

# **ANNUAL REPORT** 2023-24

© Northern Territory Government 2024

You may download, display, print and copy any material in this report, in unaltered form only, for your personal use or for non-commercial use within your organisation.

Except as permitted above you must not copy, adapt, publish, distribute or commercialise any material contained in this report without prior written permission from the Northern Territory Government through the Department of Corporate and Digital Development.

**ISSN: 2653-5491 (Online)**

Enquiries should be made to:

**Department of Corporate and Digital Development**

GPO Box 2391  
DARWIN NT 0801

Telephone: +61 8 8999 1413  
Email: [dcdd.comms@nt.gov.au](mailto:dcdd.comms@nt.gov.au)

Website: [dcdd.nt.gov.au](http://dcdd.nt.gov.au)

# Letter of Representation to the Minister

The Hon Joshua Burgoyne MLA  
Minister for Corporate and Digital Development  
Parliament House  
DARWIN NT 0800

Dear Minister

In accordance with section 28 of the *Public Sector Employment and Management Act 1993*, I am pleased to submit the Department of Corporate and Digital Development (DCDD) 2023-24 Annual Report setting out the activities and achievements of the department.


Pursuant to the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995* and the *Information Act 2002*, I advise that to the best of my knowledge and belief:

- a. proper records of all transactions affecting DCDD are kept and employees under my control observe the provisions of the *Financial Management Act 1995*, the Financial Management Regulations and Treasurer's Directions
- b. procedures within DCDD afford proper internal control, a current description of such procedures are recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the *Financial Management Act 1995*
- c. no indication of fraud, malpractice, major breach of legislation or delegation, major error in, or omission from, the accounts and records exists
- d. in accordance with section 15 of the *Financial Management Act 1995*, the internal audit capacity available to DCDD is adequate, and the results of internal audits have been reported to me
- e. the Financial Statements included in the annual report have been prepared from proper accounts and records and are in accordance with the Treasurer's Directions
- f. Employment Instructions issued by the Commissioner for Public Employment have been satisfied
- g. DCDD is working in compliance with the archives and records management provisions as prescribed in Part 9 of the *Information Act 2002*.

Yours sincerely



Catherine Weber  
Chief Executive  
30 September 2024



## Acknowledgement of Country

The Department of Corporate and Digital Development respectfully acknowledges Aboriginal and Torres Strait Islander peoples as the First Nations people of this country. We acknowledge the continuing connection to lands, waters and communities, and the evolving cultures of all our First Nations peoples. We pay our deepest respects to all Aboriginal and Torres Strait Islander cultures, and to their leaders - past, present and emerging.

While this report uses the term 'Aboriginal', we respectfully acknowledge that Torres Strait Islander peoples are First Nations people living in the Territory. Therefore, strategies, services and outcomes relating to 'Aboriginal' Territorians should be read to include both Aboriginal and Torres Strait Islander Territorians.

Our Acknowledgement posters are displayed throughout our buildings. The artwork has been created by local artist Cian Mungati McCue, through Moogie Down Productions, a descendant of the Larrakia, Yanyuwa and Mulluk-mulluk people.

The artwork has been created using line art which is tied to the Top End nations Cian descends from, along with green ants and pandanus which are also synonymous with the Top End. The species of pandanus he has used is pandanus spiralis which is found only in Northern Australia. The reference image he took was at Binybara (Lee Point).

The Department of Corporate and Digital Development (DCDD) is committed to working with our employees to make our workplaces welcoming, respectful and culturally safe for Aboriginal and all employees.

## Purpose of the report

The Department of Corporate and Digital Development 2023-24 Annual Report provides a record of the department's functions, performance and progress towards our strategic goals and priorities. The report also formally acknowledges the achievements of our people during the year.

The report is tabled by the Minister in the Northern Territory Legislative Assembly as DCDD's major accountability document. It includes financial statements for the department and its two government business divisions for the year ending 30 June 2024.

The report complies with annual reporting requirements in the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995 (FMA)* and the *Information Act 2002*.

## Related reporting

The DCDD includes two government business divisions (GBDs), NT Fleet and Data Centre Services, established under the FMA and determined by the Treasurer.

Under the FMA, financial statements must be prepared separately, based on commercial accounting principles, audited by the Auditor-General and released to the Minister for tabling in the Legislative Assembly. These financial statements, along with the department's financial statements, can be found in section 6 of this report.

In all other aspects, data in this report, such as staffing data, is inclusive of those GBDs, unless otherwise noted.

# Contents

<b>1. The department</b>	<b>5</b>	<b>4. Performance and achievements</b>	<b>27</b>
Chief Executive foreword	6	Output group -	28
The department	7	Corporate support development	
Our organisational structure	8	Output group -	35
Finances	10	Digital government development	
DCDD strategic plan	10	Output group -	44
Community support	10	Corporate and shared services	
Sustainability	10	Government business divisions	46
<b>2. Our people</b>	<b>13</b>	<b>5. Corporate governance</b>	<b>49</b>
Our people snapshot	14	Governance structure	50
Our people	15	Corporate governance committees	51
Our workforce	15	Risk management	53
Diversity and inclusion	16	Audits	54
Staff development	17	Freedom of information	54
Leadership programs	17	Digital governance frameworks	55
People matter survey	19	<b>6. Financial statements</b>	<b>57</b>
Occupational health and safety	20	DCDD	58
Legislative compliance	22	NT Fleet	120
<b>3. Our customers</b>	<b>23</b>	Data Centre Services	164
Overview	24	<b>7. Appendices</b>	<b>207</b>
National representation	24	Appendix A -	208
Guiding frameworks	25	Cost allocation model	
Roadmaps	26	Appendix B -	212
Customer experience	26	Gifted and loaned vehicles	
		Appendix C -	214
		Grants and sponsorships	
		Appendix D -	215
		Accommodation costs	
		Appendix E -	217
		Governance - Audit	



# 1

## The department

Chief Executive foreword	6
The department	7
Our organisational structure	8
Finances	10
DCDD strategic plan	10
Community support	10
Sustainability	10



# Chief Executive foreword

I am pleased to deliver the Department of Corporate and Digital Development's (DCDD) annual report for the year ending 30 June 2024.

Much has happened over this past year, under the leadership of former Chief Executive, Chris Hosking, which is highlighted in this report. With the recent Legislative Assembly general election and subsequent change of government, Chris is now Chief Executive of the Department of Health and I have stepped into the role of DCDD Chief Executive.

I would like to take this opportunity to formally acknowledge Chris who led DCDD for the reporting period, and the enormous contribution he made to DCDD over almost 26 years of working in this centralised corporate support agency. Chris has left DCDD well positioned as a key central agency supporting government and I wish him all the best.

DCDD is ready to support agencies to deliver on the commitments of the newly elected Government to address crime, re-energise the Territory's economy and enhance the lifestyle that we enjoy here as Territorians.

DCDD is a strong high performing agency and vital in keeping government functioning behind the scenes. Our capability is recognised and called upon to underpin the day-to-day operations of government allowing agencies to focus on their core business.



Throughout the year we have continued to deliver our projects and expand our services, reflecting the experience and commitment of our teams in supporting our clients. There have been many achievements over the year detailed throughout the report, however I would like to share a few highlights.

- Our Schools Connectivity Uplift Program has connected many remote schools with new Low Earth Orbital satellite technology, vastly improving digital connectivity and creating new opportunities for learning in the bush. Through this program we also used the technology to upgrade health clinics and police stations.
- Territory Services was launched, a new digital shopfront for Territorians to access government services online in one place.
- We expanded our Aboriginal Employment Program with participants graduating with a qualification and job opportunities.
- Our first Enterprise Corporate Services Roadmap 2024-2027 was developed in consultation with our customers, outlining the pathway to providing further enhanced, contemporary support services to agencies.

The year ahead will bring an exciting opportunity to take our services to the next level as we look at new ways to improve and excel in servicing our customers.

As I sign this report and reflect on all DCDD has accomplished, I would like to celebrate and extend my thanks to all DCDD's people for their terrific work over 2023-24. I look forward to working together over the coming year, to the benefit of our clients.

A handwritten signature in blue ink, appearing to read 'C Weber'.

Catherine Weber  
Chief Executive

30 September 2024



# The department

As a central agency, DCDD leads and advises on the delivery of transformative digital solutions and delivers enterprise corporate and digital services to our customers across government, enabling agencies to focus on delivering core services to Territorians.

DCDD includes two government business divisions:

- NT Fleet, which manages the NT Government vehicle fleet (except for NT Police and NT Fire and Emergency Service)
- Data Centre Services (DCS), which delivers core ICT infrastructure and support services to NT Government departments.

DCDD has a responsibility to provide high quality support and advice to the Minister for Corporate and Digital Development.

## Vision

Our vision is to improve customer experience through exceptional services and solutions.

## Values

Five key values are central to everything we do in DCDD and underpin how we work together to deliver our services. We are:

**Honest:**  
we tell the truth

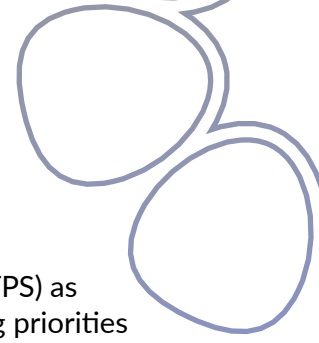
**Professional:**  
we work to a high  
standard

**Respectful:**  
we are considerate  
in our interactions

**Accountable:**  
we take  
responsibility  
for our actions

**Innovative:**  
we commit to  
improving





## Our organisational structure

We deliver a range of services that support the Northern Territory Public Sector (NTPS) as outlined below. Our structure is adaptable, allowing us to be responsive to emerging priorities and support our high-performing workforce.

### Corporate Services

The Corporate Services division designs and delivers a wide range of innovative enterprise corporate services and standardised solutions that support employees and clients in the day-to-day operations of the NTPS, ranging from transactional services through to strategic service delivery.

### Digital Services

The Digital Services division delivers modern digital solutions, enterprise systems and secure IT infrastructure, communications and workplace technology services that support and enable digital services for the NTPS.

### NT Fleet

NT Fleet provides low cost, efficient, fit-for-purpose vehicles to support agencies' business requirements, encompassing light and heavy vehicles and plant and equipment, (excluding NT Police and NT Fire and Emergency Service).

## Our locations

DCDD has offices in Darwin, Katherine and Alice Springs. Regional corporate services are provided in Alice Springs and Katherine. Services related to vacancy advertising are provided entirely through the Alice Springs office and accounts receivable in Alice Springs and Katherine.

### Office of Digital Government

The Office of Digital Government is the department's strategic and policy area, with a focus on digital, data, and telecommunications advocacy for the Northern Territory, advancing digital transformation to improve services and foster innovation and economic development in the Territory.

### Data Centre Services

Data Centre Services (DCS) is the central computing hub of the NT Government's (NTG) complex digital ecosystem. All NTG computing, network activity and telephony rely on the data centre.

DCS operates 24 hours per day, 365 days per year to an industry standard through highly secure facilities.

### Business Support Services

Business Support Services provides internal organisational support and advice.

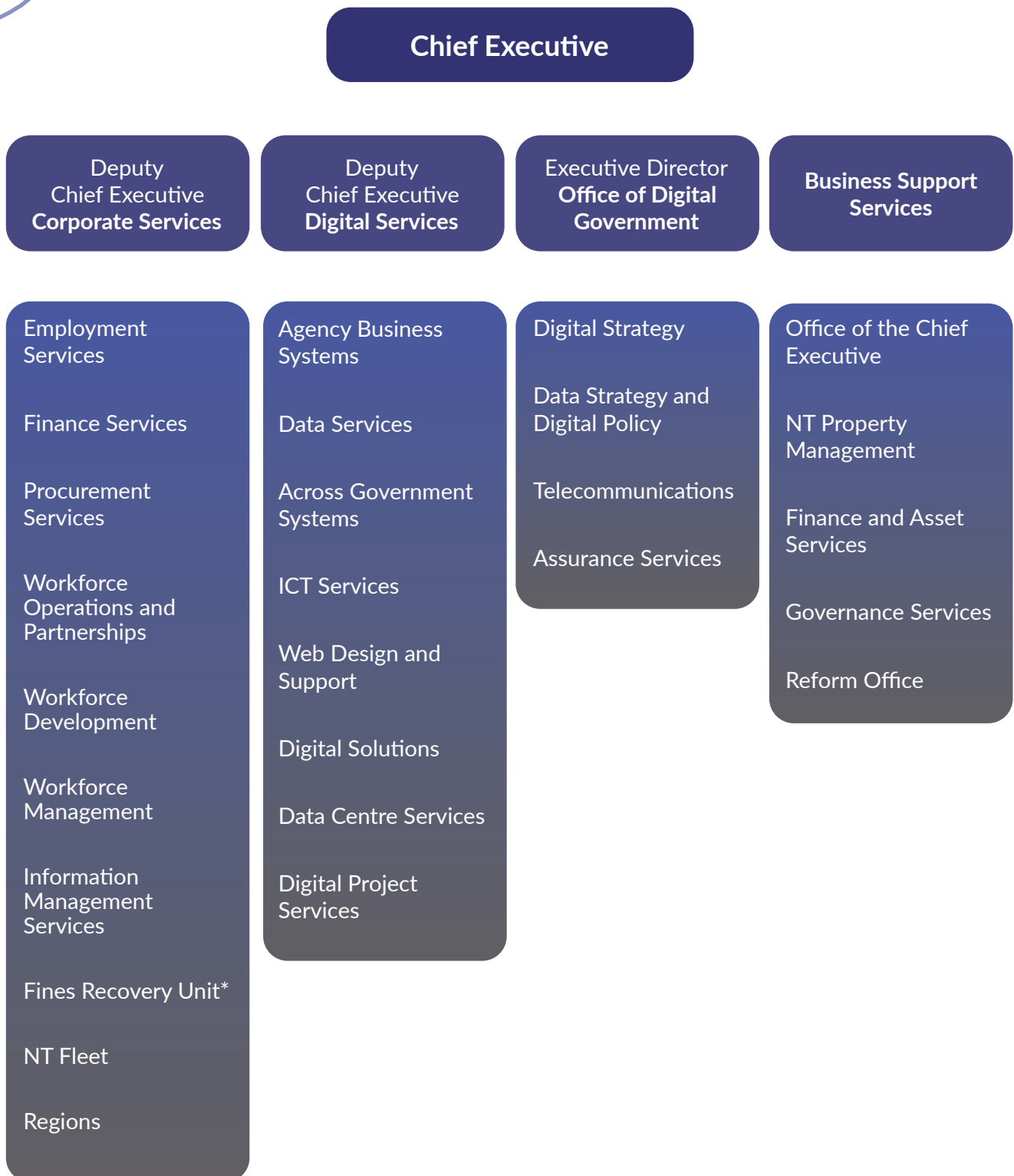
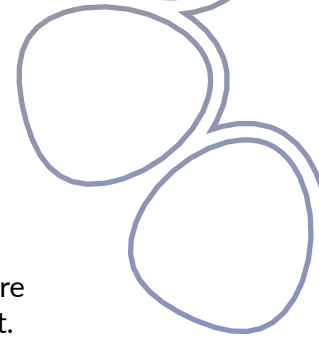


Diagram 1: DCDD organisational chart as at 30 June 2024

\*Fines Recovery Unit transferred to DCDD under the Administrative Arrangements Order of 10 September 2024. Its activities and performance will be reflected in the 2024-25 Annual Report.



## Finances

DCDD's final budget for 2023-24 was \$401 million (excluding the GBDs, which are separate budget entities). DCDD's expenditure of \$397 million was within budget.

For a comprehensive overview of all three sets of financial statements, see section 6.

The cost to deliver our services is passed on to departments via a cost allocation model as set out in Appendix A.

## DCDD strategic plan

The 2022-2024 strategic plan was designed with our people and outlines our key strategic drivers and priority areas to underpin how we work together and across government to deliver services and achieve our priorities.

This is the final year of the current strategic plan and in 2025, we will launch the DCDD 2024-2028 plan. Our people will be central in the development of the new plan and have been engaged early to consider our vision, values and how we will strive to deliver excellence for the next four years, aligned with the Government's priorities and meeting the needs of our clients.

## Community support

DCDD is largely an operational department internally focused on supporting government entities, however support is provided to the community through grants and sponsorships, accommodation costs for non-government organisations, short-term loan fleet vehicles and gifted vehicles. Further details can be found in section 7.

## Sustainability

DCDD is committed to responsible business practices and a number of measures are identified in the DCDD Emissions Action Plan to contribute to reducing emissions across our portfolio, including:

- reducing fuel across our fleet, increasing electric and hybrid vehicles and expanding vehicle charging stations in NT Government buildings
- energy efficiency measures in leased buildings and end of trip facilities to encourage alternative transport
- digital technology through online services, digital forms and virtual meetings reducing paper and travel
- reducing e-waste and recycling consumables
- strategic use of virtual computing technologies to reduce the amount of hardware required to operate.

## Our purpose

Deliver high calibre services, transformative solutions and trusted advice for our customers

## Our customers

Deliver reliable services  
Listen to customers  
Respect customer needs  
Create better experiences

### INVESTING IN OUR PEOPLE

Build a supportive, responsive and collaborative workforce

1. Provide a safe, inclusive and values-driven work environment which is a great place to work
2. Develop an enviable reputation through service excellence, exceptional leadership and authentic customer engagement
3. Equip our people with the skills, resilience and adaptability to overcome challenges, reach their full potential and shape the department's future
4. Create a professional and respectful culture where staff are recognised and valued
5. Ensure sound direction, proactive management and effective governance over the department's use of resources and information
6. Share ideas, experiences and insights to learn from each other and allow our culture to thrive

### IMPROVING CORPORATE SUPPORT

Deliver enterprise solutions to benefit customers

1. Increase customer satisfaction with our services through a customer-centric approach
2. Reform corporate business processes to deliver contemporary streamlined and scalable services
3. Co-design adaptive business solutions that respond effectively to changing priorities and circumstances
4. Integrate corporate services and systems to increase efficiency and add value for our customers and government
5. Leverage data expertise and develop business insights to better inform customer decisions
6. Grow OneNTG through professional corporate services, reliable enterprise solutions and trusted strategic advice

### LEADING DIGITAL GOVERNMENT

Drive digital opportunities to benefit Territorians

1. Deliver modern government services with improved customer experience through transformational digital projects
2. Improve connectivity and access to telecommunications and digital services
3. Protect government's digital ecosystem to secure data assets and enable service continuity
4. Share government data in ways that are secure, safe, lawful and ethical
5. Partner with customers, industry and other stakeholders to enable digital opportunities
6. Build OneNTG through digital transformation, integration and consolidation and trusted strategic advice

Diagram 2: Excerpt of the DCDD Strategic Plan 2022-2024



# 2

## Our people

Our people snapshot	14
Our people	15
Our workforce	15
Diversity and inclusion	16
Staff development	17
Leadership programs	17
People matter survey	19
Occupational health and safety	20
Legislative compliance	22



# Our people snapshot

**1285**

headcount

**1231**

FTE

**42%**

of staff have more than 10 years' government service

**42**

years average age of staff

**4%**

people work in regional areas

**59**

participants in our early career programs

**938**

flexible work arrangements

**70%**

staff have myPlans in place

**3967**

attendances at professional development

**257**

staff attended the OneNTG online orientation Program

**491**

staff had flu vaccinations across the department



## Our people

In DCDD our people always come first. We are a customer service agency, and the customer is at the centre of everything we do but our people come first, every time.

Our people are the reason we are able to provide such a great service to our customers, right across our remit. Without our people, success would be beyond our reach.

Our people are what makes DCDD a great place to work. We invest in and value our people, building a high-performance culture to meet our current and future business needs and opportunities.

Our people play a central role in delivering DCDD and government priorities. We are focused on building and maintaining a workforce with strong leadership, and the ability to think innovatively and engage effectively across teams, agencies, clients and stakeholders.

We strive at all times to build a collaborative, responsive and professional culture within the department, a culture where inclusiveness is valued, and people want to come to work every day and be all that they can be.

## Our workforce

The table below sets out full-time equivalent (FTE) paid staff by classification as at 30 June 2024. All other workforce data is expressed by paid headcount, unless stated otherwise.

Designation	FTE June 2023	FTE June 2024 <sup>1</sup>	Headcount June 2024
Executive Contract Officer 6	1.5	1.0	1.0
Executive Contract Officer 4	2.0	3.0	2.0
Executive Contract Officer 3	1.0	1.8	2.0
Executive Contract Officer 2	19.0	20.6	22.0
Executive Contract Officer 1	23.0	21.5	22.0
Executive Officer 2	1.0	1.0	1.0
Senior Administrative Officer 2	63.5	72.4	73.0
Senior Administrative Officer 1	154.3	163.7	170.0
Administrative Officer 7	197.7	212.4	220.0
Administrative Officer 6	210.4	238.5	247.0
Administrative Officer 5	141.5	152.5	158.0
Administrative Officer 4	173.6	175.2	185.0
Administrative Officer 3	91.6	105.5	111.0
Administrative Officer 2	47.8	39.8	48.0
Administrative Officer 1	1.7	0.0	0.0
Graduate	12.0	14.0	14.0
Technical 4	1.0	1.0	1.0
Technical 1	1.0	0.0	0.0
Professional 3	2.0	2.0	2.0
Professional 2	1.0	1.5	2.0
Apprentice	1.9	2.6	3.0
Other	1.0	1.0	1.0
<b>Total</b>	<b>1 149.4</b>	<b>1 231.0</b>	<b>1 285.0</b>

<sup>1</sup>The increase in FTE relates to transfer of corporate services staff from Department of Health, and additional ICT project requirements.

Table 1 - Gender breakdown by length of service

Milestone	Female	%	Male	%	Self-Specified	%	Total headcount	%
< 10 years	454	35.3	294	22.9	3	0.2	751	58.5
10-19 years	221	17.2	124	9.7	0	0	345	26.8
20-29 years	71	5.5	46	3.6	1	0.1	118	9.2
30-39 years	38	3.0	12	0.9	0	0	50	3.9
> 40 years	15	1.2	6	0.5	0	0	21	1.6
<b>Total</b>	<b>799</b>	<b>62.2</b>	<b>482</b>	<b>37.5</b>	<b>4</b>	<b>0.3</b>	<b>1 285</b>	<b>100.0</b>

Table 2 - Breakdown by division

	Corporate Services	Digital Services	Office of Digital Gov	Business Support	NT Fleet	Data Centre Services	Total
Headcount	590.0	535.0	21.0	63.0	28.0	48.0	1 285.0
FTE	556.2	521.6	20.0	59.4	26.2	47.8	1 231.0
% of FTE	45.2	42.4	1.6	4.8	2.1	3.9	100.0

Table 3 - Breakdown by region

Location	FTE	% of FTE	Paid headcount	% of paid headcount
Alice Springs	41.5	3.4	43	3.3
Darwin	1 183.5	96.1	1 236	96.2
Katherine	5	0.4	5	0.4
Other	1	0.1	1	0.1
<b>Total</b>	<b>1 231.0</b>	<b>100</b>	<b>1 285</b>	<b>100</b>

## Diversity and inclusion

DCDD is committed to a diverse and inclusive workplace. We celebrate the diversity of our people who bring a broad range of skills and experiences to DCDD which contributes to our success. Different backgrounds and identities are valued and welcomed in our inclusive culture.

Staff equity and diversity statistics at 30 June 2024 are presented below.

**20%**

of our people are from culturally and linguistically diverse backgrounds

**3%**

of our people identify as having a disability

**6.3%**

of our people identify as being Aboriginal

**62%**

females

**37%**

males

**0.31%**

self-specified

## Recognition

Over the reporting period, a number of celebrations were held across DCDD to recognise and thank staff who reached important milestones.

The service milestones are a significant achievement for staff who have continued to show their commitment and dedication to the NTPS over the years and have contributed to the range of services we deliver to Territorians.

Table 4 - Recognition of service

Years of service	Number of staff
10	33
20	15
30	4
35	5
40	2
50	1

## Staff development

Investing in our people is the first goal in our strategic plan with the key focus on building a supportive, responsive and collaborative workforce.

We support our people through a wide range of training programs to build skills and capability ranging from leadership development to short courses, forums, professional memberships, internal development opportunities and employment pathway programs. We subsidise study for formal qualifications to gain relevant professional and technical skills, with \$9600 provided in study assistance to 12 of our staff.

In 2023-24, DCDD staff participated in a wide range of internal and external training and development initiatives, with 3967 attendees recorded (noting some staff completed multiple training programs). This included 146 completions of the Foundational Cross-Cultural Training and 216 of the online OneNTG Appropriate Workplace Behaviours training.

All staff should have a performance plan in place providing a two-way process to discuss performance, define goals and responsibilities, and identify learning and development areas to support growth. DCDD has a 70% completion rate.

## Leadership programs

### Public Sector Management Program

DCDD supports and encourages our managers to undertake the Public Sector Management Program (PSMP), with five participants undertaking the program in 2023-24.

This program builds the skills of mid-level managers and results in a Graduate Certificate in Business (Public Sector Management). As part of the program, each participant undertakes a work-based project to deliver innovative outcomes for DCDD.

### Emerging Leaders Program

The Emerging Leaders Program is a new enterprise-wide offering tailored for new and emerging leaders at levels 5 to 7 in the Capability Framework.

The program provides participants with key foundational skills and confidence to build

leadership knowledge, gain tools and skills that strengthen their ability to lead and manage effectively in their roles.

DCDD sponsored eight participants in two cohorts of the Emerging Leaders Program.

### Executive Leadership Group

DCDD invests in leadership development at various levels to enhance strategic leadership skills and foster succession planning opportunities.

Our Executive Leadership Group forums provide a key mechanism for senior leaders to come together and build their knowledge through leadership, strategic topics and sharing information across DCDD portfolios.

Each forum includes a guest speaker who shares their leadership journey to inspire our future leaders.

## Early Careers

DCDD continued to provide opportunities for career pathways, with 59 participants supported in early career programs throughout 2023-24. Updates on progress, participation rates and mentoring are regularly provided to the Executive Management Board.

### Graduate Development Program

The Graduate Development Program provides recent university graduates with the opportunity to work in DCDD, rotating through work units based on their field of studies during their 12-month program.

During 2023-24, 24 graduates were employed across DCDD with bachelor and master's degrees in business, public policy, information technology, information systems, data science, psychological science, behavioural science and software engineering.

### Traineeship programs

Trainees in DCDD are engaged through full-time and school-based traineeship programs. The traineeship program combines on-the-job experience with nationally recognised training at certificate to diploma level.

In 2023-24, DCDD engaged 11 trainees, of whom seven were full-time trainees and three were school-based apprentices and trainees.

### Vacation Employment Program

This program provides professional employment opportunities to current university students during semester breaks and feeds into the Graduate Development Program.

There were 20 vacation students employed by the department in the areas of their studies such as information technology, professional accounting, business information systems, software engineering, commerce, business administration and business studies.

### Aboriginal Employment Program

The Aboriginal Employment Program (AEP) delivers training, work readiness skills and employment opportunities through a 20-week pre-employment program, resulting in a Certificate II in Workplace Skills.

Upon successful completion, the participants are awarded a nationally recognised qualification, along with a pathway into permanent or fixed term employment or alternatively an NT Government traineeship to further their studies.

DCDD hosted three AEP participants in this reporting period.

### Work experience

In March 2024, DCDD launched a two-week work experience pilot across the NTPS for year 10 students, providing engaging placements in our Corporate Services division for two students.

### Work Integrated Learning Scholarship

The Work Intergrated Learning Scholarship (WILS) program provides scholarship payments and paid work placements for Charles Darwin University students over semester breaks to assist with building career options, including pathways to graduate roles with the NT Government. DCDD has one WILS participant studying a Bachelor of Psychological Science.



## People matter survey

Every two years all NTPS employees can have their say about their workplace and contribute to making the public sector a better place to work.

DCDD's last survey results in 2023 were a significant improvement from the previous survey in 2021. Responding to the survey results, we developed a DCDD Action Plan with our people to outline our commitments and focus areas. We have worked hard to implement the Action Plan and have delivered a range of initiatives such as:

- Recognising our people's contribution through staff achievement walls and greater visibility of staff being recognised, showcasing our projects to our executive leadership forums and initial consultations with staff on an annual recognition event. The highlight has been the initiative for the Senior Leadership Team to meet with small groups of people from across DCDD for an informal chat over a coffee. Some good suggestions have come from these sessions.
- The Senior Leadership Team is committed to fostering work-life balance by rolling out initiatives such as work-life balance videos distributed via email, expanding flexible work arrangements, implementing a flexible working week, and launching a comprehensive wellbeing program supported by workplace contact officers.
- We have also refreshed our staff advisory group to engage better with staff, cut down red tape, and streamlined processes.

### Work life balance

Flexible working options are encouraged in DCDD. Our staff are supported with access to a range of flexible working arrangements, with 938\* flexible work arrangements accessed by staff over 2023-24, which has doubled since our last reporting period.

Type	Under 55 years of age	Over 55 years of age	Total
Averaging hours	126	47	173
Individual flexible work agreement*	223	41	264
Part-time work arrangement	116	7	123
Home-based work*	304	69	373
Recreation leave at half pay	80	29	109
Purchased additional leave	3	0	3

\* A single work-life balance application can include a combination of flexible hours and home-based work. Each option is reported and counted separately.



# Occupational health and safety

## Wellbeing and Culture Program

DCDD completed a pilot program for a broader NTPS Mentally Healthy Workplace Framework designed to foster improved employee connections, mental health literacy and the awareness of the benefits of maintaining individual mental and physical wellbeing.

Our Wellbeing and Culture Program was the first initiative from the framework and was launched across DCDD to support a happier and healthier workplace.

We took a diverse range of wellbeing ideas, themes and activities shared by our people to develop our 2024 program, with the aim to:

- improve employee resilience, health and wellbeing
- improve opportunities for employees to engage, collaborate and connect in promoting wellbeing at work
- bring together and share DCDD's wellbeing, culture and care work.

Our wellbeing working group and the workplace champions group are leading and implementing the range of initiatives.

### Health and wellbeing

DCDD is committed to the health and wellbeing of all employees and provides staff with opportunities to balance work commitments with family, community and cultural responsibilities.

We promote health and wellbeing initiatives throughout the year, including events and charities. Staff are encouraged to champion events, celebrate and share news of their activities through our staff newsletter.

Other initiatives offered across the department include an Employee Assistance Program, ergonomic awareness and staff raising funds through their work area social clubs to support Christmas party celebrations and charities. The DCDD Workforce Services Calendar promotes inclusion and diversity events across the NTPS.

The annual across-government flu vaccination program was managed by DCDD, with hubs in Darwin, Palmerston, Casuarina and Alice Springs, and a regional program in Tennant Creek, Katherine and Nhulunbuy. In 2024, 491 staff participated in the program.

### Workplace Contact Officer Program

This important program was launched to support staff and complement existing services. The program is an initiative that resulted directly from staff feedback and ideas.

The program provides a network of DCDD volunteers, including officers from cultural and linguistically diverse backgrounds who assist by offering guidance and information about connections to support services.

Our contact officers have been trained to help staff explore their options or next steps, and they meet regularly to support each other and identify any trends or common themes based on people interacting with the contact officers.

## Work health and safety

DCDD's Work Health and Safety (WHS) Governance Committee operates as the strategic advisory function, continuing to support a range of initiatives and provide oversight of health and safety performance outcomes and improvement strategies. The committee is supplemented with WHS Building Committees comprising employees from all DCDD workplaces.

In 2022, DCDD undertook a safety culture self-assessment which identified a range of leadership, systems and behavioural opportunities to improve WHS performance and outcomes. These objectives were incorporated into a targeted two-year WHS Action Plan.

A 2024 review confirmed that DCDD has improved its safety culture by a full maturity level up to the proactive maturity benchmark. Achieving this benchmark is a significant improvement and means that DCDD has matured its workforce behaviours, attitudes and beliefs about health and safety as well as its systems and governance arrangements.

Looking forward, the DCDD WHS Action Plan 2024-2026 will continue to drive agency-wide safety culture improvement while focusing on improved training to employees in safety sensitive roles such as emergency wardens, first aiders and WHS committee members, as well as proactively managing potential sources of psychosocial harm and promoting the benefits of physical and mental wellness to our workforce.

## Workers compensation

DCDD has 15 workers compensation claims open at the end of the reporting period. During the reporting period, nine new claims were submitted, of which five were accepted, one deferred and three were disputed / denied.



# Legislative compliance

## Employment Instruction reporting

Under the *Public Sector Employment and Management Act 1993 (PSEMA)*, Employment Instructions provide direction to agencies on human resource matters. DCDD complied with its obligations under each Employment Instruction throughout 2023-24.

## Public sector principles

Part 1A, sections 5A to 5F of PSEMA lists the general principles underlying this legislation. These principles need to be upheld by agencies, Chief Executive Officers (CEOs) and employees of the NTPS. In 2023-24, DCDD complied with all the prescribed principles.

### Administration management principle (section 5B)

DCDD provided effective, efficient and appropriate services to its clients, government and community, ensuring appropriate use of public resources while working cooperatively and responsibly carrying out our functions objectively, impartially and with integrity.

### Human Resource Management Principle (section 5C)

Workplace diversity and equity is upheld and provides everyone equal opportunity to make the most of their talents and abilities in the workplace. Our workplace environment ensures our employees are treated fairly, reasonably and in a non-discriminatory way.

### Merit principle (section 5D)

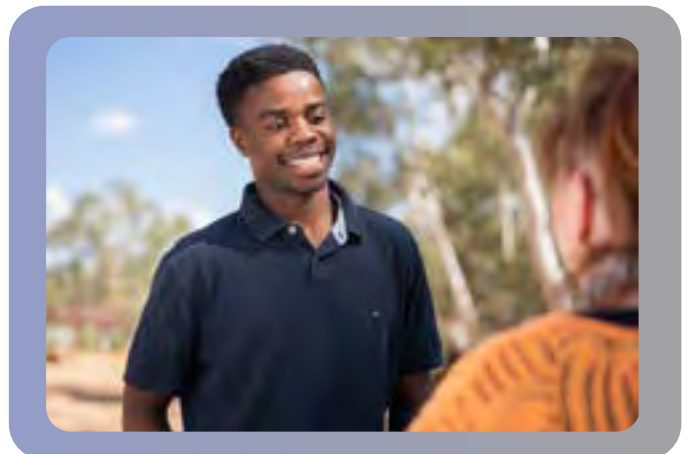
DCDD appointments are based on the principles of merit. Employees are capable and competent to perform their duties, having the knowledge, skills, experience and qualifications required to be successful in their role and having consideration of their potential for future development.

### Equality of employment opportunity principle (section 5E)

DCDD encourages staff to continually develop and access career development opportunities, which also includes exchange, transfer and mobility. Implementation of a special measures policy is enabling DCDD to eliminate unlawful discrimination while promoting diversity in its workforce.

### Performance and conduct principle (section 5F)

DCDD champions NTPS values, treating the workforce fairly, equitably, and with proper courtesy and consideration. DCDD officers avoid actual or apparent conflicts of interest and ensure personal conduct does not adversely affect their performance or that of other public sector officers while performing their duties objectively, impartially, professionally and to the best of their ability with integrity.



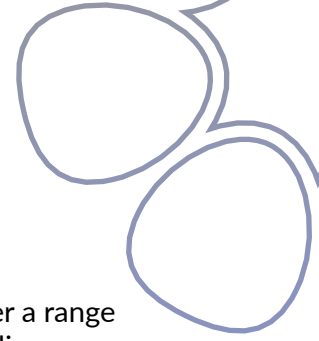


# 3

## Our customers

Overview	24
National representation	24
Guiding frameworks	25
Roadmaps	26
Customer experience	26





## Overview

Throughout 2023-24, we continued to support and advise our customers and deliver a range of enterprise-wide services and solutions to agencies across government. DCDD delivers more than 50 different services to NT Government agencies enabling agencies to focus on their core business.

### Customers

As the NT Government's central agency delivering enterprise services our key customers are other public sector departments, statutory organisations and NTPS employees.

We also provide services to suppliers to NT Government through invoicing, businesses that tender and supply to government, digital systems that service the NT community, remote NT communities and businesses through our telecommunications co-investment programs.

### Stakeholders

Our stakeholder engagement and communication is tailored to each stakeholder group, enabling us to maintain strong relationships across our diverse business.

DCDD interacts with government and ministers, central agencies, governance groups, oversight authorities, local industry sectors, professional bodies, academia and governments in other Australian jurisdictions.

### Digital transformation

The NT Government is progressing transformation initiatives to improve how Territorians interact with government in a modern and streamlined way. Territory Services was launched early in 2024 to provide one central digital platform for online government services and transactions. Currently offering over 80 government services, Territory Services will continue to grow. For example, initial scoping work has commenced to plan the important digital reform of implementing a digital driver licence that will be recognised anywhere in Australia.

## National representation

At a national level, DCDD actively works with stakeholders from other jurisdictions and represents the Minister and NT Government at a range of forums and meetings.

### Data and Digital Ministers Meeting

The purpose of this meeting is to improve outcomes for customers by participating in cross-government collaboration on data and digital transformation to drive smarter service delivery and improved policy outcomes. DCDD is contributing on the national stage and represents the Minister and NT Government on a number of national data and digital working groups focusing on the above priority issues, as well as digital inclusion, cyber security, data and analytics.

## Cyber Security

DCDD represents the NT Government on range of national cyber security forums, including the National Cyber Security Committee and related sub-committees, and supports national cyber security incident response coordination under the Cyber Incident Management Arrangements for Australia.

DCDD employees also represent the NT Government on national cyber security policy and operational matters through engagement with the Australian Signals Directorate's Australian Cyber Security Centre and Department of Home Affairs.

DCDD leads initiatives to support cyber security industry development, including partnering with the Australian Signals Directorate and Charles Darwin University to support cyber security training and education initiatives.

## Guiding frameworks

There are several frameworks that guide and underpin our approach to customer service.

### OneNTG Principles

Provides a collective view of government, where all agencies and employees work collaboratively to a common goal of one public sector delivering for the Territory community. The mutually accepted principles are support, partner, integrate and improve.

### Enterprise Services Framework

Guides and informs corporate decisions, addressing both strategic and operational requirements to meet government policy and agency business requirements and covers the service remit assigned to DCDD under the Administrative Arrangements Order and NT Government policy directives. The framework incorporates individual service statements for all service segments.

### Customer Charter

The charter identifies four commitments describing how DCDD engages with its clients to develop and deliver quality services and contemporary solutions. The commitments are: deliver reliable services, listen to customers, respect customer needs, and create better experiences.



# Roadmaps

## Digital Government Roadmap

The Digital Government Roadmap is a planning tool detailing current and emerging digital solutions for the NT Government. The roadmap is used to guide decision-making regarding prioritising government resources to plan and develop digital solutions delivered by DCDD.

## Enterprise Corporate Services Roadmap

Our first Enterprise Corporate Services Roadmap 2024-2027 was developed in collaboration with our customers and provides a pathway to an enhanced, contemporary approach to the way we support agencies and deliver service transformation that deliver benefits to the public sector.

Defined by four key services priorities, the roadmap focuses on 20 key initiatives designed in partnership with our clients allowing agencies to focus on the delivery of their core business.

The roadmap demonstrates our enterprise performance maturity since the implementation of the Corporate Services Reform in 2019 and continues the NT Government's efforts to significantly improve efficiency across government.

# Customer experience

## Customer feedback

During the reporting year the former DCDD Chief Executive met with all heads of agencies across government on two occasions to seek feedback on how we are performing, what is working well for our customers and where we can do better. The feedback is used to drive improvement in our services.

## Complaints

Our customers are welcome to provide feedback to help us improve our service delivery.

Customers have multiple channels to provide feedback about our services, including our website, by email, phone or through ministerial correspondence. There were 15 instances of feedback and/or complaints being submitted through these channels in 2023-24, and all were resolved in the reporting period. A biannual report is provided to the Executive Management Board, with a detailed overview of the feedback and/or complaints.

Our staff have the right to make a complaint if they are aggrieved by matters relating to their employment. Where employees make a complaint, they are contacted personally to discuss matters and, where required, are provided a formal response through written correspondence. Complaints can also be lodged through external reporting departments and are considered impartially with a focus on resolution and learning.

# 4

## Performance and achievements

Output group – Corporate support development	28
Output group – Digital government development	35
Output group – Corporate and shared services	44
Government business divisions	46



# Output group – Corporate support development

## Workforce services

Provide workforce decision support and development services, human capital initiatives and advice to assist agencies to manage their workforce, including human resource case management and training.

The business functions supporting this output through enterprise-wide human resource service delivery models and advice are workforce development, workforce management, and workforce operations and partnerships.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Participants commencing enterprise early careers programs	390	407 <sup>1</sup>	370

<sup>1</sup>Unpaid early career placements were coordinated on behalf of the Department of Territory Families, Housing and Communities (DTFHC). These placements were not estimated in previous periods.

### Key achievements in 2023-24

Implemented an Establish Management service to assist client agencies in maintaining structures in PIPs and managing workforce resources

Rolled out myPerformance, an online solution for performance agreements, to 10 agencies and an offline solution for remote employees

Launched the HR Skill Up, a weekly virtual information session on human resource topics with dedicated sessions for all staff as well as managers

Designed an enterprise level Specialised Recruitment service to better support agencies with talent attraction and recruitment for identified critical and hard to fill roles

Piloted a project with two agencies to support implementation of the Mentally Healthy Workplaces Framework

Launched two successful work experience pilot programs in Darwin supporting 42 students across nine agencies

Relaunched the Aboriginal Employment Program in Darwin and expanded the program to Alice Springs

Developed OneNTG guidelines to support staff with return to work following injury or illness

Digitised 11 HR forms and processes across client agencies

### Future priorities 2024-25

Develop a OneNTG Injury Management Framework

Develop a OneNTG HR Policy suite in consultation with client agencies

Finalise a Recruitment Panel Contract to improve access to external recruitment services and support

Determine service offering to support client agencies to operationalise the NTPS Mentally Healthy Workplace Toolkit

Expand the Work Experience Program to an enterprise offering with future availability in the regions

Pilot a Virtual Workforce Services Assistant for interactive self-help for first level queries

Continue to develop, implement and evaluate the Emerging Leaders Program targeting AO5 to AO7 staff and Senior Leadership Program targeting SAO1 and SAO2 and equivalent

Build contemporary digital solutions that better capture, analyse and report on workforce data, including new data sources resulting from the digitisation of HR processes

## Employment services

Deliver end-to-end enterprise employment operations and advisory services that support the employment of staff across government, including payroll processing.

The business functions supporting this output through enterprise-wide employment service delivery models and advice are payroll services, employment actions, employee benefits and assurance, and process improvement.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Payroll transactions processed	1.5M	1.51M	1.5M
Days to activate new employees on payroll system (average)	4	4	≤4

### Key achievements in 2023-24

Implemented a range of complex changes to multiple employee entitlements in enterprise agreements across the NTPS, including significant back payment requirements

Established a taskforce for salary overpayments processes, efficiencies and linkage to payroll debt recovery functions

Introduced reporting for bulk recruitment activities to support clients with timely employee commencements and provide visibility on the status of employment contracts

### Future priorities 2024-25

Improve automation in the payroll system for transfer and allowance processes to provide greater rigour and accuracy of payments

Enhance reporting for clients to assist with tracking and managing recruitment activities, recruitment drives and employee onboarding

Introduce a Unique Identifier for employee records to provide the ability to link multiple employment engagements and enable faster re-engagement

Continued involvement with enterprise agreement implementation as they are negotiated and finalised



## Procurement services

Coordinate procurement and contract administration services, development initiatives, advice and management of across-government contracts, enabling agencies to source the supplies needed for their business operations.

The business functions supporting this output through enterprise-wide service delivery models and advice are agency procurement services, across-government contracts, and contracts and procurement services.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Across-government contractors managed	264	263	265
Client procurements facilitated <sup>1,2</sup>	580	498	720
Days to process tender documents (average)	2.7	2.84	≤3

<sup>1</sup>The variation in 2023-24 is due to a decrease in demand from client agencies.

<sup>2</sup>The increase in the 2024-25 target is due to further centralisation of DoH activity to DCDD.

### Key achievements in 2023-24

Developed and published standardised procurement templates, including prefilling tenderer data via integration in assessment panel documentation

Facilitated the multi-agency panel food products contract for hospitals and correctional facilities, reducing the number of individual contracts to be managed by the agencies

Delivered quarterly information sessions to NTG employees in partnership with the former Department of Industry, Tourism and Trade (DITT) to improve general procurement knowledge in the NTPS

Produced and released an online video to guide tenderers through the submission process using Quotations and Tenders Online

Transitioned to a new corporate travel provider for the NTG

### Future priorities 2024-25

Pilot and assess the suitability of an online procurement system for high volume low risk request for quotations in partnership with DoH

Investigate opportunities to reduce timeframes for requesting quotations while ensuring compliance with the Procurement Framework

Investigate dashboard capability to support self-service access to data for NTG agency statutory reporting processes and internal reporting requirements on procurement

Continue development of a series of self-service "how to" videos to support and enhance procurement practices across the NTG

## Information management services

Provide professional information and records management services that support agencies to manage their business records and deliver expert freedom of information services to applicants and agencies.

The business functions supporting this output are records management, help desk services, records appraisal, sentencing and disposal, training development and delivery, and freedom of information (FOI).

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Days to process information management service requests	2	1.8	≤2
Applications made under the <i>Information Act 2002</i> finalised within statutory timeframes	96%	97%	≥ 95%

### Key achievements in 2023-24

Enhanced service delivery of TRM training through the implementation of a scheduled training program, including in-person training in regional centres	Expanded the centralised FOI service model to include two additional agencies: DoH and Attorney-General's Department (AGD)
Established a program to standardise Information Management Services client agency records management datasets	Centralised DoH archive and disposal and corporate courier and mail functions to Information Management Services
Developed a guideline and assessment template to assess and mitigate record management risks in business systems	

### Future priorities 2024-25

Implement the Resolve system to manage FOI requests, increasing efficiency and improving client experience	Review, publish and promote an updated Records Management Capability Framework for the NTG
Improve the records management practices of personnel records in client agencies, including implementing a new standard personnel record structure in TRM	Identify records in client agency TRM datasets scheduled for transfer to Library and Archives NT (LANT) by 2030. Engage with LANT to ascertain storage capacity and priority transfer targets

## Finance services

Provide enterprise finance operations, development initiatives and advisory services that support government and agencies to manage their financial resources.

The business functions supporting this output through enterprise-wide service delivery models and advice are accounts payable, accounts receivable, banking and card administration, reconciliations and RTMs, taxation services, and asset and ledger services.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Payments processed	500 000	543 372	500 000
Processing accuracy	95%	99%	100%
Debts processed	200 000	221 170	200 000
Days to collect debts (average) <sup>1</sup>	60	66	≤55

<sup>1</sup>Average days to collect has been impacted by resourcing in the reporting period.

### Key achievements in 2023-24

Transition of all government bank accounts to real bank accounts, enabling progression to funded accounts

Development of a whole of government uniform policy regarding uniforms for taxation purposes

### Future priorities 2024-25

Prepare for the government's banking structure to use the new payments platform

Continue releasing corporate taxation advice for use across government

Enable funded bank accounts at agency level in partnership with Department of Treasury and Finance (DTF)

## Property leasing services

Deliver property leasing and tenancy management services, development initiatives and advice to meet the accommodation requirements of agencies.

The business functions supporting this output through enterprise-wide service delivery models and advice are property leasing, property services and leasing advice.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Leased accommodation occupancy density (m <sup>2</sup> /FTE)	15	14.67	16.5
Unallocated net lettable area <sup>1</sup>	0.4%	0.46%	≤ 0.3%

<sup>1</sup>The variations are due to majority of unallocated spaces being held temporarily to accommodate decant staff for upcoming refurbishment projects.

### Key achievements in 2023-24

Monitored works programs under various contracts for the Leased Property Stimulus Scheme and executed new leases upon completion of programs

Delivered electric vehicle charging infrastructure in key leased buildings in collaboration with NT Fleet and the Department of Logistics and Infrastructure (DLI)

Progressed fitout design with key stakeholders for the Alice Plaza refurbishment project

Transitioned security patrol services for leased buildings to an across government contract

### Future priorities 2024-25

Finalise fitout design for the Alice Plaza refurbishment project and commence works

Conclude all projects under the Leased Property Stimulus Scheme

Continue working with NT Fleet and DLI to deliver electric vehicle charging infrastructure in key locations

Review and update NTG standard lease provisions, including engagement with the Government Property Group and the Property Council of Australia.

# Output group – Digital government development

## ICT network services

Operation and oversight of government's ICT network, enterprise architecture, cyber security operations and sourcing of ICT services to manage and sustain government's digital ecosystem.

The business functions supporting this output through enterprise-wide service delivery are ICT service management, ICT project management, ICT enterprise architecture, ICT sourcing, ICT network and telephony services, cyber security, cyber resilience and technology services.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Laptops, workstations and tablets	24 500	24 230	25 000
ICT Service Centre queries resolved on first contact	70%	77%	≥ 70%

### Key achievements in 2023-24

Ongoing projects to strengthen cyber security controls, capability and toolsets	Completed renewal of the ICT Infrastructure Hardware Panel Contract
Progressed deployment of Microsoft Office 365 software across government to allow access to AI toolsets such as Microsoft Co-Pilot	Advanced the DoE (DoE) to transition to the all of government subscription model computing contract
Partnered with the former DoE to uplift digital connectivity in over 100 schools and deployed Low Earth Orbit satellite services to 112 remote NTG sites (schools, health clinics, ranger stations and police stations)	Deployed bespoke voice solutions for DoH and DLI to improve worker fatigue and safety
Continued to engage with the local digital industry to inform business of future tendering opportunities	Progressed projects to modernise ICT infrastructure in DoE

## Future priorities 2024-25

Finalise schools targeted for digital connectivity uplift in partnership with the DoE	Explore biometric capabilities on end user devices with a view to improving security and end user experience
Further progress the usage of Low Earth Orbit satellite services to deliver improved connectivity and redundancy to NTG services	Deploy Microsoft Office 365 software across government and consider usage of Microsoft Co-Pilot
Implement Cyber Invest business grants to support small to medium businesses to invest in cyber security	Improve network connectivity of sites through the establishment of Software Defined Wide Area Network (WAN) technologies.
Implement online cyber security awareness training	Continue to strengthen the NTG cyber security posture
Continue the modernisation of the ICT environment in DoE	Lead a review of cyber security of local government organisations across the Territory
Deploy Windows 11 across NTG	

## Agency business systems and support services

Deliver systems administration and support services, improvement initiatives, digital solutions and technical advice to manage digital systems that support agencies to deliver their services to the community.

The business functions supporting this output through enterprise-wide service delivery are systems management and system operations.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Availability of core agency business systems	99%	99%	≥ 99%

### Key achievements in 2023-24

Delivered the new National Disability Insurance Scheme (NDIS) Worker Screening digital solution to SAFENT	Implemented new version of the red light infringement and processing system
Implemented system changes related to sentencing reforms across justice systems	Enhanced the housing inspection application to provide visibility of maintenance completed by contractors
Progressed business continuity assessment and recommendations for NT Superannuation Office system	Resolved significant risks with the radiology system in DoH related to patch management and cyber security
Developed dashboard for housing assets to provide accurate valuation figures for national reporting obligations	Finalised changes to the tenancy management system to align to legislative and policy changes

### Future priorities 2024-25

Assist agencies to deliver solutions for new government initiatives.	Modify Care system reporting needs to agency's requirements
Transition operational support for Acacia 1.0 for Tennant Creek and Alice Springs hospitals to standard support arrangements	Prepare for the Territory Revenue Office's RevConnect system release 1.0 and transition to operational support, and plan decommissioning of INTRA and TAXAD systems
Facilitate the development of digital strategies for NT Police and NT Fire and Emergency Service	Participate in National Driver Licence Facial Matching Service and modify MOVERS as required
Deliver CARE enhancements and implement system releases as provided by the vendor	Complete transition of radiology systems to DCDD and complete software upgrade

## Across government systems and support services

Deliver systems administration and support services, improvement initiatives, digital solutions and technical advice for enterprise systems that operate across government to support the NTPS.

The business functions supporting this output through enterprise-wide service delivery are systems management and the Operations Centre.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Average annual unscheduled outages per core system	1	0.5	≤ 2
Availability of core across-government systems	99%	99.9%	≥ 99%

### Key achievements in 2023-24

Delivered the NTG Pay, purchase to pay solution and transitioned the product to steady state support	Designed and implemented a modern case management solution for FOI requests
Implemented system processing changes for remaining enterprise agreements with back payments across multiple years	Automated user access for the NTG Pay system
Developed and deployed new procurement templates for Project Specific Project Plans and procurement assessment results	Worked with the Office of Digital Government to design, build and implement the Master Systems Index and supporting Configuration Management Databases

### Future priorities 2024-25

Support deployment of the Sage budget management system across government and transition to steady state support	Design, develop and implement MyFunds, a web-based application to transition NTG agencies from virtual to real bank accounts
Finalise the recommendations from the low value procurement pilot solution	Upgrade myLearning to support a OneNTG Learning Management System
Improve digital systems to support NT Government procurement compliance improvements	Finalise technical roadmaps for the Government Accounting Systems and Lotus Notes applications
Automated user access provisioning for GrantsNT, the Government Accounting System and HR systems access.	Analyse and design integration of NTG Pay and ASNEX to increase automation in invoice management



## Digital projects

Coordinate and oversee project management, development initiatives and advice to deliver transformational, customer-focused digital solutions for agencies that improve government service delivery.

The business functions supporting this output through enterprise-wide service delivery are Digital Project Services and Digital Solutions.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Enterprise programs in progress	2	2	1
Digital projects being managed	21	20	20

### Key achievements in 2023-24

Launched the Territory Services digital government shopfront	Implemented a contemporary NTG Pay system for procure to pay processes across government
Delivered the new NDIS Worker Screening digital solution to SAFENT	Continued the phased deployments of the new Acacia digital health solution
Delivered the first release of the new rostering system to NT Fire and Emergency Service	Implemented the new SerPro policing solution across the Territory on behalf of NT Police
Completed the business case to deliver electronic conveyancing in the NT	Continued development of the RevConnect revenue management system
Implemented Sage enterprise budgeting system	Business case approved for new education management solution

### Future priorities 2024-25

Undertake procurement of the new education management solution (to replace SAMS)	Continue to roll out the phased deployments of the new Acacia digital health solution
Commence procurement of the AAPA regulatory management solution	Progress the upgrade of school Local Area Network cabling across the Territory
Finalise rostering system for NT Police and NT Fire and Emergency Service (auxiliaries and volunteers)	Deliver a digital solution to support the growing requirement for citizen identity management
Continue development of the RevConnect revenue management system	Advance build and implementation of Sage budgeting system across NTG
Continue development of eConveyancing	Commence digital driver licence pilot

## Data services

Provide data management, reporting services, improvement initiatives and advice to inform agency business decisions supporting service delivery improvement.

The business functions supporting this output through enterprise-wide service delivery are data warehouse management, corporate reporting and strategic agency reporting, data governance and data policy.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Data service requests resolved <sup>1</sup>	17 547	15 844	15 000

<sup>1</sup> Reduction in volume relates to completion of corporate reporting projects and related contractors and automation of processes that previously relied on workflows that used the JIRA ticketing system

### Key achievements in 2023-24

Transitioned key Health data sets from the legacy system to new environment in support of the ongoing roll out of Acacia

Contributed business intelligence subject matter expertise to a range of digital projects that impact multiple NT Government agencies

Ongoing standardisation of across government corporate reporting

Continued to standardise operations by completing current initiatives and identifying new opportunities, including retiring legacy environments, reducing licensing and improving services to clients

### Future priorities 2024-25

Progress the Data Services OneNTG Data Strategy

Consolidate and standardise ICT licensing

Commence the development of a new DoE data environment in line with the OneNTG Data Strategy

Support the transition of agencies to the all-of-government budgeting system Sage and associated reporting

## Digital communications

Provide online web services, communications and solutions, development initiatives and advice to support agencies and inform the community about government services.

The business functions supporting this output through enterprise-wide service delivery are nt.gov.au support, NTG Central support and agency web services.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Website service requests resolved	20 000	19 219	20 000

### Key achievements in 2023-24

Developed web content and collaborated with digital teams to deliver the Territory Services platform	Established a data storage solution for public-facing website analytics, ensuring compliance with records management
Delivered the first phase of the DoE intranet redevelopment	Investigated cloud-based options for government's web presence
Conducted a review NTG Central (all of government intranet) to identify improvements to enhance the user experience	Completed an accessibility audit of nt.gov.au and agency corporate sites to identify areas to comply with web accessibility standards
Transitioned the DCDD, OCPE and NT Budget websites to new website technology environment	Continued to build content design capability with delivery of Foundational Content Design training
Implemented a policy library for all of government policies across corporate and digital services	

### Future priorities 2024-25

Establish an intranet content strategy for government's internal web presence, NTG Central, to improve access to corporate information and services	Partner with the Office of Digital Government to deliver a Digital Experience Strategy for the NTG's public-facing web environment
Progress the work to move the web content management system from on-premise to cloud hosting	Develop a roadmap for NTG Central to improve access to corporate information across government
Transition DLI, AGD and DTBAR to the new intranet technology	Continue to migrate nt.gov.au and agency corporate sites to the NTG Web Design System

## Digital connectivity and strategy

Provide digital policy and strategy development, telecommunications advocacy and coordination, reform initiatives and advice to support the digital transformation of government services and development of a local digital economy.

The business functions supporting this output through enterprise-wide service delivery are digital strategy, data strategy, telecommunications and assurance services.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Major ICT projects overseen by the ICT Governance Board	100%	100%	≥ 90%
Increase in the number of published datasets on the NT Open Data Portal	32	38	≥ 30

### Key achievements in 2023-24

Delivered whole-of-agency digital system reviews with DoE and TFHC

Delivered a refreshed Digital Futures event to engage women to consider a career in Science, Technology, Engineering, Arts or Mathematics (STEAM)

Monitored and reported on the Digital Territory Action Plan 2023-24

Commenced refreshing the Digital Government Roadmap for 2024 to 2029

Implemented an Artificial Intelligence Framework for the NT Government to optimise benefits when leveraging the technology while addressing key risks

Advocated for better telecommunications services in remote NT locations and initiatives to improve digital inclusion with the Commonwealth and industry

Advocated and promoted the opportunities for young people to start and progress a digital career

Supported the development and signing of the multi-jurisdictional Data Sharing Agreement for the National Disability Data Asset project

Expanded the open data portal and implemented a self-service publication process for agency dataset publication on the open data portal

Continued delivery of the remote telecommunications co-investment programs to provide more Territorians with access to digital connectivity



**Future priorities 2024-25**

<p>Advise and support DTBAR to develop a Digital Industry Growth Strategy</p>	<p>Improve connectivity across remote Territory communities using new technologies, including use of Low Earth Orbit satellite services</p>
<p>Explore ways to improve digital confidence of NTG staff across the Territory</p>	<p>Continue to coordinate agencies' participation in national strategic data sharing projects</p>
<p>Refresh and review the Digital Government Roadmap to ensure appropriate planning for major digital investment is maintained</p>	<p>Advocate for better telecommunications services in remote NT locations and initiatives to improve digital inclusion</p>
<p>Collaborate with the Commonwealth to standardise how governments deliver digital credentials such as digital driver licences</p>	

# Output group – Corporate and shared services

Improved organisational performance through strategic leadership and governance, and the provision of corporate services functions.

The business functions supporting this output through enterprise-wide service delivery are finance and asset services, Office of the Chief Executive, governance services, enterprise services and reform, and corporate communications.

## Corporate and governance

Provide a range of corporate and governance services to support the agency's functions.

## Shared services received

Receive infrastructure services from DLI.

## Shared services provided

Provide corporate and governance services to support functions and divisions assisted by the department, primarily NT Fleet and Data Centre Services, and the Northern Territory Electoral Commission (NTEC).

### Key achievements in 2023-24

Successfully provided strategic financial, budgetary and accounting advice and services to Data Centre Services, NT Fleet and Electoral Commission

Provided project support to Work Health and Safety (WHS) Senior Officer Advisory Group and Working Group to develop the NTG WHS Strategic Priorities Plan

Developed Enterprise Services Roadmap 2024-2027 and celebrated five years since commencement of Corporate Services Reform (CSR3)

Completed reviews of DCDD service statements and coordinated monthly reporting and governance meeting for over 30 service development projects

Worked in partnership with local provider to develop pilot customer experience training for DCDD. Two courses held with over 70 staff participating

Worked with DoH to transfer corporate functions and staff to DCDD

Transitioned to new invoice payment system, NTG Pay

Implemented Sage budgeting system in DCDD as an agency

Coordinated agency changes and machinery of government changes

Developed and implemented Action Plan in response to People Matter Survey 2023

Completed program evaluations for Freedom of Information, Web Design, Agency Business Systems, Data Services and Fleet Services

Developed Customer Sensing Framework and through Senior Officer Working Group explored process improvements for service redirections

Implemented Jira for communications project tracking

Developed two-year Work Health and Safety Action Plan

### Future priorities 2024-25

Support inter-agency groups to implement initiatives from NTPS WHS Strategic Priorities Plan	Finalise a review of performance reporting in DCDD and coordinate an external evaluation of CSR3
Complete implementation of the DCDD People Matter Survey 2023 Action Plan and prepare for the 2025 survey	Update the DCDD Business Continuity Plan (BCP) template and undertake a BCP desktop review
Improve budgets and finance reports in line with the use of Sage budgeting system	Implement Sage budgeting system in GBDs and NTEC
Implement a Customer Sensing Program	Support machinery of government changes
Develop 2024 - 2028 Strategic Plan	

# Government business divisions

## Data Centre Services

Data Centre Services delivers core ICT infrastructure and support services to Territory Government agencies.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Fully managed servers <sup>1</sup>	1 880	1 960	2030
Data storage area network (terabytes) <sup>2</sup>	12 700	10 200	14 000
Virtual server computing availability	100%	100%	100%
Mainframe computing availability	100%	100%	100%

<sup>1</sup>The variation in fully managed servers actuals is primarily due the ongoing consolidation of agency business systems into Data Centre Services hosting environment, and major project initiatives.

<sup>2</sup>The decrease in Data Storage Area Network actuals is due to migration of workloads to improved data reduction technology and decommissioning of old storage arrays, and ICT Services taking over management of the DELL Storage arrays.

### Key achievements in 2023-24

Completed a server refresh and upgrades to storage to improve resilience and cost efficiency

Implemented a new modern technology that improves the way that disparate applications across multiple hardware and software platforms communicate with each other

### Future priorities 2024-25

Undertake installation and commissioning of solar power at the Government Data Centre

Facilitate project to provide high availability for web and database shared hosting solution

Further improve the disaster recovery capabilities at the Backup Data Centre

Modernise toolset for monitoring and logging



## NT Fleet

NT Fleet operates the NT Government vehicle fleet, with the exception of NT Police and NT Fire and Emergency Service vehicles.

Vehicle fleet services also supports this output through safe, cost-efficient, fit-for-purpose vehicles that support agencies' business requirements.

Key performance indicators	2023-24 Estimate	2023-24 Actual	2024-25 Budget
Vehicles managed <sup>1</sup>	3 521	3 813	3 521
Electric vehicles in the Territory fleet <sup>2</sup>	104	125	150

<sup>1</sup>Revised measure – light and heavy vehicles combined, reported separately in the previous year.

<sup>2</sup>The increase in the 2024 target reflects improvements in supplier delivery times for electric vehicles and increased uptake by agencies.

### Key achievements in 2023-24

Developed and automated regular reports for agencies

Worked with agencies to increase the number of electric vehicles in the government fleet

### Future priorities 2024-25

Continue to work with agencies to increase the number of electric vehicles in the government fleet

Develop an Emission Reporting Tool



# 5

## Corporate governance

Governance structure	50
Corporate governance committees	51
Risk management	53
Audits	54
Freedom of information	54
Digital governance frameworks	55



## Governance structure

DCDD has a strong corporate governance structure that guides the department to deliver the appropriate standards of accountability, probity and transparency in our day-to-day operations.

Diagram 4 illustrates the linkages and alignment between government directions, our planning and strategy with responsibilities, outputs and service delivery to ensure outcomes are influenced from the top down and the bottom up.



Diagram 4: DCDD governance structure

# Corporate governance committees

Our governance committee structure consists of the Executive Management Board and the supporting governance committees, outlined at Diagram 5, responsible for governance of the agency.

The board and committees oversee the implementation of policies, plans and procedures that provide the foundation for good governance for our activities.

All DCDD corporate governance committees have a terms of reference and undertake an annual self-assessment to ensure continuous improvement and performance is strengthened. All committees operated in line with their terms of reference.

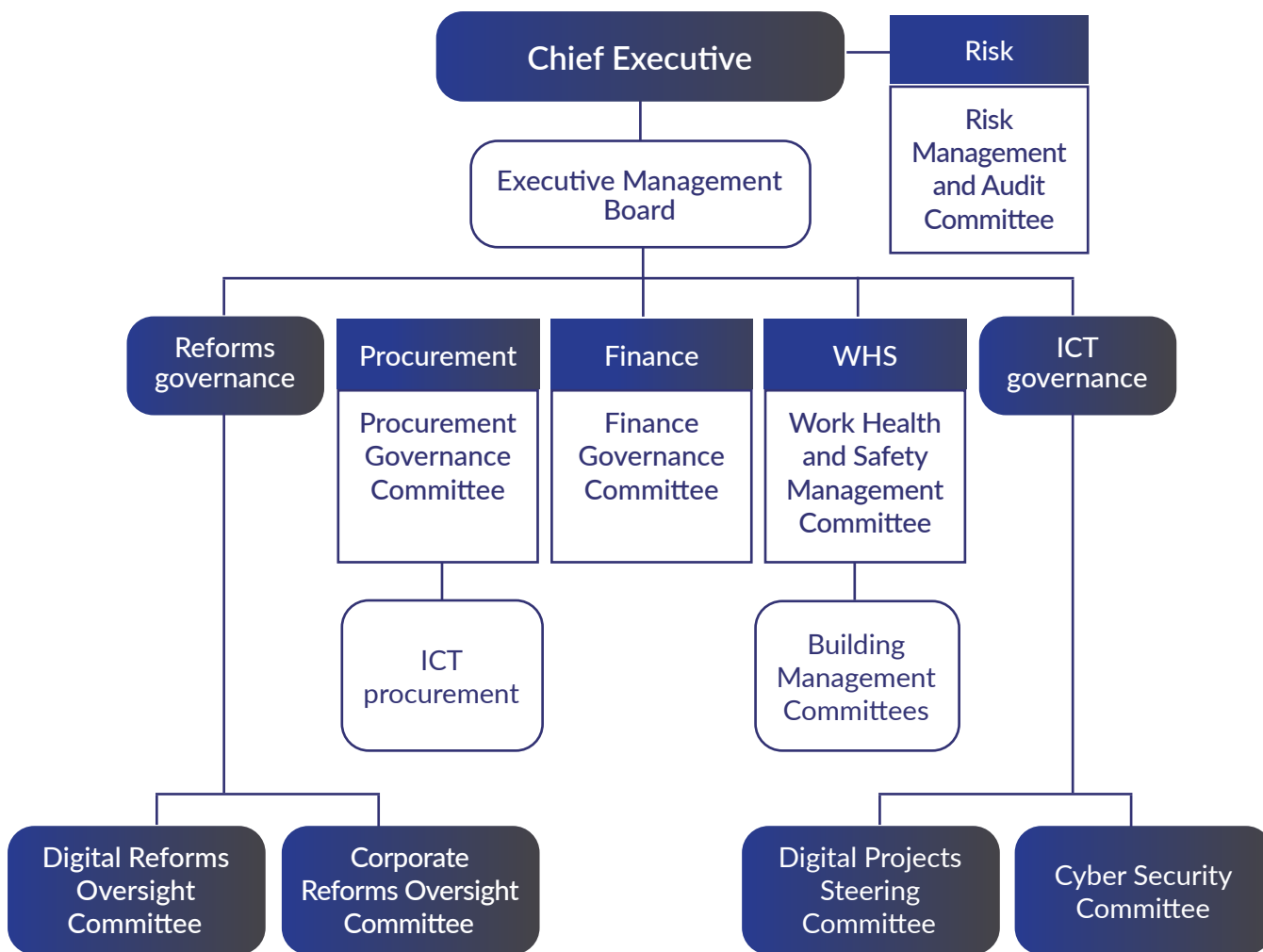


Diagram 5: DCDD corporate governance committee structure

## Executive Management Board

The Executive Management Board (EMB) is the senior governance and decision-making body of DCDD, providing strategic direction across the department and its GBDs. Membership of the board as at 30 June 2024 is set out in the table below.

In addition, senior officers are selected to participate on EMB on quarterly rotation to broaden their experience and knowledge at a strategic level. The practice also strengthens the capability of the senior leadership team.

EMB monitors performance across DCDD's span of functions through reporting against key performance indicators, workforce services highlights and monthly reports from divisions and business support services. Careful consideration is given to performance, trends and strategic issues and risks at board meetings.

EMB decisions and actions are conveyed through the Executive Leadership Group and shared across team meetings at whole of department and division levels, and are included in the staff newsletter.

The board meets monthly and met on 12 occasions in 2023-24.

### Executive Management Board as at 30 June 2024

Members	Job title
Chris Hosking	Chief Executive (Chair)
Lisa Watson	Deputy Chief Executive Corporate Services
Greg Connors	Deputy Chief Executive Digital Services
Bruno Braga	Executive Director Office of Digital Government
Ewan Perrin	Executive Director Office of Digital Government*
Lou-anne Duncan	NT Property Management
Rex Schoolmeester	Chief Financial Officer
Donald Young	Senior Director Digital Strategy
Jayne McAlister	Director Regions
Tammy Denniss	DCDD HR Business Partner
Shelley Gray	Director Executive Services

### Rotational members (throughout 2023-24)

Shane Harrison	Manager Mainframe Services
Kylie Cardinal	HR Business Partner
Shirley Wilkshire	Director Workforce Performance
Monique Kenney	Director CCSRP Governance
Kate Stevenson	Senior Director Information Management Services
Leticia Moo	Clinical Safety Manager
Michelle Ivers	Senior Director Workforce Development
Liz Shenton	Senior Director Digital Solutions

\*transitioned to retirement

# Risk management

DCDD's Risk Management Framework is consistent with AS/NZS ISO 31000:2009 Risk Management: Principles and Guidelines. DCDD uses this overarching framework to form its cohesive risk management approach.

The framework comprises the Risk Appetite Statement, Risk Management Policy, procedures and information sheets which provide staff with the tools to manage risk on a day-to-day basis.

Risk management is integrated into business planning processes and embedded across the department, enabling a proactive risk management culture.

## Internal controls

DCDD has a robust set of key internal controls in place to detect and mitigate risks and assist the Accountable Officer in the performance of their duties under the relevant legislation.

### Delegations

Authorised staff are delegated to undertake specific responsibilities of the Accountable Officer as prescribed in the applicable legislation.

### Conflicts of interest

Employees are responsible for declaring and actively managing conflicts of interest through an annual process or as conflicts arise to maintain the department's integrity.

### Gifts and benefits

The Code of Conduct under the *Public Sector Employment and Management Act 1993* and DCDD's Gifts and Benefits Policy outline clear direction for the conduct of employees in relation to gifts and benefits.

### Data breaches

Requirements and management of data breach incidents to protect confidential information held within DCDD are set out in the Data Breach Policy and Data Breach Response Plan.

### Procurement controls

A strong focus on procurement governance is maintained to comply with the NT Government's Procurement Framework as DCDD is a major procurer.

### Policies and procedures

Policies, procedures and templates are in place to assist governance committees and employees with their work. These are approved by the Executive Management Board, Chief Executive or Governance Committee.

### Accounting and Property Manual

The Accounting and Property Manual sets out finance procedures and internal controls to be applied across the department to ensure DCDD's processes are in accordance with the *Financial Management Act 1995* and Treasurer's Directions.

## Additional controls

To further support our risk management obligations and enhance risk monitoring and reporting, additional controls are in place to strengthen DCDD's risk oversight, including:

- Employment screening
- Fraud and Corruption Control Policy
- Improper Conduct Investigations and Reporting Policy
- Whistleblower Policy
- regular monitoring and reporting of risk assessments through our governance committees.

## Audits

In accordance with the *Financial Management Act 1995*, the department has an internal audit function to assist the Accountable Officer, which is monitored by the Risk Management and Audit Committee. A summary of internal audits undertaken during 2023-24 is set out in Appendix E.

DCDD is subject to the Northern Territory Auditor-General's audit program under the powers and responsibilities established by the *Audit Act 1995*. Findings raised through this process are monitored and reported through the Risk Management and Audit Committee. A summary of external and performance management system audits undertaken during 2023-24 is set out in Appendix E.

## Freedom of information (FOI)

The *Information Act 2002* allows for access to government and personal information.

The table below provides a breakdown of DCDD's FOI applications processed in accordance with the *Information Act 2022* during 2023-24.

FOI application summary	Total
Applications carried forward from previous year	6
New applications received during reporting period	13
Applications finalised during reporting period	19



# Digital governance frameworks

As part of our strategic ICT responsibilities, DCDD has developed a range of clearly defined governance frameworks for the use of departments across the NT Government to ensure compliance with core digital governance and accountability requirements.

## ICT Governance Framework

The NTG ICT Governance Framework ensures ICT investments and projects across departments are planned and supported by the framework.

The framework requires assurance oversight, particularly for high risk, high value digital programs and sets out processes for department management of ICT programs.

The framework is enhanced by Treasurer's Directions (ICT series), digital policies, a reporting portal and ICT governance guidelines to assist departments.

## ICT Governance Board (IGB)

The ICT Governance Framework is underpinned by IGB to ensure consistency and accountability for application of the framework across the public sector by:

- applying stringent monitoring and analysis of major ICT investment proposals
- overseeing ICT projects from an all-of-government perspective.

The IGB considers digital policies, emerging ICT issues and risks, and coordinates reporting to government, with membership comprising senior representatives from across government.

## Cyber Security Governance Framework

The Cyber Security Governance Framework complements the NTG ICT Governance Framework to ensure cyber security is embedded in the management of government's ICT environment and government service delivery. The framework sets out:

- NTG's cyber security policy intent and alignment to contemporary practice
- planning and investment approach for cyber security controls
- cyber security management responsibilities of DCDD and departments.

The Framework, Treasurer's Directions (ICT series), ICT policies, standards and guidelines, and the NTG ICT Governance Framework together provide an integrated package for the effective governance of cyber security across government.

The Cyber Security Committee operationalises the framework through monitoring and overseeing cyber security activities and readiness across DCDD's responsibilities and the NTG enterprise ICT environment.

The committee also provides advice on cyber security matters to IGB.

## Data Governance Framework

The NT Data Governance Framework provides the foundation for managing and sharing data across government effectively, respectfully and accountably, while enabling data and digital technology to foster innovation and economic development.

Safeguards are provided to assess risks and consider ethical and cultural aspects of data re-use. The framework ensures compliance with legislation, policies, standards and guidelines for the protection of sensitive data.

The NT is a signatory to Australia's intergovernmental agreement on data sharing. DCDD contributes to the national Data and Analytics Working Group to operationalise the agreement and improve data sharing between jurisdictions and with the Commonwealth.

The NT also participates on national Closing the Gap working groups to progress initiatives on data sharing and making data more accessible to Aboriginal communities.

## Legislation administered in 2023-24

The department is responsible for administering the *Information Act 2002* Part 9 (except Archives Management) as it relates to NT Government records management.





**6a**

**Financial Report  
DCDD**

# Financial Statement Overview

For the year ended 30 June 2024

## Financial Performance (Comprehensive Operating Statement)

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

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

Table 1: 2023-24 Final Budget and Performance

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

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

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

Table 2: 2023-24 and 2022-23 Performance

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

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

## Income

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

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

Table 3: Income by Category

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

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

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

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

## Expenses

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

Table 4: Expenses by Category

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

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

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

## 2023-24 Expenses and Final Budget by Output

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

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

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

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

The primary output variations were:

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

## Financial Position (Balance sheet)

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

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

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

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

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

### Current Assets

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

### Non-current Assets

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

DCDD's major liabilities at 30 June 2024 included:

### Current Liabilities

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

### Non-current Liabilities

- \$551.2 million leased property liabilities.



# Certification of the Financial Statements

We certify that the attached Financial Statements for the Department of Corporate and Digital Development have been prepared based on proper accounts and records in accordance with Australian Accounting Standards and with the requirements as prescribed in the *Financial Management Act 1995* and Treasurer’s Directions.

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the Financial Statements, presents fairly the financial performance and cash flows for the year ended 30 June 2024 and the financial position on that date.

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



---

Catherine Weber  
*Chief Executive*  
19 September 2024

---

Rex Schoolmeester  
*Chief Financial Officer*  
19 September 2024

# Comprehensive Operating Statement

For the year ended 30 June 2024

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

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

# Balance Sheet

As at 30 June 2024

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

The Balance Sheet is to be read in conjunction with the notes to the Financial Statements.

# Statement of Changes in Equity

For the year ended 30 June 2024

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

The Statement of Changes in Equity is to be read in conjunction with the notes to the Financial Statements.

# Cash Flow Statement

For the year ended 30 June 2024

		2024	2023
	Note	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current	4	-	607
Capital	4	1 864	1 000
Appropriation			
Output	5	311 065	301 554
Commonwealth		-	-
Receipts from sales of goods and services		103 050	114 346
Interest received		-	-
<b>Total Operating Receipts</b>		<b>415 979</b>	<b>417 507</b>
<b>Operating Payments</b>			
Payments to employees		(142 851)	(131 291)
Payments for goods and services		(196 472)	(189 845)
Grants and subsidies paid			
Current	12a	(155)	(233)
Capital	12b	(3 000)	(3 120)
Interest paid		13	(15 621)
<b>Total Operating Payments</b>		<b>(358 099)</b>	<b>(335 578)</b>
<b>Net Cash From/(Used in) Operating Activities</b>		<b>16a</b>	<b>57 880</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing Payments</b>			
Purchases of assets		(55 601)	(70 681)
<b>Total Investing Payments</b>		<b>(55 601)</b>	<b>(70 681)</b>
<b>Net Cash From/(Used in) Investing Activities</b>		<b>(55 601)</b>	<b>(70 681)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Proceeds of borrowings		-	-
Deposits received		153	(23)
Equity injections			
Capital appropriation	5	35 663	20 895
Commonwealth capital appropriation		2 700	-
Other equity injections		14 968	5 284
<b>Total Financing Receipts</b>		<b>53 484</b>	<b>26 156</b>
<b>Financing Payments</b>			
Finance lease payments		(78 452)	(77 159)
Equity withdrawals		(778)	(16 500)
<b>Total Financing Payments</b>		<b>(79 230)</b>	<b>(93 659)</b>
<b>Net Cash From/(Used in) Financing Activities</b>		<b>16b</b>	<b>(25 746)</b>
Net increase/(decrease) in cash held		(23 467)	(56 255)
Cash at beginning of financial year		68 675	124 930
<b>CASH AT END OF FINANCIAL YEAR</b>		<b>15</b>	<b>68 675</b>

The Cash Flow Statement is to be read in conjunction with the notes to the Financial Statements.

## Index of notes to the Financial Statements

Note	
1	Objectives and funding
2	Statement of material accounting policies
3	Comprehensive Operating Statement by output group
<b>Income</b>	
4	Grants and subsidies revenue
5	Appropriation
5a	Summary of changes to appropriation
6	Sales of goods and services
7	Goods and services received free of charge
8	Gain on disposal of assets
9	Other income
<b>Expenses</b>	
10	Employee benefits expense
11	Purchases of goods and services
12a	Grant expense – Current grants and subsidies
12b	Grant expense – Capital grant
13	Interest expense
14	Write-offs, postponements, waivers, gifts and ex gratia payments
<b>Assets</b>	
15	Cash and deposits
16	Cash flow reconciliation
17	Receivables
18	Advances and investments
19	Other financial assets
20	Property, plant and equipment
21	DCDD as a lessee
22	Intangibles
23	Assets held for sale
<b>Liabilities</b>	
24	Deposits held
25	Payables
26	Lease liabilities
27	Provisions
28	Other liabilities
29	Commitments
<b>Equity</b>	
30	Reserves
<b>Other disclosures</b>	
31	Fair value measurement
32	Financial instruments
33	Related parties
34	Contingent liabilities and contingent assets
35	Events subsequent to balance date
36	Schedule of administered Territory items
37	Budgetary information

## 1. Objectives and funding

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

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

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

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

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

### Machinery of government changes

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

#### Transfers in

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

#### Transfers out - Human Resources function

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

## 2. Statement of material accounting policies

### a) Statement of Compliance

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

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

### b) Basis of Accounting

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

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

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

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

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

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

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

### Standards and interpretations issued but not yet effective

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

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



### c) Reporting Entity

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

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

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

DCDD has no controlled entities.

### d) DCDD and Territory items

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

#### Central Holding Authority

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

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

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

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

### e) Comparatives

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

### f) Presentation and Rounding of Amounts

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

### g) Changes in Accounting Policies

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

#### h) Accounting Judgments and Estimates

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

There were no material changes adopted during 2023-24.

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

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

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

### 3. Comprehensive Operating Statement by output group

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

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

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

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

## 4. Grants and subsidies revenue

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

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

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

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

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

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

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

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

## 5. Appropriation

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

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

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

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

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

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

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

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

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

#### a. Summary of changes to appropriation

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

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

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

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

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

**Note 1:**

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

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

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

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

**Note 2:**

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

## 6. Sales of goods and services

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



## Sale of goods

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

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

DCDD sale of goods revenue includes:

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

## Rendering of services

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

DCDD services revenue includes:

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

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

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

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

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

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

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

## 7. Goods and services received free of charge

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

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

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

## 8. Gain on disposal of assets

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

## 9. Other income

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

### Rental income

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

### Miscellaneous revenue

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

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

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

### Donated assets

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

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

## 10. Employee benefits expense

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

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

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

The recognition and measurement policy for employee benefits is detailed in Note 25: Payables and Note 27: Provisions.

## 11. Purchases of goods and services

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

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

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

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

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

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

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

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

## Property Management Expense

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

## Repairs and Maintenance Expenses

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

## 12. Grant and subsidies expense

### a. Current grant and subsidy expense

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

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

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

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

## b. Capital grant expense

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

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

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

## 13. Interest expenses

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

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

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

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

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

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

### Notes (write-off):

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

### Write-off

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

### Waiver

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

## Postponement

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

## Gifts

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

## Ex gratia

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

## 15 Cash and deposits

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

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner – refer also to Note 24.



## 16 Cash flow reconciliation

### a. Reconciliation of cash

The total of DCDD's 'Cash and deposits' of \$45.2 million recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.

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

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

## b. Reconciliation of liabilities arising from financing activities

Financial Statements

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

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

## c. Non-cash financing and investing activities

### Lease transactions

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

## 17 Receivables

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

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

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

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

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

### Accrued contract revenue

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

DCDD has no accrued contract revenues.

## Prepayments

Prepayments represent payments made in advance of receipt of goods and services. Prepayments are recognised on an accrual basis and amortised over the period in which the economic benefits from these assets are received. DCDD prepayments relate to ICT products, which include hardware, software, licenses and related support services.

### Credit risk exposure of receivables

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

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

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

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

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

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

## Ageing analysis

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

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

### Reconciliation of loss allowance for receivables

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

## 18. Advances and investments

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

## 19. Other financial assets

### a. Agency as a lessor

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

### b. Contract cost asset

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

## 20. Property, plant and equipment

### Total property, plant and equipment

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

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

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

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

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

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

## Acquisitions

Property, plant and equipment are initially recognised at cost.

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

## Complex assets

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

## Construction (work in progress)

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

## Revaluations and Impairment

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

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

## Depreciation and Amortisation Expense

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

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

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

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

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



## 21. DCDD as a lessee

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

Extension and termination options are only included in the lease term for measurement of the lease liability if the lease is reasonably certain to be extended. The majority of extension and termination options held are exercisable only by DCDD and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). In 2023-24, DCDD conducted a review and identified a number of leases which are reasonably certain to extend which resulted to a \$28.3 million increase to the lease liability.

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

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

## Right-of-use asset

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

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

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

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

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

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

## Recognition and measurement

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

DCDD recognises lease liabilities representing an obligation to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

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

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

	2024	2023
Building	20 to 50 years	20 to 50 years

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

Right-of-use assets are subsequently measured at fair value which approximates costs except for those arising from leases that have significantly below-market terms and conditions principally to enable the department to further its objectives and are also subject to impairment.

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

## Inter-governmental leases

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

These largely relate to the lease of:

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

## 22. Intangibles

### a. Total intangibles

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

Intangible assets for DCDD are comprised of computer software.

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

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

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

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

The estimated useful lives for finite intangible assets are determined in accordance with the Treasurer's Directions and are determined as follows:

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

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

## b. Reconciliation of carrying amount of intangibles

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

## 23. Assets held for sale

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

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

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

## 24. Deposits held

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

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

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

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

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

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

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

## 25. Payables

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

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

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

## 26. Lease liabilities

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

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

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

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

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

The following table presents liabilities under leases.

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

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

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

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

## 27. Provisions

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



## Employee benefits

Provision for employee benefits include wages and salaries and recreation leave accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value of estimated future cash flows, calculated using the appropriate government bond rate and taking into consideration expected future salary and wage levels, experience of employee departures and periods of service.

All recreation leave is classified as a current liability.

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

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

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

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies, including DCDD, and as such no long service leave liability is recognised within these Financial Statements.

## Superannuation

Employees' superannuation entitlements are provided through the:

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

DCDD makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and therefore not recognised in DCDD's Financial Statements.

## 28. Other liabilities

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

## Financial guarantee contracts

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

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

## Unearned contract revenue liability

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

## Unearned capital grants liability

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

There is no unearned capital grants for 2022-23.

The table below is a reconciliation of unearned capital grants liability

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

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

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

## 29. Commitments

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

Commitments may extend over multiple reporting periods and may result in payment of compensation or return of funds if obligations are breached.

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

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

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

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

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

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

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

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

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

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

## 30. Reserves

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

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

## 31. Fair value measurement

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

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

## 32. Financial instruments

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

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

DCDD has limited exposure to financial risks as discussed below.

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

## a) Categories of financial instruments

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

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

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

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

## Categories of financial instruments

### Financial assets at amortised cost

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

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

## Financial liabilities at amortised cost

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

### b) Credit Risk

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

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

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

Credit risk relating to receivables is disclosed in Note 17.

### c) Liquidity Risk

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

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

## Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
2024	\$000	\$000	\$000	\$000	\$000
<b>Liabilities</b>					
Deposits held <sup>1</sup>	215	215	-	-	215
Payables <sup>1</sup>	4 180	4 180	-	-	4 180
Lease liabilities	628 607	92 716	327 432	285 936	706 084
<b>Total financial liabilities</b>	<b>633 002</b>	<b>97 111</b>	<b>327 432</b>	<b>285 936</b>	<b>710 479</b>

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

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

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

#### d) Market risk

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

DCDD has relatively limited exposure to market risk.

##### (i) Interest rate risk

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

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

##### (ii) Price risk

DCDD is not exposed to price risk as it does not hold units in unit trusts.

##### (iii) Currency risk

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

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

## 33. Related parties

### i) Related parties

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

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

## ii) Key management personnel (KMP)

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

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

EMB Rotational members:

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

## iii) Remuneration of key management personnel

The details below exclude the salaries and other benefits of the Minister as the Minister's remuneration and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's Annual Financial Statements.

The aggregate compensation of KMP of DCDD is set out below:

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



#### iv) Related party transactions

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

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

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

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

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

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

#### Other related party transactions

Given the breadth and depth of Northern Territory Government activities, related parties will transact with the Northern Territory Public Sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed.

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

### 34. Contingent liabilities and contingent assets

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

### 35. Events subsequent to balance date

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

### 36. Schedule of administered Territory items

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

## 37. Budgetary information

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

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

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

### Comprehensive Operating Statement

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

## Notes:

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

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

## Balance Sheet

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

**Notes:**

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

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

## Cash Flow Statement

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

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

**Notes:**

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

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





**6b**

**Financial Report  
NT Fleet**

# Financial Statement Overview

For the year ended 30 June 2024

## Financial Performance (Comprehensive Operating Statement)

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

The financial performance of NT Fleet is presented in two ways. Table 1 compares NT Fleet's 2023-24 performance with the final budget for the year and Table 2 compares performance between the current year and previous year. More details are provided in subsequent commentary and analysis in Tables 3 and 4. The impact of financing decisions and recognition of assets and liabilities is outlined in the financial position analysis at Table 5 and related commentary.

Table 1: 2023-24 Final Budget and Performance

	2023-24		
	Actual \$000	Final Budget \$000	Variation \$000
Income	45 354	44 975	379
Expenses	(32 869)	(31 497)	(1 372)
<b>Net Surplus before Tax</b>	<b>12 485</b>	<b>13 478</b>	<b>(993)</b>
Income Tax Expense	(3 746)	(4 043)	297
<b>Net Surplus after Tax</b>	<b>8 739</b>	<b>9 435</b>	<b>(696)</b>
<b>Comprehensive Result</b>	<b>8 739</b>	<b>9 435</b>	<b>(696)</b>
Dividend (Nil)	-	-	-

NT Fleet achieved an operating result for 2023-24 of \$8.7 million after tax, which was a \$0.7 million lower on the final budget estimate of \$9.4 million.

NT Fleet will pay an income tax equivalent of \$3.7 million to government for 2023-24.

Table 2: 2023-24 and 2022-23 Performance

	2023-24	2022-23	Variation
	\$000	\$000	\$000
Income	45 354	42 960	2 394
Expenses	(32 869)	(30 421)	(2 448)
<b>Net Surplus before Tax</b>	<b>12 485</b>	<b>12 539</b>	<b>(54)</b>
Income Tax Expense	(3 746)	(3 762)	16
<b>Net Surplus after Tax</b>	<b>8 739</b>	<b>8 777</b>	<b>(38)</b>
<b>Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Comprehensive Result</b>	<b>8 739</b>	<b>8 777</b>	<b>(38)</b>

NT Fleet realised a \$38K decrease in net surplus after tax compared to the previous financial year as a result of increased income offset by increased expenses.

## Income

NT Fleet sources its primary income from vehicle lease charges. The vehicle lease income, classified under the income category of goods and services in Table 3 below represented 81.1 per cent of NT Fleet's total income, with the remainder made up of gain on disposal of assets, interest and other income.

Table 3: Income by Category

Year	Goods and Services		Gain on Disposal of Assets		Interest Revenue		Other Income		Total	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2023-24	36 763	81.1	7 790	17.2	302	0.7	499	1	45 354	100
2022-23	35 177	81.9	6 529	15.2	556	1.3	698	1.6	42 960	100

Income grew mainly due to gains on disposal of assets resulting from higher than anticipated sale prices of vehicles at auctions. A decrease in other income is due to lower recovered losses on sales from agencies as compensation receipts.

## Expenses

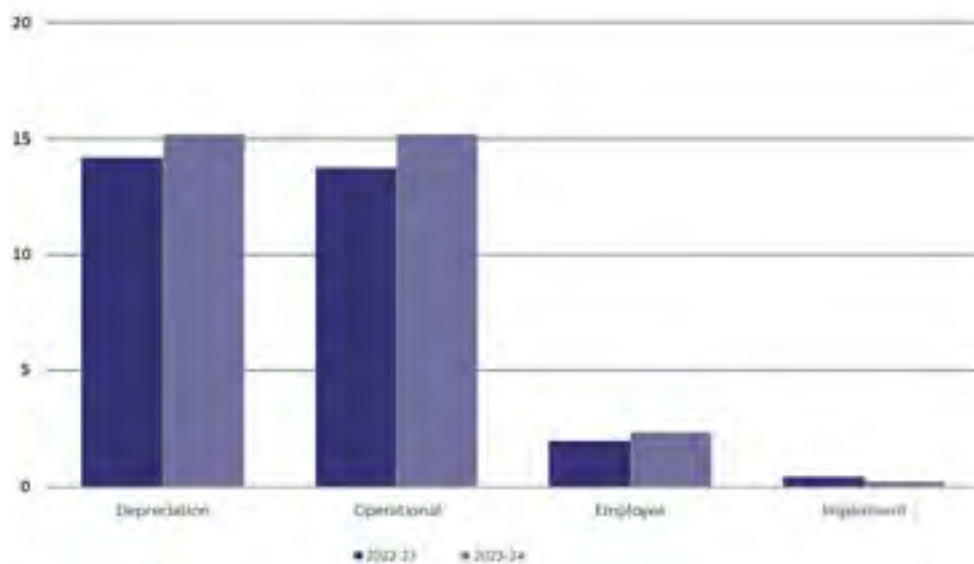
NT Fleet incurred the majority of its expenses on depreciation and operational costs for the fleet.

Table 4: Expenses by Category

Year	Depreciation		Operational		Employee		Impairment		Interest		Total	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2023-24	15 146	46.0	15 163	46.1	2 317	7.1	243	0.7	0	-	32 869	100
2022-23	14 214	46.7	13 765	45.3	1 988	6.5	453	1.5	1	-	30 421	100

Depreciation expenses increased as a result of the increased number of vehicles managed. The increase in operational expenses is mainly due to increased repair and maintenance and motor vehicle registration expenses. In 2022/23, NT Fleet started to recognise asset impairment expenses which resulted in compensation receipts recovered from agencies for loss on sales.

Figure 1: Expenses by category



## Balance Sheet

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

Table 5: 2023-24 and 2022-23 Financial Position

	2023-24	2022-23	Variation
	\$000	\$000	\$000
<b>ASSETS</b>			
Current Assets	7 985	22 503	(14 518)
Non-Current Assets	124 224	102 268	21 956
<b>TOTAL ASSETS</b>	<b>132 209</b>	<b>124 771</b>	<b>7 438</b>
<b>LIABILITIES</b>			
Current Liabilities	8 458	14 149	5 691
Non-Current Liabilities	-	-	-
<b>TOTAL LIABILITIES</b>	<b>8 458</b>	<b>14 149</b>	<b>5 691</b>
<b>NET ASSETS</b>	<b>123 751</b>	<b>110 622</b>	<b>13 129</b>
Equity	123 751	110 622	13 129
<b>TOTAL EQUITY</b>	<b>123 751</b>	<b>110 622</b>	<b>13 129</b>

NT Fleet's net asset position at the end of 2023-24 was \$123.8 million, compared with the previous year's position of \$110.6 million, an increase of \$13.2 million.

This improvement is mainly due to an increase in non-current assets. The \$14.5 million decrease in current assets is due to decreases in cash and assets held for sales. An increase of \$22 million in non-current assets is due to the movement of property, plant and equipment. A decrease of \$5.7 million in current liability is mainly resulted from the dividend exemption. The decrease in total liabilities is offset by an increase in the total assets.

Major assets on 30 June 2024 included:

### Current Assets

- \$3.3 million cash and deposits
- \$4 million receivables and prepayments
- \$0.7 million assets held for disposal

### Non-Current Assets

- \$121 million property, plant and equipment (mainly motor vehicles)
- \$3.2 million intangibles (computer software)

Major liabilities at 30 June 2024 included:

- \$4.3 million payables and accrued expenses
- \$3.8 million income tax provision
- \$0.4 million provision for employee entitlements

# Certification of the Financial Statements

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

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the Financial Statements, presents fairly the financial performance and cash flows for the year ended 30 June 2024 and the financial position on that date.

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



---

Catherine Weber  
*Chief Executive*  
19 September 2024



---

Rex Schoolmeester  
*Chief Financial Officer*  
19 September 2024



**Auditor-General**  
**Independent Auditor's Report**  
**to the Minister for Corporate and Digital Development**

**NT Fleet**

**Page 1 of 2**

### **Opinion**

I have audited the accompanying financial report of NT Fleet, which comprises the balance sheet as at 30 June 2024, and the comprehensive operating statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information, and the certification of the financial statements by the Chief Executive.

In my opinion, the financial report gives a true and fair view, in all material respects, of the financial position of NT Fleet as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of NT Fleet in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Other Information**

The Chief Executive of the Department of Corporate and Digital Development is responsible for the other information. The other information comprises the information included in NT Fleet's financial statement overview for the year ended 30 June 2024, but does not include the financial report and my auditor's report thereon.

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

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

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

### **Responsibilities of the Chief Executive for the Financial Report**

The Chief Executive is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as the Chief Executive determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the ability of NT Fleet to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate NT Fleet or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of NT Fleet.



## Auditor-General

Page 2 of 2

### Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

Jara K Dean  
Auditor-General for the Northern Territory

Darwin, Northern Territory

20 September 2024

# Comprehensive Operating Statement

For the year ended 30 June 2024

	Note	2024 \$000	2023 \$000
<b>INCOME</b>			
Sales of goods and services	3	36 763	35 177
Interest revenue		302	556
Gain on disposal of assets	5	7 790	6 529
Other income	6	499	698
<b>TOTAL INCOME</b>		<b>45 354</b>	<b>42 960</b>
<b>EXPENSES</b>			
Employee expenses		2 317	1 988
Administrative expenses			
Property management		276	116
Purchases of goods and services	8	14 887	13 649
Depreciation and amortisation	17,18,19	15 146	14 214
Other administrative expenses		243	453
Interest expenses	9	-	1
<b>TOTAL EXPENSES</b>		<b>32 869</b>	<b>30 421</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>12 485</b>	<b>12 539</b>
<b>SURPLUS BEFORE INCOME TAX</b>			
		<b>12 485</b>	<b>12 539</b>
Income tax expense	11	3 746	3 762
<b>NET SURPLUS</b>		<b>8 739</b>	<b>8 777</b>
<b>COMPREHENSIVE RESULT</b>		<b>8 739</b>	<b>8 777</b>

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



# Balance Sheet

As at 30 June 2024

		2024	2023
	Note	\$000	\$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	12	3 275	17 262
Receivables	14	3 981	3 719
Assets held for sale	20	729	1 522
<b>Total Current Assets</b>		<b>7 985</b>	<b>22 503</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	17	121 018	99 219
Intangibles	19	3 206	3 049
<b>Total non-current assets</b>		<b>124 224</b>	<b>102 268</b>
<b>TOTAL ASSETS</b>		<b>132 209</b>	<b>124 771</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	21	4 260	5 696
Unearned revenue		15	3
Income tax liabilities	23	3 746	3 762
Provisions	24	437	4 688
<b>Total current liabilities</b>		<b>8 458</b>	<b>14 149</b>
<b>TOTAL LIABILITIES</b>		<b>8 458</b>	<b>14 149</b>
<b>NET ASSETS</b>		<b>123 751</b>	<b>110 622</b>
<b>EQUITY</b>			
Capital	26	565	565
Accumulated funds	26	123 186	110 057
<b>TOTAL EQUITY</b>		<b>123 751</b>	<b>110 622</b>

The Balance Sheet is to be read in conjunction with the notes to the Financial Statements.

# Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		\$000	\$000	\$000	\$000
<b>2023-24</b>					
Accumulated funds	26	110 057	8 740	-	118 797
Dividends payable	24	-	-	4 389	4 389
		<b>110 057</b>	<b>8 740</b>	<b>4 389</b>	<b>123 186</b>
<b>Capital – Transactions with Owners</b>					
Equity injections		565	-	-	565
Equity transfers in		-	-	-	-
		<b>565</b>	<b>-</b>	<b>-</b>	<b>565</b>
<b>TOTAL EQUITY AT END OF FINANCIAL YEAR</b>	<b>26</b>	<b>110 622</b>	<b>8 739</b>	<b>4 389</b>	<b>123 751</b>
	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		\$000	\$000	\$000	\$000
<b>2022-23</b>					
Accumulated funds	26	105 669	8 777	-	114 446
Dividends payable	24	-	-	(4 389)	(4 389)
		<b>105 669</b>	<b>8 777</b>	<b>(4 389)</b>	<b>110 057</b>
<b>Capital – Transactions with Owners</b>					
Equity injections		565	-	-	565
Equity transfers in		-	-	-	-
		<b>565</b>	<b>-</b>	<b>-</b>	<b>565</b>
<b>TOTAL EQUITY AT END OF FINANCIAL YEAR</b>	<b>26</b>	<b>106 234</b>	<b>8 777</b>	<b>(4 389)</b>	<b>110 622</b>

The Statement of Changes in Equity is to be read in conjunction with the notes to the Financial Statements.

# Cash Flow Statement

For the year ended 30 June 2024

	Note	2024 \$000	2023 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating receipts</b>			
Receipts from sales of goods and services		36 812	35 644
GST receipts		5 465	4 868
Interest received		344	527
<b>Total operating receipts</b>		<b>42 621</b>	<b>41 039</b>
<b>Operating payments</b>			
Payments to employees		(2 184)	(1 942)
Payments for goods and services		(14 937)	(13 950)
GST payments		(5 204)	(4 992)
Interest paid		-	(1)
Income tax paid		(3 762)	(3 375)
<b>Total operating payments</b>		<b>(26 087)</b>	<b>(24 260)</b>
<b>Net cash from/(used in) operating activities</b>	<b>13a</b>	<b>16 534</b>	<b>16 779</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing receipts</b>			
Proceeds from asset sales	5	17 567	13 124
<b>Total investing receipts</b>		<b>17 567</b>	<b>13 124</b>
<b>Investing payments</b>			
Purchases of assets	17, 19	(48 088)	(24 528)
<b>Total investing payments</b>		<b>(48 088)</b>	<b>(24 528)</b>
<b>Net cash from/(used in) investing activities</b>		<b>(30 521)</b>	<b>(11 404)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing payments</b>			
Finance lease payments	13b	-	(200)
Dividends paid	13b	-	(3 938)
<b>Total financing payments</b>		<b>-</b>	<b>(4 138)</b>
<b>Net cash from/(used in) financing activities</b>		<b>-</b>	<b>(4 138)</b>
Net increase/(decrease) in cash held		(13 987)	1 237
Cash at beginning of financial year		17 262	16 025
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>12</b>	<b>3 275</b>	<b>17 262</b>

The Cash Flow Statement is to be read in conjunction with the notes to the Financial Statements.

## Index of notes to the Financial Statements

<b>Note</b>	
1	Objectives and funding
2	Statement of material accounting policies
<b>Income</b>	
3	Sales of goods and services
4	Goods and services received free of charge
5	Gain on disposal of assets
6	Other income
<b>Expenses</b>	
7	Employee benefits expense
8	Purchases of goods and services
9	Interest expense
10	Write-offs, postponements, waivers, gifts and ex-gratia payments
11	Income tax expense
<b>Assets</b>	
12	Cash and deposits
13a	Reconciliation of cash
13b	Reconciliation of liabilities arising from financing and investing activities
13c	Non-cash financing and investing activities
14	Receivables
15	Advances and investments
16a	NT Fleet as a lessor
17	Property, plant and equipment
18	NT Fleet as a lessee
19	Intangibles
20	Assets held for sale
<b>Liabilities</b>	
21	Payables
22	Lease liabilities
23	Income tax liabilities
24	Provisions
25	Commitments
<b>Equity</b>	
26	Equity
<b>Other disclosures</b>	
27	Fair value measurement
28	Financial instruments
29	Related parties
30	Contingent liabilities and contingent assets
31	Events subsequent to balance date
32	Budgetary information

## 1. Objectives and funding

NT Fleet manages the light and heavy vehicle fleet for Northern Territory Government agencies, except Northern Territory Police, Fire and Emergency Services. Management of the Northern Territory Government vehicle fleet incorporates acquisition, vehicle leasing, maintenance, disposal and agency fleet services.

Key functional responsibilities are:

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

Funding is received predominantly from vehicle lease income derived from client agencies.

### Machinery of government changes

The Agency Fleet Services function moved from the Department of Corporate and Digital Development (DCDD) to NT Fleet in the 2023-24 financial year. Employee and operational funding were transferred through administrative variations during the budget cycle, and the movements did not arise from revisions to the Administrative Arrangement Order by government.

A total of \$0.2 million in 2023-24 and \$0.9 million ongoing output appropriation was transferred from DCDD to agencies to pay for the service.

## 2. Statement of material accounting policies

### a) Statement of compliance

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

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

### b) Basis of accounting

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

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

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

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

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

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

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

### Standards and interpretations issued but not yet effective

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

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

### c) Reporting entity

The Financial Statements cover NT Fleet as an individual reporting entity.

NT Fleet is a Northern Territory Government Business Division (GBD) established under the *Interpretation Act 1978* and specified in the Administrative Arrangements Order.

The principal place of business of the GBD is Lot 5441 Armidale Street, Woolner NT 0820.

NT Fleet has no controlled entities.

### d) NT Fleet and Territory items

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

NT Fleet held no Territory items

### e) Comparatives

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

### f) Presentation and rounding of amounts

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

#### g) Changes in accounting policies

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

#### h) Accounting judgments and estimates

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

There were no material changes adopted during 2023-24.

#### i) Taxation

NT Fleet is required to pay income tax on its accounting surplus at the company tax equivalent rate of 30 per cent in accordance with the requirements of the Treasurer's Directions, NT Tax Equivalents Regime.

#### j) Contributions by and distributions to government

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

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

#### k) Dividends

NT Fleet has provided for a dividend payable at the rate of 50 per cent of net profit after tax in accordance with the Northern Territory Government's dividend policy. However dividends have been exempted for three years from 2022-23.

### 3. Sales of goods and services

	2024			2023		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Hire revenue (from vehicle leases)	-	30 799	30 799	-	29 735	29 735
Recoverable repairs and maintenance	-	5 752	5 752	-	5 442	5 442
Agency fleet services	-	212	212	-	-	-
<b>Total sales of goods and services</b>	<b>-</b>	<b>36 763</b>	<b>36 763</b>	<b>-</b>	<b>35 177</b>	<b>35 177</b>

#### Sale of goods

NT Fleet typically acquires and registers fit-for-purpose vehicles for customers/agencies.

NT Fleet satisfies its performance obligations when the control of a vehicle is transferred to a customer/agency under a lease arrangement.

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

#### Rendering of services

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

NT Fleet charges fees for agency fleet service functions since those functions have moved from DCDD to NT Fleet in April 2024.

### 4. Goods and services received free of charge

NT Fleet is a government business division and does not receive goods and services free of charge.

### 5. Gain on disposal of assets

	2024	2023
	\$000	\$000
Net proceeds from the disposal of non-current assets	17 567	13 124
Less: Carrying value of non-current assets disposed	(9 777)	(6 595)
Gain on the disposal of non-current assets	7 790	6 529
<b>Total gain on disposal of assets</b>	<b>7 790</b>	<b>6 529</b>



## Disposing of vehicles

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

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

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

NT Fleet's performance obligations are typically satisfied at the time the asset is sold.

## 6. Other income

	2024			2023		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Compensation for impairment	-	243	243	-	503	503
Refund for cancellation of registration	-	256	256	-	195	195
<b>Total other income</b>	-	<b>499</b>	<b>499</b>	-	<b>698</b>	<b>698</b>

## Rental income

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

## Miscellaneous revenue

Miscellaneous revenue for NT Fleet includes refunds for motor vehicle registration cancellations and compensation receipts from agencies with respect to recoverable loss on sales.

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

## Donated assets

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

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

## 7. Employee benefits expense

	2024 \$000	2023 \$000
Salaries and wages	2 034	1 763
Superannuation expenses	230	192
Workers compensation	-	3
Fringe benefits tax	9	1
Payroll tax	44	29
<b>Total employee benefits expense</b>	<b>2 317</b>	<b>1 988</b>

The number of full-time equivalent employees for 2023-24 was 26 (2022-23: 20).

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

The recognition and measurement policy for employee benefits is detailed in Note 21, Payables and Note 24, Provisions.

## 8. Purchases of goods and services

	2024 \$000	2023 \$000
The net surplus/(deficit) has been arrived at after charging the following expenses:		
<b>Goods and services expenses:</b>		
Contractors and consultants <sup>1</sup>	48	48
Audit fess	54	48
Training and study	34	13
Official duty fares	4	5
Travelling allowance	1	2
Information technology charges and communications	1 052	979
Insurance premiums	2 146	1 884
Motor vehicle expenses	10 108	9 255
Other	1 440	1 415
<b>Total</b>	<b>14 887</b>	<b>13 649</b>

<sup>1</sup>Includes IT contractors and IT consultants.

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

## 9. Interest expense

	2024	2023
	\$000	\$000
Interest from lease liabilities	-	1
<b>Total</b>	<b>-</b>	<b>1</b>

Interest expense in 2022-23 relates to lease liabilities in accordance with AASB 16.

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

### Write-off

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

### Waiver

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

### Postponement

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

### Gifts

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

### Ex-gratia

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

NT Fleet had no write-offs, postponements, waivers, and gifts or ex-gratia payments for the year ended 30 June 2024 or 30 June 2023.

## 11. Income tax expense

	2024	2023
	\$000	\$000
Prima facie income tax expense calculated at 30% of the surplus before income tax	3 746	3 762
	<b>3 746</b>	<b>3 762</b>

## 12. Cash and deposits

	2024	2023
	\$000	\$000
Cash on hand	-	7
Cash at bank	3 275	17 255
	<b>3 275</b>	<b>17 262</b>

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.

## 13. Cash flow reconciliation

### a. Reconciliation of cash

The total of NT Fleet's cash and deposits of \$3.3 million recorded in the Balance Sheet is consistent with that recorded as cash in the Cash Flow Statement.

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

	2024	2023
	\$000	\$000
Net surplus	8 739	8 777
Non-cash items:		
Depreciation and amortisation	15 146	14 214
(Gain)/loss on disposal of assets <sup>1</sup>	(7 547)	(6 076)
Changes in assets and liabilities:		
(Decrease)/Increase in receivables and prepayments	(262)	(791)
Decrease/(Increase) in payables	324	223
Decrease/(Increase) in provision for employee benefits	102	45
Decrease/(Increase) in other provisions	19	385
Decrease/(Increase) in other liabilities	12	2
<b>Net cash from operating activities</b>	<b>16 534</b>	<b>16 779</b>

<sup>1</sup>Net gain on disposal of assets: total gain of \$7 790 thousand less impairment of assets, \$243 000.

## b. Reconciliation of liabilities arising from financing activities

	Cash flows				Non-cash flows		
	1 July	Payments	Lease liabilities repayments	Total cash flows	Other	Total other	30 June
2024	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Dividends paid	-	-	-	-	-	-	-
Lease liabilities		-	-	-	-	-	-
Equity injections/withdrawals	565	-	-	-	-	-	565
<b>Total</b>	<b>565</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>565</b>

	Cash flows				Non-cash flows		
	1 July	Payments	Lease liabilities repayments	Total cash flows	Other	Total other	30 June
2023	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Dividends paid	3 938	(3 938)	-	(3 938)	4 388	4 388	4 388
Lease liabilities	200	-	(200)	(200)	-	-	-
Equity injections/withdrawals	565	-	-	-	-	-	565
<b>Total</b>	<b>4 703</b>	<b>(3 938)</b>	<b>(200)</b>	<b>(4 138)</b>	<b>4 388</b>	<b>4 388</b>	<b>4 953</b>

## c. Non-cash financing and investing activities

### Lease transactions

During the financial year, NT Fleet recorded no right-of-use assets for the leased property, plant and equipment.

## 14. Receivables

	2024	2023
	\$000	\$000
<b>Current</b>		
Accounts receivable	357	255
Less: loss allowance	-	-
	<b>357</b>	<b>255</b>
Interest receivables	11	54
Prepayments	2 163	2 061
GST receivables	102	363
Other receivables	1 348	986
<b>Total receivables</b>	<b>3 981</b>	<b>3 719</b>

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

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

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

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

Based on the assessment, NT Fleet's accounts receivable are 100 per cent collectible.

## Accrued contract revenue

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

NT Fleet has no accrued contract revenue and contract receivables as NT Fleet revenue is recognised under AASB 16 leases and other revenue.

## Prepayments

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

## Credit risk exposure of receivables

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

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

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

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

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

## Ageing analysis

	2024				2023			
	Gross Receivables	Loss rate	Expected credit losses	Net receivables	Gross receivables	Loss rate	Expected credit losses	Net receivables
	\$000	%	\$000	\$000	\$000	%	\$000	\$000
<b>Internal receivables</b>								
Not overdue	145	-	-	145	198	-	-	198
Overdue for less than 30 days	40	-	-	40	6	-	-	6
Overdue for 30 to 60 days	34	-	-	34	-	-	-	-
Overdue for more than 60 days	-	-	-	-	-	-	-	-
<b>Total internal receivables</b>	<b>219</b>	<b>-</b>	<b>-</b>	<b>219</b>	<b>204</b>	<b>-</b>	<b>-</b>	<b>204</b>
<b>External receivables</b>								
Not overdue	10	-	-	10	51	-	-	51
Overdue for less than 30 days	122	-	-	122	-	-	-	-
Overdue for 30 to 60 days	6	-	-	6	-	-	-	-
Overdue for more than 60 days	-	-	-	-	-	-	-	-
<b>Total external receivables</b>	<b>138</b>	<b>-</b>	<b>-</b>	<b>138</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>51</b>

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

### Reconciliation of loss allowance for receivables

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

## 15. Advances and investments

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

## 16. Other financial assets

### a) NT Fleet as a lessor

#### Finance leases

Leases under which NT Fleet assumed substantially all the risks and rewards of ownership of an asset are classified as finance leases.

Subleases are classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A sublease is an arrangement where the underlying asset is re-leased by a lessee (intermediate lessor) to another party, and the lease (head lease) between the head lessor and original lessee remains in effect.

Finance income arising from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on NT Fleet's net investment in the lease.

NT Fleet has no finance leases as lessor for the 2023-24 and 2022-23 financial years.

#### Operating leases

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

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

Future minimum rentals receivable (undiscounted) under non-cancellable operating leases as of 30 June are as follows

	2024	2023
	\$000	\$000
Not later than one year	28 360	19 705
Later than one year and not later than five years	60 188	38 040
Later than five years	2 364	1 284
<b>Total</b>	<b>90 912</b>	<b>59 029</b>



## 17. Property, plant and equipment

### a. Total property, plant and equipment

	2024	2023
	\$000	\$000
<b>Motor vehicles – light</b>		
At cost	127 066	113 444
Less: accumulated depreciation	(33 815)	(38 468)
	<b>93 251</b>	<b>74 976</b>
<b>Motor vehicles – heavy</b>		
At cost	52 380	49 030
Less: accumulated depreciation	(25 578)	(25 342)
	<b>26 802</b>	<b>23 688</b>
<b>Leasehold improvement</b>		
At cost	1 189	687
Less: accumulated depreciation	(224)	(133)
	<b>965</b>	<b>554</b>
<b>Leased property, plant and equipment</b>		
At capitalised cost	-	785
Less: accumulated amortisation	-	(785)
	<b>-</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b>121 018</b>	<b>99 219</b>

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

Property, plant and equipment includes right-of-use assets under AASB 16 Leases and service concession assets under AASB 1059. Further information on right-of-use assets is disclosed in Note 18. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of year is set out below:

	Motor vehicles light	Motor vehicles heavy	Leasehold improvements	Leased property, plant and equipment	Total
2024	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	74 976	23 688	554	-	99 219
Additions	37 190	7 929	502	-	45 621
Disposals	(8 691)	(1 087)	-	-	(9 778)
Depreciation expense – asset owned	(10 570)	(3 933)	(91)	-	(14 594)
Amortisation expense – right-of-use asset	-	-	-	-	-
Impairment losses	(243)	-	-	-	(243)
Asset transfers	3 321	1 648	-	-	4 969
Depreciation transfers	(2 733)	(1 443)	-	-	(4 176)
Carrying amount as at 30 June	93 251	26 802	965	-	121 018

	Motor vehicles light	Motor vehicles heavy	Leasehold improvements	Leased property, plant and equipment	Total
2023	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	70 079	21 798	85	196	92 159
Additions	21 266	6 625	484	-	28 375
Disposals	(6 082)	(513)	-	-	(6 595)
Depreciation expense – asset owned	(9 748)	(3 768)	(15)	-	(13 531)
Amortisation expense – right-of-use asset	-	-	-	(196)	(196)
Impairment losses	(290)	(163)	-	-	(453)
Asset transfers	2 619	519	-	-	3 138
Depreciation transfers	(2 868)	(810)	-	-	(3 678)
Carrying amount as at 30 June	74 976	23 688	554	-	99 219

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

A reconciliation of the carrying amount of property, plant and equipment (vehicle) held and used by NT Fleet (Director NT Fleet, Executive Contract Officer) to deliver its outputs and services to the public is set out below.

	Motor vehicles light	Motor vehicles heavy	Leasehold improvements	Leased property, plant and equipment	Total
2024	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	33	-	-	-	33
Additions	-	-	-	-	-
Depreciation/amortisation expense	(5)	-	-	-	(5)
Carrying amount as at 30 June	28	-	-	-	28

	Motor vehicles light	Motor vehicles heavy	Leasehold improvements	Leased property, plant and equipment	Total
2023	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	-	-	-	-	-
Additions	35	-	-	-	35
Depreciation/amortisation expense	(2)	-	-	-	(2)
Carrying amount as at 30 June	33	-	-	-	33

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

A reconciliation of the carrying amount of property, plant and equipment where NT Fleet is a lessor under operating leases is set out below. These assets are leased by public and non-government organisations for the purpose of providing services to the community.

	Motor vehicles light	Motor vehicles heavy	Total
2024	\$000	\$000	\$000
Carrying amount as at 1 July	74 943	23 688	98 631
Additions	40 511	9 577	50 088
Disposals	(8 691)	(1 087)	(9 778)
Depreciation/amortisation expense	(13 298)	(5 376)	(18 674)
Impairment losses	(243)	-	(243)
Carrying amount as at 30 June	93 222	26 802	120 024

	Motor vehicles light	Motor vehicles heavy	Total
2023 <sup>1</sup>	\$000	\$000	\$000
Carrying amount as at 1 July	70 079	21 798	91 877
Additions	23 850	7 144	30 994
Disposals	(6 082)	(513)	(6 595)
Depreciation/amortisation expense	(12 614)	(4 578)	(17 192)
Impairment losses	(290)	(163)	(453)
Carrying amount as at 30 June	74 943	23 688	98 631

<sup>1</sup>2022-23 reporting has been realigned to be consistent with 2023-24 reporting.

## Acquisitions

Property, plant and equipment are initially recognised at cost.

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

## Complex assets

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

## Construction (work in progress)

As part of the financial management framework, Department of Infrastructure, Planning and Logistics (DIPL) is responsible for managing general government capital works projects on a whole of government basis. NT Fleet's capital works are managed by DIPL and the cost of construction work in progress is recognised as an asset of that department. Once completed, capital works assets are transferred to NT Fleet.

## Revaluations and impairment

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

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

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

## Depreciation and amortisation expense

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

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

	2024	2023
Vehicles – light	4-5 years	4-5 years
Vehicles – heavy	5-10 years	5-10 years
Leasehold improvements	10 years	10 years
Right-of-use assets	Lease term	Lease term

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

The estimated useful lives disclosed above includes the useful lives of right-of-use assets under AASB 16. For further details, refer to Note 18.

## 18. NT Fleet as a lessee

NT Fleet leases office accommodation, with the lease contract made for a fixed period of 20 years. The contract is managed by the Northern Territory Government to whom NT Fleet makes monthly lease payments. The agreement expired on 30 June 2023 and it is still under negotiation to make a similar agreement.

Potential future cash outflows have not been included in the lease liability because it is not reasonably certain the leases will be entered into a new agreement.

NT Fleet did not hold low value assets with a fair value of \$10 000 or less when new and not subject to a sublease arrangement.

### Right-of-use assets

The following table presents reconciliation of right-of-use assets (including concessionary leases) included in the carrying amounts of property, plant and equipment at Note 17.

NT Fleet has no carrying amount of right-of used assets in 2023-24 as the property lease has expired on 30 June 2023 and the agreement is still under negotiation.

	Buildings	Plant and equipment	Total
	\$000	\$000	\$000
<b>2024</b>			
Balance as at 1 July	-	-	-
Depreciation expense	-	-	-
<b>Carrying amount as at 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Buildings	Plant and equipment	Total
	\$000	\$000	\$000
<b>2023</b>			
Balance as at 1 July	196	-	196
Depreciation expense	(196)	-	(196)
<b>Carrying amount as at 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	2024	2023
	\$000	\$000
Depreciation expense of right-of-use assets	-	(196)
Interest expense on lease liabilities	-	(1)
Income from subleasing right-of-use assets	-	-
<b>Total amount recognised in the comprehensive operating statement</b>	<b>-</b>	<b>(197)</b>

## Recognition and measurement

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

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

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

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

	2024	2023
Building	10 years	10 years
Transport equipment	2 to 4 years	2 to 4 years

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

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

## 19. Intangibles

### a) Total intangibles

	2024	2023
	\$000	\$000
<b>Intangibles with a finite useful life</b>		
<b>Computer software</b>		
Gross carrying amount	6 080	5 371
Less: accumulated amortisation	(2 874)	(2 322)
Carrying amount at 30 June	3 206	3 049
<b>Total intangibles</b>	<b>3 206</b>	<b>3 049</b>

NT Fleet capitalised enhancements made to Fleet Business Systems in 2023-24 and 2022-23.

Intangible assets for NT Fleet are comprised of computer software.

NT Fleet recognises intangible assets only if it is probable that future economic benefits will flow to the agency and the costs of the asset can be measured reliably. Where an asset is acquired at no or nominal cost, the cost is the fair value as at the date of acquisition.

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

Intangible assets for NT Fleet are stated at historical cost less depreciation, which is deemed to equate to fair value.

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

The estimated useful lives for finite intangible assets are determined in accordance with the Treasurer's Directions and are determined as follows:

	2024	2023
Computer software	2 to 10 years	2 to 10 years

As the historical cost less amortisation is deemed to equate to fair value, no impairment was recognised for the year ended 30 June 2024.

## b) Reconciliation of carrying amount of intangibles

	Computer software	Other intangibles	Software work in progress	Total
<b>2024</b>	\$000	\$000	\$000	\$000
<b>Intangibles with a finite useful life</b>				
Carrying amount at 1 July	3 049	-	-	3 049
Additions	709	-	-	709
Amortisation	(552)	-	-	(552)
Carrying amount as at 30 June	3 206	-	-	3 206

	Computer software	Other intangibles	Software work in progress	Total
<b>2023</b>	\$000	\$000	\$000	\$000
<b>Intangibles with a finite useful life</b>				
Carrying amount at 1 July	2 931	-	-	2 931
Additions	605	-	-	605
Amortisation	(487)	-	-	(487)
Carrying amount as at 30 June	3 049	-	-	3 049

## 20. Assets Held for Sale

	2024	2023
	\$000	\$000
Motor vehicles – light	539	1 127
Motor vehicles – heavy	190	395
<b>Total assets held for sale</b>	<b>729</b>	<b>1 522</b>

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

These assets are measured at the asset's carrying amount. The carrying amounts of these financial assets and liabilities approximates their fair value. These assets are not depreciated. Non-current assets held for sale have been recognised in the Financial Statements as current assets which equate to fair values.

## 21. Payables

	2024	2023
	\$000	\$000
Accounts payable	3 310	5 061
Accrued salaries and wages	60	45
Other accrued expenses	890	590
Other payables		
<b>Total payables</b>	<b>4 260</b>	<b>5 696</b>

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

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

## 22. Borrowings and advances

### Lease liabilities

NT Fleet has no lease liabilities in 2023-24 as they ceased on 30 June 2023.

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

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

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

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

NT Fleet has no cash outflows for leases in 2023-24 (\$201 726 in 2023).

NT Fleet had no future minimum lease payments under non-cancellable leases recorded as liability for 2023-24.

## 23. Income tax liabilities

	2024	2023
	\$000	\$000
Income tax liabilities	3 746	3 762
<b>Total Income tax liabilities</b>	<b>3 746</b>	<b>3 762</b>



## 24. Provisions

	2024	2023
	\$000	\$000
<b>Current</b>		
<i>Employee benefits</i>		
Recreation leave	306	218
Leave loading	46	33
Other employee benefits	1	-
<b>Other current provisions</b>		
Provision for dividends	-	4 389
Provision for fringe benefits tax	2	-
Provision for superannuation	59	32
Provision for payroll tax	23	16
<b>Total provisions</b>	<b>437</b>	<b>4 688</b>
<b>Reconciliations of provision for dividends</b>		
Balance as at 1 July	4 389	3 937
Additional provisions recognised	(4 389)	4 389
Reductions arising from payments	-	(3 937)
<b>Balance as at 30 June</b>	<b>-</b>	<b>4 389</b>

### Employee benefits

Provision for employee benefits include wages and salaries and recreation leave accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value of estimated future cash flows, calculated using the appropriate government bond rate and taking into consideration expected future salary and wage levels, experience of employee departures and periods of service.

All recreation leave is classified as a current liability.

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

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

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

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

## Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory 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.

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 therefore not recognised in NT Fleet's Financial Statements.

## 25. Commitments

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

Commitments may extend over multiple reporting periods and may result in payment of compensation or return of funds if obligations are breached.

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

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

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

Capital expenditure commitments primarily relate to vehicles ordered. These contracts are expected to be payable as follows:

	2024		2023	
	Internal \$000	External <sup>1</sup> \$000	Internal \$000	External \$000
Not later than one year	-	32 546	-	23 444
Later than one year and not later than five years	-	654	-	24 624
Later than five years	-	-	-	-
<b>Total capital expenditure commitments (exclusive of GST)</b>	-	<b>33 200</b>	-	<b>48 068</b>
Plus: GST recoverable	-	3 320	-	4 807
<b>Total capital expenditure commitments (inclusive of GST)</b>	-	<b>36 520</b>	-	<b>52 875</b>

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

### b, Other non-cancellable contract commitments

NT Fleet have no other non-cancellable contract commitments.

## 26. Equity

Equity represents the residual interest in the net assets of NT Fleet. The Northern Territory Government's ownership interest in NT Fleet is held in the Central Holding Authority.

	2024	2023
	\$000	\$000
<b>Capital</b>		
Balance as at 1 July	565	565
Balance as at 30 June	565	565
<b>Accumulated Funds</b>		
Balance as at 1 July	110 057	105 669
Surplus for the period	8 740	8 777
Dividends payable	4 389	(4 389)
Balance as at 30 June	123 186	110 057
<b>Total Equity</b>	<b>123 751</b>	<b>110 622</b>

## 27. Fair value measurement

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

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

## 28. Financial instruments

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

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

NT Fleet has limited exposure to financial risks as discussed below.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The Territory Government's investments, loans and placements, and borrowings are predominantly managed through the NTTC adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

## a) Categories of financial instruments

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

	Fair value through profit or loss		Amortised cost	Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value			
	\$000	\$000			
<b>2024</b>					
Cash and deposits	-	-	3 275	-	3 275
Receivables <sup>1</sup>	-	-	357	-	357
<b>Total financial assets</b>	-	-	<b>3 632</b>		<b>3 632</b>
Payables <sup>1</sup>	-	-	3 310	-	3 310
Lease liabilities	-	-	-	-	-
<b>Total financial liabilities</b>	-	-	<b>3 310</b>	-	<b>3 310</b>

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

	Fair value through profit or loss		Amortised cost	Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value			
	\$000	\$000			
<b>2023</b>					
Cash and deposits	-	-	17 262	-	17 262
Receivables <sup>1</sup>	-	-	255	-	255
<b>Total financial assets</b>	-	-	<b>17 517</b>	-	<b>17 517</b>
Payables <sup>1</sup>	-	-	5 061	-	5 061
Lease liabilities	-	-	-	-	-
<b>Total financial liabilities</b>	-	-	<b>5 061</b>	-	<b>5 061</b>

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

## Categories of financial instruments

### Financial assets at amortised cost

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

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

### Financial liabilities at amortised cost

Financial liabilities at amortised cost are measured at amortised cost using the effective interest rate method. The agency's financial liabilities categorised at amortised cost include all accounts payable and lease liabilities.

#### b) Credit Risk

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

NT Fleet has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to government, 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.

Credit risk relating to receivables is disclosed in Note 14, Receivables and Note 15, Advances and Investments.

#### c) Liquidity Risk

Liquidity risk is the risk 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 it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring minimum levels of cash are held in NT Fleet's bank account to meet various current employee and supplier liabilities. NT Fleet's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event of one-off extraordinary expenditure items arise that deplete cash to levels that compromise NT Fleet's ability to meet its financial obligations.

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

## Maturity analysis for financial liabilities

2024	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
<b>Liabilities</b>					
Payables <sup>1</sup>	3 310	3 310	-	-	3 310
Lease Liabilities	-	-	-	-	-
<b>Total financial liabilities</b>	<b>3 310</b>	<b>3 310</b>	<b>-</b>	<b>-</b>	<b>3 310</b>

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

2023	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
<b>Liabilities</b>					
Payables <sup>1</sup>	5 061	5 061	-	-	5 061
Lease liabilities	-	-	-	-	-
<b>Total financial liabilities</b>	<b>5 061</b>	<b>5 061</b>	<b>-</b>	<b>-</b>	<b>5 061</b>

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

### Market risk

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

#### (i) Interest rate risk

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

NT Fleet has limited exposure to interest rate risk as NT Fleet's financial assets and financial liabilities, with the exception of leases, are non-interest bearing. Finance lease arrangements are established on a fixed interest rate and as such do not expose NT Fleet to interest rate risk.

#### Sensitivity analysis

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

	100 basis points
	\$000
<b>30 June 2024</b>	
Financial assets – cash at bank	±33
<b>Net sensitivity</b>	<b>±33</b>
<b>30 June 2023</b>	
Financial assets – cash at bank	±173
<b>Net sensitivity</b>	<b>±173</b>

### (ii) Price risk

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

### (iii) Currency risk

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

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

### Borrowings and capital purchases

NT Fleet had no borrowings and capital purchases subject to currency risk.

## 29. Related parties

### (i) Related parties

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

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

### (ii) Key management personnel (KMP)

KMP of NT Fleet are those persons having authority and responsibility for planning, directing and controlling the activities of NT Fleet. These include:

- Selena Uibo, Minister for Corporate and Digital Development
- Chris Hosking, Chief Executive Officer of DCDD
- Lisa Watson, Deputy Chief Executive Officer of DCDD
- Wayne Sanderson, Director, NT Fleet
- Rex Schoolmeester, Chief Financial Officer, DCDD.

### (iii) Remuneration of key management personnel

The details below exclude the salaries and other benefits of the Minister as the Minister's remuneration and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's Annual Financial Statements.

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

	2024	2023
	\$000	\$000
Short-term benefits	211	195
Post-employment benefits	27	27
Long-term benefits	-	-
Termination benefits	-	-
<b>Total</b>	<b>238</b>	<b>222</b>

### (iv) Related party transactions

#### Transactions with Northern Territory Government controlled entities

NT Fleet's primary ongoing source of funding is received from the Northern Territory Government controlled entities.

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

2024	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$000	\$000	\$000	\$000
Related party				
NTG agencies	36 037	9 520	1 152	4 248

2023	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$000	\$000	\$000	\$000
Related party				
NTG agencies	34 984	8 806	1 207	8 561

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

### Other related party transactions

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

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

## 30. Contingent liabilities and contingent assets

NT Fleet had no material contingent liabilities or contingent assets as at 30 June 2024 and 30 June 2023.



## 31. 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.

## 32. Budgetary information

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

The variations within these tables do not include changes to budget from 2023-24 original budget to 2023-24 final budget.

## Comprehensive Operating Statement

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000	\$000	
<b>INCOME</b>				
Sales of goods and services	36 763	34 863	1 900	1
Interest revenue	302	494	(192)	2
Gain on disposal of assets	7 790	6 500	1 290	3
Other income	499	140	359	4
<b>TOTAL INCOME</b>	<b>45 354</b>	<b>41 997</b>	<b>3 357</b>	
<b>EXPENSES</b>				
Employee expenses	2 317	2 000	(317)	5
Administrative expenses				
Property management	276	278	2	
Purchases of goods and services	14 887	13 938	(949)	6
Repairs and maintenance				
Depreciation and amortisation	15 146	14 138	(1 008)	7
Other administrative expenses	243	-	(243)	8
<b>TOTAL EXPENSES</b>	<b>32 869</b>	<b>30 354</b>	<b>(2 515)</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>12 485</b>	<b>11 643</b>	<b>842</b>	
<b>COMPREHENSIVE RESULT</b>	<b>12 485</b>	<b>11 643</b>	<b>842</b>	

### Notes:

1. Increase relates to increased number of vehicles managed and higher recoveries of repair and maintenance costs.
2. Decrease due to lower cash balance at bank.
3. Increase relates to increased number of vehicles disposed.
4. Compensation income related to loss on sales was not budgeted.
5. Increase mainly due to the movement of agency fleet officers to NT Fleet.
6. Increase mainly related to increased vehicle registration expenses and repairs and maintenance expenses.
7. Increase due to increased number of vehicles managed and increased prices of new vehicles purchased.
8. Asset impairment expenses relate to the unbudgeted losses on sales.

## Balance Sheet

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000	\$000	
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and deposits	3 275	17 784	(14 509)	1
Receivables	1 818	1 272	546	2
Prepayments	2 163	1 658	505	3
Assets held for sale	729	-	729	4
<b>Total current assets</b>	<b>7 985</b>	<b>20 714</b>	<b>(12 729)</b>	
<b>Non-current assets</b>				
Property, plant and equipment	121 018	99 619	21 399	5
Intangibles	3 206	2 976	230	
<b>Total non-current assets</b>	<b>124 224</b>	<b>102 595</b>	<b>21 629</b>	
<b>TOTAL ASSETS</b>	<b>132 209</b>	<b>123 309</b>	<b>8 900</b>	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	4 260	1 023	(3 237)	6
Unearned Revenue	15	-	(15)	
Income tax liabilities	3 746	3 492	(254)	
Provisions	437	4 331	3 894	7
Lease liabilities	-	200	200	
<b>Total current liabilities</b>	<b>8 458</b>	<b>9 046</b>	<b>588</b>	
<b>TOTAL LIABILITIES</b>	<b>8 458</b>	<b>9 046</b>	<b>588</b>	
<b>NET ASSETS</b>	<b>123 751</b>	<b>114 263</b>	<b>9 488</b>	
<b>EQUITY</b>				
Capital	565	565	-	
Dividends paid/payable	4 389	(4 074)	8 463	7
Accumulated funds	110 057	109 621	436	
Current year surplus	8 739	8 151	588	8
<b>TOTAL EQUITY</b>	<b>123 751</b>	<b>114 263</b>	<b>9 488</b>	

### Notes:

1. Lower cash and deposit due to substantial capital acquisitions in 2023-24 and a one-off special dividend paid to NT Treasury in 2021-22.
2. Increase due to timing of agency payments.
3. Increase mainly related to prepayments on motor vehicle registration fees for light vehicles having a common expiry date.
4. Assets held for sale originally included in the non-current assets budget.
5. Higher vehicle assets reflecting a substantial number of vehicle deliveries including outstanding orders during Covid Pandemic.
6. Increased payables due to higher than anticipated accrued expenses for vehicles delivered in 2023-24.
7. Decreased provisions due to the dividend exemption.
8. Increased surplus related from improved performance.

## Cash Flow Statement

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000	\$000	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating receipts</b>				
Receipts from sales of goods and services	36 812	35 003	1 809	1
GST receipts	5 465	-	5 465	2
Interest received	344	494	(150)	3
<b>Total operating receipts</b>	<b>42 621</b>	<b>35 497</b>	<b>7 124</b>	
<b>Operating payments</b>				
Payments to employees	(2 184)	(2 000)	(184)	
Payments for goods and services	(14 937)	(14 216)	(721)	4
GST Payments	(5 204)	-	(5 204)	2
Income tax paid	(3 762)	(3 389)	(373)	5
<b>Total operating payments</b>	<b>(26 087)</b>	<b>(19 605)</b>	<b>(6 482)</b>	
<b>Net cash from/(used in) operating activities</b>	<b>16 534</b>	<b>15 892</b>	<b>642</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Investing receipts</b>				
Proceeds from asset sales	17 567	14 000	3 567	6
<b>Total investing receipts</b>	<b>17 567</b>	<b>14 000</b>	<b>3 567</b>	
<b>Investing payments</b>				
Purchases of assets	(48 088)	(25 000)	(23 088)	7
<b>Total investing payments</b>	<b>(48 088)</b>	<b>(25 000)</b>	<b>(23 088)</b>	
<b>Net cash from/(used in) investing activities</b>	<b>(30 521)</b>	<b>(11 000)</b>	<b>(19 521)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Financing payments</b>				
Dividends paid	-	(3 954)	3 954	8
<b>Total financing payments</b>	<b>-</b>	<b>(3 954)</b>	<b>3 954</b>	
<b>Net cash from/(used in) financing activities</b>	<b>-</b>	<b>(3 954)</b>	<b>3 954</b>	
Net increase/(decrease) in cash held	(13 987)	938	(14 925)	9
Cash at beginning of financial year	17 262	16 846	416	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>3 275</b>	<b>17 784</b>	<b>(14 509)</b>	

### Notes:

- Increase relates to increased number of vehicles managed and higher recoveries of repair and maintenance costs.
- GST receipts and payments not included in original budget.
- Lower interest revenue due to lower cash balance at bank.
- Increase mainly relates to motor vehicle registration fees and repairs and maintenance costs.
- Increase resulted from an improved operating result.
- Significant increase due to higher than anticipated number of vehicles disposed.
- Significant increase reflects a substantial number of vehicle deliveries including outstanding orders during Covid Pandemic.
- Decrease due to the dividend exemption.
- Significant decrease in cash held mainly resulted from acquisitions of substantial number of vehicles.





**6c**

**Financial Report  
Data Centre Services**

# Financial Statement Overview

For the year ended 30 June 2024

## Financial Performance (Comprehensive Operating Statement)

Data Centre Services delivers core information and communications technology (ICT) infrastructure and support services to Northern Territory Government agencies.

The financial performance of Data Centre Services (DCS) is presented in two ways. Table 1 compares DCS' 2023-24 performance with the final approved budget for the year, and Table 2 compares performance between the current year and previous year. More details are provided in subsequent commentary and analysis in Tables 3 to 6. The impact of financing decisions and recognition of assets and liabilities are outlined in the financial position analysis at Table 7 and related commentary.

Table 1: 2023-24 Final Budget and Performance

	2023-24		
	Actual \$000	Final Budget \$000	Variation \$000
Income	31 709	29 722	1 987
Expenses	(26 935)	(24 386)	(2 549)
<b>Net Surplus before Tax</b>	<b>4 774</b>	<b>5 336</b>	<b>(562)</b>
Income Tax Expense	(1 432)	(1 601)	169
<b>Net Surplus after Tax</b>	<b>3 342</b>	<b>3 735</b>	<b>(393)</b>
<b>Comprehensive Result</b>	<b>3 342</b>	<b>3 735</b>	<b>(393)</b>
Dividend (50%)	1 671	1 868	(197)

DCS' overall operating financial performance showed a net surplus after tax of \$3.3 million compared with a final budgeted surplus of \$3.7 million. The reduction when compared to the 2023-24 final budget is largely due to an increase in operational expenses driven by higher than expected licensing charges, partially offset by higher than anticipated revenue reflecting increased demand for services.

DCS will pay an income tax equivalent of \$1.4 million and will return a dividend of \$1.7 million to government for 2023-24.

Table 2: 2023-24 and 2022-23 Performance

	2023-24	2022-23	Variation
	\$000	\$000	\$000
Income	31 709	31 072	637
Expenses	(26 935)	(25 830)	(1 105)
<b>Net Surplus before Tax</b>	<b>4 774</b>	<b>5 242</b>	<b>(468)</b>
Income Tax Expense	(1 432)	(1 573)	141
<b>Net Surplus after Tax</b>	<b>3 342</b>	<b>3 669</b>	<b>(327)</b>
<b>Comprehensive Result</b>	<b>3 342</b>	<b>3 669</b>	<b>(327)</b>

DCS produced an operating surplus of \$3.3 million for 2023-24, which is \$0.3 million lower than the previous year.

## Income

DCS' primary income source results from the provision of computing services to Northern Territory Government agencies. These services are classified under the income categories of sales of goods and services, interest revenue and other income. As shown in Table 3 below, sales of goods and services represents 94.9 per cent of DCS' total income of \$31.7 million, with the remaining 5.1 per cent comprising of interest and other income.

The decrease in sales of goods and services income predominantly reflects a one-off midyear price reduction in Enterprise Storage (\$0.5 million) and mainframe services (\$0.1 million). The increase in Interest Revenue reflects the current market rates and the increase in other income is largely due to a higher than expected one off recoveries of software licences purchased on behalf of other agencies.

**Table 3: Income by Category**

Year	Sales of Goods and Services		Interest Revenue		Other Income		Total	
	\$000	%	\$000	%	\$000	%	\$000	%
2023-24	30 103	94.9	559	1.8	1 047	3.3	31 709	100
2022-23	30 492	98.1	286	0.9	294	1.0	31 072	100

Total income is also classified across DCS' major business functions:

- Mainframe Services – hosting and managing mainframe applications
- Midrange Services – hosting and managing midrange server applications
- Enterprise Storage – managing enterprise data storage and performing data backups
- Data Centre Facility Services – hosting ICT infrastructure for agencies and contracted service providers.

**Table 4: Income by Business Function**

Year	Mainframe Services		Midrange Services		Enterprise Storage and Backup Services		Data Centre Facility Services		Total	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2023-24	12 340	38.9	14 718	46.4	1 511	4.8	3 140	9.9	31 709	100
2022-23	12 469	40.1	13 928	44.8	2 069	6.7	2 606	8.4	31 072	100

Midrange services and data centre facility services increased due to demand driven growth, while mainframe services and enterprise storage services income decreased due to reduced pricing of services.

## Expenses

DCS incurred the majority of its expenditure for ICT related expenses for hardware, software and specialist contractors, with employee expenses being the second largest expense.

Table 5: Expenses by Category

Year	ICT		Employee		Operational		Depreciation		Property		Total	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2023-24	14 064	52.2	6 656	24.7	1 438	5.3	3 883	14.4	894	3.3	26 935	100
2022-23	12 752	49.4	6 729	26.0	1 442	5.6	4 004	15.5	903	3.5	25 830	100

Below are explanations on major variations:

- ICT expenditure - increase primarily due to hardware and software licensing charges and higher contractor costs
- Depreciation - decrease relates to number of assets in Enterprise Storage that has been fully depreciated in 2023-24
- Property management expenditure decreased due to lower general property management costs.

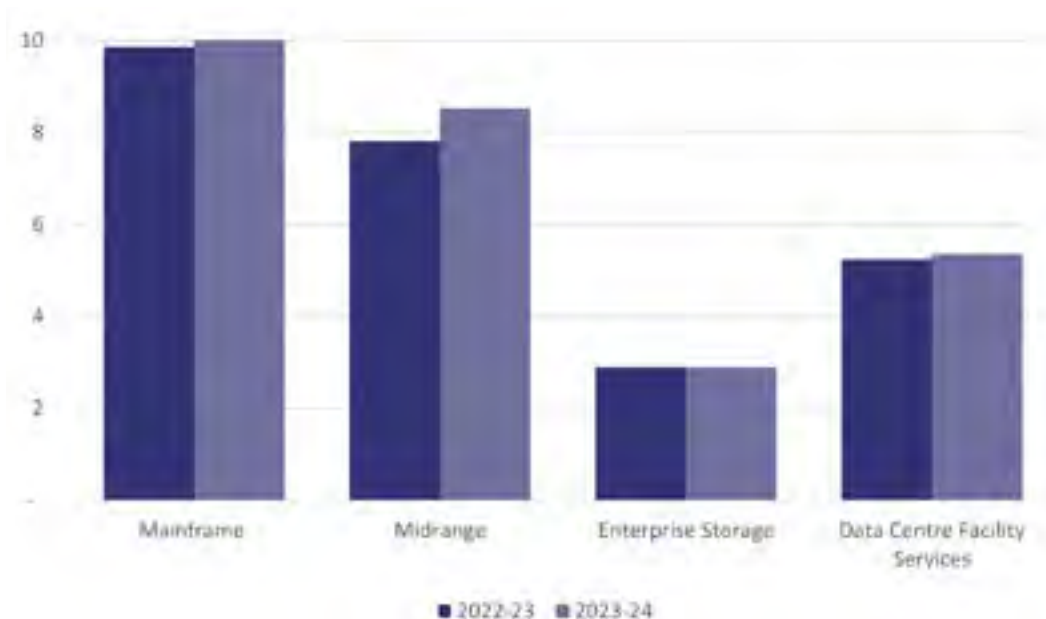
Expenses have also been classified according to DCS' major business functions below.

Table 6: Expenses by Business Function

Year	Mainframe Services		Midrange Services		Enterprise Storage and Backup Services		Data Centre Facility Services		Total	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
2023-24	10 147	37.7	8 534	31.7	2 901	10.8	5 353	19.8	26 935	100
2022-23	9 863	38.2	7 819	30.3	2 901	11.2	5 247	20.3	25 830	100

Mainframe, Midrange and Data Facility Centre Services expenditure all increased in line with demand driven growth.

Figure 1: Expenses (\$million) by Business Function





# Balance Sheet

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

Table 7: 2023-24 and 2022-23 Financial Position

	2023-24	2022-23	Variation
	\$000	\$000	\$000
<b>ASSETS</b>			
Current Assets	25 281	23 551	1 730
Non-Current Assets	21 543	23 424	(1 881)
<b>TOTAL ASSETS</b>	<b>46 824</b>	<b>46 975</b>	<b>(151)</b>
<b>LIABILITIES</b>			
Current Liabilities	(6 615)	(7 329)	714
Non-Current Liabilities	(9 118)	(9 896)	778
<b>TOTAL LIABILITIES</b>	<b>(15 733)</b>	<b>(17 225)</b>	<b>1 492</b>
<b>NET ASSETS</b>	<b>31 091</b>	<b>29 750</b>	<b>1 341</b>
Equity	31 091	29 750	1 341
<b>TOTAL EQUITY</b>	<b>31 091</b>	<b>29 750</b>	<b>1 341</b>

DCS' net financial position at the end of 2023-24 was \$31.1 million, compared to the previous year's position of \$29.8 million, an increase of \$1.3 million.

Net assets increased by \$1.3 million primarily as a result of the net surplus before tax of \$4.8 million, offset by provision for tax (\$1.4 million) and dividends (\$1.7 million).

Major assets at 30 June 2024 included:

## Current Assets

- \$16.1 million cash and deposits
- \$6.8 million prepayments (software licensing and maintenance)
- \$2.4 million receivables (outstanding service fees)

## Non-Current Assets

- \$20.2 million property, plant and equipment (including buildings and leasehold improvements)
- \$1.4 million prepayments (software licensing and maintenance)

Major liabilities at 30 June 2024 included:

## Current Liabilities

- \$0.7 million payables and accrued expenses
- \$1.4 million provision for income tax
- \$1.7 million provision for dividends
- \$1.2 million provision for employee entitlements
- \$1.5 million in lease liabilities
- \$0.2 million in other liabilities

## Non-Current Liabilities

- \$9.1 million in non-current lease liabilities

## Certification of the Financial Statements

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

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the Financial Statements, presents fairly the financial performance and cash flows for the year ended 30 June 2024 and the financial position on that date.

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



---

Catherine Weber  
Chief Executive  
19 September 2024



---

Rex Schoolmeester  
Chief Financial Officer  
19 September 2024



**Auditor-General**  
**Independent Auditor's Report**  
**to the Minister for Corporate and Digital Development**  
**Data Centre Services**  
**Page 1 of 2**

### Opinion

I have audited the accompanying financial report of Data Centre Services, which comprises the balance sheet as at 30 June 2024 and the comprehensive operating statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information, and the certification of the financial statements by the Chief Executive.

In my opinion, the financial report gives a true and fair view, in all material respects, of the financial position of Data Centre Services as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Data Centre Services in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Other Information

The Chief Executive of the Department of Corporate and Digital Development is responsible for the other information. The other information comprises the information included in Data Centre Services' financial statement overview for the year ended 30 June 2024, but does not include the financial report and my auditor's report thereon.

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

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

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

### Responsibilities of the Chief Executive for the Financial Report

The Chief Executive is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as the Chief Executive determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the ability of Data Centre Services to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Data Centre Services or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of Data Centre Services.



## Auditor-General

Page 2 of 2

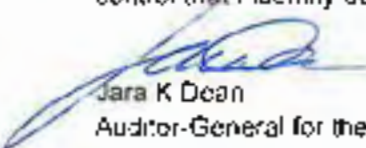
### Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

  
Jara K Dean

Auditor-General for the Northern Territory

Darwin, Northern Territory

20 September 2024

# Comprehensive Operating Statement

For the year ended 30 June 2024

	Note	2024 \$000	2023 \$000
<b>INCOME</b>			
Sales of goods and services	3	30 103	30 492
Interest revenue		559	286
Other income	4	1 047	294
<b>TOTAL INCOME</b>		<b>31 709</b>	<b>31 072</b>
<b>EXPENSES</b>			
Employee expenses	5	6 656	6 729
Administrative expenses			
Purchases of goods and services	6	15 298	13 982
Property management	6	894	903
Depreciation and amortisation	15,16,17	3 842	4 005
Impairment losses		42	-
Interest expenses	7	203	211
<b>TOTAL EXPENSES</b>		<b>26 935</b>	<b>25 830</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>4 774</b>	<b>5 242</b>
<b>SURPLUS BEFORE INCOME TAX</b>		<b>4 774</b>	<b>5 242</b>
Income tax expense	9	1 432	1 573
<b>NET SURPLUS</b>		<b>3 342</b>	<b>3 669</b>
<b>COMPREHENSIVE RESULT</b>		<b>3 342</b>	<b>3 669</b>

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

# Balance Sheet

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	10	16 087	10 450
Receivables	12	9 194	13 101
<b>Total Current Assets</b>		<b>25 281</b>	<b>23 551</b>
<b>Non-Current Assets</b>			
Receivables	12	1 366	1 645
Property, plant and equipment	15,16	20 177	21 779
Intangibles	1	-	-
<b>Total Non-Current Assets</b>		<b>21 543</b>	<b>23 424</b>
<b>TOTAL ASSETS</b>		<b>46 824</b>	<b>46 975</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	18	663	640
Income tax liabilities	20	1 432	1 573
Provisions	21	2 824	3 049
Lease liabilities	19	1 541	1 372
Other liabilities	22	155	696
<b>Total Current Liabilities</b>		<b>6 615</b>	<b>7 329</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	19	9 118	9 741
Other liabilities	22	-	155
<b>Total non-current liabilities</b>		<b>9 118</b>	<b>9 896</b>
<b>TOTAL LIABILITIES</b>		<b>15 733</b>	<b>17 226</b>
<b>NET ASSETS</b>		<b>31 091</b>	<b>29 749</b>
<b>EQUITY</b>			
Capital	24	4 232	4 563
Accumulated funds	24	26 859	25 187
<b>TOTAL EQUITY</b>		<b>31 091</b>	<b>29 750</b>

The Balance Sheet is to be read in conjunction with the notes to the Financial Statements.

# Statement of Changes in Equity

For the year ended 30 June 2024

		Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
<b>2024</b>	Note	\$000	\$000	\$000	\$000
Accumulated funds	24	25 188	3 342	-	28 530
Dividends payable	21,24	-	-	(1 671)	(1 671)
Transfers from Reserves		-	-	-	-
		25 188	3 342	(1 671)	26 859
<b>Capital – Transactions with Owners</b>					
Equity injections	24	4 563	-	-	4 563
Equity transfers in	24	-	-	-	-
Other equity injections		-	-	-	-
Equity withdrawals					
Capital withdrawal	24	-	-	(330)	(330)
Equity transfers out	24	-	-	-	-
		4 563	-	(330)	4 233
<b>TOTAL EQUITY AT END OF FINANCIAL YEAR</b>		<b>29 750</b>	<b>3 342</b>	<b>(2 001)</b>	<b>31 091</b>

		Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
<b>2023</b>	Note	\$000	\$000	\$000	\$000
Accumulated funds	24	23 353	3 669	-	27 022
Dividends payable	24	-	-	(1 835)	(1 835)
		23 353	3 669	(1 835)	25 187
<b>Capital – Transactions with Owners</b>					
Equity injections		4 563	-	-	4 563
Capital Appropriation	24	-	-	-	-
Equity transfers in	24	-	-	-	-
Other equity injections	24	-	-	-	-
Equity withdrawals					
Equity transfers out	24	-	-	-	-
		4 563	-	-	4 563
<b>TOTAL EQUITY AT END OF FINANCIAL YEAR</b>		<b>27 916</b>	<b>3 669</b>	<b>(1 835)</b>	<b>29 750</b>

The Statement of Changes in Equity is to be read in conjunction with the notes to the Financial Statements.

# Cash Flow Statement

For the year ended 30 June 2024

	Note	2024 \$000	2023 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating receipts			
Receipts from sales of goods and services		30 879	30 485
GST receipts		1 986	1 627
Interest received		537	257
<b>Total operating receipts</b>		<b>33 402</b>	<b>32 369</b>
<b>Operating payments</b>			
Payments to employees		(6 717)	(6 684)
Payments for goods and services		(12 772)	(15 365)
GST payments		(1 601)	(1 975)
Income tax paid		(1 573)	(1 063)
Interest paid		(203)	(211)
<b>Total operating payments</b>		<b>(22 866)</b>	<b>(25 298)</b>
<b>Net cash from/(used in) operating activities</b>	11a	<b>10 536</b>	<b>7 071</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investing receipts			
Investing Payments			
Purchases of assets		(1 222)	(2 891)
<b>Total Investing Payments</b>		<b>(1 222)</b>	<b>(2 891)</b>
<b>Net Cash From/(Used in) Investing Activities</b>		<b>(1 222)</b>	<b>(2 891)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Financing receipts			
Other Equity injections		(331)	-
<b>Total financing receipts</b>		<b>(331)</b>	<b>-</b>
<b>Financing payments</b>			
Dividends paid	11b	(1 835)	(1 241)
Finance lease payments	11b	(1 511)	(1 322)
<b>Total financing payments</b>		<b>(3 346)</b>	<b>(2 563)</b>
<b>Net cash from/(used in) financing activities</b>	11b	<b>(3 677)</b>	<b>(2 563)</b>
Net increase/(decrease) in cash held		5 637	1 617
Cash at beginning of financial year		10 450	8 833
<b>CASH AT END OF FINANCIAL YEAR</b>	10	<b>16 087</b>	<b>10 450</b>

The Cash Flow Statement is to be read in conjunction with the notes to the Financial Statements.



## Index of notes to the Financial Statements

<b>Note</b>	
1	Objectives and funding
2	Statement of material accounting policies
<b>Income</b>	
3	Sales of goods and services
4	Other income
<b>Expenses</b>	
5	Employee benefits expense
6	Purchases of goods and services
7	Interest expense
8	Write-offs, postponements, waivers, gifts and ex gratia payments
9	Income tax expense
<b>Assets</b>	
10	Cash and deposits
11a	Reconciliation of cash
11b	Reconciliation of liabilities arising from financing activities
11c	Non-cash financing and investing activities
12	Receivables
13	Advances and investments
14	Other financial assets
15	Property, plant and equipment
16	DCS as a lessee
17	Intangibles
<b>Liabilities</b>	
18	Payables
19	Lease liabilities
20	Income tax liabilities
21	Provisions
22	Other liabilities
23	Commitments
<b>Equity</b>	
24	Equity
<b>Other disclosures</b>	
25	Fair value measurement
26	Financial instruments
27	Related parties
28	Contingent liabilities and contingent assets
29	Events subsequent to balance date
30	Budgetary information

## 1. Objects and funding

Data Centre Services (DCS) delivers a range of ICT 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.

DCS is funded through income generated by services provided to Northern Territory Government agencies. The Financial Statements encompass all funds and resources which DCS controls to undertake its functions.

## 2. Statement of material accounting policies

### a) Statement of Compliance

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

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

### b) Basis of Accounting

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

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

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

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

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

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

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

### Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2023-24 financial year. Several amendments interpretations have been issued that apply to future reporting periods but are considered to have no or minimal impact on public sector reporting.

### c) Reporting Entity

The Financial Statements cover DCS as an individual reporting entity.

DCS is a Northern Territory Government Business Division (GBD) established under the *Interpretation Act 1978* and specified in the Administrative Arrangements Order.

The principal place of business of the GBD is: Level 3, Powerhouse, Smith Street Mall, Darwin NT 0800.

DCS has no controlled entities.

### d) DCS and Territory items

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

DCS held no Territory items.

### e) Comparatives

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

### f) Presentation and Rounding of Amounts

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

### g) Changes in Accounting Policies

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

### h) Accounting Judgments and Estimates

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

There were no material changes adopted during 2023-24.

### i) Taxation

DCS is required to pay income tax on its accounting surplus at the company tax equivalent rate of 30 per cent in accordance with the requirements of the Treasurer's Directions on the Northern Territory Tax Equivalent Regime.

## j) Contributions by and distributions to government

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

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

## k) Dividends

DCS has provided for a dividend payable at the rate of 50 per cent of net profit after tax in accordance with the Northern Territory Government's dividend policy.

## 3. Sales of goods and services

	2024			2023		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Sale of mainframe services	12 059	-	12 059	12 175	-	12 175
Sale of midrange services	13 953	-	13 953	13 928	-	13 928
Sale of enterprise storage and backup services	1 511	-	1 511	2 069	-	2 069
Sale of data centre facility services	2 580	-	2 580	2 320	-	2 320
<b>Total sales of goods and services</b>	<b>30 103</b>	<b>-</b>	<b>30 103</b>	<b>30 492</b>	<b>-</b>	<b>30 492</b>

## Rendering of services

Revenue from rendering of services is recognised when DCS satisfies the performance obligation by transferring the promised information technology services. DCS typically satisfies its performance obligations at the end of the billing period when the services or capacity consumed by the customer can be quantified.

### DCS services revenue includes:

**Mainframe services** – provision of a mainframe operating environment and hosting of mainframe applications billed to customers through a charging model based on utilisation share. Revenue is recognised as DCS satisfies its performance obligation when the monthly provision of the operating and hosting environment is complete, with payments typically due a month after.

**Midrange services** – provision of management services that build upon the base hosting or cloud offering. Services include operating system, database and technical support services. Data is collected on the quantity of services consumed on a monthly basis and applied to determine customer charges. DCS satisfies its performance obligation when the monthly provision of the management services is complete, with payments typically due a month after.

**Enterprise storage and backup services** – provision of enterprise scale storage and backup solutions to suit customers based on a pay for use basis. Enterprise Storage service is delivered by means of a storage area network (SAN) which is located in the Data Centre. Enterprise backup is a backup solution for customer business applications. The backup service is delivered by means of a fully managed enterprise class backup solution located in the Data Centre, with copies replicated to multiple sites for disaster recovery included in the charge. DCS satisfies its performance obligation when the monthly provision of the storage and backup services is complete, with payments typically due a month after.

**Data centre facility services** - The Government Data Centre (GDC) is the primary site which provides a continuous, secure and reliable facility hosting client and agency ICT equipment. Data Centre Services, as part of disaster recovery offerings, can also provide hosting options in a secondary site known as the Backup Data Centre (BDC). Data is collected on the quantity of services consumed on a monthly basis and applied to determine customer charges. DCS satisfies its performance obligation when the monthly provision of the data centre facility is complete, with payments typically due a month after.

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

	2024	2023
	\$000	\$000
<b>Type of good and service:</b>		
Service delivery	30 103	30 492
<b>Total revenue from contracts with customers by good or service</b>	<b>30 103</b>	<b>30 492</b>
<b>Type of customer:</b>		
Northern Territory Government controlled entities	30 028	30 415
Non-government entities	75	77
<b>Total revenue from contracts with customers by type of customer</b>	<b>30 103</b>	<b>30 492</b>
<b>Timing of transfer of goods and services:</b>		
Over time	30 103	30 492
<b>Total revenue from contracts with customers by timing of transfer</b>	<b>30 103</b>	<b>30 492</b>

## 4. Other income

	2024			2023		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Other income	1 047	-	1 047	294	-	294
<b>Total other income</b>	<b>1 047</b>	<b>-</b>	<b>1 047</b>	<b>294</b>	<b>-</b>	<b>294</b>

## Rental income

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

## Miscellaneous revenue

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

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

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

## Donated assets

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

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

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

	2024	2023
	\$000	\$000
<b>Type of good and service:</b>		
Service delivery	1 047	294
<b>Total revenue from contracts with customers by good or service</b>	<b>1 047</b>	<b>294</b>
<b>Type of customer:</b>		
Northern Territory Government controlled entities	1 047	294
Non-government entities	-	-
<b>Total revenue from contracts with customers by type of customer</b>	<b>1 047</b>	<b>294</b>
<b>Timing of transfer of goods and services:</b>		
Point in time	1 047	294
<b>Total revenue from contracts with customers by timing of transfer</b>	<b>1 047</b>	<b>294</b>

## 5. Employee benefits expense

	2024	2023
	\$000	\$000
Salaries and wages	5 690	5 760
Superannuation expenses	633	625
Workers compensation	-	-
Fringe benefits tax	6	13
Payroll tax	327	331
<b>Total employee benefits expense</b>	<b>6 656</b>	<b>6 729</b>

The number of full-time equivalent employees for 2023-24 was 47 (2022-23: 50).

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

The recognition and measurement policy for employee benefits is detailed in Note 18: Payables and Note 21: Provisions.

## 6. Purchases of goods and services

The net surplus/(deficit) has been arrived at after charging the following expenses:	2024	2023
	\$000	\$000
<b>Goods and services expenses:</b>		
Consultants <sup>1</sup>	4 468	4 166
Legal expenses <sup>2</sup>	1	-
Training and study	11	-
Official duty fares	1	1
Information technology charges and communications	9 596	8 586
Property management expenses	894	903
Insurance premiums	100	104
Agency service arrangements	1 049	1 057
Audit fees	30	27
Other <sup>3</sup>	42	41
	<b>16 192</b>	<b>14 885</b>

<sup>1</sup>Includes marketing, promotion and IT consultants.

<sup>2</sup>Includes legal fees, claim and settlement costs.

<sup>3</sup>Includes other equipment and consumables

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

## 7. Interest expense

	2024	2023
	\$000	\$000
Interest from lease liabilities	203	211
<b>Total</b>	<b>203</b>	<b>211</b>

<sup>1</sup>Interest expense in 2024 and 2023 relate to lease liabilities in accordance with AASB 16.

Current grants expenses are intended to finance the current activities of the recipient for which no economic

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

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

	Agency				Note
	2024	No. of trans.	2023	No. of trans.	
	\$000		\$000	\$000	
Write-offs, postponements and waivers approved by delegates					
Losses or deficiencies of money written off	-	-	-	-	
Value of public property written off	41	1	-	-	1
Total write-offs, postponements and waivers approved by delegates	41	1	-	-	
Total write-offs, postponements and waivers	41	1	-	-	

### Notes (write-off):

1. Relates to a write off of an obsolete asset.

### Write-off

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

### Waiver

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

### Postponement

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

### Gifts

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

### Ex gratia

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

DCS has one write-off for the year ended 30 June 2024, and no postponements, waivers, and gifts or ex gratia payments for the year ended 30 June 2024 and 30 June 2023.



## 9. Income tax expense

	2024	2023
	\$000	\$000
Prima facie income tax expense calculated at 30% of the surplus before income tax	1 432	1 573
<b>Total</b>	<b>1 432</b>	<b>1 573</b>

## 10. Cash and deposits

	2024	2023
	\$000	\$000
Cash on hand	16 087	10 450
<b>Total</b>	<b>16 087</b>	<b>10 450</b>

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.

## 11. Cash flow reconciliation

### a) Reconciliation of cash

The total of DCS' 'Cash and deposits' of \$16.1 million recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.

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

	2024	2023
	\$000	\$000
<b>Net surplus</b>	<b>3 342</b>	<b>3 669</b>
Non-cash items:		
Depreciation and amortisation	3 842	4 004
Asset write-offs/write-downs	41	-
Changes in assets and liabilities:		
Decrease/(Increase) in receivables	4 078	(311)
(Decrease)/Increase in payables	22	1
(Decrease)/Increase in other payables	106	(66)
(Decrease)/Increase in provision for employee benefits	(71)	19
(Decrease)/Increase in other provisions	12	9
(Decrease)/Increase in income tax liability	(140)	510
(Decrease)/Increase in unearned income	(696)	(764)
<b>Net cash from operating activities</b>	<b>10 536</b>	<b>7 071</b>

## b) Reconciliation of liabilities arising from financing activities

Financial Statements

	Cash flows					Other			
	1 July	Dividends paid	Equity injection/withdrawals	Lease liabilities repayments	Other	Total cash flows	Other	Total other	30 June
2024	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Dividends	1 835	(1 835)	-	-	-	(1 835)	1 671	1 671	1 671
Lease liabilities	11 113	-	-	(1 511)	-	(1 511)	1 057	1 057	10 659
Equity injections/withdrawals	4 563	-	(331)	-	-	(331)	-	-	4 233
<b>Total</b>	<b>17 511</b>	<b>(1 835)</b>	<b>(331)</b>	<b>(1 511)</b>	<b>-</b>	<b>(3 677)</b>	<b>2 728</b>	<b>2 728</b>	<b>16 563</b>

	Cash flows					Other			
	1 July	Dividends paid	Equity injection/withdrawals	Lease liabilities repayments	Other	Total cash flows	Other	Total other	30 June
2023	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Dividends	1 241	(1 241)	-	-	-	(1 241)	1 835	1 835	1 835
Lease liabilities	11 983	-	-	(1 322)	-	(1 322)	451	451	11 113
Equity injections/withdrawals	4 563	-	-	-	-	-	-	-	4 563
<b>Total</b>	<b>17 787</b>	<b>(1 241)</b>	<b>-</b>	<b>(1 322)</b>	<b>-</b>	<b>(2 563)</b>	<b>2 287</b>	<b>2 287</b>	<b>17 511</b>

## c) Non-cash financing and investing activities

### Lease transactions

DCS recorded no additional right-of-use assets for the lease of buildings for the 2023-24 and 2022-23 financial years.

## 12 Receivables

	2024	2023
	\$000	\$000
<b>Current</b>		
Accounts receivable	60	335
Accrued contract revenue	2 390	2 538
Interest receivables	55	34
GST receivables	(106)	277
Prepayments	6 795	9 916
	<b>9 194</b>	<b>13 101</b>
<b>Non-current</b>		
Prepayments	1 366	1 645
<b>Total Receivables</b>	<b>10 560</b>	<b>14 746</b>

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

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

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

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables DCS estimates are likely to be uncollectible and are considered doubtful. DCS did not recognise any loss allowance in the 2023-24 and 2022-23 financial years.

## Accrued contract revenue

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

## Prepayments

Prepayments represent payments made in advance of receipt of goods and services. Prepayments are recognised on an accrual basis and amortised over the period in which the economic benefits from these assets are received.

DCS' prepayments include software licenses and related software and hardware support services. Perpetual licenses are expensed in the year they are incurred if their expected life and future economic benefit from their usage cannot be reliably determined.

The decrease in net prepayments in 2023-24 is due to the timing of payment for software licenses.

## Credit risk exposure of receivables

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

The expected loss rates are based on historical observed loss rates.

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

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

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

## Ageing analysis

	2024				2023			
	Gross Receivables	Loss rate	Expected credit losses	Net receivables	Gross receivables	Loss rate	Expected credit losses	Net receivables
	\$000	%	\$000	\$000	\$000	%	\$000	\$000
<b>Internal receivables</b>								
Not overdue	59	-	-	60	327	-	-	327
Overdue for less than 30 days	-	-	-	-	-	-	-	-
Overdue for 30 to 60 days	-	-	-	-	1	-	-	1
Overdue for more than 60 days	-	-	-	-	-	-	-	-
<b>Total internal receivables</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>328</b>	<b>-</b>	<b>-</b>	<b>328</b>
<b>External receivables</b>								
Not overdue	1	-	-	1	7	-	-	7
Overdue for less than 30 days	-	-	-	-	-	-	-	-
Overdue for 30 to 60 days	-	-	-	-	-	-	-	-
Overdue for more than 60 days	-	-	-	-	-	-	-	-
<b>Total external receivables</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>7</b>

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

### Reconciliation of loss allowance for receivables

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

## 13. Advances and investments

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

## 14. Other financial assets

The agency does not have any finance lease or sublease arrangements for 2023-24 and 2022-23.

## 15. Property, plant and equipment

### Total property, plant and equipment

	2024	2023
	\$000	\$000
<b>Infrastructure</b>		
At capitalised cost	27	27
Less: accumulated depreciation	(12)	(10)
	<b>15</b>	<b>17</b>
<b>Plant and equipment</b>		
At capitalised cost	10 963	13 012
Less: accumulated depreciation	(2 739)	(2 209)
	<b>8 224</b>	<b>10 803</b>
<b>Computer hardware</b>		
At capitalised cost	9 273	7 524
Less: accumulated depreciation	(7 731)	(7 430)
	<b>1 542</b>	<b>94</b>
<b>Leased property, plant and equipment</b>		
At capitalised cost	16 908	15 850
Less: accumulated amortisation	(6 512)	(4 985)
	<b>10 396</b>	<b>10 865</b>
<b>Total property, plant and equipment</b>	<b>20 177</b>	<b>21 779</b>

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

Property, plant and equipment includes right-of-use assets under AASB 16 Leases and service concession assets under AASB 1059. Further information on right-of-use assets are disclosed in Note 15. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end year is set out below:

	Infrastructure	Plant and equipment	Computer hardware	Leased property, plant and equipment	Total
2024	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	17	10 803	94	10 865	21 779
Additions	-	73	3 249	-	3 322
Additions of right-of-use assets	-	-	-	-	-
Depreciation expense – asset owned	(2)	(551)	(1 760)	-	(2 313)
Amortisation expense – right-of-use asset	-	-	-	(1 528)	(1 528)
Additions/disposals from asset transfers	-	(2 101)	-	-	(2 101)
Revaluation Increments/Decrements	-	-	-	1 059	1 059
Impairment Losses	-	-	(41)	-	(41)
<b>Carrying amount as at 30 June</b>	<b>15</b>	<b>8 224</b>	<b>1 542</b>	<b>10 396</b>	<b>20 177</b>

	Infrastructure	Plant and equipment	Computer hardware	Leased property, plant and equipment	Total
2023	\$000	\$000	\$000	\$000	\$000
Carrying amount as at 1 July	20	9 473	666	11 799	21 958
Additions	-	1 885	1 007	-	2 892
Additions of right-of-use assets	-	-	-	-	-
Depreciation expense – asset owned	(3)	(555)	(1 579)	-	(2 137)
Amortisation expense – right-of-use asset	-	-	-	(1 385)	(1 385)
Additions/disposals from asset transfers	-	-	-	-	-
Revaluation Increments/Decrements	-	-	-	451	451
Impairment Losses	-	-	-	-	-
<b>Carrying amount as at 30 June</b>	<b>17</b>	<b>10 803</b>	<b>94</b>	<b>10 865</b>	<b>21 779</b>

## Acquisitions

Property, plant and equipment are initially recognised at cost.

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

## Complex assets

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

## Construction (work in progress)

As part of the financial management framework, the Department of Infrastructure, Planning and Logistics (DIPL) is responsible for managing general government capital works projects on a whole of government basis. Therefore funds for DCS' capital works are provided directly to DIPL and the cost of construction work in progress is recognised as an asset of that department. Once completed, capital works assets are transferred to DCS.

## Revaluations and Impairment

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

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

Right-of-use asset for leased buildings has been revalued in 2023-24 to reflect the impact of the increase to CPI.

There has been no impairment loss for DCS in 2023-24 and 2022-23.

## Depreciation and Amortisation Expense

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

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

	2024	2023
Plant and equipment	2-18 years	2-18 years
Right-of-use assets <sup>1</sup>	Lease Term	Lease Term
Computer hardware	2-10 years	2-10 years

<sup>1</sup>Further information on right-of-use assets is disclosed in Note 16.

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

## 16. DCS as a lessee

DCS leases office accommodation, vehicles and data centre facilities. Lease contracts are typically made for fixed periods of 2 to 10 years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. DCS does not provide residual value guarantees in relation to leases.

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

Potential future cash outflows have not been included in the lease liability because it is not reasonably certain the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and is within the control of the lessee. During the current financial year, there was no financial effect of revising lease terms to reflect the effect of exercising extension and termination options in recognised lease liabilities and right-of-use assets.

DCS has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less with no purchase option. DCS did not hold low value assets with a fair value of \$10 000 or less when new and is not subject to a sublease arrangement.

### Right-of-use asset

The following table presents right-of-use assets included in the carrying amounts of leased property, plant and equipment at Note 15.

	Leased buildings	Leased transport equipment	Total
	\$000	\$000	\$000
<b>2024</b>			
Balance as at 1 July	10 849	16	10 865
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(1 519)	(9)	(1 528)
Other movements – Revaluation Increments/(Decrements)	1 058	-	1 058
<b>Carrying amount as at 30 June</b>	<b>10 388</b>	<b>7</b>	<b>10 395</b>

	Leased buildings	Leased transport equipment	Total
	\$000	\$000	\$000
<b>2023</b>			
Balance as at 1 July	11 774	25	11 799
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(1 376)	(9)	(1 385)
Other movements – Revaluation Increments/(Decrements)	451	-	451
<b>Carrying amount as at 30 June</b>	<b>10 849</b>	<b>16</b>	<b>10 865</b>



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

	2024	2023
	\$000	\$000
Amortisation expense of right-of-use assets	(1 528)	(1 385)
Interest expense on lease liabilities	(203)	(211)
<b>Total amount recognised in the comprehensive operating statement</b>	<b>(1 731)</b>	<b>(1 596)</b>

## Recognition and measurement

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

DCS recognises lease liabilities representing an obligation to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

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

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

	2024	2023
Building	2-18 years	2-18 years
Transport Equipment	2 to 4 years	2 to 4 years

## 17. Intangibles

### a) Total intangibles

	2024	2023
	\$000	\$000
<b>Intangibles with a finite useful life</b>		
<b>Computer software</b>		
Gross carrying amount	900	2 759
Less: accumulated amortisation	(900)	(2 759)
Carrying amount at 30 June	-	-
<b>Total intangibles</b>	-	-

Intangible assets for DCS are comprised of computer software.

DCS recognises intangible assets only if it is probable that future economic benefits will flow to DCS and the costs of the asset can be measured reliably. Where an asset is acquired at nil or nominal cost, the cost is the fair value as at the date of acquisition.

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

Intangible assets for DCS are stated at historical cost less amortisation, which is deemed to equate to fair value.

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

The estimated useful lives for finite intangible assets are determined in accordance with the Treasurer's Directions and are determined as follows:

	2024	2023
Computer software	2 to 10 years	2 to 10 years

As the historical cost less amortisation is deemed to equate to fair value, no impairment was recognised for the year ended 30 June 2024.

### b. Reconciliation of carrying amount of intangibles

	Computer software	Total
	\$000	\$000
<b>2024</b>		
<b>Intangibles with a finite useful life</b>		
Carrying amount at 1 July	-	-
Additions	-	-
Disposals	-	-
Amortisation	-	-
Other movements – Revaluation Increments/(Decrements)	-	-
<b>Carrying amount as at 30 June</b>	-	-

2023	Computer software	Total
	\$000	\$000
<b>Intangibles with a finite useful life</b>		
Carrying amount at 1 July	483	483
Additions	-	-
Disposals	-	-
Amortisation	(483)	(483)
Other movements – Revaluation Increments/(Decrements)	-	-
<b>Carrying amount as at 30 June</b>	<b>-</b>	<b>-</b>

## 18. Payables

	2024	2023
	\$000	\$000
Accounts payable	23	1
Accrued salaries and wages	123	121
Other accrued expenses	517	518
GST Payable	-	-
<b>Total Payables</b>	<b>663</b>	<b>640</b>

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

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

## 19. Lease liabilities

	2024	2023
	\$000	\$000
<b>Current</b>		
Lease liabilities	1 541	1 372
<b>Non-current</b>		
Lease liabilities	9 118	9 741
<b>Total lease liabilities</b>	<b>10 659</b>	<b>11 113</b>

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

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

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

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

The following table presents liabilities under leases.

	2024	2023
	\$000	\$000
Balance at 1 July	11 113	11 983
Additions/remeasurements	1 058	451
Interest expenses	203	211
Payments	(1 715)	(1 532)
<b>Balance at 30 June</b>	<b>10 659</b>	<b>11 113</b>

DCS had total cash outflows for leases of \$1.7 million in 2023-24 (\$1.5 million in 2022-23).

DCS had no future minimum lease payments under non-cancellable leases not recorded as liabilities for 2023-24 and 2022-23.

## 20. Income tax liabilities

	2024	2023
	\$000	\$000
Income tax liabilities	1 432	1 573
<b>Total Income tax liabilities</b>	<b>1 432</b>	<b>1 573</b>

## 21. Provisions

	2024	2023
	\$000	\$000
<b>Current</b>		
Employee benefits		
Recreation leave	848	928
Leave loading	87	76
Other employee benefits	8	11
Other current provisions		
Provision for dividends	1 671	1 835
Provision for fringe benefits tax	2	3
Provision for superannuation	149	134
Provision for payroll tax	59	62
Other provisions	-	-
<b>Total provisions</b>	<b>2 824</b>	<b>3 049</b>
<b>Reconciliations of provision for dividends</b>		
Balance as at 1 July	1 835	1 241
Additional provisions recognised	1 671	1 835
Reductions arising from payments	(1 835)	(1 241)
<b>Balance as at 30 June</b>	<b>1 671</b>	<b>1 835</b>

## Employee benefits

Provision for employee benefits include wages and salaries and recreation leave accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value of estimated future cash flows, calculated using the appropriate government bond rate and taking into consideration expected future salary and wage levels, experience of employee departures and periods of service.

All recreation leave is classified as a current liability.

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

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

- wages and salaries, non-monetary benefits, recreation leave 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 DCS and therefore no long service leave liability is recognised within these Financial Statements.

## Superannuation

Employees' superannuation entitlements are provided through the:

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

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

## 22. Other liabilities

	2024	2023
	\$000	\$000
<b>Current</b>		
Unearned contract revenue	155	696
<b>Non-Current</b>		
Unearned contract revenue	-	155
<b>Total other liabilities</b>	<b>155</b>	<b>851</b>

## Financial guarantee contracts

DCS had no financial guarantee contracts as at 30 June 2024 or 30 June 2023.

## Unearned contract revenue

Unearned contract revenue relates to consideration received in advance from customers in respect of information technology services. Unearned contract revenue balances as at 30 June 2024 is \$0.2 million (balance at 30 June 2023 was \$0.9 million). Software licensing, support and maintenance are valid for the contracted period, performance obligations are satisfied on the expiration of the validity period.

Of the amount included in the unearned contract revenue balance as at 30 June 2023, \$0.2 million has been recognised as revenue in 2023-24.

DCS anticipates to recognise as revenue, any liabilities for unsatisfied obligations as at the end of the reporting period in accordance with the time bands below:

	2024	2023
	\$000	\$000
Not later than one year	155	696
Later than one year and not later than five years	-	155
<b>Total</b>	<b>155</b>	<b>851</b>

## 23. Commitments

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

Commitments may extend over multiple reporting periods and may result in payment of compensation or return of funds if obligations are breached.

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

Disclosures in relation to other commitments are detailed below.

### a) Capital expenditure commitments

DCS had no capital expenditure commitments in 2023-24 and 2022-23.

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

Other non-cancellable contract commitments predominantly comprise of IBM licence contracts. These contracts are expected to be payable as follows:

	2024		2023	
	Internal	External	Internal	External
	\$000	\$000	\$000	\$000
Not later than one year	-	434	-	3 931
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
<b>Total other non-cancellable contract commitments (exclusive of GST)</b>	-	<b>434</b>	-	<b>3931</b>
Plus: GST recoverable	-	43	-	393
<b>Total other non-cancellable contract commitments (inclusive of GST)</b>	-	<b>477</b>	-	<b>4 324</b>

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

## 24. Equity

Equity represents the residual interest in the net assets of DCS. The Northern Territory Government's ownership interest in DCS is held in the Central Holding Authority.

	2024	2023
	\$000	\$000
<b>Capital</b>		
Balance as at 1 July	4 563	4 563
Equity Injections		
Equity injections	-	-
Equity withdrawals	(331)	-
<b>Balance as at 30 June</b>	<b>4 232</b>	<b>4 563</b>
<b>Accumulated Funds</b>		
Balance as at 1 July	25 188	23 353
Surplus for the period	3 342	3 669
Dividends payable	(1 671)	(1 836)
Special dividend	-	-
<b>Balance as at 30 June</b>	<b>26 859</b>	<b>25 186</b>
<b>Total Equity</b>	<b>31 091</b>	<b>29 749</b>

## 25. Fair value measurement

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

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

## 26. 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.

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

DCS has limited exposure to financial risks as discussed below.

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

### a) Categories of financial instruments

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

	Fair value through profit or loss		Amortised cost	Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value			
	\$000	\$000			
<b>2024</b>					
Cash and deposits	-	-	16 087	-	16 087
Receivables <sup>1</sup>	-	-	115	-	115
<b>Total financial assets</b>	-	-	<b>16 202</b>	-	<b>16 202</b>
Payables <sup>1</sup>	-	-	23	-	23
Lease liabilities	-	-	10 659	-	10 659
<b>Total financial liabilities</b>	-	-	<b>10 682</b>	-	<b>10 682</b>

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

	Fair value through profit or loss		Amortised cost	Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value			
	\$000	\$000			
<b>2023</b>					
Cash and deposits	-	-	10 450	-	10 450
Receivables <sup>1</sup>	-	-	369	-	369
<b>Total financial assets</b>	-	-	<b>10 819</b>	-	<b>10 819</b>
Payables <sup>1</sup>	-	-	1	-	1
Lease liabilities	-	-	11 113	-	11 113
<b>Total financial liabilities</b>	-	-	<b>11 114</b>	-	<b>11 114</b>

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



## Categories of financial instruments

### Financial assets at amortised cost

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

DCS' financial assets categorised at amortised cost include receivables and advances paid.

### Financial liabilities at amortised cost

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

#### b) Credit Risk

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

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

Credit risk relating to receivables is disclosed in Note 12.

#### c) Liquidity Risk

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

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

## Maturity analysis for financial liabilities

2024	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
<b>Liabilities</b>					
Payables <sup>1</sup>	23	23	-	-	23
Lease Liabilities	10 659	1 719	5 611	4 232	11 562
<b>Total financial liabilities</b>	<b>10 682</b>	<b>1 742</b>	<b>5 611</b>	<b>4 232</b>	<b>11 585</b>

2023	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
<b>Liabilities</b>					
Payables <sup>1</sup>	1	1	-	-	1
Lease Liabilities	11 113	1 559	5 551	5 025	12 135
<b>Total financial liabilities</b>	<b>11 114</b>	<b>1 560</b>	<b>5 551</b>	<b>5 025</b>	<b>12 136</b>

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

### d) Market risk

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

#### (i) Interest rate risk

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

DCS has limited exposure to interest rate risk as DCS' financial assets and financial liabilities, with the exception of leases, are non interest bearing. Lease arrangements are established on a fixed interest rate and as such do not expose DCS to interest rate risk.

### Sensitivity analysis

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

	100 basis points
	\$000
<b>30 June 2024</b>	
Financial assets – cash at bank	±161
<b>Net sensitivity</b>	<b>±161</b>
<b>30 June 2023</b>	
Financial assets – cash at bank	±105
<b>Net sensitivity</b>	<b>±105</b>

#### (ii) Price risk

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

### (iii) Currency risk

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

DCS has limited exposure to currency risk, as DCS does not hold borrowings denominated in foreign currencies and has limited transactional currency exposures arising from purchases in a foreign currency.

## 27. Related parties

### (i) Related parties

DCS is a government administrative entity and is wholly owned and controlled by the Northern Territory Government. Related parties of DCS include:

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

### (ii) Key management personnel (KMP)

KMP of DCS are those persons having authority and responsibility for planning, directing and controlling the activities of DCS. These include:

- Selena Uibo, Minister for Corporate and Digital Development
- Chris Hosking, Chief Executive Officer of DCDD
- Greg Connors, Deputy Chief Executive Officer of DCDD
- Scott Thomson, Senior Director, Data Centre Services
- Rex Schoolmeester, Chief Financial Officer, DCDD.

### (iii) Remuneration of key management personnel

The details below exclude the salaries and other benefits paid/payable to the Minister as the Minister's remuneration and allowances are payable by the Department of the Legislative Assembly and disclosed within the Treasurer's Annual Financial Statements.

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

	2024	2023
	\$000	\$000
Short-term benefits	235	229
Post-employment benefits	27	25
<b>Total</b>	<b>262</b>	<b>254</b>

DCDD provides management services to DCS and the amount relating to KMP has been included in the figures above.

**(iv) Related party transactions****Transactions with Northern Territory Government controlled entities**

DCS' primary ongoing source of funding is received from Northern Territory Government controlled entities.

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

	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
<b>2024</b>	\$000	\$000	\$000	\$000
Related party				
NTG agencies	31 634	5 423	2 510	3 479

	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
<b>2023</b>	\$000	\$000	\$000	\$000
Related party				
NTG agencies	30 995	5 060	2 883	3 785

DCS' transactions with other government entities are not individually significant.

**Other related party transactions**

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

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

**28. Contingent liabilities and contingent assets**

DCS had no contingent liabilities or contingent assets as at 30 June 2024 or 30 June 2023.

**29. 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

## 30. Budgetary information

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

### Comprehensive Operating Statement

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000		
<b>INCOME</b>				
Sales of goods and services	30 103	29 035	1 068	1
Interest revenue	559	202	357	
Other income	1 047	-	1 047	2
<b>TOTAL INCOME</b>	<b>31 709</b>	<b>29 237</b>	<b>2 472</b>	
<b>EXPENSES</b>				
Employee expenses	6 656	6 796	140	
Administrative expenses				
Purchases of goods and services	16 192	12 976	(3 216)	3
Depreciation and amortisation	3 842	3 703	(139)	
Other administrative expenses	42	-	(42)	
Interest expenses	203	189	(14)	
<b>TOTAL EXPENSES</b>	<b>26 935</b>	<b>23 664</b>	<b>(3 270)</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>4 774</b>	<b>5 573</b>	<b>(799)</b>	
Income Tax Expense	1 432	1 672	240	
<b>NET SURPLUS</b>	<b>3 342</b>	<b>3 901</b>	<b>559</b>	
<b>COMPREHENSIVE RESULT</b>	<b>3 342</b>	<b>3 901</b>	<b>559</b>	

#### Notes:

1. Largely reflects increased ICT charges resulting from the 2023-24 price list review and continued growth in mainframe and midrange services, and backup data centre.
2. Attributed to one-off recovery from work undertaken on behalf of agencies.
3. Increased demand for midrange services, enterprise storage and backup data centre.

## Balance Sheet

	2024 Actual	2024 Original budget	Variance	Note
	\$000	\$000		
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and deposits	16 087	15 227	860	1
Receivables	9 194	11 701	(2 507)	2
<b>Total current assets</b>	<b>25 281</b>	<b>26 928</b>	<b>(1 647)</b>	
<b>Non-current assets</b>				
Receivables	1 366	2 661	(1 295)	3
Property, plant and equipment	20 177	18 492	1 685	4
Other financial assets	-	220	(220)	
<b>Total non-current assets</b>	<b>21 543</b>	<b>21 373</b>	<b>170</b>	
<b>TOTAL ASSETS</b>	<b>46 824</b>	<b>48 301</b>	<b>(1 477)</b>	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	24	-	(24)	
Creditors and accruals	639	631	(8)	
Income Tax Liabilities	1 432	1 672	240	
Provisions	2 824	3 137	313	
Lease Liabilities	1 541	1 297	(244)	6
Other liabilities	155	765	610	5
<b>Total current liabilities</b>	<b>6 615</b>	<b>7 502</b>	<b>887</b>	
<b>Non-current liabilities</b>				
Lease Liabilities	9 118	8 133	(985)	6
Other liabilities	-	850	850	5
<b>Total non-current liabilities</b>	<b>9 118</b>	<b>8 983</b>	<b>(135)</b>	
<b>TOTAL LIABILITIES</b>	<b>15 733</b>	<b>16 485</b>	<b>752</b>	
<b>NET ASSETS</b>	<b>31 091</b>	<b>31 816</b>	<b>(725)</b>	
<b>EQUITY</b>				
Capital	4 563	4 563	-	
Equity injections/withdrawals	(331)	-	(331)	
Accumulated funds	26 859	27 253	(394)	
<b>TOTAL EQUITY</b>	<b>31 091</b>	<b>31 816</b>	<b>(725)</b>	

### Notes:

1. Mainly due to renewal of IBM licenses that is not yet settled with the provider.
2. Attributed to the renewal of IBM licenses that is not yet settled with the provider.
3. Variance reflects reclassification of prepayments to current prepayments.
4. Acquisition of mainframe services hardware in the financial year.
5. Unearned revenue unwinding in 2023-24.
6. Increase in lease liabilities reflects movement in line with leased assets under AASB16.

## Cash Flow Statement

	2024 Actual	2024 Original budget	Variance	Note
CASH FLOWS FROM OPERATING ACTIVITIES	\$000	\$000		
<b>Operating receipts</b>				
Receipts from sales of goods and services	30 879	29 035	1 844	1
GST receipts	1 986	-	1 986	2
Interest received	537	202	335	3
<b>Total operating receipts</b>	<b>33 402</b>	<b>29 237</b>	<b>4 165</b>	
<b>Operating payments</b>				
Payments to employees	(6 717)	(6 796)	79	
Payments for goods and services	(12 772)	(12 976)	205	
GST Payments	(1 601)	-	(1 601)	2
Income Tax paid	(1 573)	(1 672)	99	
Interest paid	(203)	(189)	(14)	
<b>Total operating payments</b>	<b>(22 866)</b>	<b>(21 633)</b>	<b>(1 232)</b>	
<b>Net cash from/(used in) operating activities</b>	<b>10 536</b>	<b>7 604</b>	<b>2 933</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Investing payments</b>				
Purchases of non-financial assets	(1 222)	(1 515)	293	
<b>Total investing payments</b>	<b>(1 222)</b>	<b>(1 515)</b>	<b>293</b>	
<b>Net cash from/(used in) investing activities</b>	<b>(1 222)</b>	<b>(1 515)</b>	<b>293</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Financing payments</b>				
Lease liabilities payments	(1 511)	(1 292)	(219)	
Equity withdrawals	(331)	-	(331)	4
Dividend Paid	(1 835)	(1 951)	116	
<b>Total financing payments</b>	<b>(3 677)</b>	<b>(3 243)</b>	<b>(434)</b>	
<b>Net cash from/(used in) financing activities</b>	<b>(3 677)</b>	<b>(3 243)</b>	<b>(434)</b>	
Net increase/(decrease) in cash held	5 637	2 846	2 792	
Cash at beginning of financial year	10 450	12 381	(1 931)	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>16 087</b>	<b>15 227</b>	<b>860</b>	

### Notes:

1. Largely reflects increased ICT charges resulting from the 2023-24 price list review and continued growth in mainframe and midrange services, and backup data centre.
2. Unbudgeted GST receipts and payments.
3. Interest receipts on cash at bank balance.
4. Purchase of solar panels at the Milner Data Centre from DCDD.





# 7

## Appendices

<b>Appendix A – Cost allocation model</b>	<b>208</b>
<b>Appendix B – Gifted and loaned vehicles</b>	<b>212</b>
<b>Appendix C – Grants and sponsorships</b>	<b>214</b>
<b>Appendix D – Accommodation costs</b>	<b>215</b>
<b>Appendix E – Governance – Audits</b>	<b>217</b>

## Appendix A – Cost allocation model

The cost allocation model provides for calculation and distribution of service delivery costs equitably across DCDD service lines.

Service usage information for each client, such as transactional volume data, is extracted from our systems with unit costs applied to determine client service charges.

Departments are notionally charged for the value of DCDD services received, with fees recorded in their budgets and ledgers.

DCDD services are provided on a cost recovery basis to GBDs and other non-budget entities. The cost allocation model continues to be refined and is reviewed annually for inclusion in department/GBD budget forecasts.

Product name	Cost driver description	\$ (GST exclusive)
<b>Employment Services</b>		
Entry Level Recruit	# of FTEs per pay (Administrative Officer levels only)	0.46
Payroll Employees	# of paid employees	6.65
Payroll Manual Pay Transaction Records	# of pay transaction records – manual	14.50
Payroll Auto Pay Transaction Records	# of pay transaction records – auto	2.95
Payroll Commencement	# of commencements	135.20
Payroll Termination	# of terminations	152.20
Payroll Debt Recovery	# of FTEs per pay	0.97
Payroll Contacts	# of payroll contacts	13.97
Recruitment Advertising	# of advertisements	103.35
Position occupant moves	# of temporary /nominal moves	8.91
Executive Contract Officers	# of paid Executive Contract Officers per pay	28.08
Recruitment requests	# of requests to fill (RTF) processed	44.08
Workers Compensation	# of Workers Compensation payroll transaction records	43.50
<b>Finance Services</b>		
Interfaced payments	# of interfaced payment transactions into government accounting system	1.08
Internet payments	# of internet payment transactions	62.91
Manual payments	# of manual payment transactions	57.48
NTGPay payments	# of NTGPay payment transactions	9.43
Power billing and revenue collection/ Medicare receipts	# of claims processed	0.73
Accounts receivable process Electronic Invoice	# of electronic invoices processed	23.86

Product name	Cost driver description	\$ (GST exclusive)
Advance cheques/petty cash	# of advance cheques/petty cash	91.72
Manual Ledger Transfer	# of manual ledger transfers	45.27
Accounts receivable Reciever of Territory Monies (RTM) Receipts	# of RTM receipts	12.87
Bank Accounts	# of bank accounts managed	418.10
Manual receipts	# of manual receipts	48.63
Asset Disposals	# of asset disposal transactions	43.08
Asset additions	# of asset addition transactions	27.83
Asset maintenance	# of asset maintenance transactions	1.27
Credit Cards	# of credit cards	39.05
BAS/GST Return	# of Goods and Services Tax (GST) lines on Business Activity Statement (BAS)	0.68
FBT Return	# of Fringe Benefit Tax (FBT) liability lines	15.21
Payroll Tax Return	# of tax payroll tax lines	4.69
<b>Across Government Systems</b>		
Human Resource Systems – eRecruit	# of eRecruit RTFs	16.04
Human Resource Systems – FOILS	# of fares out of isolated locations claim	6.80
Human Resource Systems	# of HR system transactions	6.65
NTGPay	# of NTGPay invoices	4.10
Expense8	# of Expense8 credit card transactions	4.96
Official travel system (TRIPS)	# of travel transactions	4.53
Government Accounting System (GAS)	# of general ledger transactions	0.62
Procurement Systems	# of procurements	474.34
GrantsNT	% of \$ value of grants processed	1 020.56
Property Leasing System (PROGEN)	# of square metres of accommodation	0.07
Asset Systems (ASNEX)	% of system usage	3 269.92
Contract Management Systems (TRAX)	# of contracts	10.66
TRM administration	Per workstation	2.74
<b>Workforce Development</b>		
Early Career Programs	# of FTE – AO6 (and equivalent) and below / per pay	9.05
OneNTG Leadership courses (academy)	# of FTE – AO7 (and equivalent) and above / per pay	18.05
Workforce Capability Program	# of FTE per month	14.05
Agency Analytics and Insights	# of FTE per month	5.65
Enterprise Analytics and Insights	# of FTE per month	1.40
Workforce Planning and Advice	# of FTE per month	8.10

Product name	Cost driver description	\$ (GST exclusive)
<b>Workforce Relations</b>		
Case Management	# of case management processes started per employee	16 239.04
Complex Advice	per advice across the full suite of HR services	6 560.43
Simple Advice	per advice across the full suite of HR services	266.97
Service Request	# of FTE per month	22.71
Job Evaluations	Per evaluation	204.63
Benchmark	Per benchmarked position	122.64
HR Business Partners	% of services by agency	1 047.75
Specific Recruitment Services	% of services by agency	26.00
<b>ICT Services</b>		
Contract Management and Security	Per device	5.99
IT Agency Services Manager	# of Managers	12 072.50
IT Agency Services Director	# of Directors	14 919.21
Agency Technology Services*	Based on agency utilisation	-
<b>Web Services</b>		
NTG Web Services	# of FTEs per pay	3.56
Web Page Updates	# of updates	97.37
<b>Procurement Services</b>		
Across Government Contracts	# of FTEs per pay per contract	0.14
Contract Administration	Per transaction for contract amendments	725.65
Tier 2 Quotes	Per Request for Quotation (RFQ) – (APRO data)	140.25
Non-Standard Procurement	Per non-standard procurement – (APRO data)	140.25
Tender Management	Per tender – (APRO data)	2 010.15
Tier 3 Request for Quotation	Per quote and award	1 792.95
Tier 3, 4 and 5 Quotes	Per quotation or tender for Power Water Corporation only	1 792.95
Procurement Advisory Services	# of FTEs per client agency	4.50
Tier 2 and Non-Standard Full Procurement	Per Tier 2 Request for Quotation or non-standard procurement	3 359.53
Tier 3 Full Procurement	Per Tier 3 Request for Quotation	6 305.82
Tenders Full Procurement	Per Request for Tender	12 626.76
<b>Property Management</b>		
Leased property management lease management fees	# of square meters of accommodation	1.06

Product name	Cost driver description	\$ (GST exclusive)
<b>Agency Business Systems</b>		
Agency Business Systems *	Based on agency utilisation	-
<b>Data Services</b>		
Data Services *	Based on agency utilisation	-
DCDD Data Warehouse	# of FTEs per pay	6.62
<b>Fleet Services</b>		
Fleet Services	# of vehicles	29.43
<b>Information Management</b>		
Active Users	# of active users with access to TRM datasets	9.73
Active Records	# of active records	0.01
Freedom of Information	Charged back based on budget transferred	-
Service Request	# of requests	100.57
Training	# per training	140.11
Subsidiary Services	Mail and courier services across five agencies	10 694.34

\*Note: New services and allocation is based on agency utilisation.

## Appendix B – Gifted and loaned vehicles

Loaned Vehicles <sup>1</sup>	\$ (GST exclusive)
All Good Project	600
Artback NT	550
Aussie Filipino Tekken Showdown	1 900
Barunga Festival	4 955
Bush Bands Bash	5 175
Corrugated Iron Youth Arts	1 650
Cricket 365	22 550
Daminmin Arts and Culture Festival	2 030
Darwin Aboriginal art fair	4 180
Darwin Christmas Pageant	1 405
Darwin Festival	83 165
Darwin International Film Festival	880
Darwin International Jazz and Arts Festival	220
Darwin Kite Festival	570
Darwin Table Tennis	900
Desert Festival	2 660
Desert Harmony Festival	570
FAB Alice	2 650
Finke Desert Race	37 465
Garma Festival	69 205
Geek Culture Collective NT	750
Imparja Cup NT Cricket	8 070
Kangaroo Film	79 365
Malandarri Festival	2 725
National Indigenous Music Awards	1 370
Nightcliff Seabreeze Festival	3 410
NT Dance Company, The Other Side of Me	4 400
Numburindi Festival	1 560
Prospero Productions	1 560
Run Larapinta and The Redback MTB	5 820
Scripted Series Shoot in Top End	17 010
Southern Ngaliya Dance Camp Program	15 450
The Hairy Marys	2 040

Loaned Vehicles	\$ (GST exclusive)
Top End Bub	10 725
Tracks Dance Company	5 620
Unbroken Land Creative Development	660
Watch This Space	605
West Macs Monsters	4 110
Freds Pass Rural Show	3 870
<b>Total</b>	<b>412 405</b>

<sup>1</sup>The cost of loaning a vehicle is reported at a daily rate times the number of days the vehicle was loaned.  
The cost of this community service is absorbed by NT Fleet

## Appendix C – Grants and sponsorships

Organisation	Purpose	\$ (GST exclusive)
<b>Grants</b>		
8CCC Community Radio Incorporated	Enable 8CCC to sustain its community broadcast service and operations	154 963
City of Palmerston	Smart City Fibre Sense Pilot Program	500 000
Telstra Corporation Ltd	NTG / Telstra Remote Telecommunications Co-Investment Programs	2 500 000
<b>Sponsorships</b>		
Charles Darwin University	IT CodeFair 2023	35 000
Australian Information Security Association (AISA) Ltd	Cyber Security Conference, DarwinSEC 2023	5 000
Department of Industry, Tourism and Trade	October Business Month	10 000
ICT Industry Association of the NT	ICTNT 2024 Innovation Symposium	6 818
ICT Industry Association of the NT	Inspiring Women Award	2 000
<b>Total</b>		<b>3 213 781</b>



## Appendix D – Accommodation costs for non-government organisations

Value of rental paid by DCDD to landlords for the premises over the reporting period. As part of pricing model agencies provide DCDD with the capacity to pay through Appropriation transfers.

Non-government organisation	Building	Supporting agency	\$ (GST exclusive)
Association of Independent Schools of the Northern Territory	NAB Building	Department of Education	95 275
Association of Northern, Kimberley and Arnhem Aboriginal Artists	Harbour View Plaza	Department of Territory Families, Housing and Communities	64 342
Artback NT	Harbour View Plaza	Department of Territory Families, Housing and Communities	84 698
Australia Day Council NT	NAB Building	Department of the Chief Minister and Cabinet	67 437
Autism NT	Goyder Centre	Department of Health	98 024
BushMob Aboriginal Corporation	Centre for Appropriate Technology Building 36 and 38 Priest Street	Department of Health	241 599
Camp Quality/CanTeen	Unit 13, 82 Woods Street	Department of Health	42 843
Cancer Council of the Northern Territory	NT House, Alice Springs	Department of Health	38 985
Cancer Council of the Northern Territory	Casi House	Department of Health	62 137
Cancer Council of the Northern Territory	Randazzo Centre	Department of Health	18 855
Darwin Aboriginal Art Fair	Harbour View Plaza	Department of Territory Families, Housing and Communities	38 793
Darwin Festival	Harbour View Plaza	Department of Territory Families, Housing and Communities	177 802
Darwin RSL	NAB Building	Department of Corporate and Digital Development	11 463
Darwin Visual Arts Association	Harbour View Plaza	Department of Territory Families, Housing and Communities	91 600
Girls Academy	Goyder Centre	Department of Education	5 002
Industry Skills Advisory Council	The Avenue	Department of Industry, Tourism and Trade	264 241
Katherine Women's Information and Legal Services	Randazzo Centre	Department of the Attorney-General and Justice	122 978
Keep Australia Beautiful Council Northern Territory	NAB Building	Department of Environment, Parks and Water Security	16 673

Non-Government Organisation	Building	Supporting Agency	Cost (\$)
Life Education	Goyder Centre	Department of Education	7 002
Multicultural Community Services of Central Australia Inc.	Youth & Community Centre	Department of Territory Families, Housing and Communities	53 082
Multicultural Council of the Northern Territory Inc. and Multilingual Broadcasting Council Northern Territory Inc.	Malak Shopping Centre	Department of Territory Families, Housing and Communities	113 220
Music NT	Harbour View Plaza	Department of Territory Families, Housing and Communities	69 826
Northern Territory Badminton Association Inc.	Lot 1718/1719 Albatross Street	Department of Territory Families, Housing and Communities	165 361
Northern Territory Indigenous Business Network	Development House	Department of Industry, Tourism and Trade	402 649
NT Writers Centre	Harbour View Plaza	Department of Territory Families, Housing and Communities	27 803
Off the Leash Magazine	Harbour View Plaza	Department of Territory Families, Housing and Communities	31 038
Pensioners Workshop Association Inc.	48 Albatross Street Winnellie	Department of Health	38 665
Red Cross	Tennant Creek Government Centre	Department of Infrastructure, Planning and Logistics	0
The Duke of Edinburgh's International Award - Australia (NT Division)	Goyder Centre	Department of Education	10 504
Top End Women's Legal Service Inc.	17 Lindsay Street, Darwin	Department of the Attorney-General and Justice	75 480
Total Recreation	Casuarina Health Services Complex	Department of Health	54 452
Tracks Dance Company	Harbour View Plaza	Department of Territory Families, Housing and Communities	131 811
Victims of Crime NT Inc.	NAB Building	Department of the Attorney General and Justice	107 184
YMCA of the Top End	Satepak House, Palmerston	Department of Territory Families, Housing and Communities	137 742
Youth Drop-in Centre	Palmerston Leisure Centre	Department of Territory Families, Housing and Communities	1
<b>Total</b>			<b>2 968 566</b>

## Appendix E – Governance – Audits

### Internal audits and reviews

A summary of internal audits undertaken during 2023-24 is set out in the table below.

Audit/review	Objective	Outcome
Cabinet information security	Annual review of the department's Cabinet information security measures.	No matters were identified.
Value for Territory procurement	Independent audit to assess compliance with the NT Government's Procurement Framework, including Value for Territory assurance.	Acknowledged a high compliance focus with regards to the Procurement Framework. Three findings were identified, along with opportunities for process improvement.
Review of Medical Officer Allowances		No matters were identified.

### Audits by the Auditor-General

A summary of external and performance management system audits undertaken by the Auditor-General during 2023-24 is set out in the table below.

Audit/review	Objective	Outcome
DCDD Shared Services end of year review for the year ended 30 June 2023	To review the adequacy of selected aspects of end of financial year controls over accounting and material financial transactions.	One matter was identified and has been addressed.
DCDD end of year review for the year ended 30 June 2023	To assess the adequacy of selected aspects of end of financial year controls over reporting, accounting and material financial transactions and balances at DCDD, with the primary purpose of providing support to the audit of the Treasurer's Annual Financial Statements (TAFS).	Three matters were identified and have been addressed.
DCS Financial Statement audit for the year ended 30 June 2023	To undertake sufficient audit procedures relating to the financial year accounts and records of Data Centre Services.	An unmodified audit opinion was issued.
NT Fleet Financial Statement audit for the year ended 30 June 2023	To undertake sufficient audit procedures relating to the financial year accounts and records of NT Fleet.	An unmodified audit opinion was issued.

Audit/review	Objective	Outcome
Agency compliance audit for the year ended 30 June 2024	The audit examined selected aspects of the systems in use as required in particular by Treasurer's Direction Part 3, Section 1 and Procurement Governance Policy and Procurement Rules, with the objective of obtaining reasonable assurance those requirements were being achieved.	Two matters were identified and have been addressed.
Government Accounting System (GAS) controls audit for the year ended 30 June 2024	To determine there is reasonable assurance that there are satisfactory internal controls for central maintenance of GAS and over the financial services provided to departments.	The audit identified there are generally satisfactory internal controls of the central maintenance of GAS and over the financial services provided to departments.
Personnel Information and Payroll System (PIPS) compliance audit for the year ended 30 June 2024	To determine if there is reasonable assurance that satisfactory internal controls in respect of the PIPS payroll and leave recording functions provided to departments.	The audit identified there are satisfactory internal controls. Three matters were identified and are being addressed.
NT Fleet Interim Financial Statements audit the year ended 30 June 2024	To facilitate the end of financial year audit of NT Fleet's Financial Statements required by section 10 of the <i>Financial Management Act 1995</i> .	No matters were identified.
APEX system internal control audit	To understand, risk assess and test the internal controls over the APEX application system, relating to financial audit requirements.	The audit identified that controls have been effectively applied.
IT controls environment review	To understand, risk assess and test the internal control structure within the service-wide IT mainframe environment with particular reference to mainframe operations for GAS, PIPS and Payroll and Payments Management Services. The audit also considered the control environment over the NAB DirectLink interface.	The audit identified the controls tested are operating effectively.  One matter was identified and is being addressed.
NTG Pay project management review	The audit examined the design of DCDD's project management in relation to NTG Pay project and verified the controls in place in April 2024.	One matter was identified and is being addressed.
Review and testing of application and general information technology controls - GrantsNT	To understand, risk assess, and test the internal control structure with particular reference to the GrantsNT system.	Four matters were identified and are being addressed.

Audit/review	Objective	Outcome
Motor Vehicle Registry System (MOVERS) General IT Controls and Application Controls	To assess the effectiveness of controls in relation to the information technology general computer controls and the key application controls over the MOVERS to support the reliability of the information interfaced between the MOVERS and other NT Government systems used for management decision-making.	One matter was identified and is being addressed.
Post Implementation Review of the CARE Project within Client Management Service Alignment Program	To report on the post-deployment status of a key component of the Client Management System Alignment program which was focused on designing and implementing a new client management system at the Department of Territory Families, Housing and Communities.	There were no significant matters reported arising from the review.

DCDD.NT.GOV.AU