) Income Recognition**

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

### ***Grants and Other Contributions***

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Department obtains control over the assets comprising the contributions. Control is normally obtained upon receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

### ***Appropriation***

Output Appropriation is the operating payment to each agency for the outputs they provide and is calculated as the net cost of Department outputs after taking into account funding from Department income. It does not include any allowance for major non-cash costs such as depreciation.

Commonwealth Appropriation is new to 2008-09, and follows from the Intergovernmental Agreement on Federal Financial Relations. It has resulted in Special Purpose Payments and National Partnership payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by Treasury on behalf of the Central Holding Authority and then on passed to the relevant agencies as Commonwealth Appropriation.

Revenue in respect of Appropriations is recognised in the period in which the Department gains control of the funds.

### ***Sale of Goods***

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer
- the Department retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to the Department
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

***Rendering of Services***

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to the entity.

***Interest Revenue***

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

***Goods and Services Received Free of Charge***

Goods and services received free of charge are recognised as revenue when a fair value can be reliably determined and the resource would have been purchased if it had not been donated. Use of the resource is recognised as an expense.

***Disposal of Assets***

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. Refer also to Note 5.

***Contributions of Assets***

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined by Government, as gains when the Department obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

**j) Repairs and Maintenance Expense**

Funding is received for repairs and maintenance works associated with Department assets as part of Output Revenue. Costs associated with repairs and maintenance works on Department assets are expensed as incurred.

### **k) 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.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

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

	<b>2009</b>
Buildings	50 Years
Plant and Equipment	10 Years
Leased Plant and Equipment	5 Years
Intangible Assets	10 Years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

### **l) Interest Expense**

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

### **m) Cash and Deposits**

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 20.

### **n) Receivables**

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables the Department estimates are likely to be uncollectible and are considered doubtful. Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an ageing schedule under credit risk in Note 16 Financial Instruments.

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

## **o) Property, Plant and Equipment**

### ***Acquisitions***

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$5 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$5 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

### ***Complex Assets***

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

### ***Subsequent Additional Costs***

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Department in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their expected useful lives.

### ***Construction (Work in Progress)***

As part of Financial Management Framework, the Department of Planning and Infrastructure is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for the Department's capital works is provided directly to the Department of Planning and Infrastructure and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to the Department.



## **p) Revaluations and Impairment**

### ***Revaluation of Assets***

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- Land
- Buildings
- Intangible Assets.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction.

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

### ***Impairment of Assets***

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount. Non-current physical and intangible Department assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, the Department determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's depreciated replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Operating Statement unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the Asset Revaluation Reserve for that class of asset to the extent that an available balance exists in the Asset Revaluation Reserve.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the Asset Revaluation Reserve. Note 14 provides additional information in relation to the Asset Revaluation Reserve.

**q) Leased Assets**

Leases under which the Department assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

***Finance Leases***

Finance leases are capitalised. A leased asset and a lease liability equal to the present value of the minimum lease payments are recognised at the inception of the lease.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

***Operating Leases***

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space are recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction from the lease expenses over the term of the lease.

**r) Payables**

Liabilities for accounts payable and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Department. Accounts payable are normally settled within 30 days.

**s) Employee Benefits**

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries and recreation leave and other employee benefit liabilities that fall due within twelve 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 twelve months of the reporting date are measured at present value, calculated using the Government long term bond rate.

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 the Department and as such no long service leave liability is recognised in Department financial statements.

#### t) Superannuation

Employees' superannuation entitlements are provided through the:

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

The Department 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 as such are not recognised in Department financial statements.

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

The Department may receive contributions from Government where the Government is acting as owner of the Department. Conversely, the Department may make distributions to Government. In accordance with the *Financial Management Act* 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 the Department as adjustments to equity.

The Statement of Changes in Equity and Note 14 provide additional information in relation to contributions by, and distributions to, Government.

#### v) Commitments

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 17 and are consistent with the requirements contained in AASB 101, AASB 116 and AASB 117.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

#### w) Administrative Restructure

The Administrative Arrangements Order was revised on 18 August 2008. The changes to the Administrative Arrangements Order under the *Financial Management Act* come into effect from 1 July of the financial year in which they occur. The Department of Corporate and Information Services was amalgamated in total and together with other functions such as Business Development (from the former Department of Business, Economic and Regional Development) and Employment (from the former Department of Employment, Education and Training), into the new Department of Business and Employment from 1 July 2008.

In accordance with Treasurer's Directions, the recognition of net assets was treated as an equity adjustment shown in the Statement of Changes in Equity and related note disclosures.

### 3 OPERATING STATEMENT BY OUTPUT GROUP

	Note	Shared Services	Business Development	Employment	Total
		\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>					
<i>Grants and Subsidies Revenue</i>					
Current		534	90	1 000	1 624
Appropriation					
Output		102 625	19 644	3 185	125 454
Sales of Goods and Services		17 095	960	-	18 055
Interest Revenue		-	16	-	16
Goods and Services Received Free of Charge	4	-	1 210	266	1 476
Other Income		62	-	-	62
<b>TOTAL INCOME</b>		<b>120 316</b>	<b>21 920</b>	<b>4 451</b>	<b>146 687</b>
<b>EXPENSES</b>					
Employee Expenses		39 928	7 744	1 636	49 308
<i>Administrative Expenses</i>					
Purchases of Goods and Services	6	71 210	2 920	992	75 122
Repairs and Maintenance		274	38	9	321
Depreciation and Amortisation	10	676	34	9	719
Loss on Disposal of Assets	5	1	-	-	1
Other Administrative Expenses	21	1	-	-	1
Goods and Services Received Free of Charge	4	-	1 210	266	1 476
<i>Grants and Subsidies Expenses</i>					
Current		274	4 693	1 548	6 515
Capital		4 000	5 315	-	9 315
<b>TOTAL EXPENSES</b>		<b>116 364</b>	<b>21 954</b>	<b>4 460</b>	<b>142 778</b>
<b>NET SURPLUS</b>	14	<b>3 952</b>	<b>(34)</b>	<b>(9)</b>	<b>3 909</b>

The Operating Statement by Output Group is to be read in conjunction with the notes to the financial statements.

		2009 \$'000
<b>4.</b>	<b>GOODS AND SERVICES RECEIVED FREE OF CHARGE</b>	
	Corporate and Information Services relating to Business and Employment	1 476
	<b>Total Goods and Services Received Free of Charge</b>	<b>1 476</b>
<b>5.</b>	<b>LOSS ON DISPOSAL OF ASSETS</b>	
	Net proceeds from the disposal of non-current assets	3
	Less: carrying value of non-current assets disposed	(4)
	<b>Total Loss on Disposal of Assets</b>	<b>(1)</b>
<b>6.</b>	<b>PURCHASES OF GOODS AND SERVICES</b>	
	The net surplus/(deficit) has been arrived at after charging the following expenses:	
	<b>Goods and Services Expenses:</b>	
	Information Technology	12 406
	Office Leasing	49 436
	Consultants <sup>(1)</sup>	3 888
	Advertising <sup>(2)</sup>	450
	Marketing and Promotion <sup>(3)</sup>	1 090
	Document Production	95
	Legal Expenses <sup>(4)</sup>	270
	Recruitment <sup>(5)</sup>	266
	Training and Study	427
	Official Duty Fares	434
	Travelling Allowance	112
	<i>(1) Includes ICT, marketing and promotion consultants.</i>	
	<i>(2) Does not include recruitment advertising or marketing and promotion advertising.</i>	
	<i>(3) Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.</i>	
	<i>(4) Includes legal fees, claim and settlement costs.</i>	
	<i>(5) Includes recruitment related advertising costs.</i>	
<b>7.</b>	<b>CASH AND DEPOSITS</b>	
	Cash on Hand	61
	Cash at Bank	4 962
	<b>Total Cash and Deposits</b>	<b>5 023</b>
<b>8.</b>	<b>RECEIVABLES</b>	
	<b>Current</b>	
	Accounts Receivable	2 650
	Less: Allowance for Impairment Losses	-
		<b>2 650</b>
	GST Receivable	812
	Other Receivables	508
	<b>Total Receivables</b>	<b>3 970</b>

		2009 \$'000
<b>9.</b>	<b>LOANS AND ADVANCES</b>	
	Advances Paid	415
	Advances Repaid	(184)
	<b>Total Loans and Advances</b>	<b>231</b>
<b>10.</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>	
	<b>Land</b>	
	At fair value	1 400
		<b>1 400</b>
	<b>Buildings</b>	
	At fair value	5 175
	Less: Accumulated Depreciation	(3 062)
		<b>2 113</b>
	<b>Plant and Equipment</b>	
	At cost	2 116
	Less: Accumulated Depreciation	(1 176)
		<b>940</b>
	<b>Computer Software</b>	
	At fair value	6 897
	Less: Accumulated Amortisation	(1 496)
		<b>5 401</b>
	<b>Computer Hardware</b>	
	At fair value	357
	Less: Accumulated Depreciation	(357)
		-
	<b>Total Property, Plant and Equipment</b>	<b>9 854</b>

### 2009 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2008-09 is set out below:

	Land	Buildings	Plant & Equipment	Computer Software	Computer Hardware	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2008</b>	1 400	2 204	369	2 230	-	6 203
Additions	-	-	296	3 564	-	3 860
Disposals	-	-	(4)	-	-	(4)
Depreciation and Amortisation	-	(107)	(203)	(392)	(17)	(719)
Additions/(Disposals) from Asset Transfers	-	15	481	-	17	513
<b>Carrying Amount as at 30 June 2009</b>	<b>1 400</b>	<b>2 113</b>	<b>940</b>	<b>5 401</b>	<b>-</b>	<b>9 854</b>

	2009 \$'000
<b>11. PAYABLES</b>	
Accounts Payable	2 068
Accrued Expenses	1 767
<b>Total Payables</b>	<b>3 835</b>
<b>12. PROVISIONS</b>	
<b>Current</b>	
<i>Employee Benefits</i>	
Recreation Leave	3 971
Leave Loading	575
Recreation Leave Airfares	175
<i>Other Current Provisions</i>	
Other Provisions	821
	<b>5 542</b>
<b>Non-Current</b>	
<i>Employee Benefits</i>	
Recreation Leave	2 245
	<b>2 245</b>
<b>Total Provisions</b>	<b>7 787</b>
<b>Reconciliation of Other Provisions</b>	
<b>Balance as at 1 July 2008</b>	547
Additional Provisions Recognised	2 148
Reductions Arising from Payments	(1 874)
<b>Balance as at 30 June 2009</b>	<b>821</b>

The Department employed 629 full-time equivalent employees as at 30 June 2009.

	2009 \$'000
<b>13. OTHER LIABILITIES</b>	
<b>Current</b>	
Other Liabilities	136
<b>Total Other Liabilities</b>	<b>136</b>
<b>14. EQUITY</b>	
Equity represents the residual interest in the net assets of the Department. The Government's ownership interest in the Department is held in the Central Holding Authority as described in Note 2(c).	
<b>Capital</b>	
<b>Balance as at 1 July</b>	<b>4 247</b>
<i>Equity Injections</i>	
Capital Appropriation	762
Equity Transfers In	909
Other Equity Injections	2 055
<i>Equity Withdrawals</i>	
Equity Transfers Out	(91)
<b>Balance as at 30 June</b>	<b>7 882</b>
<b>Reserves</b>	
<b>Asset Revaluation Reserve</b>	
(i) <i>Nature and Purpose of the Asset Revaluation Reserve</i>	
The asset revaluation reserve 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 Reserve.	
(ii) <i>Movements in the Asset Revaluation Reserve</i>	
<b>Balance as at 1 July</b>	<b>324</b>
Increment/(Decrement) – Land	-
Increment/(Decrement) – Buildings	-
<b>Balance as at 30 June</b>	<b>324</b>
<b>Accumulated Funds</b>	
<b>Balance as at 1 July</b>	<b>(1 460)</b>
Surplus for the Period	3 909
<b>Balance as at 30 June</b>	<b>2 449</b>
<b>Total Equity</b>	<b>10 655</b>



	2009 \$'000
<b>15. NOTES TO THE CASH FLOW STATEMENT</b>	
<b>Reconciliation of Cash</b>	
The total of Department Cash and Deposits of \$5 022 929 recorded in the Balance Sheet is consistent with that recorded as 'cash' in the Cash Flow Statement.	
<b>Reconciliation of Net Surplus to Net Cash From Operating Activities</b>	
<b>Net Surplus</b>	<b>3 909</b>
<i>Non-Cash Items:</i>	
Depreciation and Amortisation	719
(Gain)/Loss on Disposal of Fixed Assets	4
Repairs and Maintenance – Minor New Works (non-cash)	2
<i>Changes in Assets and Liabilities:</i>	
Decrease/(Increase) in Receivables	(1 642)
Decrease/(Increase) in Prepayments	(163)
(Decrease)/Increase in Payables	889
(Decrease)/Increase in Provision for Employee Benefits	1 546
(Decrease)/Increase in Other Provisions	274
(Decrease)/Increase in Other Liabilities	35
<b>Net Cash From Operating Activities</b>	<b>5 573</b>

## 16. 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. Financial instruments held by the Department include cash and deposits, receivables, payables and finance leases. The Department has limited exposure to financial risks as discussed below.

### (a) Categorisation of Financial Instruments

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

	2009 \$'000
<b>Financial Assets</b>	
Cash and deposits	5 023
Receivables	3 970
Loans and Advances	231
<b>Total Financial Assets</b>	<b>9 224</b>
<b>Financial Liabilities</b>	
Deposits Held	337
Payables	3 835
<b>Total Financial Liabilities</b>	<b>4 172</b>

## 16. FINANCIAL INSTRUMENTS (Continued)

### b) Credit Risk

The Department has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, the Department 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 the Department's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

#### Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and ageing analysis of receivables is presented below.

	2009 \$'000
<b>Ageing of Receivables</b>	
Not overdue	3 356
Overdue for less than 30 days	440
Overdue for 30 to 60 days	33
Overdue for more than 60 days	141
<b>Total Receivables</b>	<b>3 970</b>

### (c) Liquidity risk

Liquidity risk is the risk that the Department will not be able to meet its financial obligations as they fall due. The Department's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the undiscounted cash flows payable by the Department by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Balance Sheet.

#### 2009 Maturity analysis for financial liabilities

	Variable Interest	Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
		Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Deposits Held	-	-	-	-	337	337	
Payables	-	-	-	-	3 835	3 835	
<b>Total Financial Liabilities:</b>	-	-	-	-	<b>4 172</b>	<b>4 172</b>	

## 16. FINANCIAL INSTRUMENTS (Continued)

### (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. The primary market risk that an agency is likely to be exposed to is interest rate risk.

#### i) Interest Rate Risk

The Agency is not exposed to interest rate risk as Department financial assets and financial liabilities are non-interest bearing.

#### ii) Price Risk

The Department is not exposed to price risk as the Department does not hold units in unit trusts.

#### iii) Currency Risk

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

### (e) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values. Where differences exist, these are not material.

	2009	
	Total carrying amount \$'000	Net Fair Value \$'000
<b>Financial Assets</b>		
Cash and Deposits	5 023	5 023
Receivables	3 970	3 970
Loans and Advances	231	231
<b>Total Financial Assets:</b>	<b>9 224</b>	<b>9 224</b>
<b>Financial Liabilities</b>		
Deposits Held	337	337
Payables	3 835	3 835
<b>Total Financial Liabilities:</b>	<b>4 172</b>	<b>4 172</b>

## 17. COMMITMENTS

### (a) *Property Lease Commitments*

The Department leases property under non-cancellable operating leases expiring from 1 month to 25 years. Leases generally provide the Department with a right of renewal at which time all lease terms are renegotiated. The Department also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:

	2009 \$'000
Within one year	37 101
Later than one year and not later than five years	93 742
Later than five years	63 910
	<b>194 753</b>

### (b) *Operating Lease Commitments*

Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows

Within one year	60
Later than one year and not later than five years	52
	<b>112</b>

## 18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Department had no material contingent liabilities or contingent assets as at 30 June 2009.

## 19. 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.

## 20. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the *Financial Management Act*, an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust. A summary of activity is shown below:

Nature of Trust Money	Opening Balance 1 July 2008	Receipts	Payments	Closing Balance 30 June 2009
Superannuation returned cheques	-	5	5	-
	-	5	5	-

## 21. WRITE-OFFS, POSTPONEMENTS AND WAIVERS

	2009 \$'000	No. of Trans.
<b>Write-offs, Postponements and Waivers Under the <i>Financial Management Act</i></b>	<b>1</b>	<b>1</b>
Represented by:		
<u>Amounts written-off, postponed and waived by Delegates</u>		
Public property written-off	1	1
<b>Total written-off, postponed and waived by Delegates</b>	<b>1</b>	<b>1</b>

## DATA CENTRE SERVICES

### FINANCIAL REPORT

#### FINANCIAL STATEMENT OVERVIEW For the Year Ended 30 June 2009

#### FINANCIAL PERFORMANCE

Data Centre Services continued to produce a strong result in 2008-09 with a surplus of \$1.9M, exceeding the budget estimate by \$0.2M. This surplus result is after paying taxes of \$0.8M. Data Centre Services will also return a dividend of \$0.9M to Government for 2008-09.

With the ever expanding development of information and communications technology (ICT) solutions, Data Centre Services operates in an environment of increasing demand for its services. Growth is mostly focused in the Midrange Services area with the expansion of virtual servers and data storage in the Storage Area Network.

In 2008-09, Data Centre Services consolidated ePass as the Government's central ICT identity and access management system following implementation of the ePass 2 project in 2007-08. Revenues and costs for ePass settled into more usual operational patterns in 2008-09. An upgrade to ePass is scheduled for 2009-10 along with an increase in charges to agencies that will see ePass revenue rise and improve cost recovery.

Data Centre Services has three main business functions – midrange services, mainframe services and a whole of government IT security administration function. Revenue and expenses for these functions are provided below.

**Table 1: 2008-09 Budget and Actual Performance**

	Actual \$'000		Budget \$'000		Variation \$'000	
	2009	2008	2009	2008	2009	2008
Income	19 568	19 003	19 586	18 989	(18)	14
Expenses	16 895	14 754	17 211	16 248	316	1 494
<b>Net Surplus before Tax</b>	<b>2 673</b>	<b>4 249</b>	<b>2 375</b>	<b>2 741</b>	<b>298</b>	<b>1 508</b>
Income Tax Expense	802	1 275	713	822	(89)	(453)
<b>Net Surplus after Tax</b>	<b>1 871</b>	<b>2 974</b>	<b>1 662</b>	<b>1 919</b>	<b>209</b>	<b>1 055</b>

## Income

Data Centre Services primary revenue source is from providing information technology services to Government agencies and external clients. This is classified as goods and services revenue and represents 99% of total revenue.

**Table 2: Revenue by Category**

Year	Goods and Services		Interest		Other		TOTAL	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
08-09	19 331	98.8	212	1.1	25	0.1	19 568	100.0
07-08	18 721	98.5	246	1.3	36	0.2	19 003	100.0

**Table 3: Revenue by Business Function**

Year	Midrange		Mainframe		IT Security / ePass		TOTAL	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
08-09	12 887	65.9	4 425	22.6	2 256	11.5	19 568	100.0
07-08	14 154	74.5	2 956	15.6	1 893	10.0	19 003	100.0

## Expenses

In the provision of services, Data Centre Services incurs the majority of its expenditure on:

- ICT- information technology related costs for hardware and software, including contractors
- employee costs.

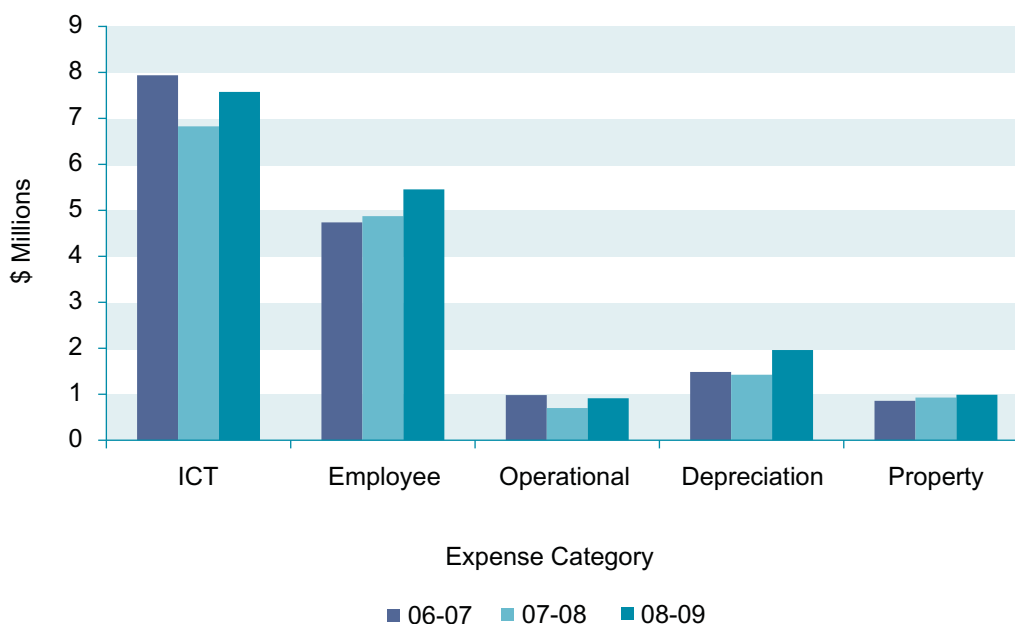
**Table 4: Expenses by Category**

Year	ICT		Employee		Operational		Depreciation		Property		Total	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
08-09	7 575	44.8	5 456	32.3	913	5.4	1 962	11.6	989	5.9	16 895	100.0
07-08	6 827	46.3	4 874	33.0	700	4.7	1 425	9.7	928	6.3	14 754	100.0

While all cost categories increased in absolute terms in 2008-09, the major cost categories decreased in percentage share terms over the period. Depreciation experienced the largest growth primarily due to the prior investment in the ePass 2 system which commenced being depreciated in 2008-09.

Figure 1 compares Data Centre Services' expenses across financial years by category

**Figure 1: Expenses by Category**



The demand for Midrange and ePass services has increased revenue; it has also resulted in increased costs.

**Table 5: Expenses by Business Function**

Year	Midrange		Mainframe		IT Security / ePass		TOTAL	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
08-09	11 453	67.8	2 875	17.0	2 567	15.2	16 895	100.0
07-08	11 618	78.7	2 131	14.4	1 005	6.9	14 754	100.0

## FINANCIAL POSITION

Data Centre Services continued to maintain a strong financial position in 2008-09 increasing net assets from \$8.1M to \$9.1M. Total liabilities reduced by \$1.2M, partially offset by a small reduction in total assets to provide an overall improvement of \$1.0M. The reduction in liabilities for 2008-09 was due to a combination of reduced income tax liability and provision for dividends.

Due to Data Centre Services strong cash position, asset acquisitions in 2008-09 were funded from cash balances at a capital cost of \$0.7M and software licences of \$0.2M. Acquisitions were more than offset by depreciation increases of \$1.9M.





AUDITOR-GENERAL

**Independent Auditor's Report  
to the Minister for Business  
Data Centre Services  
Year ended 30 June 2009**

I have audited the accompanying financial report of the Data Centre Services, which comprises the balance sheet as at 30 June 2009, and the operating statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes of the entity.

**The Responsibility of the Chief Executive for the Financial Report**

The Chief Executive of the Department of Business and Employment is responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on my audit. I conducted an independent audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

**Auditor's Opinion**

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Data Centre Services as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).

F McGuinness  
Auditor-General for the Northern Territory  
Darwin, Northern Territory

2 October 2009

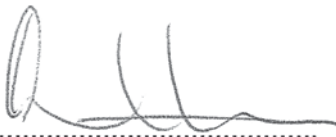
## DATA CENTRE SERVICES FINANCIAL REPORT

### CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for Data Centre Services have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the Income 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 2009 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.



.....  
Graham Symons  
A/CHIEF EXECUTIVE

25 September 2009



.....  
Rex Schoolmeester  
CHIEF FINANCE OFFICER

25 September 2009

**DATA CENTRE SERVICES  
OPERATING STATEMENT  
For the year ended 30 June 2009**

	NOTE	2009 \$'000	2008 \$'000
<b>INCOME</b>			
Sales of Goods and Services		19 331	18 721
Interest Revenue		212	246
Other Income		25	36
<b>TOTAL INCOME</b>		<b>19 568</b>	<b>19 003</b>
<b>EXPENSES</b>			
Employee Expenses		5 456	4 874
<i>Administrative Expenses</i>			
Purchases of Goods and Services	3	9 469	8 510
Depreciation and Amortisation	7	1 962	1 425
Other Administrative Expenses		8	55
Interest Expenses		-	-
<b>TOTAL EXPENSES</b>		<b>16 895</b>	<b>14 754</b>
Income Tax Expense	4	802	1 275
<b>NET SURPLUS</b>	12	<b>1 871</b>	<b>2 974</b>

*The Income Statement is to be read in conjunction with the notes to the financial statements.*

**DATA CENTRE SERVICES  
BALANCE SHEET  
As at 30 June 2009**

	NOTE	2009 \$'000	2008 \$'000
<b>ASSETS</b>			
<i><b>Current Assets</b></i>			
Cash	5	5 045	4 507
Receivables	6	2 139	2 087
Prepayments		1 567	1 304
<i><b>Total Current Assets</b></i>		<b>8 751</b>	<b>7 898</b>
<i><b>Non-Current Assets</b></i>			
Property, Plant and Equipment	7	3 850	4 885
<i><b>Total Non-Current Assets</b></i>		<b>3 850</b>	<b>4 885</b>
<b>TOTAL ASSETS</b>		<b>12 601</b>	<b>12 783</b>
<b>LIABILITIES</b>			
<i><b>Current Liabilities</b></i>			
Payables	8	517	804
Income Tax Liabilities	9	802	1 275
Provisions	10	1 543	2 080
Other Liabilities	11	368	316
<i><b>Total Current Liabilities</b></i>		<b>3 230</b>	<b>4 475</b>
<i><b>Non-Current Liabilities</b></i>			
Provisions	10	230	197
<i><b>Total Non-Current Liabilities</b></i>		<b>230</b>	<b>197</b>
<b>TOTAL LIABILITIES</b>		<b>3 460</b>	<b>4 672</b>
<b>NET ASSETS</b>		<b>9 141</b>	<b>8 111</b>
<b>EQUITY</b>			
Capital	12	569	475
Accumulated Funds		8 572	7 636
<b>TOTAL EQUITY</b>		<b>9 141</b>	<b>8 111</b>

*The Balance Sheet is to be read in conjunction with the notes to the financial statements.*

**DATA CENTRE SERVICES**  
**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 30 June 2009

	NOTE	2009 \$'000	2008 \$'000
<b>BALANCE OF EQUITY AT 1 JULY</b>		<b>8 111</b>	<b>6 480</b>
<b>Capital</b>	12		
Balance at 1 July		475	331
Equity Injections		94	144
Balance at 30 June		<b>569</b>	<b>475</b>
<b>Accumulated Funds</b>	12		
Balance at 1 July		7 636	6 149
Surplus for the Period		1 871	2 974
Dividends payable		(935)	(1 487)
Balance at 30 June		<b>8 572</b>	<b>7 636</b>
<b>BALANCE OF EQUITY AT 30 JUNE</b>		<b>9 141</b>	<b>8 111</b>

*The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.*

**DATA CENTRE SERVICES  
CASH FLOW STATEMENT  
For the year ended 30 June 2009**

	NOTE	2009 \$'000 (Outflows) / Inflows	2008 \$'000 (Outflows) / Inflows
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Operating Receipts</i>			
Receipts from Sales of Goods and Services		20 393	19 709
GST Receipts		1 108	1 856
Interest Received		230	235
<b>Total Operating Receipts</b>		<b>21 731</b>	<b>21 800</b>
<i>Operating Payments</i>			
Payments to Employees		(5 323)	(4 810)
Payments for Goods and Services		(11 241)	(10 210)
GST Payments		(1 034)	(1 243)
Income Tax Paid		(1 275)	(680)
Interest Paid		-	-
<b>Total Operating Payments</b>		<b>(18 873)</b>	<b>(16 943)</b>
<b>Net Cash From Operating Activities</b>	13	<b>2 858</b>	<b>4 857</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Investing Payments</i>			
Purchases of Assets		(833)	(3 609)
<b>Total Investing Payments</b>		<b>(833)</b>	<b>(3 609)</b>
<b>Net Cash Used In Investing Activities</b>		<b>(833)</b>	<b>(3 609)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Financing Payments</i>			
Finance Lease Payments		-	-
Dividends Paid	10, 12	(1 487)	(793)
<b>Total Financing Payments</b>		<b>(1 487)</b>	<b>(793)</b>
<b>Net Cash (Used In) Financing Activities</b>		<b>(1 487)</b>	<b>(793)</b>
Net Increase in Cash Held		538	455
Cash at Beginning of Financial Year		4 507	4 052
<b>CASH AT END OF FINANCIAL YEAR</b>	5	<b>5 045</b>	<b>4 507</b>

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

**DATA CENTRE SERVICES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2009**

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**EXPENSES**

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6. Receivables
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14. Financial Instruments
15. Commitments
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17. Events Subsequent to Balance Date
18. Write-offs, Postponements and Waivers

## 1. OBJECTIVES AND FUNDING

Data Centre Services delivers a range of information technology services to all Northern Territory Government agencies and ensures that critical business systems operate in an environment that is flexible, reliable and secure with high levels of access and availability.

Data Centre Services is funded through income generated by services provided to Northern Territory Government agencies. The financial statements encompass all funds and resources which Data Centre Services controls to carry on its functions and deliver the output of Data Centre Management.

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions. The *Financial Management Act* requires Data Centre Services to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of the financial statements is to include:

- (i) a Certification of the Financial Statements
- (ii) an Operating Statement
- (iii) a Balance Sheet
- (iv) a Statement of Changes in Equity
- (v) a Cash Flow Statement
- (vi) applicable explanatory notes to the financial statements.

The form of agency financial statements is consistent with the accrual budget format and the requirements of the Australian Accounting Standards, including AASB 101 and AASB 107. The format also requires additional disclosures specific to Northern Territory Government entities.

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 also been prepared in accordance with the historical cost convention.

*AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AAS 27, AAS 29 and AAS 31*

The Standard relocates certain relevant requirements from AASs 27, 29 and 31, substantively unamended, into existing topic based standards. This standard also



makes consequential amendments, arising from the short term review of AASs 27, 29 and 31, to AASB 5, AASB 8, AASB 101 and AASB 114. The Standard will not have an impact on the Financial Statements.

**(b) Australian Accounting Standards and Interpretations Issued but not yet Effective**

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

*AASB 101 Presentation of Financial Statements (revised September 2007), AASB 2007-8 Amendments to Australian Accounting Standards Arising from AASB 101, AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101*

Effective for annual reporting period beginning on or after 1 January 2009.

*AASB 2009-2 Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments*

Effective for annual reporting period beginning on or after 1 January 2009 that ends on or after 30 April 2009.

*AASB Interpretation 18 Transfer of Assets from Customers*

Effective for annual reporting beginning on or after 1 July 2009.

Data Centre Services anticipates that the adoption of these Standards and Interpretations in future reporting periods will have no material impact on the financial statements. These Standards and Interpretations will be first applied in the financial report that relates to the annual reporting period beginning after the effective date of each pronouncement.

**(c) Agency and Territory Items**

The financial statements of Data Centre Services include income, expenses, assets, liabilities and equity over which it has control (Agency items). Certain items, while managed by the Government Business Division (GBD), are controlled and recorded by the Territory rather than the GBD (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 holds certain Territory assets not assigned to Agencies as well as certain Territory liabilities that are not practical or effective to assign to individual Agencies such as unfunded superannuation and long service leave.

**(d) Comparatives**

Where necessary, comparative information for the 2007-08 financial year has been reclassified to provide consistency with current year disclosures.

**(e) 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 less than \$500 being rounded down to zero.

**(f) Changes in Accounting Policies**

There have been no changes to accounting policies adopted in 2008-09 as a result of management decisions.

**(g) Accounting Judgements and Estimates**

The preparation of the financial report requires the making of judgements and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgements and estimates are:

- Employee Benefits – Note 2(u) and Note 10: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service.
- Contingent Liabilities – Note 16: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year Government bond rate.
- Doubtful Debts – Note 2(o) and Note 6: Receivables.
- Depreciation and Amortisation – Note 2(k) and Note 7: Property, Plant and Equipment.

**(h) Goods and Services Tax**

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

#### **(i) Income Recognition**

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of Goods and Services Tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

Deferred income is recognised when income is received prior to the transfer of goods or provision of services to a customer.

#### ***Sale of Goods***

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer
- Data Centre Services retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to Data Centre Services;

and

- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### ***Rendering of Services***

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to the entity.

**Interest Revenue**

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

**Disposal of Assets**

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

**Contributions of Assets**

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined by Government, as gains when Data Centre Services obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

**(j) Repairs and Maintenance Expenses**

Costs associated with repairs and maintenance works on Data Centre Services' assets are expensed as incurred.

**(k) 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.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

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

	2009	2008
Plant and Equipment	2 - 10 Years	2 - 10 Years
Computer Software	2 - 5 Years	2 - 5 Years
Computer Hardware	2 - 4 Years	2 - 4 Years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

**(l) Interest Expenses**

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

**(m) Taxation**

Data Centre Services is required to pay income tax on its accounting surplus at the company rate of 30% in accordance with the requirements of the Treasurer's Directions, NT Tax Equivalents Regime.

**(n) Cash and Deposits**

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.

**(o) Receivables**

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables Data Centre Services estimates are likely to be uncollectible and are considered doubtful. Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule under credit risk in Note 14 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

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

**(p) Property, Plant and Equipment*****Acquisitions***

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$5 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$5 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

***Complex Assets***

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

***Subsequent Additional Costs***

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to Data Centre Services in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their expected useful lives.

***Construction (Work in Progress)***

As part of Financial Management Framework, the Department of Planning and

Infrastructure is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for Data Centre Services' capital works is provided directly to the Department of Planning and Infrastructure and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to the Data Centre Services.

#### **(q) Revaluations and Impairment**

##### ***Revaluation of Assets***

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- Infrastructure Assets.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arms length transaction.

#### **(r) Impairment of Assets**

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

Non-current physical and intangible Data Centre Services assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, Data Centre Services determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's depreciated replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Operating Statement unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the Asset Revaluation Reserve for that class of asset to the extent that an available balance exists in the Asset Revaluation Reserve.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the Asset Revaluation Reserve.

#### **(s) Leased Assets**

Leases under which Data Centre Services assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

##### ***Finance Leases***

Finance leases are capitalised. A leased asset and a lease liability equal to the present value of the minimum lease payments are recognised at the inception of the lease.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

### ***Operating Leases***

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space are recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are recognised as a deduction of the lease expense over the term of the lease.

### **(t) Payables**

Liabilities for accounts payable and other amounts payable are carried at 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 Data Centre Services. Accounts payable are normally settled within 30 days.

### **(u) Employee Benefits**

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries and recreation leave and other employee benefit liabilities that fall due within twelve 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 twelve months of the reporting date are measured at present value, calculated using the Government long term bond rate.

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 Data Centre Services and, as such, no long service leave liability is recognised in the financial statements.

**(v) Superannuation**

Employees' superannuation entitlements are provided through the:

- NT 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.

Data Centre Services 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 as such are not recognised in Data Centre Services' financial statements.

**(w) Contributions by and Distributions to Government**

Data Centre Services may receive contributions from Government where the Government is acting as owner of Data Centre Services. Conversely, Data Centre Services may make distributions to Government. In accordance with the *Financial Management Act* 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 Data Centre Services as adjustments to equity.

The Statement of Changes in Equity and Note 12 provide additional information in relation to contributions by, and distributions to, Government.

**(x) Dividends**

Data Centre Services has provided for a dividend payable at the rate of 50% of net profit after tax in accordance with the NT Government's dividend policy.

**(y) Commitments**

Disclosures in relation to commitments are shown at Note 15 and are consistent with the requirements contained in AASB 101, AASB 116 and AASB 117.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.



	2009 \$'000	2008 \$'000
<b>3. PURCHASES OF GOODS AND SERVICES</b>		
The net surplus has been arrived at after charging the following expenses:		
<b>Goods and Services Expenses:</b>		
Consultants <sup>(1)</sup>	2 535	1 886
Marketing and Promotion <sup>(2)</sup>	1	15
Legal Expenses <sup>(3)</sup>	-	-
Recruitment <sup>(4)</sup>	17	10
Training and Study	239	69
Official Duty Fares	7	12
Travelling Allowance	3	4
Corporate Support from Other Agencies	267	263
Audit Fees	16	11
<i>(1) Includes marketing, promotion and IT consultants.</i>		
<i>(2) Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.</i>		
<i>(3) Includes legal fees, claim and settlement costs.</i>		
<i>(4) Includes recruitment related advertising costs.</i>		
<b>4. INCOME TAX EXPENSE</b>		
Current Year Surplus	2 672	4 249
Prima facie income tax expense calculated at 30% on the surplus	802	1 275
<b>Total Income Tax Expense</b>	<b>802</b>	<b>1 275</b>
<b>5. CASH</b>		
Cash at Bank	5 045	4 507
<b>Total Cash</b>	<b>5 045</b>	<b>4 507</b>

	2009 \$'000	2008 \$'000
<b>6. RECEIVABLES</b>		
<b>Current</b>		
Accounts Receivable	480	337
Less: Allowance for Impairment Losses	(11)	(2)
	<b>469</b>	<b>335</b>
Interest Receivable	11	29
GST Receivable		25
Other Receivables	1 659	1 698
<b>Total Receivables</b>	<b>2 139</b>	<b>2 087</b>
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Plant and Equipment</b>		
At Cost	502	375
Less: Accumulated Depreciation	(262)	(141)
	<b>240</b>	<b>234</b>
<b>Computer Software</b>		
At Cost	2 317	2 317
Less: Accumulated Amortisation	(738)	(197)
	<b>1 579</b>	<b>2 120</b>
<b>Computer Hardware</b>		
At Cost	6 385	5 585
Less: Accumulated Depreciation	(4 354)	(3 054)
	<b>2 031</b>	<b>2 531</b>
<b>Total Property, Plant and Equipment</b>	<b>3 850</b>	<b>4 885</b>

### Impairment of Property, Plant and Equipment

Data Centre Services' property, plant and equipment assets were assessed for impairment as at 30 June 2009. No impairment adjustments were required as a result of this review.

## 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Plant & Equipment	Computer Software	Computer Hardware	Total
	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2008</b>	<b>234</b>	<b>2120</b>	<b>2 531</b>	<b>4 885</b>
Additions/ Transfer In	127	-	846	973
Transfer (Out)	-	-	(46)	(46)
Depreciation / Amortisation	(121)	(541)	(1 300)	(1 962)
<b>Carrying Amount as at 30 June 2009</b>	<b>240</b>	<b>1 579</b>	<b>2 031</b>	<b>3 850</b>

	Plant & Equipment	Computer Software	Computer Hardware	Total
	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2007</b>	<b>385</b>	<b>4</b>	<b>2 221</b>	<b>2 610</b>
Additions	141	2 314	1 462	3 917
Transfer In / (Out)	(214)	(3)	-	(217)
Depreciation / Amortisation	(78)	(195)	(1 152)	(1 425)
<b>Carrying Amount as at 30 June 2008</b>	<b>234</b>	<b>2 120</b>	<b>2 531</b>	<b>4 885</b>

	2009 \$'000	2008 \$'000
<b>8. PAYABLES</b>		
Accounts Payable	41	447
Accrued Expenses	426	357
GST Payable	50	
<b>Total Payables</b>	<b>517</b>	<b>804</b>
<b>9. INCOME TAX LIABILITIES</b>		
Income Tax Payable	802	1 275
<b>Total Income Tax Liabilities</b>	<b>802</b>	<b>1 275</b>

	2009 \$'000	2008 \$'000
<b>10. PROVISIONS</b>		
<b>Current</b>		
<i>Employee Benefits</i>		
Recreation Leave	420	344
Leave Loading	71	81
Other Employee Benefits – Recreation Leave Airfares	8	9
<i>Other Current Provisions</i>		
Provision for Dividend	935	1 487
Provision for Fringe Benefits Tax	3	4
Provision for Superannuation	60	53
Provision for Payroll Tax	46	39
Provision for Workers Compensation Premium		13
Provision for Public Liability Insurance		50
	<b>1 543</b>	<b>2 080</b>
<b>Non-Current</b>		
<i>Employee Benefits</i>		
Recreation Leave	230	197
	<b>230</b>	<b>197</b>
<b>Total Provisions</b>	<b>1 773</b>	<b>2 277</b>
<b>Reconciliation of Dividends</b>		
<b>Balance as at 1 July 2008</b>	<b>1487</b>	<b>793</b>
Reductions Arising from Payments	(1487)	(793)
Additional Provisions Recognised	935	1 487
<b>Balance as at 30 June 2009</b>	<b>935</b>	<b>1 487</b>
Data Centre Services employed 57 employees as at 30 June 2009 (57 employees as at 30 June 2008).		
<b>11. OTHER LIABILITIES</b>		
<b>Current</b>		
Deferred Revenue	368	316
<b>Total Other Liabilities</b>	<b>368</b>	<b>316</b>

	2009 \$'000	2008 \$'000
<b>12. EQUITY</b>		
Equity represents the residual interest in the net assets of Data Centre Services. The Government's ownership interest in Data Centre Services is held in the Central Holding Authority as described in Note 2(c).		
<b>Capital</b>		
<b>Balance as at 1 July</b>	<b>475</b>	<b>331</b>
<i>Equity Injections</i>		
Equity Transfers In	94	144
<b>Balance as at 30 June</b>	<b>569</b>	<b>475</b>
Data Centre Services has made no adjustment to reserves for the year ended 2008-09 or 2007-08		
<b>Accumulated Funds</b>		
<b>Balance as at 1 July</b>	<b>7 636</b>	<b>6 149</b>
Surplus for the Period	1 871	2 974
Dividends Payable	(935)	(1 487)
<b>Balance as at 30 June</b>	<b>8 572</b>	<b>7 636</b>
<b>Total Equity</b>	<b>9 141</b>	<b>8 111</b>

	2009 \$'000	2008 \$'000
<b>13. NOTES TO THE CASH FLOW STATEMENT</b>		
<b>Reconciliation of Cash</b>		
The total of Data Centre Services Cash of \$5.045M recorded in the Balance Sheet is consistent with that recorded as 'cash' in the Cash Flow Statement.		
<b>Reconciliation of Net Surplus to Net Cash from Operating Activities</b>		
<b>Net Surplus</b>	<b>1 871</b>	<b>2 974</b>
<i>Non-Cash Items:</i>		
Depreciation and Amortisation	1 962	1 425
Assets Written Down	-	4
Repairs and Maintenance - minor new works - non-cash	-	49
<i>Changes in Assets and Liabilities:</i>		
Decrease/(Increase) in Receivables	(52)	(204)
Decrease/(Increase) in Prepayments	(263)	(269)
(Decrease) in Accounts Payable	(407)	185
(Decrease)/Increase in Other Payables	120	(48)
(Decrease)Increase in Provision for Employee Benefits	98	8
(Decrease)/Increase in Other Provisions	(50)	93
(Decrease)/Increase Income Tax Liabilities	(473)	595
(Decrease)/Increase in Deferred Income	52	45
<b>Net Cash From Operating Activities</b>	<b>2 858</b>	<b>4 857</b>

### Non-Cash Financing and Investing Activities

#### *Finance Lease Transactions*

During the financial year Data Centre Services acquired \$nil (2008: \$nil) plant and equipment / computer equipment and software by means of finance leases.

## 14. 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. Financial instruments held by the Data Centre Services include cash, receivables and payables. Data Centre Services has limited exposure to financial risks as discussed below.

Data Centre Services' operating account earns monthly interest at a variable interest rate (NT Treasury Corporation's average 11am cash rate less 25 basis points).

Negative cash balances of \$50 000 or less and negative cash balances over \$50 000, which have an overdraft facility or by prior arrangement with NT Treasury Corporation, attract the average 11am cash rate for the month plus 50 basis points.

Negative balances without overdraft facilities or prior arrangement with NT Treasury Corporation will be charged the overdraft rate applied to the Government Bank Account by the Westpac Banking Corporation.

### (a) *Categorisation of Financial Instruments*

The carrying amounts of the Data Centre Services financial assets and liabilities by category are disclosed in the table below.

	2009 \$'000	2008 \$'000
<b>Financial Assets</b>		
Cash	5 045	4 507
Receivables	2 139	2 087
<b>Financial Liabilities</b>		
Payables	517	804

### (b) *Credit Risk*

Data Centre Services has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, Data Centre Services 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 Data Centre Services' maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Data Centre Services has limited credit risk exposure (risk of default).

## 14. FINANCIAL INSTRUMENTS (Continued)

### Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and aging analysis of receivables is presented below.

	2009 \$'000	2008 \$'000
<b>Aging of Receivables</b>		
Not Overdue	338	216
Overdue for 30 to 60 Days	101	39
Overdue for more than 60 Days	29	1
Overdue for more than 90 days	11	81
<b>Total Receivables</b>	<b>479</b>	<b>337</b>
<b>Aging of Impaired Receivables</b>		
Impaired Receivables for more than 90 Days	11	2
<b>Total Impaired Receivables</b>	<b>11</b>	<b>2</b>

	2009 \$'000	2008 \$'000
<b>Reconciliation of the Allowance for Impairment Losses</b>		
Allowance for Impairment Losses at the Beginning of the Reporting Period	2	57
Amounts written off during the year	-	-
Amounts recovered during the year	-	-
Increase/(decrease) in allowance recognised in profit or loss	9	(55)
<b>Allowance for Impairment Losses at the End of the Reporting Period</b>	<b>11</b>	<b>2</b>

### (c) Liquidity risk

Liquidity risk is the risk that Data Centre Services will not be able to meet its financial obligations as they fall due. Data Centre Services' approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the undiscounted cash flows payable by Data Centre Services by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Balance Sheet.



## 14. FINANCIAL INSTRUMENTS (Continued)

### 2009 Maturity analysis for financial liabilities

	Variable Interest	Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
		Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Payables	-	-	-	-	517	517	4.54
<b>Total Financial Liabilities:</b>	-	-	-	-	517	517	

### 2008 Maturity analysis for financial liabilities

	Variable Interest	Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
		Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Payables	-	-	-	-	804	804	6.57
<b>Total Financial Liabilities:</b>	-	-	-	-	804	804	

#### (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.

##### i) Interest Rate Risk

Data Centre Services has limited exposure to interest rate risk as Agency financial assets and financial liabilities are non-interest bearing. Finance lease arrangements are established on a fixed interest rate and as such do not expose Data Centre Services to interest rate risk. The Data Centre Services' exposure to interest rate risk on financial assets and financial liabilities is set out in the following tables.

	2009 \$'000	2008 \$'000
<b>Variable rate instruments</b>		
Financial assets	-	-
Cash	5 045	4 507
<b>Total</b>	<b>5 045</b>	<b>4 507</b>

## 14. FINANCIAL INSTRUMENTS (Continued)

### Market Sensitivity Analysis

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have the following effect on Data Centre Services' profit or loss and equity.

	Profit or Loss and Equity	
	100 basis points increase \$'000	100 basis points decrease \$'000
<b>30 June 2009</b>		
Financial Assets - Cash at bank	50	(50)
<b>30 June 2008</b>		
Financial Assets - Cash at bank	45	(45)

#### ii) Price Risk

Data Centre Services is not exposed to price risk as government business division does not hold units in unit trusts.

#### iii) Currency Risk

Data Centre Services has limited exposure to currency risk as the government business division does not hold borrowings denominated in foreign currencies, but has limited transactional currency exposures arising from purchases in a foreign currency.

### (e) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values. Where differences exist, these are not material.

The carrying amount for Accounts Receivable have been adjusted for Impairment Losses as detailed in Note 6 to these statements and is considered immaterial to the carrying value of the asset.

## 15. COMMITMENTS

Data Centre Services had no material commitments as at balance date 30 June 2009 or 30 June 2008.

## 16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Data Centre Services had no contingent liabilities or contingent assets as at 30 June 2009 or 30 June 2008.

## 17. EVENTS SUBSEQUENT TO BALANCE DATE

Data Centre Services had no events subsequent to balance date as at 30 June 2009.

## 18. WRITE-OFFS, POSTPONEMENTS AND WAIVERS

Data Centre Services had no write-offs, postponements or waivers for the year ended 2008-09 or 2007-08.

# GOVERNMENT PRINTING OFFICE

## FINANCIAL REPORT

### FINANCIAL STATEMENT OVERVIEW For the Year Ended 30 June 2009

#### FINANCIAL PERFORMANCE

The Government Printing Office achieved a net surplus after tax of \$13 000 for 2008-09. While this result is marginal, it is a substantial improvement over the budget projected result of a \$90 000 deficit. The Government Printing Office will return a dividend to Government of \$6 500 and taxes of \$5 000 for 2008-09.

Advances in electronic transmission of documents and personal computing technology are impacting on the printing industry globally and leading to a reduction in demand for some traditional categories of printed product. Cognisant of the revenue trends, the Government Printing Office has focussed on improving internal business processes and carefully managing its costs throughout 2008-09 resulting in lowering expenses over the past two years. This is a significant achievement in an environment of annually increasing wage costs and inflation, particularly price rises in raw materials such as paper.

**Table 1: 2008-09 Budget and Actual Performance**

	Actual \$'000		Budget \$'000		Variation \$'000	
	2009	2008	2009	2008	2009	2008
Income	5 831	6 013	5 817	6 055	14	(42)
Expenses	5 813	5 868	5 907	5 914	94	46
<b>Net Surplus/(Deficit) Before Tax</b>	<b>18</b>	<b>145</b>	<b>(90)</b>	<b>141</b>	<b>108</b>	<b>4</b>
Income Tax Expense	5	43	-	42	5	1
<b>Surplus/(Deficit)</b>	<b>13</b>	<b>102</b>	<b>(90)</b>	<b>99</b>	<b>103</b>	<b>3</b>

#### Income

Income from printing services represents over 98% of the Government Printing Office total income. Income decreased by \$0.18M from \$6.01M in 2007-08 to \$5.83M in 2008-09.

## Expenses

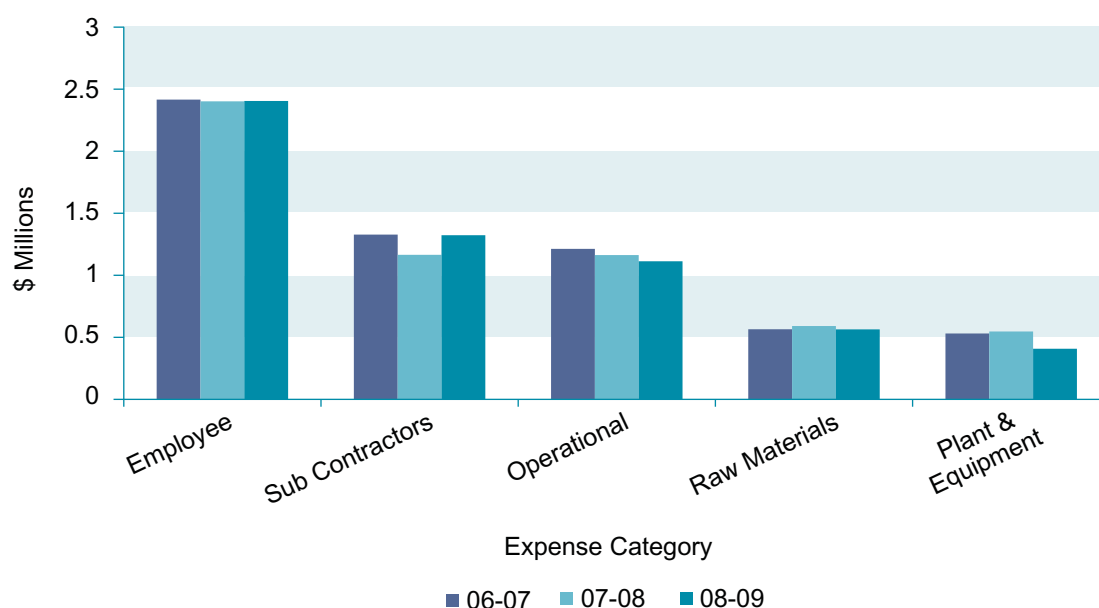
Employee costs comprise the largest expense category for the Government Printing Office. Employee costs were contained in 2008-09 despite salary increases. Costs for sub-contractors increased in 2008-09 due to a greater demand for specialised printing requirements. Table 2 below shows the composition of major expense categories.

**Table 2: Expenses by Category**

Year	Employee		Sub Contractors		Operational		Raw Materials		Plant & Equipment		TOTAL	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
08-09	2 405	41.4	1 323	22.8	1 113	19.1	564	9.7	408	7.0	5 813	100
07-08	2 402	40.9	1 165	19.9	1 163	19.8	591	10.1	547	9.3	5 868	100

Figure 1 shows the Government Printing Office's expenses by the various categories.

**Figure 1: Expenses by Category**



## FINANCIAL POSITION

Current assets increased by over \$0.17M in 2008-09 with a growth in cash balances. This was off-set by a reduction of \$0.2M in non-current asset balances at year end due to depreciation and amortisation on printing plant and equipment. Total assets reduced by \$0.035M overall.

Total liabilities reduced by \$0.042M over the year mostly through careful management of creditors.

The combined effect of the movements in assets and liabilities resulted in the Government Printing Office's financial position reflecting a slight improvement of \$7 000 in 2008-09.



AUDITOR-GENERAL

**Independent Auditor's Report  
to the Minister for Business  
Government Printing Office  
Year ended 30 June 2009**

I have audited the accompanying financial report of the Government Printing Office, which comprises the balance sheet as at 30 June 2009, and the operating statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes of the entity.

**The Responsibility of the Chief Executive for the Financial Report**

The Chief Executive of the Department of Business and Employment is responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on my audit. I conducted an independent audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

**Auditor's Opinion**

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Government Printing Office as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).

E McGuinness

Auditor-General for the Northern Territory  
Darwin, Northern Territory

2 October 2009

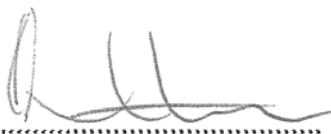
## GOVERNMENT PRINTING OFFICE FINANCIAL REPORT

### CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for the Government Printing Office have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the 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 2009 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.



Graham Symons  
A/CHIEF EXECUTIVE

25 September 2009



Rex Schoolmeester  
CHIEF FINANCE OFFICER

25 September 2009

**GOVERNMENT PRINTING OFFICE  
OPERATING STATEMENT  
For the year ended 30 June 2009**

	NOTE	2009 \$'000	2008 \$'000
<b>INCOME</b>			
Sales of Goods and Services		5 713	5 871
Interest Revenue		105	133
Gain on Disposal of Assets	3	4	
Other Income		9	9
<b>TOTAL INCOME</b>		<b>5 831</b>	<b>6 013</b>
<b>EXPENSES</b>			
Employee Expenses		2 405	2 402
<i>Administrative Expenses</i>			
Purchases of Goods and Services	4	3 121	3 042
Repairs and Maintenance		73	133
Depreciation and Amortisation	9	214	291
Other Administrative Expenses			
Interest Expenses			
<b>TOTAL EXPENSES</b>		<b>5 813</b>	<b>5 868</b>
Income Tax Expense		5	43
<b>NET SURPLUS</b>	14	<b>13</b>	<b>102</b>

*The Operating Statement is to be read in conjunction with the notes to the financial statements.*

**GOVERNMENT PRINTING OFFICE**  
**BALANCE SHEET**  
**As at 30 June 2009**

	NOTE	2009 \$'000	2008 \$'000
<b>ASSETS</b>			
<i><b>Current Assets</b></i>			
Cash and Deposits	6	2 669	2 516
Receivables	7	628	569
Inventories	8	204	234
Prepayments		29	39
<i><b>Total Current Assets</b></i>		<b>3 530</b>	<b>3 358</b>
<i><b>Non-Current Assets</b></i>			
Property, Plant and Equipment	9	560	767
<i><b>Total Non-Current Assets</b></i>		<b>560</b>	<b>767</b>
<b>TOTAL ASSETS</b>		<b>4 090</b>	<b>4 125</b>
<b>LIABILITIES</b>			
<i><b>Current Liabilities</b></i>			
Payables	10	322	379
Income Tax Liabilities	11	5	43
Provisions	12	384	439
Other Liabilities	13	193	76
<i><b>Total Current Liabilities</b></i>		<b>904</b>	<b>937</b>
<i><b>Non-Current Liabilities</b></i>			
Provisions	12	158	167
<i><b>Total Non-Current Liabilities</b></i>		<b>158</b>	<b>167</b>
<b>TOTAL LIABILITIES</b>		<b>1 062</b>	<b>1 104</b>
<b>NET ASSETS</b>		<b>3 028</b>	<b>3 021</b>
<b>EQUITY</b>			
Capital	14	373	373
Accumulated Funds		2 655	2 648
<b>TOTAL EQUITY</b>		<b>3 028</b>	<b>3 021</b>

*The Balance Sheet is to be read in conjunction with the notes to the financial statements.*



**GOVERNMENT PRINTING OFFICE**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 June 2009**

	NOTE	2009 \$'000	2008 \$'000
<b>BALANCE OF EQUITY AT 1 JULY</b>		<b>3 021</b>	<b>2 969</b>
<b>Capital</b>	14		
Balance at 1 July		373	373
Equity Injections		-	-
Equity Withdrawals		-	-
Balance at 30 June		<b>373</b>	<b>373</b>
<b>Accumulated Funds</b>	14		
Balance at 1 July		2 648	2 595
Surplus for the Period		13	102
Dividends Payable		(6)	(50)
Balance at 30 June		<b>2 655</b>	<b>2 648</b>
<b>BALANCE OF EQUITY AT 30 JUNE</b>		<b>3 028</b>	<b>3 021</b>

*The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.*

**GOVERNMENT PRINTING OFFICE**  
**CASH FLOW STATEMENT**  
**For the year ended 30 June 2009**

	NOTE	2009 \$'000 (Outflows) / Inflows	2008 \$'000 (Outflows) / Inflows
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Operating Receipts</i>			
Receipts From Sales of Goods And Services		6 350	6 549
Interest Received		112	129
Other Operating Receipts		9	9
<b>Total Operating Receipts</b>		<b>6 471</b>	<b>6 687</b>
<i>Operating Payments</i>			
Payments to Employees		(2 413)	(2 326)
Payments for Goods and Services		(3 808)	(3 759)
Income Tax Paid		(43)	(45)
<b>Total Operating Payments</b>		<b>(6 264)</b>	<b>(6 130)</b>
<b>Net Cash From Operating Activities</b>	15	<b>207</b>	<b>557</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Investing Receipts</i>			
Proceeds from Asset Sales	3	4	-
<b>Total Investing Receipts</b>		<b>4</b>	<b>-</b>
<i>Investing Payments</i>			
Purchases of Assets		(7)	(23)
<b>Total Investing Payments</b>		<b>(7)</b>	<b>(23)</b>
<b>Net Cash From/(Used In) Investing Activities</b>		<b>(3)</b>	<b>(23)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Financing Payments</i>			
Dividends Paid	12	(51)	(53)
<b>Total Financing Payments</b>		<b>(51)</b>	<b>(53)</b>
<b>Net Cash (Used In) Financing Activities</b>		<b>(51)</b>	<b>(53)</b>
Net Increase in Cash Held		153	481
Cash at Beginning of Financial Year		2 516	2 035
<b>CASH AT END OF FINANCIAL YEAR</b>	6	<b>2 669</b>	<b>2 516</b>

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

**GOVERNMENT PRINTING OFFICE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2009**

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## 1. OBJECTIVES AND FUNDING

The Government Printing Office (GPO) operates as a Government Business Division and delivers cost effective printing and publishing services to the Northern Territory Government from premises located at Parap in a secure environment, specifically designed for efficient production of a diverse range of products and services.

The Government Printing Office is a self-funded organisation. It generates its income from sales of printed products and services to Government agencies.

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a) Basis of Accounting

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions. The *Financial Management Act* requires the Government Printing Office to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of financial statements is to include:

- (i) a Certification of the Financial Statements
- (ii) an Operating Statement
- (iii) a Balance Sheet
- (iv) a Statement of Changes in Equity
- (v) a Cash Flow Statement
- (vi) applicable explanatory notes to the financial statements.

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 also been prepared in accordance with the historical cost convention.

The form of the Government Printing Office financial statements is also 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. The Standards and Interpretations and their impacts are:

*AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AAS 27, AAS 29 and AAS 31*

The Standard relocates certain relevant requirements from AASs 27, 29 and 31, substantively unamended, into existing topic based standards. This standard also makes consequential amendments, arising from the short term review of AASs 27, 29 and 31, to AASB 5, AASB 8, AASB 101 and AASB 114. The Standard will not have an impact on the Financial Statements.

*AASB 2008-10 Amendments to Australian Accounting Standards – Reclassification of Financial Instruments.*

The Standard will not have an impact on the Financial Statements.

**b) Australian Accounting Standards and Interpretations issued but not yet effective**

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Note: It is likely that the 2009-10 Agency financial statement formats will be brought in line with those within the Treasurer's Annual Financial Report (TAFR). An Exposure Draft (ED174 Amendments to Australian Accounting Standards to facilitate GAAP/GFS Harmonisation for Entities within the GGS) is currently under review.

*AASB 101 Presentation of Financial Statements (revised September 2007), AASB 2007-8 Amendments to Australian Accounting Standards Arising from AASB 101, AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101*

Effective for annual reporting period beginning on or after 1 January 2009.

*AASB 2009-2 Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments*

Effective for annual reporting period beginning on or after 1 January 2009 that ends on or after 30 April 2009.

The Standard amends AASB 7 to require enhanced disclosures about fair value measurement of financial instruments.

*AASB Interpretation 18 Transfer of Assets from Customers*

Effective for annual reporting beginning on or after 1 July 2009.

The Interpretation clarifies the accounting for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services.

**c) Agency and Territory Items**

The financial statements of Government Printing Office include income, expenses, assets, liabilities and equity over which the Government Printing Office has control (Agency items). Certain items, while managed by the Government Printing Office, are controlled and recorded by the Territory rather than the Government Printing Office (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 holds certain Territory assets not assigned to Agencies as well as certain Territory liabilities that are not practical or effective to assign to individual Agencies such as unfunded superannuation and long service leave.

**d) Comparatives**

Where necessary, comparative information for the 2007-08 financial year has been reclassified to provide consistency with current year disclosures.

**e) 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.

**f) Changes in Accounting Policies**

There have been no changes to accounting policies adopted in 2008-09 as a result of management decisions.

**g) Accounting Judgements and Estimates**

The preparation of the financial report requires the making of judgements and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgements and estimates are:

- Employee Benefits – Note 2(v) and Note 12: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service.
- Contingent Liabilities – Note 18: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year Government bond rate.
- Allowance for Impairment Losses – Note 2(p) and Note 7: Receivables.
- Depreciation and Amortisation – Note 2(k) and Note 9: Property, Plant and Equipment.

#### **h) Goods and Services Tax**

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

## **i) Income Recognition**

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

### ***Sale of Goods***

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer
- the Government Printing Office retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to the Government Printing Office
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### ***Rendering of Services***

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to the entity.

### ***Interest Revenue***

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

### ***Disposal of Assets***

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. Refer also to Note 3.

### ***Contributions of Assets***

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined by Government, as gains when the Government Printing Office obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.



**j) Repairs and Maintenance Expense**

Funding is received for repairs and maintenance works associated with Government Printing Office assets as part of Output Revenue. Costs associated with repairs and maintenance works on Government Printing Office assets are expensed as incurred.

**k) 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.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

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

	2009	2008
Plant and Equipment	2-20 Years	2-20 Years
Computer Hardware and Software	1-5 Years	1-5 Years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

**l) Interest Expense**

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

**m) Taxation**

The Government Printing Office is required to pay income tax on its accounting surplus at the company rate of 30% in accordance with the requirements of the Treasurer's Directions, NT Tax Equivalents Regime.

**n) Cash**

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.

**o) Inventories**

General inventories are valued at the lower of cost and net realisable value, while those held for distribution are carried at the lower of cost and current replacement cost. Cost of inventories includes all costs associated with bringing the inventories to their present location and condition. When inventories are acquired at no or nominal consideration, the cost will be the current replacement cost at date of acquisition.

Inventories held for distribution are those inventories distributed at no or nominal consideration, and are carried at the lower cost and current replacement cost.

**p) Receivables**

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables the Government Printing Office estimates are likely to be uncollectible and are considered doubtful. Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an ageing schedule under credit risk in Note 16 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

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

**q) Property, Plant and Equipment*****Acquisitions***

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$5 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$5 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

***Complex Assets***

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

***Subsequent Additional Costs***

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Government Printing Office in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their expected useful lives.

***Construction (Work in Progress)***

As part of the Financial Management Framework, the Department of Planning and Infrastructure is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for GPO capital works is provided directly to the Department of Planning and Infrastructure and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to the Government Printing Office.

## r) Revaluations and Impairment

### ***Revaluation of Assets***

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- Infrastructure Assets.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction.

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

### ***Impairment of Assets***

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

Non-current physical and intangible Government Printing Office assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, the Government Printing Office determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's depreciated replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Operating Statement unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the Asset Revaluation Reserve for that class of asset to the extent that an available balance exists in the Asset Revaluation Reserve.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the Asset Revaluation Reserve.

## s) Assets Held for Sale

Assets held for sale consist of those assets which management has determined are available for immediate sale in their present condition, and their sale is highly probably within the next twelve months.

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are not depreciated. Non-current assets held for sale have been recognised on the face of the financial statements as current assets.

**t) Leased Assets**

Leases under which the Government Printing Office assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

**Finance Leases**

Finance leases are capitalised. A leased asset and a lease liability equal to the present value of the minimum lease payments are recognised at the inception of the lease.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

**Operating Leases**

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

**u) Payables**

Liabilities for accounts payable and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Government Printing Office. Accounts payable are normally settled within 30 days.

**v) Employee Benefits**

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries and recreation leave and other employee benefit liabilities that fall due within twelve 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 twelve months of the reporting date are measured at present value, calculated using the Government long term bond rate.

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 the Government Printing Office and as such no long service leave liability is recognised in the Government Printing Office financial statements.

**w) Superannuation**

Employees' superannuation entitlements are provided through the:

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

The Government Printing Office 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 as such are not recognised in the Government Printing Office's financial statements.

**x) Contributions by and Distributions to Government**

The Government Printing Office may receive contributions from Government where the Government is acting as owner of the Government Printing Office. Conversely, the Government Printing Office may make distributions to Government. In accordance with the *Financial Management Act* 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 the Government Printing Office as adjustments to equity.

The Statement of Changes in Equity and Note 14 provide additional information in relation to contributions by, and distributions to, Government.

**y) Dividends**

The Government Printing Office has provided for a dividend payable at the rate of 50% of net profit after tax in accordance with the NT Government's dividend policy.

**z) Commitments**

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 19 and are consistent with the requirements contained in AASB 101, AASB 116 and AASB 117.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

	2009 \$'000	2008 \$'000
<b>3. GAIN ON DISPOSAL OF ASSETS</b>		
Net proceeds from the disposal of non-current assets	4	-
Less: Carrying value of non-current assets disposed		
<b>Total Gain on Disposal of Assets</b>	<b>4</b>	<b>-</b>
<b>4. PURCHASES OF GOODS AND SERVICES</b>		
The net surplus/(deficit) has been arrived at after charging the following expenses:		
<b>Goods and Services Expenses:</b>		
Consultants <sup>(1)</sup>	-	29
Recruitment <sup>(2)</sup>	2	1
Training and Study	7	4
Official Duty Fares	4	1
Travelling Allowance	3	1
Audit Fees	23	23
Corporate Support from Other Agencies	60	60
<i>(1) Includes marketing, promotion and IT consultants.</i>		
<i>(2) Includes recruitment related advertising costs.</i>		
<b>5. INCOME TAX EXPENSE</b>		
Current Year Profit	18	145
Prima facie income tax expense calculated at 30% on the surplus	5	43
<b>Total Income Tax Expense</b>	<b>5</b>	<b>43</b>
<b>6. CASH</b>		
Cash on Hand	12	12
Cash at Bank	2 657	2 504
<b>Total Cash</b>	<b>2 669</b>	<b>2 516</b>
<b>7. RECEIVABLES</b>		
<b>Current</b>		
Accounts Receivable	623	556
Interest Receivable	5	13
<b>Total Receivables</b>	<b>628</b>	<b>569</b>
<b>8. INVENTORIES</b>		
<b>General Inventories</b>		
At cost	139	161
	<b>139</b>	<b>161</b>
<b>Work in Progress</b>		
At cost	65	73
	<b>65</b>	<b>73</b>
<b>Total Inventories</b>	<b>204</b>	<b>234</b>

	2009 \$'000	2008 \$'000
<b>9. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Plant and Equipment</b>		
At cost	4 189	4 647
Less: Accumulated Depreciation	(3 643)	(3 912)
	<b>546</b>	<b>735</b>
<b>Computer Hardware</b>		
At cost	177	339
Less: Accumulated Depreciation	(165)	(313)
	<b>12</b>	<b>26</b>
<b>Computer Software</b>		
At cost	453	480
Less: Accumulated Depreciation	(451)	(474)
	<b>2</b>	<b>6</b>
<b>Total Property, Plant and Equipment</b>	<b>560</b>	<b>767</b>

#### Impairment of Property, Plant and Equipment

The Government Printing Office's property, plant and equipment assets were assessed for impairment as at 30 June 2009. No impairment adjustments were required as a result of this review.

#### 2009 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2008-09 is set out below:

	Plant and Equipment \$'000	Computer Software \$'000	Computer Hardware \$'000	Total \$'000
<b>Carrying Amount as at 1 July 2008</b>	<b>735</b>	<b>6</b>	<b>26</b>	<b>767</b>
Additions			7	7
Disposals				
Depreciation and Amortisation	(189)	(4)	(21)	(214)
<b>Carrying Amount as at 30 June 2009</b>	<b>546</b>	<b>2</b>	<b>12</b>	<b>560</b>

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2007-08 is set out below:

	Plant and Equipment \$'000	Computer Software \$'000	Computer Hardware \$'000	Total \$'000
<b>Carrying Amount as at 1 July 2007</b>	<b>988</b>	<b>6</b>	<b>41</b>	<b>1 035</b>
Additions	10	5	8	23
Disposals				
Depreciation and Amortisation	(263)	(5)	(23)	(291)
<b>Carrying Amount as at 30 June 2008</b>	<b>735</b>	<b>6</b>	<b>26</b>	<b>767</b>

	2009 \$'000	2008 \$'000
<b>10. PAYABLES</b>		
Accounts Payable	120	126
Accrued Expenses	153	191
GST Payables	49	62
<b>Total Payables</b>	<b>322</b>	<b>379</b>
<b>11. INCOME TAX LIABILITIES</b>		
Income Tax Liabilities	5	43
<b>Total Income Tax Liabilities</b>	<b>5</b>	<b>43</b>
<b>12. PROVISIONS</b>		
<b>Current</b>		
<i>Employee Benefits</i>		
Recreation Leave	196	197
Leave Loading	43	41
Other Employee Benefits – Recreation Leave Fares	71	73
<i>Other Current Provisions</i>		
Provision for Dividends	6	50
Provision for Fringe Benefits Tax	2	2
Provision for Workers Compensation Premium	5	10
Provision for Payroll Tax	8	12
Provision for Superannuation	53	54
	<b>384</b>	<b>439</b>
<b>Non-Current</b>		
<i>Employee Benefits</i>		
Recreation Leave	158	167
	<b>158</b>	<b>167</b>
<b>Total Provisions</b>	<b>542</b>	<b>606</b>
<b>Reconciliation of Dividends</b>		
<b>Balance as at 1 July 2008</b>	50	53
Additional Provisions Recognised	6	50
Reductions Arising from Payments	(50)	(53)
<b>Balance as at 30 June 2009</b>	<b>6</b>	<b>50</b>

The GPO employed 36 employees as at 30 June 2009 (38 employees as at 30 June 2008).



	2009 \$'000	2008 \$'000
<b>13. OTHER LIABILITIES</b>		
<b>Current</b>		
Deferred Income	193	76
<b>Total Other Liabilities</b>	<b>193</b>	<b>76</b>
<b>14. EQUITY</b>		
Equity represents the residual interest in the net assets of the GPO. The Government's ownership interest in the GPO is held in the Central Holding Authority as described in Note 2(c).		
<b>Capital</b>		
<b>Balance as at 1 July</b>	<b>373</b>	<b>373</b>
<i>Equity Injections</i>		
Equity Transfers In		
<i>Equity Withdrawals</i>		
Equity Transfers Out		
<b>Balance as at 30 June</b>	<b>373</b>	<b>373</b>
<b>Accumulated Funds</b>		
<b>Balance as at 1 July</b>	<b>2 648</b>	<b>2 596</b>
Surplus for the Period	13	102
Dividends Payable	(6)	(50)
<b>Balance as at 30 June</b>	<b>2 655</b>	<b>2 648</b>
<b>Total Equity</b>	<b>3 028</b>	<b>3 021</b>

	2009 \$'000	2008 \$'000
<b>15. NOTES TO THE CASH FLOW STATEMENT</b>		
<b>Reconciliation of Cash</b>		
The total of Agency Cash and Deposits of \$2.669M recorded in the Balance Sheet is consistent with that recorded as 'cash' in the Cash Flow Statement.		
<b>Reconciliation of Net Surplus/(Deficit) to Net Cash From Operating Activities</b>		
<b>Net Surplus/(Deficit)</b>	<b>13</b>	<b>102</b>
<i>Non-Cash Items:</i>		
Depreciation and Amortisation	214	291
(Gain)/Loss on Disposal of Assets	(4)	
<i>Changes in Assets and Liabilities:</i>		
Decrease/(Increase) in Receivables	(72)	4
Decrease/(Increase) in Interest Receivable	7	(4)
Decrease/(Increase) in Inventories	30	(16)
Decrease/(Increase) in Prepayments	10	(25)
Decrease/(Increase) in Accrued Revenue	6	5
(Decrease)/Increase in Payables	(57)	65
(Decrease)/Increase in Income Tax Liabilities	(38)	(2)
(Decrease)/Increase in Provision for Employee Benefits	(10)	12
(Decrease)/Increase in Other Provisions	(10)	49
(Decrease)/Increase in Deferred Income	118	76
<b>Net Cash From Operating Activities</b>	<b>207</b>	<b>557</b>

#### **Non-Cash Financing and Investing Activities**

##### *Finance Lease Transactions*

During the financial year the GPO Office acquired \$nil (2008: \$nil) plant and equipment / computer equipment and software by means of finance leases.

## 16. 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. Financial instruments held by the Government Printing Office include cash and deposits, receivables, payables and finance leases. The Government Printing Office has limited exposure to financial risks as discussed below.

The Government Printing Office's operating account earns monthly interest at a variable interest rate (NT Treasury Corporation's average 11am cash rate less 25 basis points).

Negative cash balances of \$50 000 or less and negative cash balances over \$50 000, which have an overdraft facility or by prior arrangement with NT Treasury Corporation, attract the average 11am cash rate for the month plus 50 basis points.

Negative balances without overdraft facilities or prior arrangement with NT Treasury Corporation will be charged the overdraft rate applied to the Government Bank Account by the Westpac Banking Corporation.

### (a) *Categorisation of Financial Instruments*

The carrying amounts of the Government Printing Office financial assets and liabilities by category are disclosed in the table below.

	2009 \$'000	2008 \$'000
<b>Financial Assets</b>		
Cash	2 669	2 516
Receivables	657	608
<b>Financial Liabilities</b>		
Payables	322	379

### (b) *Credit Risk*

The Government Printing Office has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, the Government Printing Office 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 the Government Printing Office's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

## 16. FINANCIAL INSTRUMENTS (Continued)

### Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and ageing analysis of receivables is presented below.

	2009 \$'000	2008 \$'000
<b>Ageing of Receivables</b>		
Not overdue	462	373
Overdue for less than 30 days	35	14
Overdue for 30 to 60 days	26	45
Overdue for more than 60 days	(1)	17
<b>Total Receivables</b>	<b>522</b>	<b>449</b>

### (c) Liquidity risk

Liquidity risk is the risk that the Government Printing Office will not be able to meet its financial obligations as they fall due. The Government Printing Office's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the undiscounted cash flows payable by the Government Printing Office by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Balance Sheet.

### 2009 Maturity analysis for financial liabilities

	Variable Interest	Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
		Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Payables					322	322	4.54
Employee Benefits					390	390	
Income Tax Payable					5	5	
Dividends Payable					6	6	
<b>Total Financial Liabilities:</b>					<b>723</b>	<b>723</b>	

### 2008 Maturity analysis for financial liabilities

	Variable Interest	Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
		Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Payables					379	379	6.57
Employee Benefits					478	478	
Income Tax Payable					43	43	
Dividends Payable					50	50	
<b>Total Financial Liabilities:</b>					<b>950</b>	<b>950</b>	

## 16. FINANCIAL INSTRUMENTS (Continued)

### (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.

#### i) Interest Rate Risk

The Government Printing Office is not exposed to interest rate risk as Government Printing Office financial assets and financial liabilities, with the exception of finance leases are non-interest bearing. Finance lease arrangements are established on a fixed interest rate and as such do not expose the Government Printing Office to interest rate risk. The Government Printing Office's exposure to interest rate risk on financial assets and financial liabilities is set out in the following tables.

	2009 \$'000	2008 \$'000
<b>Variable rate instruments</b>		
Financial assets		
Cash	2 669	2 516
<b>Total</b>	<b>2 669</b>	<b>2 516</b>

#### Market Sensitivity Analysis

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have the following effect on the Government Printing Office's profit or loss and equity

	Profit or Loss and Equity	
	100 basis points increase \$'000	100 basis points decrease \$'000
<b>30 June 2009</b>		
Financial assets – cash at bank	27	(27)
<b>30 June 2008</b>		
Financial assets – cash at bank	25	(25)

#### ii) Price Risk

The Government Printing Office is not exposed to price risk as Government Printing Office does not hold units in unit trusts.

#### iii) Currency Risk

The Government Printing Office is not exposed to currency risk as Government Printing Office does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

### (e) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values. Where differences exist, these are not material.

## 17. COMMITMENTS

	2009 \$'000	2008 \$'000
<b>Other Expenditure Commitments</b>		
Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:		
Within one year	30	49
Later than one year and not later than five years	8	33
Later than five years		
	<b>38</b>	<b>82</b>

## 18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Government Printing Office had no contingent liabilities or contingent assets as at 30 June 2009 or 30 June 2008.

## 19. EVENTS SUBSEQUENT TO BALANCE DATE

The Government Printing Office had no events subsequent to balance date as at 30 June 2009.

## 20. WRITE-OFFS, POSTPONEMENTS AND WAIVERS

The Government Printing Office had no write-offs, postponements or waivers in 2008-09 or 2007-08.

## FINANCIAL REPORT

### FINANCIAL STATEMENT OVERVIEW

#### For the Year Ended 30 June 2009

#### FINANCIAL PERFORMANCE

NT Fleet produced a net surplus after tax of \$7.0M in 2008-09 which was \$0.5M higher than the budget estimate, due to continuing strong demand for vehicles. There is a close correlation between numbers of vehicles managed, vehicle hire revenue and fleet costs, particularly vehicle depreciation and repairs and maintenance. NT Fleet will pay taxes of \$3.0M and return a dividend of \$3.5M to Government for 2008-09.

NT Fleet manages two fleets, a light vehicle fleet (made up of passenger and light commercial vehicles) and a heavy vehicle fleet (made up of trucks, plant and equipment). The majority of vehicles are in the light fleet, with the heavy fleet comprising of fewer vehicles, although generally at a higher individual value. Over the year the light and heavy vehicle fleets grew by 6% and 3% respectively. Revenue and expenses for both fleets are provided below.

**Table 1: 2008-09 Budget and Actual Performance**

	Actual		Budget		Variation	
	\$'000		\$'000		\$'000	
	2009	2008	2009	2008	2009	2008
Income	40 710	37 783	39 227	36 898	1 483	885
Expenses	30 737	27 320	29 959	27 201	(778)	(119)
<b>Net Surplus Before Income Tax</b>	<b>9 973</b>	<b>10 463</b>	<b>9 268</b>	<b>9 697</b>	<b>705</b>	<b>766</b>
Income Tax Expense	2 992	3 139	2 780	2 909	(212)	(230)
<b>Net Surplus After Income Tax</b>	<b>6 981</b>	<b>7 324</b>	<b>6 488</b>	<b>6 788</b>	<b>493</b>	<b>536</b>

#### Income

Most of NT Fleet's revenue comes from goods and services revenue (96%) with vehicle hire charges being the primary revenue source. This revenue increased by \$3.5M in 2008-09 due to an increase in the size of the leased vehicle fleet and an increase in the vehicle hire rates charged to customers. The size of the fleet is dictated by agency business needs and vehicle hire rates are influenced by a number of vehicle related costs.

Asset income was \$1.3M in 2008-09, down by \$0.47M on the previous year due to falling sale prices and the sale of fewer vehicles with vehicles retained for longer periods.

**Table 2: Revenue by Category**

Year	Goods and Services		Investment		Other <sup>1</sup>		Asset		TOTAL	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
08-09	39 097	96.0	223	0.6	90	0.2	1 300	3.2	40 710	100.0
07-08	35 551	94.1	379	1.0	80	0.2	1 773	4.7	37 783	100.0

Note: <sup>1</sup> Other includes miscellaneous income such as motor vehicle registration refunds.

**Table 3: Revenue by Fleet Type**

Year	Light Fleet		Heavy Fleet		TOTAL	
	\$'000	%	\$'000	%	\$'000	%
08-09	34 939	85.8	5 771	14.2	40 710	100.0
07-08	32 385	85.7	5 398	14.3	37 783	100.0

**Expenses**

NT Fleet’s expenses increased by \$3.4M in 2008-09. The majority of NT Fleet’s expenditure is directly related to its holdings of vehicle assets which increased over the year. The largest cost categories are:

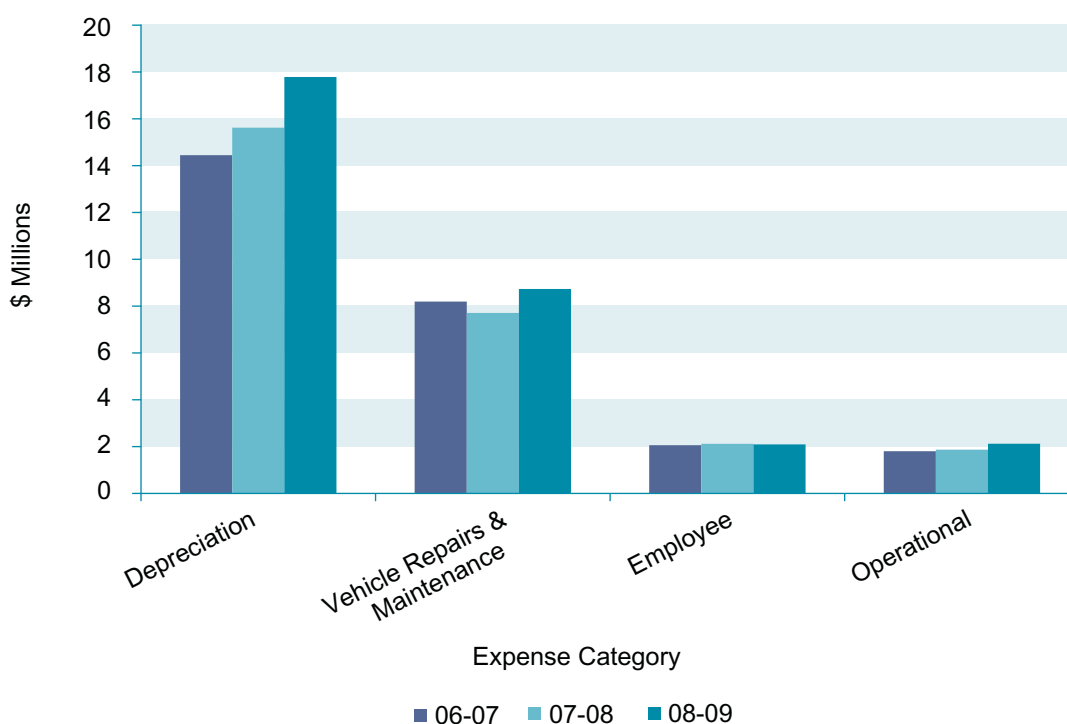
- depreciation – 58% of total expenses and an increase of \$2.2M in 2008-09
- vehicle repairs and maintenance – 28% of total expenses and an increase of \$1.0M in 2008-09.

**Table 4: Expenses by Category**

Year	Depreciation		Repairs & Maintenance		Employees		Operational		TOTAL	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
08-09	17 787	57.9	8 733	28.4	2 094	6.8	2 123	6.9	30 737	100.0
07-08	15 623	57.2	7 709	28.2	2 120	7.8	1 868	6.8	27 320	100.0

Figure 1 shows NT Fleet’s expenses by the various categories.

**Figure 1: Expense by Category**





**Table 5: Expenses by Fleet Type**

Year	Light Fleet		Heavy Fleet		TOTAL	
	\$'000	%	\$'000	%	\$'000	%
08-09	26 464	86.1	4 273	13.9	30 737	100.0
07-08	23 377	85.6	3 943	14.4	27 320	100.0

## FINANCIAL POSITION

NT Fleet's net assets at 30 June 2009 were \$80.5M, an increase of \$3.5M on the same time last year. This improvement is mainly due to a fleet modernisation program and an increase in the size of the fleet. Vehicle asset balances grew by \$4.8M over 2008-09 with a partly offsetting reduction in current assets of \$3.2M, mostly due to use of cash to purchase vehicles resulting in a lower cash balance at year-end. Total assets improved by \$1.6M overall. Total current liabilities reduced by \$1.9M over 2008-09 with non-current liability balances remaining static and the movement being almost entirely due to removal of a deferred income current liability in 2008-09.



AUDITOR-GENERAL

**Independent Auditor's Report  
to the Minister for Business  
NT Fleet  
Year ended 30 June 2009**

I have audited the accompanying financial report of the NT Fleet, which comprises the balance sheet as at 30 June 2009, and the operating statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes of the entity.

**The Responsibility of the Chief Executive for the Financial Report**

The Chief Executive of the Department of Business and Employment is responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on my audit. I conducted an independent audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

**Auditor's Opinion**

In my opinion, the financial report presents fairly, in all material respects, the financial position of the NT Fleet as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).

A handwritten signature in cursive script, appearing to read 'F. McGuinness'.

F-McGuinness  
Auditor-General for the Northern Territory  
Darwin, Northern Territory

6 October 2009

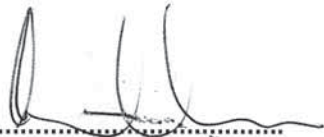
## NT FLEET FINANCIAL REPORT

### CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for NT Fleet have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the 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 2009 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.



Graham Symons  
A/CHIEF EXECUTIVE  
6 October 2009



Rex Schoolmeester  
CHIEF FINANCE OFFICER  
6 October 2009

**NT FLEET**  
**OPERATING STATEMENT**  
For the year ended 30 June 2009

	NOTE	2009 \$'000	2008 \$'000
<b>INCOME</b>			
Sales of Goods and Services		39 097	35 551
Interest Revenue		223	379
Gain on Disposal of Assets	3	1 300	1 773
Other Income		90	80
<b>TOTAL INCOME</b>		<b>40 710</b>	<b>37 783</b>
<b>EXPENSES</b>			
Employee Expenses		2 094	2 120
<i>Administrative Expenses</i>			
Purchases of Goods and Services	4	1 839	1 583
Repairs and Maintenance		8 733	7 709
Depreciation and Amortisation	9	17 787	15 623
Interest Expenses		284	285
<b>TOTAL EXPENSES</b>		<b>30 737</b>	<b>27 320</b>
Income Tax Expense	5	2 992	3 139
<b>NET SURPLUS/(DEFICIT)</b>		<b>6 981</b>	<b>7 324</b>

*The Operating Statement is to be read in conjunction with the notes to the financial statements.*

**NT FLEET  
BALANCE SHEET  
As at 30 June 2009**

	NOTE	2009 \$'000	2008 \$'000
<b>ASSETS</b>			
<i><b>Current Assets</b></i>			
Cash	6	5 952	8 775
Receivables	7	900	1 293
Inventories	8	12	10
Prepayments		17	4
<i><b>Total Current Assets</b></i>		<b>6 881</b>	<b>10 082</b>
<i><b>Non-Current Assets</b></i>			
Property, Plant and Equipment	9	87 904	83 085
<i><b>Total Non-Current Assets</b></i>		<b>87 904</b>	<b>83 085</b>
<b>TOTAL ASSETS</b>		<b>94 785</b>	<b>93 167</b>
<b>LIABILITIES</b>			
<i><b>Current Liabilities</b></i>			
Payables	10	3 376	3 076
Income Tax Liabilities	11	2 992	3 139
Provisions	12	3 786	3 982
Other Liabilities	13	-	1 874
<i><b>Total Current Liabilities</b></i>		<b>10 154</b>	<b>12 071</b>
<i><b>Non-Current Liabilities</b></i>			
Borrowings and Advances	14	4 000	4 000
Provisions	12	136	122
<i><b>Total Non-Current Liabilities</b></i>		<b>4 136</b>	<b>4 122</b>
<b>TOTAL LIABILITIES</b>		<b>14 290</b>	<b>16 193</b>
<b>NET ASSETS</b>		<b>80 495</b>	<b>76 974</b>
<b>EQUITY</b>			
Capital	15	467	436
Accumulated Funds		80 028	76 538
<b>TOTAL EQUITY</b>		<b>80 495</b>	<b>76 974</b>

The Balance Sheet is to be read in conjunction with the notes to the financial statements.

**NT FLEET**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 June 2009**

	NOTE	2009 \$'000	2008 \$'000
<b>BALANCE OF EQUITY AT 1 JULY</b>		<b>76 974</b>	<b>73 404</b>
<b>Capital</b>	15		
Balance at 1 July		436	528
Equity Injections		31	20
Equity Withdrawals		-	(112)
Balance at 30 June		467	436
<b>Accumulated Funds</b>	15		
Balance at 1 July		76 538	72 876
Correction of Prior Period Errors		-	-
Surplus/(Deficit) for the Period		6 981	7 324
Dividends Payable		(3 491)	(3 662)
Balance at 30 June		80 028	76 538
<b>BALANCE OF EQUITY AT 30 JUNE</b>		<b>80 495</b>	<b>76 974</b>

*This Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.*

**NT FLEET**  
**CASH FLOW STATEMENT**  
For the year ended 30 June 2009

	NOTE	2009 \$'000 (Outflows) / Inflows	2008 \$'000 (Outflows) / Inflows
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Operating Receipts</i>			
Receipts From Sales of Goods And Services		42 430	40 942
Interest Received		257	346
<b>Total Operating Receipts</b>		<b>42 687</b>	<b>41 288</b>
<i>Operating Payments</i>			
Payments to Employees		(2 098)	(2 121)
Payments for Goods and Services		(14 822)	(13 564)
Interest Paid		(283)	(286)
Income Tax Paid		(3 139)	(2 651)
<b>Total Operating Payments</b>		<b>(20 342)</b>	<b>(18 622)</b>
<b>Net Cash From/(Used In) Operating Activities</b>	16	<b>22 345</b>	<b>22 666</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Investing Receipts</i>			
Proceeds from Asset Sales	3	16 276	18 699
<b>Total Investing Receipts</b>		<b>16 276</b>	<b>18 699</b>
<i>Investing Payments</i>			
Purchases of Assets		(37 782)	(33 850)
<b>Total Investing Payments</b>		<b>(37 782)</b>	<b>(33 850)</b>
<b>Net Cash From/(Used In) Investing Activities</b>		<b>(21 506)</b>	<b>(15 151)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Financing Payments</i>			
Dividend Paid		(3 662)	(3 093)
<b>Total Financing Payments</b>		<b>(3 662)</b>	<b>(3 093)</b>
<b>Net Cash From/(Used In) Financing Activities</b>		<b>(3 662)</b>	<b>(3 093)</b>
Net Increase/(Decrease) in Cash Held		(2 823)	4 422
Cash at Beginning of Financial Year		8 775	4 353
<b>CASH AT END OF FINANCIAL YEAR</b>	6	<b>5 952</b>	<b>8 775</b>

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

**NT FLEET**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2009**

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## 1. OBJECTIVES AND FUNDING

NT Fleet manages the light and heavy vehicle fleet for all Territory Government agencies, except Northern Territory Police, Fire and Emergency Services. Management of the Government vehicle fleet incorporates acquisition, vehicle hire, maintenance and disposal.

Key functional responsibilities are:

- managing the strategic replacement program for the Territory Government's fleet
- minimising the total cost of fleet ownership
- administering supply and service contracts, vehicle specifications and delivery programs
- managing the disposal of vehicles, plant and equipment.

Funding is provided predominantly via vehicle hire income derived from client agencies.

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a) Basis of Accounting

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions. The *Financial Management Act* requires NT Fleet to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of financial statements is to include:

- (i) a Certification of the Financial Statements
- (ii) an Operating Statement
- (iii) a Balance Sheet
- (iv) a Statement of Changes in Equity
- (v) a Cash Flow Statement
- (vi) applicable explanatory notes to the financial statements.

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 also been prepared in accordance with the historical cost convention.

The form of the financial statements is also 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. The Standards and Interpretations and their impacts are:

*AASB 1004 Contributions (revised)*

The revisions have the effect of relocating the requirements on contributions from AASs 27, 29 and 31, substantively unamended (with some exceptions), into AASB 1004. The Standard does not have an impact on the Financial Statements.

*AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AAS 27, AAS 29 and AAS 31*

The Standard relocates certain relevant requirements from AASs 27, 29 and 31, substantively unamended, into existing topic based standards. This standard also makes consequential amendments, arising from the short term review of AASs 27, 29 and 31, to AASB 5, AASB 8, AASB 101 and AASB 114. The Standard does not have an impact on the Financial Statements.

*AASB 2008-10 Amendments to Australian Accounting Standards – Reclassification of Financial Instruments.* The Standard does not have an impact on the Financial Statements.

NT Fleet anticipates that the adoption of these standards and interpretations in future periods will have no material impact to the Financial Statements.

**b) Australian Accounting Standards and Interpretations issued but not yet effective**

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

*AASB 101 Presentation of Financial Statements (revised September 2007), AASB 2007-8 Amendments to Australian Accounting Standards Arising from AASB 101, AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101*

Effective for annual reporting period beginning on or after 1 January 2009.

The main changes from the previous version of AASB 101 require an entity to: (a) present non-owner changes in equity separately from owner changes in equity. The former cannot be presented in the statement of changes in equity; (b) display components of other comprehensive income in the statement of comprehensive income.

*AASB 2009-2 Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments*

Effective for annual reporting period beginning on or after 1 January 2009 that ends on or after 30 April 2009.

The Standard amends AASB 7 to require enhanced disclosures about fair value measurement of financial instruments.

NT Fleet anticipates that the adoption of these standards and interpretations in future periods will have no material impact to the Financial Statements.

**c) Agency and Territory Items**

The financial statements of NT Fleet include income, expenses, assets, liabilities and equity over which NT Fleet has control (Agency items). Certain items, while managed by NT Fleet, are controlled and recorded by the Territory rather than NT Fleet (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 holds certain Territory assets not assigned to Agencies as well as certain Territory liabilities that are not practical or effective to assign to individual Agencies such as unfunded superannuation and long service leave.

**d) Comparatives**

Where necessary, comparative information for the 2007-08 financial year has been reclassified to provide consistency with current year disclosures.

**e) 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.

**f) Changes in Accounting Policies**

There have been no changes to accounting policies adopted in 2008-09 as a result of management decisions.

### **g) Accounting Judgements and Estimates**

The preparation of the financial report requires the making of judgements and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgements and estimates are:

- Employee Benefits – Note 2(w) and Note 12: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service.
- Contingent Liabilities – Note 19: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year Government bond rate.
- Doubtful Debts – Note 2(p) and Note 7: Receivables.
- Depreciation and Amortisation – Note 2(l) and Note 9: Property, Plant and Equipment.

### **h) Goods and Services Tax**

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

## **i) Income Recognition**

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

### ***Sale of Goods***

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer;
- NT Fleet retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be reliably measured;
- it is probable that the economic benefits associated with the transaction will flow to NT Fleet; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### ***Rendering of Services***

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

### ***Interest Revenue***

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

### ***Disposal of Assets***

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. Refer also to note 3.

### ***Contributions of Assets***

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined by Government, as gains when NT Fleet obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

**j) Repairs and Maintenance Expense**

Costs associated with repairs and maintenance works on NT Fleet's assets are expensed as incurred.

**k) Taxation**

NT Fleet is required to pay income tax on its accounting surplus at the company rate of 30% in accordance with the requirements of the Treasurer's Directions, NT Tax Equivalents Regime.

**l) 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.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

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

	2009	2008
Vehicles – light	2 – 3 Years	2 – 3 Years
Vehicles – heavy	3 – 10 Years	3 – 10 Years
Leasehold improvements	10 – 15 Years	10 – 15 Years
Computer software	1 – 5 Years	1 – 5 Years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

**m) Interest Expense**

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

**n) Cash**

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.

**o) Inventories**

General inventories are all inventories other than those held for distribution and are carried at the lower of cost and net realisable value. Cost of inventories includes all costs associated with bringing the inventories to their present location and condition. When inventories are acquired at no or nominal consideration, the cost will be the current replacement cost at date of acquisition.

Inventories held for distribution are those inventories distributed at no or nominal consideration and are carried at the lower of cost and current replacement cost.

**p) Receivables**

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables NT Fleet estimates are likely to be uncollectible and are considered doubtful. Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule under credit risk in Note 17 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

Accounts receivable and other receivables are generally settled within 14 days.

**q) Property, Plant and Equipment**

***Acquisitions***

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$5 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$5 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

***Complex Assets***

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

***Subsequent Additional Costs***

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to NT Fleet in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their expected useful lives.

***Software (Work in Progress)***

NT Fleet funded the migration to a new programming tool suit utilised by the NT Government's software programming contractor. The cost associated with this project has been capitalised.

## r) Revaluations and Impairment

### Revaluation of Assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- Heavy vehicles
- Intangibles

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arms length transaction.

The unique nature of some of the heritage and cultural assets may preclude reliable measurement. Such assets have not been recognised in the financial statements.

### Impairment of Assets

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

Non-current physical and intangible Agency assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, NT Fleet determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's depreciated replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Operating Statement unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the Asset Revaluation Reserve for that class of asset to the extent that an available balance exists in the Asset Revaluation Reserve.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the Asset Revaluation Reserve.

## s) Assets Held for Sale

Assets held for sale consist of those assets which management has determined are available for immediate sale in their present condition, and their sale is highly probably within the next twelve months.

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are not depreciated. Non-current assets held for sale have been recognised on the face of the financial statements as current assets.



#### **t) Leased Assets**

Leases under which NT Fleet assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

##### ***Finance Leases***

Finance leases are capitalised. A leased asset and a lease liability equal to the present value of the minimum lease payments are recognised at the inception of the lease.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

##### ***Operating Leases***

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

#### **u) Payables**

Liabilities for accounts payable and other amounts payable are carried at 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 NT Fleet. Accounts payable are normally settled within 30 days.

#### **v) Borrowings**

Government loans are initially recognised at the fair value of the consideration received less directly attributable transaction cost.

After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest method.

#### **w) Employee Benefits**

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries and recreation leave and other employee benefit liabilities that fall due within twelve 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 twelve months of the reporting date are measured at present value, calculated using the Government long term bond rate.

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 NT Fleet and as such no long service leave liability is recognised in Agency financial statements.

#### **x) Superannuation**

Employees' superannuation entitlements are provided through the:

- NT 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.

NT Fleet 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 as such are not recognised in NT Fleet's financial statements.

#### **y) Contributions by and Distributions to Government**

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

The Statement of Changes in Equity and note 15 provide additional information in relation to contributions by, and distributions to, Government.

#### **z) Dividends**

NT Fleet has provided for a dividend payable at the rate of 50% of net profit after tax in accordance with the NT Government's dividend policy.

#### **aa) Commitments**

Disclosures in relation to capital and other commitments, including lease commitments are shown at note 18 and are consistent with the requirements contained in AASB 101, AASB 116 and AASB 117.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

	2009 \$'000	2008 \$'000
<b>3. GAIN ON DISPOSAL OF ASSETS</b>		
Proceeds from the disposal of non-current assets	16 276	18 699
Less: Carrying value of non-current assets disposed	14 976	16 926
<b>Gain on Disposal of Non-Current Assets</b>	<b>1 300</b>	<b>1 773</b>
<b>4. PURCHASES OF GOODS AND SERVICES</b>		
The net surplus/(deficit) has been arrived at after charging the following expenses:		
<b>Goods and Services Expenses:</b>		
Consultants <sup>(1)</sup>	-	19
Advertising <sup>(2)</sup>	-	1
Document Production	5	8
Recruitment <sup>(3)</sup>	7	-
Training and Study	14	11
Official Duty Fares	5	8
Travelling Allowance	2	7
Corporate Support from Other Agencies	377	339
<i>(1) Includes marketing and promotion consultants.</i>		
<i>(2) Does not include recruitment advertising or marketing and promotion advertising.</i>		
<i>(3) Includes recruitment related advertising costs.</i>		
<b>5. INCOME TAX EXPENSE</b>		
Current Year Profit	9 973	10 463
Prima Facie Tax Expense Calculated at 30% of the surplus	2 992	3 139
<b>Total Income Tax Expense</b>	<b>2 992</b>	<b>3 139</b>
<b>6. CASH</b>		
Cash on Hand	9	1
Cash at Bank	5 943	8 774
<b>Total Cash</b>	<b>5 952</b>	<b>8 775</b>
<b>7. RECEIVABLES</b>		
<b>Current</b>		
Accounts Receivable	243	896
Interest Receivable	11	45
GST Receivable	36	16
Other Receivables	610	336
<b>Total Receivables</b>	<b>900</b>	<b>1 293</b>
<b>8. INVENTORIES</b>		
Raw Material and Stores	12	10
<b>Total Inventories</b>	<b>12</b>	<b>10</b>

	2009 \$'000	2008 \$'000
<b>9. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Motor Vehicles – Light</b>		
At Cost	99 314	91 540
Less: Accumulated Depreciation	(24 658)	(20 576)
	74 656	70 964
<b>Motor Vehicles – Heavy</b>		
At Cost	24 866	22 750
Less: Accumulated Depreciation	(11 918)	(10 889)
	12 948	11 861
<b>Intangibles – Computer Software</b>		
At cost	249	239
<b>Leasehold Improvements</b>		
At capitalised cost	54	23
Less: Accumulated Depreciation	(3)	(2)
	51	21
<b>Total Property, Plant and Equipment</b>	<b>87 904</b>	<b>83 085</b>

### Impairment of Property, Plant and Equipment

NT Fleet's property, plant and equipment were assessed for impairment as at 30 June 2009. No impairment adjustments were required as a result of this review.

## 9. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 2009 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2008-09 is set out below:

	Motor Vehicles Light	Motor Vehicles Heavy	Leasehold Improvements	Intangibles – Software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2008</b>	<b>70 964</b>	<b>11 861</b>	<b>21</b>	<b>239</b>	<b>83 085</b>
Additions	34 130	3 410	31	10	37 581
Disposals	(14 645)	(330)			(14 975)
Depreciation	(15 793)	(1 993)	(1)		(17 787)
<b>Carrying Amount as at 30 June 2009</b>	<b>74 656</b>	<b>12 948</b>	<b>51</b>	<b>249</b>	<b>87 904</b>

### 2008 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2007-08 is set out below:

	Motor Vehicles Light	Motor Vehicles Heavy	Leasehold Improvements	Intangibles – Software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2007</b>	<b>70 535</b>	<b>10 279</b>	<b>22</b>	<b>160</b>	<b>80 995</b>
Additions	30 669	4002	-	79	34 750
Disposals	(16 280)	(646)	-	-	(16 926)
Additions/(Disposals) from Asset Transfers	(112)	-	-	-	(112)
Depreciation	(13 848)	(1 773)	(1)	-	(15 623)
<b>Carrying Amount as at 30 June 2008</b>	<b>70 964</b>	<b>11 861</b>	<b>21</b>	<b>239</b>	<b>83 085</b>

	2009 \$'000	2008 \$'000
<b>10. PAYABLES</b>		
Accounts Payable	3 032	2 792
Accrued Expenses	56	55
Other Accrued Expenses and Accrued Salaries	288	229
<b>Total Payables</b>	<b>3 376</b>	<b>3 076</b>
<b>11. INCOME TAX LIABILITIES</b>		
Income Tax Payable	2 992	3 139
<b>Total Income Tax Liabilities</b>	<b>2 992</b>	<b>3 139</b>
<b>12. PROVISIONS</b>		
<b>Current</b>		
<i>Employee Benefits</i>		
Recreation Leave	168	163
Leave Loading	31	29
Recreation Leave Fares	12	36
<i>Other Current Provisions</i>		
Provision for Dividend	3 491	3 662
Provision for Fringe Benefits Tax	4	4
Provision for Payroll Tax	27	31
Provision for Superannuation	47	49
Provision for Workers Compensation Premium	6	8
<b>Total Current Provisions</b>	<b>3 786</b>	<b>3 982</b>
<b>Non-Current</b>		
<i>Employee Benefits</i>		
Recreation Leave	136	122
Total Non-Current	136	122
<b>Total Provisions</b>	<b>3 922</b>	<b>4 104</b>
<b>Reconciliations of Dividends</b>		
<b>Balance as at 1 July 2008</b>	<b>3 662</b>	<b>3 093</b>
Reductions Arising from Payments	(3 662)	(3 093)
Additional Provisions Recognised	3 491	3 662
<b>Balance as at 30 June 2009</b>	<b>3 491</b>	<b>3 662</b>

NT Fleet employed 32 employees as at 30 June 2009  
(32 employees as at 30 June 2008).

	2009 \$'000	2008 \$'000
<b>13. OTHER LIABILITIES</b>		
<b>Current</b>		
Deferred Income	-	1 874
<b>Total</b>	-	1 874
<b>14. BORROWINGS AND ADVANCES</b>		
Non-Current		
Loans and Advances	4 000	4 000
<b>Total Borrowings and Advances</b>	4 000	4 000
<b>15. EQUITY</b>		
Equity represents the residual interest in the net assets of NT Fleet. The Government's ownership interest in NT Fleet is held in the Central Holding Authority as described in note 2(c).		
<b>Capital</b>		
<b>Balance as at 1 July</b>	436	528
<i>Equity Injections</i>		
Equity Transfers In	31	20
<i>Equity Withdrawals</i>		
Equity Transfers Out	-	(112)
<b>Balance as at 30 June</b>	467	436
<b>Accumulated Funds</b>		
<b>Balance as at 1 July</b>	76 538	72 876
Surplus for the Period	6 981	7 324
Dividends Payable	(3 491)	(3 662)
<b>Balance as at 30 June</b>	80 028	76 538
<b>Total Equity</b>	80 495	76 974

	2009 \$'000	2008 \$'000
<b>16. NOTES TO THE CASH FLOW STATEMENT</b>		
<b>Reconciliation of Cash</b>		
The total of NT Fleet Cash and Deposits of \$5.952M recorded in the Balance Sheet is consistent with that recorded as 'cash' in the Cash Flow Statement.		
<b>Reconciliation of Net Surplus/(Deficit) to Net Cash From Operating Activities</b>		
<b>Net Surplus</b>	6 981	7 324
<i>Non-Cash Items:</i>		
Depreciation and Amortisation	17 787	15 623
(Gain) on Disposal of Assets	(1 300)	(1 773)
Repairs and Maintenance – minor new works	-	20
<i>Changes in Assets and Liabilities:</i>		
Decrease/(Increase) in Receivables	393	(861)
Decrease/(Increase) in Inventories	(2)	(2)
Decrease/(Increase) in Prepayments	(14)	(4)
(Decrease)/Increase in Payables	532	(16)
(Decrease)/Increase in Provision for Employee Benefits	(2)	(68)
(Decrease)/Increase in Other Provisions	(156)	549
(Decrease)/Increase in Deferred Income	(1 874)	1 874
<b>Net Cash From Operating Activities</b>	<b>22 345</b>	<b>22 666</b>



## 17. 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. Financial instruments held by NT Fleet include cash and deposits, receivables, payables and finance leases. NT Fleet has limited exposure to financial risks as discussed below.

NT Fleet's operating account earns monthly interest at a variable interest rate (NT Treasury Corporation's average 11am cash rate less 25 basis points).

Negative cash balances of \$50 000 or less and negative cash balances over \$50 000, which have an overdraft facility or by prior arrangement with NT Treasury Corporation, attract the average 11am cash rate for the month plus 50 basis points.

Negative balances without overdraft facilities or prior arrangement with NT Treasury Corporation will be charged the overdraft rate applied to the Government Bank Account by the Westpac Banking Corporation.

### (a) *Categorisation of Financial Instruments*

The carrying amounts of the NT Fleet financial assets and liabilities by category are disclosed in the table below.

	2009 \$'000	2008 \$'000
<b>Financial Assets</b>		
Cash	5 952	8 775
Receivables	900	1 293
<b>Financial Liabilities</b>		
Payables	3 376	3 076

## 17. FINANCIAL INSTRUMENTS (continued)

### (b) Credit Risk

NT Fleet has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, NT Fleet 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 NT Fleet's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

#### Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and aging analysis of receivables is presented below.

	2009 \$'000	2008 \$'000
<b>Ageing of Receivables</b>		
Not Overdue	91 144	283 402
Overdue for less than 30 Days	149 835	562 885
Overdue for 30 to 60 Days	2 097	24 272
Overdue for more than 60 Days		25 002
<b>Total Receivables</b>	<b>243 076</b>	<b>895 561</b>

### (c) Liquidity risk

Liquidity risk is the risk that NT Fleet will not be able to meet its financial obligations as they fall due. NT Fleet's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the undiscounted cash flows payable by NT Fleet by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Balance Sheet.

## 17. FINANCIAL INSTRUMENTS (Continued)

### 2009 Maturity

	Variable Interest	Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
		Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Deposits Held	5 943				9	5 952	4.5
Receivable					900	900	
Payable					(3 376)	(3 376)	
Employee Benefits					(347)	(347)	
Government Loan				(4 000)		(4 000)	7.1
Dividends					(3 491)	(3 491)	
<b>Total Financial Assets</b>	<b>5 943</b>			<b>(4 000)</b>	<b>(6 305)</b>	<b>(4 362)</b>	

### 2008 Maturity

	Variable Interest	Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
		Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Deposits Held	8 774				1	8 775	6.6
Receivable					1 293	1 293	
Payable					(3 076)	(3 076)	
Employee Benefits					(350)	(350)	
Government Loan				(4 000)		(4 000)	7.1
Dividends					(3 662)	(3 662)	
<b>Total Financial Liabilities</b>	<b>8 774</b>			<b>(4 000)</b>	<b>(5 794)</b>	<b>(1 020)</b>	

#### (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.

##### i) Interest Rate Risk

NT Fleet has limited exposure to interest rate risk. Finance lease arrangements are established on a fixed interest rate and as such do not expose NT Fleet to interest rate risk. NT Fleet's exposure to interest rate risk on financial assets and financial liabilities is set out in the following tables. The average interest rate is based on the outstanding balance at the end of the year. NT Fleet's operating accounts earns quarterly interest at a variable interest rate (NT Treasury's Corporation's weighted average cash returns less 50 basis points).

## 17. FINANCIAL INSTRUMENTS (Continued)

Assuming the financial assets and liabilities as at 30 June 2009 were to remain until maturity or settlement without any action by NT Fleet to alter the resulting interest rate risk exposure, an immediate and sustained increase of 1 percent in market interest rates across all maturities would have an impact on the net income of plus or minus \$50 000 and is considered not material to NT Fleet.

	2009 \$'000	2008 \$'000
<b>Fixed rate instruments</b>		
Financial Liabilities	(4 000)	(4 000)
<b>Total</b>		
<b>Variable rate instruments</b>		
Financial assets	5 943	8 774
<b>Total</b>	<b>1 943</b>	<b>4 774</b>

### Market Sensitivity Analysis

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have the following effect on NT Fleet's profit or loss and equity.

	Profit or Loss and Equity	
	100 basis points increase \$'000	100 basis points decrease \$'000
<b>30 June 2009</b>		
Financial assets – cash at bank	19	(19)
<b>30 June 2008</b>		
Financial assets – cash at bank	47	(47)

#### ii) Price Risk

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

The analysis below demonstrates the impact of a movement in prices of units held in unit trusts. It is assumed that any relevant price change occurs as at reporting date.

#### iii) Currency Risk

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

#### (e) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values. Where differences exist, these are not material.

	2009 \$'000	2008 \$'000
<b>18. COMMITMENTS</b>		
<b>(i) Capital Expenditure Commitments</b>		
Estimated capital expenditure contracted for at balance date but not provided for and payable:		
Within one year	8 383	9 808
	<b>8 383</b>	<b>9 808</b>
<b>(ii) Operating Lease Commitments</b>		
NT Fleet leases property under non-cancellable operating leases expiring on 23 January 2010 and 11 November 2012. Leases generally provide NT Fleet with a right of renewal at which time all lease terms are renegotiated. NT Fleet also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:		
Within one year	4	4
Later than one year and not later than five years	5	3
	<b>9</b>	<b>7</b>
<b>(iii) Operating Lease Commitments Receivable</b>		
Received not later than one year	31 889	28 539
Later than one year and not later than five years	19 192	17 174
	<b>51 081</b>	<b>45 713</b>

## 19. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

NT Fleet had no contingent liabilities or contingent assets as at 30 June 2009 or as at 30 June 2008.

## 20. 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.

## 21. WRITE-OFFS, POSTPONEMENTS AND WAIVERS

NT Fleet had no write offs, postponements or waivers in 2008-09 and 2007-08.

## APPENDIX A

### LIST OF ACRONYMS

3P	Personal Planning Process
APRO	Agency Procurement Requisitions Online (IT system)
CAPS	Contracts and Procurement Services (DBE business unit)
CIS	Corporate and Information Services (DBE business unit)
COAG	Council of Australian Governments
DBE	Department of Business and Employment
DBERD	Department of Business, Economic and Regional Development (former department)
DCIS	Department of Corporate and Information Services (former department)
DCS	Data Centre Services (GBD)
ECMS	Electronic Card Management System
EDRM	Electronic Document Records Management
ePASS	Electronic Passport
GAS	Government Accounting System (IT system)
GBD	Government Business Division
GOAC	Government Office Accommodation Committee
GST	Goods and Services Tax
FTE	Full Time Equivalent
HRIS	Human Resources Information Systems (IT systems)
ICT	Information and Communications Technology
ITIL	Information Technology Infrastructure Library
JES	Job Evaluation System
KPI	Key Performance Indicator
NABERS	National Australian Built Environment Rating System
NTG	Northern Territory Government
NTG IMC	Northern Territory Government Information Management Committee
NTPM	Northern Territory Property Management
NTPS	Northern Territory Public Sector
OCPE	Office of the Commissioner for Public Employment
OH&S	Occupational Health and Safety
P&D	People and Development (DBE business unit)
PAPMS	Payroll and Payment Management Services (IT system)
PIPS	Personnel Information and Payroll System (IT system)
PSMP	Public Sector Management Program
RePS	Receipts Processing System (IT system)
SLA	Service Level Agreement
SME	Small to Medium Enterprises
SPIN	Support Program and Information Network (development program)
TRIM	Tower Records and Information Management (IT system)
TRIPS	Travel Request Information Processing System (IT system)

## APPENDIX B

### DBE SERVICE PRICE LIST

As at 30 June 2009

Service	Cost Measure	Price (\$)
<b>FINANCIAL AND ACCOUNTING SERVICES</b>		
<b>Accounts Payable</b>		
- Invoice processed 1-5 lines	Per invoice	13.10
- Invoice processed 6 -10 lines	Per invoice	25.50
- Invoice processed >10 lines	Per invoice	40.50
- Ledger Transfer	Per invoice	12.00
- Regional travel	Per travel request	20.65
- RTM advance cheques	Per cheque	25.80
- Deskbank payments	Per payment	86.00
- Credit card management	No. of credit cards (pa)	420.00
<b>Accounts Receivable</b>		
- Invoice manual requisition	Per invoice	61.00
- Invoice electronic requisition	Per invoice	25.00
- Receiver statements – manual	Per statement	50.00
- Receiver statements – pay online	Per statement	10.00
- RTM	Per receipt	5.20
- Bank account management	Per bank account (pa)	2 496.00
<b>Asset Accounting</b>		
- Asset accounting	No. of assets (pa)	81.60
- Disposals	Per asset disposed	28.00
<b>Taxation Services</b>		
- BAS lodgement	Per line per return	0.40
- FBT Tax	Per line comprising FBT liability	22.00
- Payroll Tax	Per cost code per return	6.50
<b>Financial Reporting</b>		
- Auto	Per page produced	1.25
Financial Systems	DASD usage (per 1% per annum)	72 000.00
<b>Contract and Procurement Services</b>		
<b>CAPS</b>		
- Tender Management	Per tenders managed	2 000.00
- Standard RFT	Per standard RFT	1 500.00
- Complex RFT	Per complex RFT	4 100.00
- Addenda/Extension	Per addenda/extension	540.00
- CAPS Advisory Service	Per no. of paid employees (pa)	20.00
- CAPS Whole of Govt Contracts	Per no. of paid employees (pa)	20.00
- RFQ Administration	Per no. of quotations entered	200.00
Couriers/Despatch	Per drop off/ pick up	12.00

Service	Cost Measure	Price (\$)
<b>Human Resource Services</b>		
<b>HR System</b>	Per no. of paid employees (pa)	345.00
<b>Job Evaluation Services</b>	Per JESd position	250.00
<b>Payroll Services</b>		
- Per Employee Charge	Per no. of paid employees (pa)	155.00
- Per PTR Charge - Auto	Per PTR - auto	3.00
- Per PTR Charge - Manual	Per PTR - manual	10.00
- Commencement / Termination	Per commencement / termination	260.00
<b>Recruitment Services</b>		
- New Starter	Per new starter	510.00
- Temporary or Nominal Move	Per temporary or nominal move	30.00
<b>Entry Level Recruitment</b>	Per no. of admin staff (pa)	70.00
<b>Short Courses</b>	Per person / half day	135.00
<b>Employment Programs</b>	No. of apprentices	2 480.00
<b>Venue Management</b>		
- Venue Management - Belvedere House A/S L1	Per half day	50.00
- Venue Management - Belvedere House A/S L2	Per half day	120.00
- Venue Management - Sadgroves Room	Per half day	50.00
- Venue Management - Timor Room	Per half day	100.00
- Venue Management - Frances Bay Room	Per half day	150.00
- Venue Management - Kath Govt Centre	Per half day	90.00
<b>OH&amp;S</b>	Per hour	110.00
<b>Workers Compensation</b>	Per hour	83.00
<b>INFORMATION AND COMMUNICATIONS TECHNOLOGY SERVICES</b>		
<b>ICT Policy &amp; Strategy</b>	Per no. of desktops (pa)	110.00
<b>IT Service Management</b>		
- Contract Services	Per no. of desktops (pa)	165.00
- Agency Services	Allocation of FTE - Managers (pa)	130 000.00
	Allocation of FTE - Directors (pa)	175 000.00
<b>Records Policy &amp; Systems</b>	Per no. of paid employees (pa)	65.00
<b>PROPERTY MANAGEMENT</b>		Cost
<b>Leased Property Management</b>	Overheads	3.47%



## APPENDIX C

### AUDITS BY THE AUDITOR-GENERAL

For year ending 30 June 2009

Audit	Audit Outcome/ Recommendation Summary	Action
DCIS End of Year Compliance Audit 2007-08	<p>Standard operating procedures were not followed in all instances - one employee contract was not signed by employee and employer.</p> <p>Employees with negative leave balances were noted.</p>	<p>Signed contract located and filed. Procedures reinforced.</p> <p>Actions that address this matter have been completed.</p>
DBERD Agency Compliance Audit 2007-08	<p>Accounting and Property Manual to be regularly reviewed.</p> <p>Territory Business Centre Receipting and Tracking System allows deletion of receipts and incorrectly rounds GST.</p> <p>Territory Business Centre safe combination to be changed on a more regular basis.</p>	<p>DBE Accounting and Property Manual is currently under review and captures the DBERD audit findings.</p> <p>A new receipting and tracking system currently being implemented and will replace old system.</p> <p>Safe upgraded and a policy implemented requiring regular combination changes.</p>
NT Fleet Financial Statement Audit 2007-08	Cash Receipts Clearing Account was not cleared to zero at 30 June 2008.	A journal was posted in period 14 in error due to a misunderstanding. NT Fleet is working more closely with DBE Ledgers to ensure the issue does not occur again.
Government Printing Office Financial Statement Audit 2007-08	Instances were noted where invoices were being approved by employees without appropriate delegations.	Compliance with delegations reinforced with staff.
Data Centre Services Financial Statement Audit 2007-08	Lack of segregation of duties identified for some journals and end of year reconciliations.	Administrative position filled resolving segregation issue.
GAS Controls 2007-08	<p>GAS user profiles to be reviewed quarterly and conflicting profiles addressed immediately with reports signed to evidence reviews.</p> <p>Approved credit management policies to be in place, collection status of debtors updated and reviewed reports evidenced.</p> <p>Accounting and Property Manual should be complied with to reduce exposure.</p>	<p>Profiles reviewed, modified and requirement to evidence profile reviews reiterated.</p> <p>Credit management policies now revised.</p> <p>Accounting and Property Manual currently being updated and additional training provided to staff.</p>

Audit	Audit Outcome/ Recommendation Summary	Action
Information Security Policy & Awareness and Social Engineering	<p>Security awareness to be included in induction programs with an ongoing awareness campaign implemented for employees.</p> <p>Physical access security controls require improvement at Palm Court.</p> <p>Ongoing ICT security audits should be conducted with a focus on areas of identified weakness.</p> <p>Configuration of email systems should be reviewed to maximise protection.</p>	<p>Security awareness given higher profile. Awareness campaign includes orientation programs and regular reminders to NTPS staff.</p> <p>Physical access to Palm Court building upgraded.</p> <p>ICT security policy to be reviewed. Audit options to be considered within new sourcing contracts.</p> <p>Migration to Microsoft Outlook across Government will resolve issues relating to configuration of email systems.</p>
NT Fleet Interim Financial Statement Audit 2008-09	<p>Methodology for estimating residual values or the projected price of heavy vehicles or machinery recorded in the Fleet Business System may require review.</p> <p>Fleet Business System should be modified to enable journals to be reversed or re-entered.</p> <p>Fleet Business System allows accounts payable and accounts receivable journal entries to be deleted.</p>	<p>Heavy vehicle fleet residual values have been reviewed.</p> <p>A review of the Fleet Business System is planned to modernise the system. This will incorporate issues identified during the audit.</p>
IT Controls	<p>Processes for review and maintenance of GAS security profiles require improvement.</p> <p>Monthly review of NTG agencies' GAS user access should be enhanced.</p> <p>Data Centre backup and disaster recovery controls should be enhanced.</p> <p>Data Centre monitoring of sensitive PIPS and GAS events require improvement.</p>	<p>Documentation of processes nearing completion.</p> <p>GAS user access review process updated.</p> <p>Consultant engaged to assist with enhancements of disaster recovery controls.</p> <p>Process now implemented to address issue, including reports to identify sensitive events.</p>

Audit	Audit Outcome/ Recommendation Summary	Action
Salary Processing Services (PIPS) Compliance - 2009	<p>Exception reports should be promptly reviewed and actioned in accordance with procedures.</p> <p>Internal controls for employee deduction changes could be improved.</p> <p>Some employee files selected for audit were unable to be located.</p> <p>Two employee contracts selected for review were not signed by employee and employer.</p>	<p>Adherence to procedures reiterated with staff, further training conducted and additional spot checks implemented.</p> <p>Standard operating procedures reiterated to staff.</p> <p>DBE is currently moving to electronic recording of employee files which will alleviate the risk of missing files.</p> <p>Practices reinforced and tightened with a signed contract required before an employee can be paid.</p>
Territory Business Centre Compliance Audit 2009	<p>TBC service level agreement should be updated to reflect new departmental structure.</p> <p>TBC should adopt the DBE Accounting and Property Manual.</p> <p>Departmental delegations should be updated for ledger transfers.</p> <p>The Receipt and Tracking System does not generate a complete list of cancelled receipts.</p>	<p>A strategic directions and objectives document will replace outdated service level agreement.</p> <p>The DBE Accounting and Property Manual has been adopted by the TBC.</p> <p>Approval processes have been revised to ensure delegated officers sign transfers.</p> <p>A new Receipt and Tracking System is being implemented that will replace the current system.</p>

## APPENDIX D

### INTERNAL REVIEWS

For year ending 30 June 2009

Review	Description	Outcome
Review of Assets – Dedicated Equipment List	Review by Deloitte Touche Tohmatsu – to determine the accuracy and suitability of processes and systems currently in use by the relevant service providers to accurately record, track and determine the current financial value of assets used in the delivery of ICT services to the Northern Territory Government.	<p>The review identified instances where the requirements around the recording and documenting of assets were not sufficiently detailed or specific.</p> <p>All contracts have been reviewed with action plans developed with service providers to improve compliance with contractual obligations. Identified weaknesses have been corrected and regular reviews are now in place.</p>
Billing Review of Fujitsu Australia Limited for the period 1 June 2006 to 31 March 2009	Review by Deloitte Touche Tohmatsu –to determine whether appropriate controls exist within the service provider’s billing functions to ensure the completeness, accuracy and validity of billing transactions to NT Government agencies.	Nothing came to the attention of the auditors that caused them to believe that Fujitsu Australia Limited had not complied, in all material respects, with their contractual requirements.
Review of Security Practice, Policy and Procedure	Review by Stantons International - to determine the existence and use of appropriate security policy, practice and processes within the service provider environment, report on the current state and, if required, make recommendations for improvement.	<p>One service provider demonstrated a strong alignment with the other two demonstrating a general alignment to the NTG ICT Access Policy and many of the requirements articulated in the Australian standard</p> <p>Action plans were developed in consultation with service providers resulting in the identified weaknesses being corrected.</p>
Service Credits Audit	Review by Stantons International - to determine the accuracy and suitability of processes and systems currently in use by the relevant service providers to calculate and report on service credits payable as a result of not meeting specified service levels.	<p>It was concluded that service reporting is based mostly on the requirements of the respective contracts; however, not all measures were reported.</p> <p>The integrity of data feeds into reporting databases could not be fully validated for some of the service providers, as there were some instances where control mechanisms for feeds were lacking and the data was assumed to be accurate.</p> <p>The findings and recommendations were discussed with service providers and amendments made to some service levels through variations to the contracts.</p>

## APPENDIX E

### SELF INSURANCE CLAIMS

#### Department of Business and Employment

Risk Category	Number of claims		Value of claims		Average cost of claims	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Workers compensation <sup>1</sup>	N/A <sup>2</sup>	18	N/A <sup>2</sup>	\$612882 <sup>3</sup>	N/A <sup>2</sup>	\$34049 <sup>3</sup>

<sup>1</sup> Figures provided are for all claims during the financial year including new, ongoing and finalised claims.

<sup>2</sup> Department of Business and Employment was created in August 2008 and no data is available.

<sup>3</sup> Total value and average cost of claims include a lump sum settlement of \$280 000. Excluding the settlement, the average cost of claims is \$18 493.

#### Data Centre Services

Risk Category	Number of claims		Value of claims		Average cost of claims	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Workers compensation	1	1	\$2076	\$313	\$2076	\$313

#### Government Printing Office

Risk Category	Number of claims		Value of claims		Average cost of claims	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Workers compensation	1	1	\$1535	\$1814	\$1535	\$1814

#### NT Fleet

Risk Category	Number of claims		Value of claims		Average cost of claims	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Workers compensation	1	1	\$740	\$567	\$740	\$567

## APPENDIX F

### KEY PERFORMANCE INDICATORS

#### Finance Services

##### New measures added to 2008-09 Revised Budget

###### *Creditor Invoices paid within 30 days*

With the focus on continuing to streamline processing of accounts, the new measure was introduced to record NT Government achievement against meeting its policy of paying undisputed supplier accounts within 30 days.

##### Measures discontinued from 2008-09 Original Budget

###### *Assets Recorded*

Measure provides minimal insight into service being provided to agencies as there is a regular turnover of assets, with new assets acquired, and assets obsolete or excess to requirements retired or sold.

###### *Finance System Costs*

Measure recorded costs of running financial systems within DBE, which do not reflect and are not determined by service delivery performance.

###### *Creditor Invoices processed < 8 days*

Measure is of less relevance than replacement measure, with the priority focus on meeting the Government's 30 day payment policy.

###### *Average days to record assets*

Measure is not considered useful in providing an understanding of output performance.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Creditor Invoices processed	330 000	340 000	359 665	345 000
Debtor Invoices issued	32 000	32 000	30 960	33 000
<i>Quality</i>				
Processing error rate	<0.5%	<0.5%	<0.4%	<0.5%
System availability	100%	100%	100%	100%
<i>Timeliness</i>				
Creditor Invoices paid within 30 days	-	90%	88%	90%
Average days to collect debts	45	55	52	55

##### Movements between Original and Revised Budget 2008-09

###### *Creditor Invoices processed +10 000*

Volume increase anticipated due to increased activity, including the Working Future initiative.

##### Movements between 2008-09 Revised Budget and Actual

###### *Creditor Invoices processed +19 665*

Actual volume increase was greater than anticipated.

## Human Resource Services

### New measures added to 2008-09 Revised Budget

#### *Payroll transactions processed*

This represents a more relevant and informative measure of business output than the previous measure of Employees Paid.

#### *Processing error rate*

Measure provides a meaningful indicator of the quality of the output and one that HR Services can directly influence and benchmark.

#### *Proportion of apprentices completing qualification*

Measure provides an indication of the effectiveness of the services that the output delivers.

#### *Average days to commence new employees*

This provides a measure of recruitment and payroll services efficiency and effectiveness.

### Measures discontinued from 2008-09 Original Budget

#### *Number of Employees Paid*

Measure has been replaced by Payroll transactions processed as it is not a representative measure of service delivery performance.

#### *Pay transactions processed electronically via myHR*

#### *Pay transactions processed manually via PIPS*

Measures were relevant when myHR was first introduced. Now that the facility has wide acceptance the measures have been replaced with "Payroll Transactions Processed" and "Processing Error Rates" as these better address processing efficiency and accuracy.

#### *Human Resource System Costs*

Measure recorded costs of running human resource systems within DBE which do not reflect and are not determined by service delivery performance.

#### *Number of half days training delivered*

#### *Training course participant satisfaction*

Focus has been moved to apprenticeship programs with "Proportion of Apprentices Completing Qualification" now reported as a more meaningful indicator of effectiveness.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Payroll transactions processed	-	920 000	932 324	950 000
Commencements and terminations processed	13 300	13 300	14 794	13 420
<i>Quality</i>				
Processing error rate	-	0.08%	0.03%	0.05%
Proportion of apprentices completing qualification	-	80%	60%	80%
<i>Timeliness</i>				
Payroll transactions processed in applicable pay period	-	98%	98%	98%
Average days to commence new employees	-	5	5	5
Workers compensation claims processed within statutory time limits	100%	100%	97%	100%

### Movements between 2008-09 Revised Budget and Actual

#### *Proportion of apprentices completing qualification -20%*

Completion rate appears low due to the number of apprenticeships that span more than the 2008 09 financial year (for example Cert IV apprenticeships that take a minimum of 3 years to complete). This is a new measure and it may take some refinements before the measure is fully reliable.

#### *Commencements and terminations processed +1 494*

This measure is always difficult to forecast with a high degree of accuracy and is influenced by short term contract arrangements, including those related to the Working Future initiative and the Australian Government intervention.



## Procurement Policy and Services

### New measures added to 2008-09 Revised Budget

#### *Tenders Awarded*

This is a meaningful metric of procurement activity.

#### *Proportion of Tenders lodged electronically*

This is an important metric to measure the uptake of electronic tender submissions by the business community.

#### *Procurement Review Board appeals upheld as a proportion of tenders awarded*

This measure provides an indication of the effectiveness of procurement processes.

#### *Average days to issue tenders*

This measure captures the number of days from when an agency submits a tender to CAPS to the tender being advertised. It provides a reflection on service delivery performance.

### Measures discontinued from 2008-09 Original Budget

#### *Tenders managed*

#### *Tenders developed*

This reflected the number of tenders awarded that were fully developed by agencies and processed through CAPS. The new metric "Tenders awarded" includes both tenders managed and developed as a total volume. Historically, this performance indicator originated from the two types of tender processes for different charging mechanisms.

#### *Across Government contracts administered*

This measure reported the number of current contracts administered by CAPS which is a metric that remains fairly constant. As there is currently no plan to significantly increase or decrease the number of these contracts, there is limited benefit in retaining this measure.

#### *Procurement Review Board rejection rate*

This measure reflected the quality of business papers submitted for the Procurement Review Board by CAPS and was an internal quality indicator that was difficult to track and interpret reliably. The measure was usually low and is now not considered a meaningful measure of performance.

#### *Average days to prepare papers for the Procurement Review Board*

This internal indicator is not considered a useful measure of output performance, as it reflects a routine task rather than a key activity.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Tenders awarded	-	700	757	600
<i>Quality</i>				
Addenda to tenders issued	<20%	14%	31.7%	14%
Proportion of tenders lodged electronically	-	50%	46.5%	70%
Procurement Review Board appeals upheld as a proportion of tenders awarded	-	2%	1.25%	2%
<i>Timeliness</i>				
Average days to issue tenders	7	7	4.9	7

### Movements between 2008-09 Revised Budget and Actual

#### *Addenda to tenders issued +53.8%*

Previously addenda were reported only on those tenders managed by CAPS. However, this has proved to be inaccurate due to the way data is recorded and did not reflect the overall situation. The 2008-09 actual reported is the total number of addenda issued compared to the total number of tenders issued. The 2009-10 estimate will need to be revised to align with this new approach.

#### *Average days to issue tenders -2.1*

The performance improvement is related to improved workflow and systems within CAPS.

## Information and Communications Technology Services

### New measures added to 2008-09 Revised Budget

#### *Remote communities connected to broadband*

Broadband is recognised as being an essential enabler to improve outcomes for remote Indigenous health, education and employment. Broadband availability is targeted for all 20 identified Territory townships and other larger remote communities.

### Measures discontinued from 2008-09 Original Budget

#### *Agency information technology support hours*

No longer considered a useful measure of performance. Hours are based on the number of resources assigned to supporting agencies. This number changes based on demand and availability and does not reflect output service performance.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Laptops/workstations	11 700	12 500	12 697	12 500
Average monthly user service calls to help desk	9 000	11 000	11 156	10 000
Remote communities connected to broadband	-	17	17	21
<i>Quality</i>				
Agency scorecard for desktop services (out of 10)	7.5	7.7	8.8	7.8
Outsourced services provided within agreed service levels	100%	85%	98%	87%
Records management system availability	99%	99%	98%	99%
<i>Timeliness</i>				
Severe desktop faults restored within the service level agreement	100%	100%	100%	100%
Records management system work requests resolved within 2 days	100%	98%	98%	100%

### Movements between Original and Revised Budget 2008-09

#### *Average monthly user service calls to help desk +2 000*

Increase in helpdesk calls is primarily due to an increase in subscription numbers and some major ICT projects in the year.

#### *Outsourced services provided within agreed service levels -15%*

The original estimate of 100% is the contracted performance target. In practice, it is usual for performance achievement to be within the 95 to 99% range. The 2008-09 estimate was revised down based on projected provider performances after considering outstanding disputes and their potential to affect service levels, combined with delays in some major projects.

### Movements between 2008-09 Revised Budget and Actual

#### *Agency scorecard for desktop services (out of 10) +1.1*

Actual achievement reflects better than expected project deliverables and alignment of service level measurements as part of contract governance.

#### *Outsourced services provided within agreed service levels +13%*

Contractual disputes were resolved to the satisfaction of both parties and service level reductions were avoided. Expected effect on performance due to project delays was avoided by alignment of service levels and project timelines as part of contract governance.

## Office Leasing Management

### New measures added to 2008-09 Revised Budget

*Area of leased commercial property accredited for energy efficiency under NABERS 4 Star or better (m<sup>2</sup>)*

This measure provides a focus on energy efficiency to highlight property performance aligned to the Government's emphasis on reducing energy consumption.

### Measures discontinued from 2008-09 Original Budget

*Percentage of leases renewed before expiry*

Replaced by a measure considered to be more appropriate in relation to reporting quality of performance - "Area of leased commercial property accredited for energy efficiency under NABERS 4 Star or better".

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Property leases	148	170	183	195
Area leased (000m <sup>2</sup> )	172	183	187	200
Average cost per m <sup>2</sup>	\$280	\$274	\$262	\$285
<i>Quality</i>				
Area of leased commercial property accredited for energy efficiency under NABERS 4 Star or better (m <sup>2</sup> ) <sup>1</sup>	-	11 437	11 437	13 577
<i>Timeliness</i>				
Rental payments made on time	99.8%	99.0%	99.0%	99.0%

<sup>1</sup> NABERS is the Australian built environmental rating system, 4 Star is equivalent to Australian best practice.

### Movements between Original and Revised Budget 2008-09

*Property leases +22*

Increased property leases related to additional accommodation requirements for health, community services and community safety initiatives, including programs funded under the Working Future initiative and the Australian Government intervention.

### Movements between 2008-09 Revised Budget and Actual

*Property leases +13*

Increased property leases related to additional accommodation requirements for health, community services and community safety initiatives, including programs funded under the Working Future initiative and the Australian Government intervention.

## Business Development

### Changes in measures between 2008-09 Original Budget and 2008-09 Revised Budget

The output groups and outputs of the previous DBERD agency were reviewed following the formation of DBE. Output and structural changes were made within the business development and support functions to better reflect services to business and industry. This resulted in performance measures also being revised with a focus on reporting measures that demonstrate performance in delivery of output services. It was decided to move away from the broad capacity concept measurement to more readily identify and measure how the output assists and develops Northern Territory businesses.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Licence and business infrastructure services provided by Territory Business Centres	-	100 000	120 463	100 000
Economic reports and fact sheets issued	-	35	54	35
Industry and investment projects facilitated	-	71	67	60
Businesses and Industry Associations provided with financial assistance	150	100	222	100
Research and Innovation grants	10	19	19	15
<i>Quality</i>				
October Business Month participant satisfaction <sup>1</sup>	-	90%	94%	90%
Upskills Workshops participant satisfaction <sup>1</sup>	-	96%	97%	96%
<i>Timeliness</i>				
Business Growth applications assessed within 30 days	-	100%	100%	100%

<sup>1</sup> This measure is defined as the proportion of participant evaluation responses recording an above average or excellent rating.

### Movements between Original and Revised Budget 2008-09

*Businesses and Industry Associations provided with financial assistance -50*

The decrease reflects the transfer of Aboriginal Regional Development grants to the Department of Regional Development, Primary Industry, Fisheries and Resources.

*Research and Innovation grants +9*

The increase is due to a higher number of lower value research grants to be given in 2008-09.

### Movements between 2008-09 Revised Budget and Actual

*Licence and business infrastructure services provided by Territory Business Centres +20 463*

The increase is reflective of the increase in business activity, additional businesses opening and increased tradespeople moving to the Territory. The 2009-10 original estimate will likely need to be revised accordingly.

*Economic reports and fact sheets issued +19*

Additional reporting in 2008-09 due to Global Financial Crisis and Small Business Ministerial Council.

*Businesses and Industry Associations provided with financial assistance +122*

Increased uptake of grant programs in regional areas. The 2009-10 original estimate will likely need to be revised accordingly.

## Employment

### New measures added to 2008-09 Revised Budget

The employment function was transferred into the new Department of Business and Employment in early 2008-09. Output and structural changes were made to better reflect employment related functions. This resulted in performance measures also being revised with a focus on reporting measures that demonstrate performance in delivery of output services.

*Workforce Growth NT/Skilled Migration database registrations - international and interstate*

New function which includes international and interstate registrations actively managed by the Department and recorded in the Territory Worker database.

*Employment programs developed and introduced*

Two new grant programs negotiated with the Australian Government - Indigenous Job Outcomes and Indigenous Workforce Development. This was previously a training oriented program only and now is employment focused.

*Business and Skilled Migration visas for nominations and sponsorships certified*

Visa sponsorship applications associated with the Regional Certifying Body assessment process. Measure provides a reliable indicator of workloads and service delivery for this output.

*Client satisfaction with employment programs*

New measure built into grants contracts with proponents to ensure outcomes are achieved.

*Timeframes met as agreed*

Employment initiatives (including grants) and advice delivered within negotiated timeframes. Measure provides indication of service performance.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Workforce Growth NT / Skilled migration database registrations				
- International	-	550	543	550
- Interstate	-	2 000	2 158	2 000
Employment programs developed and introduced <sup>1</sup>	-	-	-	2
Business and skilled migration visas for nominations and sponsorships certified	-	870	1 340	850
<i>Quality</i>				
Client satisfaction with employment programs <sup>1</sup>	-	-	-	80%
<i>Timeliness</i>				
Timeframes met as agreed <sup>1</sup>	-	-	-	100%

<sup>1</sup> New measure in 2009-10; data not available for 2008-09.

### Movements between 2008-09 Revised Budget and Actual

*Workforce Growth NT / Skilled Migration database registrations – Interstate +158*  
Increased marketing of the Territory Worker database interstate.

*Business and Skilled Migration visas for nominations and sponsorships certified +470*  
General increase in applications across most visa subclasses consistent with trend across Australia. The 2009-10 original estimate will likely need to be revised.

## Data Centre Services

### New measures added to 2008-09 Revised Budget

*Unplanned outages per month – virtual server environment*

New measure added as more servers are moved from physical to virtual environment.

*Terabytes of storage area network*

Replaced “Gigabytes of storage area network” to reflect the increasing size of storage.

### Measures discontinued from 2008-09 Original Budget

*Servers managed – mid-range services*

Renamed to “fully managed servers”.

*Databases hosted – mid-range services*

Variation in size of individual databases makes measure less meaningful as an indicator of performance.

*Gigabytes of storage area network*

Measure replaced with ‘Terabytes of storage area network’ due to the increasing size of storage.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Billable mainframe (CPU) seconds processed per month	1.65M	1.72M	1.65M	1.70M
Servers hosted in a secure Data Centre facility	440	440	440	440
Fully managed servers	270	299	311	325
Terabytes of Storage Area Network	35	51	75	65
<i>Quality</i>				
Unplanned outages per month – mainframe services	-	-	0.1	-
Unplanned outages per month – virtual server environment	-	3	3	3
<i>Timeliness</i>				
Response time for mainframe services (<5 seconds)	98.5%	98.5%	98.3%	98.5%
Performance report for mid-range services provided to clients each month	<10 days	<10 days	<10 days	<10 days

### Movements between Original and Revised Budget 2008-09

*Fully managed servers +29*

Continued uptake of servers hosted in a virtual server environment.

*Terabytes of Storage Area Network +16*

Increased storage capacity due to demand growth.

### Movements between 2008-09 Revised Budget and Actual

*Fully managed servers +12*

Actual uptake of servers hosted in a virtual server environment was greater than anticipated.

*Terabytes of Storage Area Network +24*

Increased capacity due to acquisition of a new storage area network.



## Government Printing Office

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Jobs undertaken	3 450	3 050	3 130	3 100
Proportion of printing sales outsourced	24%	25%	28.6%	25%
<i>Quality</i>				
Jobs reworked	<0.1%	<0.1%	0.4%	<0.1%
<i>Timeliness</i>				
Quotes provided within required timeframes	99%	99%	99%	99%
Jobs completed within required timeframes	99%	99%	98%	99%

### Movements between Original and Revised Budget 2008-09

#### *Jobs undertaken -400*

Demand for printed products diminished from original budget projection – the GPO has no control over demand.

### Movements between 2008-09 Revised Budget and Actual

#### *Jobs undertaken +80*

Actual customer demand was higher than anticipated.

#### *Proportion of printing sales outsourced +3.6%*

A higher number of print jobs required specialised printing capability that necessitated additional work being outsourced.

#### *Jobs reworked -0.3%*

The volume of rework increased in 2008-09, although it remained well below the industry standard of <1% of sales.

## NT Fleet

### New measures added to 2008-09 Revised Budget

#### *Heavy vehicles managed*

This measure has been added to provide a more complete picture of the Government's vehicle fleet.

#### *Reduction in greenhouse gases produced per km travelled*

This measure supersedes four cylinder vehicles in fleet as it is deemed to be more representative of the Government's strategy to reduce greenhouse gas emissions (measured in gm/km of CO<sub>2</sub>) by 20% over the next 5 years.

#### *Vehicles available for auction within 36 days*

Vehicles retained and reallocated to meet agency program demands and retained longer to compensate for falling market values resulting in ageing fleet. Expected that replacement program will be ramped up over next twelve months.

This measure replaces "vehicles offered for sale within 45 days". It records the time taken to prepare the vehicle for auction and is measured from the date the vehicle is de-allocated from the agency to the date the vehicle is made available to the auctioneer for public auction.

### Measures discontinued from 2008-09 Original Budget

#### *Four cylinder vehicles in fleet*

Measure was used as an indicator of improved fuel efficiency, however, this has been superseded by reduction in greenhouse gases which is deemed to be a more effective measure.

#### *Vehicles offered for sale within 45 days*

Vehicles retained and reallocated to meet agency program demands and retained longer to compensate for falling market values resulting in aging fleet. Expected that replacement program will be ramped up over next twelve months. This measure has been replaced by "vehicles available for auction within 36 days", which provides a more meaningful indication of NT Fleet performance. It measured the time taken from the date the vehicle was de-allocated from the agency to the day of its first appearance at public auction.

Performance Measures	2008-09			2009-10 Original Budget
	Original Budget	Revised Budget	Actual	
<i>Quantity</i>				
Light vehicles managed	2 485	2 695	2 680	2 700
Light vehicles disposed	920	830	851	1 050
Heavy vehicles managed	-	650	639	650
<i>Quality</i>				
Age profile of light vehicle fleet (proportion less than two years old)	80%	65%	66%	80%
Reduction in greenhouse gases produced per km travelled (gm/km of CO <sub>2</sub> ) <sup>1</sup>	-	-	-	5%
<i>Timeliness</i>				
Vehicles available for auction within 36 days	-95%	73%	73%	95%

<sup>1</sup> New measure in 2009-10; data not available for 2008-09.

The measure has been reduced from 45 days to 36 days which has resulted in a lower estimate for 2008-09. Procedures have been put in place to ensure the new target of 95% is achieved for 2009-10.

### Movements between Original and Revised Budget 2008-09

#### *Light vehicles managed + 210*

Growth due to expansion of Government demand, particularly initiatives such as in particular 'A Working Future' and the Australian Government Intervention program.

#### *Light vehicles disposed -90*

Replaced vehicles retained for reallocation to meet agency program needs.

#### *Age profile of light vehicle fleet (proportion less than two years old) -15%*

Vehicles retained kept in service longer and reallocated to meet agency program needs and retained longer to compensate offset for falling market values. It is resulting in ageing fleet. Expected that replacement program will be ramped up over next twelve months.

## APPENDIX G

### TERRITORY BUSINESS GROWTH PROGRAM

Regional Breakdown	Financial Year					
	2006-07		2007-08		2008-09	
	No.	Funding \$	No.	Funding \$	No.	Funding \$
Darwin	30	189 546	36	207 518	69	304 081
Alice Springs	2	6 817	13	69 563	23	86 507
Tennant Creek	2	12 690	4	19 095	5	21 901
Katherine	1	4 075	2	10 227	8	51 990
Nhulunbuy	0	0	2	13 909	6	38 455
<b>TOTAL</b>	<b>35</b>	<b>213 128</b>	<b>57</b>	<b>320 312</b>	<b>111</b>	<b>502 934</b>

### TERRITORY BUSINESS CENTRE STATISTICS 2008-09

	TOTAL	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Darwin	97673	8228	7705	9004	8658	9202	7072	7225	7741	8180	8226	8444	7988
Alice Springs	12291	1026	1116	1241	810	996	886	664	1002	998	1160	1190	1202
Katherine	7552	630	604	784	878	337	438	601	679	616	750	588	647
Tennant Creek	2630	196	20	293	376	213	186	224	192	286	262	172	210
<b>TOTAL</b>	<b>120146</b>	<b>10080</b>	<b>9445</b>	<b>11322</b>	<b>10722</b>	<b>10748</b>	<b>8582</b>	<b>8714</b>	<b>9614</b>	<b>10080</b>	<b>10398</b>	<b>10394</b>	<b>10047</b>

## APPENDIX H

### RESEARCH AND INNOVATION GRANTS AWARDED 2008

For year ending 30 June 2009

Project Title	Funding \$
Dr Naor Bar Zeev, MSHR – Respiratory illness among Aboriginal children	25 000
Dr Guy Boggs, CDU – Using Remote Sensing to monitor wetland health in the Barkly Basin	35 000
Dr Matt Brearley, NT Institute of Sport – Physiological analysis of athletes competing in the tropics and development of practical cooling methods	10 000
Assoc Prof Dean Carson, CDU – Demographic modelling and policy reappraisal: cyclone damage mitigation in Darwin	7 000
Prof Keith Christian, CDU – Freshwater crocodiles: model organisms for studying perturbations of natural populations	35 000
Dr Iain Field, CDU – Assessing the benefits of removing feral pigs from tropical landscapes	7 000
Assoc Prof Karen Gibb, CDU – Microbiology of marine sponges in a high nutrient environment	15 000
Dr Chris Glasby, NRETAS – Remediation of aquaculture ponds using the bloodworm polychaete <i>Marphysa</i>	7 000
Dr Lindsay Hutley, CDU – Impacts of plantation forestry and land clearing in the Daly catchment	45 000
Dr Mirjam Kaestli, Prof Bart Currie, MSHR – The microhabitat of the melioidosis bacterium <i>Burkholderia pseudomallei</i> in Darwin	5 000
Dr Samantha Setterfield, CDU – Exotic Grass	45 000
Dr Therese Kearns, MSHR – Beating Scabies and Strongyloides in Community	46 000
Prof David Parry, CDU – Ecotoxicology methods for Australian tropical marine species	46 000
Dr Martin Young, CDU – Gambling venues, accessibility and social harm in northern Australia	22 000
Mr John Trott – Ozylift Shovel clamp on handle	8 000
Mr Angus Cameron – Nomad Art Productions: Evolution: Genus Origins and Ancestors celebrating 200th anniversary of birth of Charles Darwin	8 000
Mr Richard Weinmann – Development of a low cost plant health imaging system	5 000
Mr Paul Greville, Greville Aluminium Fabrication – Curved Trench Grates system	9 000
Mr Roger Chapman – Road Transformer	11 000
<b>TOTAL</b>	<b>391 000</b>

## APPENDIX I

## GRANT PAYMENTS

For year ending 30 June 2009

<b>Industry Development Support Program</b>	<b>Cost (\$)</b>
Australian Hotels Association - NT	60 000
Australian Industry Defence Network - NT Inc.	137 000
Business Enterprise Centre (Darwin Region) Inc.	165 000
Clubs NT Inc.	45 000
Film and Television Association of the NT Inc.	8 000
International Business Council	157 000
Manufacturers Council	88 000
Motor Trades Association (NT) Inc.	58 000
Northern Territory Industry Capability Network	959 950
Welding Technology Institute of Australia	45 000
<b>TOTAL EXPENDITURE</b>	<b>1 722 950</b>

<b>Industry Development Grants</b>	<b>Cost (\$)</b>
Centre Bush Bus Pty Ltd	270 000
Northern Territory Seafood Council	15 960
Northern Territory Industry Capability Network	200 000
Tiwi Land Council	36 000
Tourism Top End	25 000
<b>TOTAL EXPENDITURE</b>	<b>546 960</b>

<b>Business Growth</b>	<b>Cost (\$)</b>
Agentur	2 727
AKS Welding and Fabrication	5 241
Alice Paint & Panel Pty Ltd	3 636
Alice Springs Paint Supplies	3 636
All Pro Constructions	9 000
All Rural Mechanical	4 000
Arafura Sailing Adventures	1 773
Arafura Sea Charters	2 727
Araluen Plumbing	3 636
Athanasios Athanasiou Pty Ltd	7 727
Attitude for Men	2 727
Auslink Pty Ltd	2 727
Aussie Move International	3 636
Australian Blue Cypress Oil Pty Ltd	2 727
Australian Outback Pest Company	2 727

<b>Business Growth (Continued)</b>	<b>Cost (\$)</b>
Avant Personnel Pty Ltd	1 280
Barkly All Trades Pty Ltd	1 839
Barkly Hardware & Gas	5 475
Bennett Design	3 636
BHE Pty Ltd	3 636
Big 'O' Pty Ltd	7 386
Blkmgk ICT	2 727
Bowden McCormack Lawyers and Advisers	3 636
Broadsword Marine Contractors Pty Ltd	3 636
C & S Refridgeration and Air Conditioning Pty Ltd	13 044
Cantila Pty Ltd	5 000
Carcom Installations Pty Limited	1 580
Central Communications (Alice Springs) Pty Ltd	3 636
Coach Charters Australia	10 636
Coaching Mentoring and Training Services	3 000
Crab Claw Island Pty Ltd	2 810
Darren's Northern Territory Barra Safaris	3 318
Darwin Economy Kitchens Pty Ltd	9 091
Davies Metal Works Pty Ltd	1 212
Deltareef Pty Ltd	10 320
Duke of Edinburgh's Award in Australia Northern Territory Division Inc	2 727
DXH Electrical Pty Ltd	2 727
Eagle Training Services NT	5 000
Earl James & Associates	8 636
Earthbuilt Pty Ltd	3 636
EASA Inc	3 636
Fannie Bay Physiotherapy	3 636
Fishing Tropical Australia	9 091
Gallery Gondwana	3 636
Garrett Homes Pty Ltd	3 636
Good Luck Shop	2 727
Gove Pharmacy	5 000
GRT Australia Pty Ltd	5 475
Healthy Outlook	2 727
IM Concepts	2 727
Indo Pacific Marine	900
Jalyn NT Pty Ltd	4 545
JC Electrical Security Pty Ltd	3 636
John Bedwell Management	4 364
Karen Sheldon Catering Pty Ltd	2 727

<b>Business Growth (Continued)</b>	<b>Cost (\$)</b>
Katherine Aviation Pty Ltd	13 591
Katherine Country Club Incorporated	4 245
Katherine Doors and Windows	4 364
Keller's	3 636
Kosmos Foods Pty Ltd	3 636
Laudatory Nominees Pty Ltd	3 636
Leading Edge Computers Tennant Creek	5 475
Leaping Lizards Gallery	3 636
Lisanote Pty Ltd	4 727
Master Tech Automotive Pty Ltd	3 636
McKenna Constructions Pty Ltd	2 727
Mengel's Heli Services Pty Ltd	2 727
Milkwood Steiner School	3 182
Nautical Supplies Pty Ltd	11 136
Nightcliff Builders Holdings Pty Ltd	2 727
Nomad Art Productions	3 636
Northern Power Services Pty Ltd	2 727
Northern Profile Services Pty Ltd	2 727
Northern Territory Seafood Council Incorporated	3 636
Northern Territory Trades & Labour Council Incorporated	7 182
NT Recycling Solutions	9 000
NT Scaffolds Pty Ltd	5 000
Ogden Electrical	3 636
OGMSA Oil, Gas & Mining Services Australia	7 250
Palmerston Bakery	3 636
Palmerston Clothing	3 636
Penny Farthing Avanti Plus	3 636
Peterkin Davis Pty Ltd	3 636
Pets Eternal Tranquillity	2 045
Phais Pty Ltd	3 636
Phillips Earthmoving Pty Ltd	3 636
Pine Creek Hotel	14 636
Pine Creek Service Station	3 636
Precision Honda	3 636
PTM Homes	3 636
Ray White Central Northern Territory	12 727
Relational Data Systems	14 136
Remote Area Services Pty Ltd	3 636
RSPCA Central Australia	2 727
Satellite City Motor Trimmers and Canvas Works	3 636
Security & Technology Services	3 636



<b>Business Growth (Continued)</b>	<b>Cost (\$)</b>
Shady Lane Tourist Park	4 245
Sterling Property Services Pty Ltd	3 636
Subway Mt Gillen	2 727
Territory Hirex	3 636
Territory Loans Pty Ltd	3 636
The Darwin Sailing Club Incorporated	9 091
Top End Pest Control	3 636
Top End Physiotherapy & Sports Injury Clinic Pty Ltd	2 727
Top End Upholsters & Motor Trimmers	3 636
Treehaven Pty Ltd t/as Territory Building Certifiers	4 000
Tropical Computers	3 636
Tropical Test and Tag	2 727
True Blue Angels Pty Ltd	3 575
Universal Engineering	4 091
Ward Keller	3 400
<b>TOTAL EXPENDITURE</b>	<b>502 911</b>

<b>Trade Support Scheme</b>	<b>Cost (\$)</b>
ABTS -Australia Business Training & Support	863
ACIL Tasman Pty Ltd	827
AL Logistics Pty Ltd	3 553
Alice Springs Helicopters	3 284
All Round Supplies	808
Anangu WAAI	5 944
Bamurru Plains	9 610
Batji Tours	2 250
Birds Australia	2 129
Bluescope Distribution	2 282
Bond Springs Outback Retreat	7 313
Bridge Toyota	3 017
Buku Larrnggay Mulka Incorporated	3 708
Capiteq Pty Ltd	3 131
Clark Oldfield Services Pty Ltd	4 078
CSA Global Pty Ltd	9 931
Dataline Visual Link Pty Ltd	1 953
Davidson's Arnhemland Safaris Pty Ltd	5 880
Duprada Performing Arts Association	15 344
Emily Kngwarreye	36 142
Emmerson Resources Ltd	5 632
Energy Metals Limited	4 236

<b>Trade Support Scheme (Continued)</b>	<b>Cost (\$)</b>
Everest Enterprises Pty Ltd - Transhose (NT)	7 633
Flagonwheel Music	5 404
Gurumul Yunupingu	8 402
Hercules Offshore Lifting Gear Pty Ltd	9 488
Industries Services Training	6 164
International Business Council	8 491
ITW Buildex	2 268
J Blackwood & Son Ltd	8 883
Jongs Upholstery & Canvas Pty Ltd	1 050
JVC Investments Pty Ltd	10 253
Kakadu Culture Camp	15 917
Leithen Valley Trophy Hunts	6 055
Linetec Engineering Pty Ltd	5 895
Lords Kakadu & Arnhemland Safaris	4 051
Maningrida Arts and Culture	4 687
Nedrill Blasting Contractors Pty Ltd	11 477
Nitmiluk Tours Pty Ltd	5 000
Northern Territory Cattlemen's Association Inc	5 415
Northern Territory Livestock Exporters Association Inc	21 106
Northern Territory Outback Safaris	5 000
NT Immersions Pty Ltd	4 209
Northern Territory Resources Council	4 343
NT Tyre Service	1 753
OGM Engineering	2 225
Outback Ballooning Pty Ltd	7 967
Outback Private Tours	14 244
Outstation Art From Art Centres	1 569
Travellers Auto Barn	1 847
Professional Helicopter Services	3 428
Proto Resources & Investments	4 111
Safaritrekk Intl.Leisure Group (Aust) Pty Ltd	6 429
Skinnyfish Music	9 057
Skycity Darwin Pty Ltd	8 192
Shadetech	4 351
Territory Uranium Company Limited	6 415
Locker Group Pty Ltd	2 490
The Shade and Canvas Company Pty Ltd	5 972
Thoroughbred Racing NT Incorporated	3 291
Thrifty Northern Territory	4 599
Tingari Arts	12 147
TNG Limited	17 019
Travel North Group of Companies	1 205

<b>Trade Support Scheme (Continued)</b>	<b>Cost (\$)</b>
Tropical Plant Brokers	3 143
Truscott Mining Corporation Limited	2 390
Voyages Hotels and Resorts Pty Ltd	3 428
Warlukurlangu Artists Aboriginal Corporation	12 588
Wayoutback Desert Safaris	13 029
Wilderness 4WD Adventures	12 178
Wordfly	1 561
<b>TOTAL EXPENDITURE</b>	<b>459 734</b>

<b>Sponsorship</b>	<b>Cost (\$)</b>
Australian Hotels Association - NT Branch	10 000
Australian Industry & Defence Network NT	5 000
Australian Institute of Company Directors	5 000
Australian Institute of Project Management	4 000
Chamber of Commerce Northern Territory	12 000
Charles Darwin University	600
Engineers Australia - Northern Division	5 000
Legacy Club of the NT	1 000
Northern Territory Young Achiever Awards	9 000
Palmerston Regional Business Association Inc	35 000
Rural Area Business Group	6 000
Territory Construction Association Inc	10 000
<b>TOTAL EXPENDITURE</b>	<b>102 600</b>

<b>ecoBiz NT</b>	<b>Cost (\$)</b>
AA & GM Whitehouse Pty Ltd	30 000
Australian Barramundi Culture Pty Ltd	30 000
Banyan View Lodge	30 000
Crossways Hotel	26 931
Darwin Crash Repairs Pty Ltd	13 526
Galaxy Gold Pty Ltd	8 125
Katherine Camping and Fishing	17 393
Katherine Club Inc	17 403
Katherine Hotel	13 382
Katherine Sports & Recreation Club Inc	19 723
Knotts Crossing Resort	17 640
P & M Investments (NT) Pty Ltd	18 135
R & B Dawson Pty Ltd	7 047
R.Buzzo Nominees Pty Ltd	17 600
Randazzo C & G Holdings Pty Ltd	28 799
Territory Construction Association Inc	15 000
Town and Country Butchers	4 261
<b>TOTAL EXPENDITURE</b>	<b>314 965</b>

## APPENDIX J

## INDUSTRY ASSISTANCE, GRANTS AND SPONSORSHIP

For year ending 30 June 2009

Program	2007-08		2008-09		
	Number of businesses	Cost \$'000s	Number of businesses	Actual expenses	Committed but not drawn \$'000s
Industry Association Grants (IDSP)	8	1 214	10	1 723	Nil
Industry Development Grants	6	696	5	547	20
Business Growth	57	320	111	503	103
Sponsorship	10	124	12	103	28
Trade Support Scheme	42	292	71	460	50
ecoBiz NT	Nil	Nil	17	315	17
<b>TOTAL</b>	<b>123</b>	<b>2 646</b>	<b>226</b>	<b>3 651</b>	<b>218</b>

## APPENDIX K

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### LOANS PORTFOLIO

At 30 June 2009, the portfolio comprised 10 loans with outstanding balances totalling \$493 413.

Categories	Cost (\$)
BTEC – 1 loan	109 562
Natural Disaster Relief (1998 Katherine Flood) – 5 loans	170 622
Natural Disaster Relief (2006 Katherine & region flooding) – 2 loans	100 300
Natural Disaster Relief (Cyclone Ingrid) – 2 loans	112 929
<b>TOTAL</b>	<b>493 413</b>

## APPENDIX L

## GIFTED AND LOANED VEHICLES

For the period 1 July 2008 to 30 June 2009

Gifted and Loaned Vehicles	Cost (\$)
<b>Gifted Vehicles</b>	
NT Softball Association	5 178
Yothu Yindi Foundation	9 171
Julallikari Council	29 091
Pensioners Workshop Association	13 129
Darwin Toy Library	23 000
Sunrise Health Service	34 000
Metal Health Association of Central Australia	17 000
Larrakeyah Nation	17 000
Neighbourhood Watch	6 937
NPY Women's Council	34 000
Dundee Progress Association	32 000
St John's Ambulance	14 000
Bawinanga	29 000
Step Out Community	27 000
Sommerville Community Services	10 500
Blue Bush Community (Trailer)	1
Drovers Volunteer Services	21 000
Ilpurla Aboriginal Corporation	28 000
<b>SUB TOTAL</b>	<b>350 007</b>

Gifted and Loaned Vehicles	Cost (\$)
<b>Loan Vehicles</b>	
Darwin Rugby League	2 686
Darwin Festival	21 559
Yothu Yindi Foundation	50 913
Indigenous Music Awards	2 801
Arts Festival	9 007
Bass In The Dust	1823
Boxing NT	2 180
Table Tennis Association	897
Anaconda Mountain Bike Endruo	3 085
NT Writers Festival	3 193
Humpty Doo Scouts	2 459
Fred Pass Show	667
Yothu Yindi – Wellbeing Project	3 277
Finke Desert Race	18 578
Sids and Kids	1 808
Greek Orthodox	14 937
<b>SUB TOTAL</b>	<b>139 869</b>
<b>TOTAL</b>	<b>489 876</b>

## APPENDIX M

### CURRENT INDUSTRY PARTICIPATION PLANS

As at 30 June 2009

Northern Territory Government Assisted Project	Commencement Date	Estimated Project value \$million
ENI Blacktip JV	2007	600
Darwin Helium Plant	2008	33
APT Bonaparte Gas Pipeline	2008	130
Jetstar Airlines Darwin Hub	2008	8
SIHIP New Future Alliance	2009	211
SIHIP – Territory Alliance – Tiwi Islands Package 1	2009	20
SIHIP – Earth Connect Alliance – Groote Island Package	2009	28
<b>SUB TOTAL</b>		<b>1030</b>

Northern Territory Government Project	Commencement Date	Estimated Project value \$million
PWC – Vegetation Management	2008	5
Darwin Hospital Oncology Unit	2008	10
Archer Zone Substation	2008	7
NT Netball Centre	2008	5
Fort Hill Demolition	2008	7
NTPFES Digital radio Network	2008	13
PWC – Lovegrove Substation and Owen Springs Switch Yard	2008	13
Rosebery Pre Primary and Middle Schools	2009	59
PWC – Asset and GIS Management Solution	2009	5
Alice Springs Correctional Centre Stage 2	2009	6
Darwin Business Park South and Stage 1 North	2009	15
Palmerston Super Clinic	2009	12
Johnston Subdivision Stage 1 Headworks	2009	10
Bellamack Subdivision	2009	11
PWC – Supply & Deliver HV and MV Cables	2009	10
PWC – All Centres Supply of New Apprentices	2009	5
<b>SUB TOTAL</b>		<b>434</b>
<b>TOTAL</b>		<b>1464</b>

## APPENDIX N

## NORTHERN TERRITORY: SETTLER ARRIVALS BY BIRTHPLACE

The principal source countries for migrants to the Northern Territory during 2007-08 were:

Country	Percentage
United Kingdom and Ireland	12.8
New Zealand	11.9
Philippines	9.3
India	6.8
Thailand	6.8
Peoples Republic of China	6.6
Indonesia	5.6
Malaysia	3.8
Singapore	3.3
Burma (Myanmar)	2.8
Vietnam	2.0
South Africa	1.6

Source: DIAC Settler Arrivals 2007-2008 released September 2008



## APPENDIX O

### ACCOMMODATION COSTS FOR NON-GOVERNMENT ORGANISATIONS

For the period 1 July 2008 to 30 June 2009

Non-Government Organisation	Building	Cost (\$)
Amateur Fishing Association of the NT	Malak Shopping Centre	35 075
Association of Independent Schools of the Northern Territory	Darwin Central	20 064
Asthma Foundation	Eurilpa House, Alice Springs	4 355
Australia Day Council	Darwin Central	20 064
Australian Association of Young People In Care	Casuarina Plaza	9 150
Bushfires Council	Lot 1718/19 Albatross Street, Winnellie	103 591
Camp Quality	Lot 521 Pavonia Place, Nightcliff	38 088
Cancer Council	44 Bath Street, Alice Springs	27 360
Cancer Council	Casi House, Casuarina	51 000
Cancer Council	Randazzo Centre, Katherine	13 725
Child Birth Education	Casuarina Plaza	6 710
Childrens' Services Support Program	Eurilpa House Alice Springs	31 936
Deaf Association	Casuarina Plaza	14 366
Downs Syndrome Association	Rapid Creek Shopping Centre	16 905
Duke of Edinburgh Award	Berrimah Star Centre	70 440
Environmental Hub	Rapid Creek Shopping Centre	38 010
Family Planning Association	Eurilpa House, Alice Springs	13 998
Gagadju Association	Government Centre, Jabiru	16 385
Genealogy Society	Cavenagh Court, Darwin	43 810
Good Beginnings	Randazzo Centre, Katherine	27 450
Greening Australia and CLMA	Leichhardt Building, Alice Springs	32 913
GROW	Casuarina Plaza	18 300
Health Connections	Government Centre, Katherine	35 482
Heart Foundation	Darwin Central	40 283
Keep Australia Beautiful Council	Stuart Park Shopping Centre	38 656
Kidsafe NT and SIDS	Rapid Creek Shopping Centre	22 853
Lerrluk Indigenous Housing Advisory Service	Government Centre, Katherine	14 549
L'here Artepe Aboriginal Corporation	Leichhardt Building, Alice Springs	32 807
Mental Health Association of Central Australia	Hansen House, Alice Springs	20 799
Multicultural Community Services of Central Australia	20 Parsons Street, Alice Springs	12 020
Multicultural Council NT and Multilingual Broadcasting Council NT	Malak Shopping Centre	69 584
Pensioners' Workshop	48 Albatross Street, Winnellie	23 008
Radio Larrakia	Greek Community Centre, Nightcliff	15 582
Red Cross	Casuarina Recreation Centre	73 219
Territory Business Council	Randazzo Centre, Katherine	40 870
Training Advisory Council	Darwin Plaza	62 700
Training Advisory Council	Winlow House, Darwin	137 424
Various Arts Organisations Warehouse	Tiger Place, Winnellie	32 196
Various Community Arts and Craft Groups	96 Winnellie Road, Winnellie	163 429
Victims of Crime NT	La Grande, Darwin	42 228
YWCA	Satepak House, Palmerston	72 468
YWCA	Highway House, Palmerston	32 870
	<b>TOTAL</b>	<b>1 626 722</b>

