



The Northern Territory of Australia

Preliminary Quarterly Financial Report

for the 12 months ended 30 June 2020

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Basis for preparation of report

In the lead up to the release of the COVID-19 Financial Report of 29 July 2020, the Northern Territory Government committed to providing additional information on the 2019-20 fiscal position in the form of a quarterly financial report. In recognition of caretaker conventions, the Department of Treasury and Finance is providing this additional financial information.

Treasurer's quarterly financial reports are a requirement of the *Financial Management Act 1995* (FMA) and are prepared and gazetted for the September, December and March quarters. The year to date June results are typically published within the audited financial statements provided in the Treasurer's Annual Financial Report.

Consistent with the format of Treasurer's quarterly financial reports, this report presents the year to date June 2020 outcome against the 2019-20 final budget. The year to date June 2020 outcome reflects the unaudited actual performance for 2019-20. The final budget comprises the 2019-20 Mid-Year Report plus all approved budget adjustments affecting 2019-20 since that publication.

In accordance with the FMA, Territory government agencies have up to two months from the end of the financial year to finalise their respective annual financial statements. This, combined with the consolidation of the financial results for external government entities that are undergoing individual audits, prevents detailed analysis of the actual outcome compared to the final budget at this stage. Accordingly, detailed assessment of the 2019-20 outcome compared to the final budget will be included within the audited 2019-20 Treasurer's Annual Financial Report, scheduled for publication in October 2020.

The financial statements presented in this report have been prepared in accordance with Australian accounting standards and the Uniform Presentation Framework (UPF). The UPF financial statements (comprehensive operating statement, balance sheet and cash flow statement) are provided for the general government, public non financial corporation and non financial public sectors.

General government sector

Comprehensive operating statement

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
REVENUE		
Taxation revenue	489 285	488 178
Current grants	4 086 267	4 081 820
Capital grants	206 137	262 601
Sales of goods and services	407 354	399 130
Interest income	101 514	85 830
Dividend and income tax equivalent income	64 103	74 242
Other revenue	488 707	470 479
TOTAL REVENUE	5 843 368	5 862 280
<i>less</i> EXPENSES		
Employee benefits expense	2 575 132	2 548 422
Superannuation expenses		
Superannuation interest cost	95 089	95 089
Other superannuation expenses	337 890	319 492
Depreciation and amortisation	556 471	549 822
Other operating expenses	1 382 899	1 489 637
Interest expenses	310 426	310 370
Other property expenses	4 343	
Current grants	1 056 283	1 076 436
Capital grants	172 268	158 860
Subsidies and personal benefit payments	234 670	247 483
TOTAL EXPENSES	6 725 471	6 795 611
<i>equals</i> NET OPERATING BALANCE	- 882 104	- 933 331
<i>plus</i> Other economic flows – included in operating result	- 147 581	- 37 720
<i>equals</i> OPERATING RESULT	- 1 029 684	- 971 051
<i>plus</i> Other economic flows – other comprehensive income	1 694 306	- 260 919
<i>equals</i> COMPREHENSIVE RESULT – total change in net worth before transactions with owners in their capacity as owners	664 622	- 1 231 970
NET OPERATING BALANCE	- 882 104	- 933 331
<i>less</i> Net acquisition of non financial assets		
Purchases of non financial assets	723 485	777 615
Sales of non financial assets	- 31 004	- 33 765
<i>less</i> Depreciation	556 471	549 822
<i>plus</i> Change in inventories	- 592	
<i>plus</i> Other movements in non financial assets	384	6 062
<i>equals</i> Total net acquisition of non financial assets	135 802	200 090
<i>equals</i> FISCAL BALANCE	- 1 017 905	- 1 133 421

1 Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

General government sector

Balance sheet

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
ASSETS		
Financial assets		
Cash and deposits	1 498 879	1 004 980
Advances paid	198 214	204 621
Investments, loans and placements	2 342 166	2 359 985
Receivables	403 509	429 732
Equity		
Investments in other public sector entities	2 179 536	2 194 526
Equity accounted investments		
Investments – shares		
Other financial assets	21 310	21 301
Total financial assets	6 643 615	6 215 145
Non financial assets		
Inventories	13 360	13 952
Property, plant and equipment	18 164 765	16 288 140
Investment property	39 959	41 791
Intangible assets	18 598	59 999
Assets held for sale	3 565	5 014
Other non financial assets	157 644	122 406
Total non financial assets	18 397 891	16 531 302
TOTAL ASSETS	25 041 506	22 746 447
LIABILITIES		
Deposits held	1 293 742	1 192 337
Advances received	276 990	279 098
Borrowing	6 687 829	6 660 234
Superannuation	4 440 350	4 408 250
Other employee benefits	749 970	693 456
Payables	328 689	249 190
Other liabilities	1 293 451	1 164 862
TOTAL LIABILITIES	15 071 021	14 647 427
NET ASSETS/(LIABILITIES)	9 970 484	8 099 020
Contributed equity		
Accumulated surplus/(deficit)	- 374 959	- 317 194
Reserves	10 345 443	8 416 214
NET WORTH	9 970 484	8 099 020
NET FINANCIAL WORTH ²	- 8 427 407	- 8 432 282
NET FINANCIAL LIABILITIES ³	10 606 943	10 626 808
NET DEBT⁴	4 219 302	4 562 083

1 Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

2 Net financial worth equals total financial assets minus total liabilities.

3 Net financial liabilities equals the sum of total liabilities less total financial assets excluding investments in other public sector entities.

4 Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

General government sector

Cash flow statement

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
Cash receipts from operating activities		
Taxes received	495 558	483 178
Receipts from sales of goods and services	431 194	409 788
Grants and subsidies received	4 299 052	4 264 711
Interest receipts	102 043	85 830
Dividends and income tax equivalents	57 760	59 930
Other receipts	730 709	729 092
Total operating receipts	6 116 316	6 032 529
Cash payments for operating activities		
Payments for employees	- 2 871 059	- 2 953 182
Payment for goods and services	- 1 580 119	- 1 714 886
Grants and subsidies paid	- 1 385 283	- 1 470 413
Interest paid	- 310 315	- 310 160
Other payments	- 13 308	
Total operating payments	- 6 160 084	- 6 448 641
NET CASH FLOWS FROM OPERATING ACTIVITIES	- 43 767	- 416 112
Cash flows from investments in non financial assets		
Sales of non financial assets	31 004	33 765
Purchases of non financial assets	- 720 469	- 779 065
Net cash flows from investments in non financial assets	- 689 465	- 745 300
NET CASH FLOWS FROM OPERATING ACTIVITIES AND INVESTMENTS IN NON FINANCIAL ASSETS	- 733 233	- 1 161 412
Net cash flows from investments in financial assets for policy purposes ²	155	- 4 000
Net cash flows from investments in financial assets for liquidity purposes	- 178 717	- 145 823
NET CASH FLOWS FROM INVESTING ACTIVITIES	- 868 027	- 895 123
Net cash flows from financing activities		
Advances received (net)	- 11 341	- 9 232
Borrowing (net)	1 097 755	1 102 596
Deposits received (net)	839 222	737 817
Other financing (net)		
NET CASH FLOWS FROM FINANCING ACTIVITIES	1 925 636	1 831 181
NET INCREASE/DECREASE IN CASH HELD	1 013 841	519 946
Net cash flows from operating activities	- 43 767	- 416 112
Net cash flows from investments in non financial assets	- 689 465	- 745 300
CASH SURPLUS (+)/DEFICIT (-)	- 733 233	- 1 161 412
Future infrastructure and superannuation contributions/earnings ³	- 41 989	- 36 692
UNDERLYING SURPLUS (+)/DEFICIT (-)	- 775 222	- 1 198 104

1 Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

2 Includes equity acquisitions, disposals and privatisations (net).

3 Contributions for future infrastructure and superannuation requirements.

Public non financial corporation sector

Comprehensive operating statement

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
REVENUE		
Current grants	190 597	207 437
Capital grants	26 243	23 001
Sales of goods and services	798 735	797 995
Interest income	1 858	2 265
Other revenue	53 262	46 851
TOTAL REVENUE	1 070 696	1 077 549
<i>less</i> EXPENSES		
Employee benefits expense	129 063	131 413
Superannuation expenses	18 217	16 934
Depreciation and amortisation	229 670	219 595
Other operating expenses	651 269	619 463
Interest expenses	72 074	74 726
Other property expenses	7 689	17 268
Current grants		
Capital grants		
Subsidies and personal benefit payments	1 313	1 273
TOTAL EXPENSES	1 109 295	1 080 672
<i>equals</i> NET OPERATING BALANCE	- 38 600	- 3 123
<i>plus</i> Other economic flows – included in operating result	20 154	- 3 221
<i>equals</i> OPERATING RESULT	- 18 445	- 6 344
<i>plus</i> Other economic flows – other comprehensive income	- 912	
<i>equals</i> COMPREHENSIVE RESULT – total change in net worth before transactions with owners in their capacity as owners	- 19 357	- 6 344
NET OPERATING BALANCE	- 38 600	- 3 123
<i>less</i> Net acquisition of non financial assets		
Purchases of non financial assets	115 541	187 347
Sales of non financial assets		
<i>less</i> Depreciation	229 670	219 595
<i>plus</i> Change in inventories	- 27 954	- 17 923
<i>plus</i> Other movements in non financial assets	22 494	12 127
<i>equals</i> Total net acquisition of non financial assets	- 119 589	- 38 044
<i>equals</i> FISCAL BALANCE	80 990	34 921

¹ Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

Public non financial corporation sector

Balance sheet

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
ASSETS		
Financial assets		
Cash and deposits	236 368	175 976
Advances paid		
Investments, loans and placements	3	3
Receivables	161 619	163 457
Equity		
Investments in other public sector entities		
Equity accounted investments		
Investments – shares		
Other financial assets	9 061	7 351
Total financial assets	407 051	346 787
Non financial assets		
Inventories	167 047	175 334
Property, plant and equipment	3 594 093	3 597 103
Investment property		
Intangible assets	23 403	17 365
Assets held for sale		
Other non financial assets	65	65
Total non financial assets	3 784 608	3 789 867
TOTAL ASSETS	4 191 659	4 136 654
LIABILITIES		
Deposits held	851	709
Advances received		
Borrowing	1 813 471	1 759 155
Superannuation		
Other employee benefits	61 779	55 228
Payables	80 773	83 671
Other liabilities	74 959	65 316
TOTAL LIABILITIES	2 031 834	1 964 079
NET ASSETS/(LIABILITIES)	2 159 825	2 172 575
Contributed equity	663 550	663 550
Accumulated surplus/(deficit)	543 345	550 444
Reserves	952 930	958 581
TOTAL EQUITY	2 159 825	2 172 575
NET FINANCIAL WORTH ²	- 1 624 783	- 1 617 292
NET DEBT³	1 577 951	1 583 885

1 Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

2 Net financial worth equals total financial assets minus total liabilities.

3 Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

Public non financial corporation sector

Cash flow statement

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
Cash receipts from operating activities		
Receipts from sales of goods and services	800 606	774 759
Grants and subsidies received	226 105	229 731
Interest receipts	2 043	2 325
Dividends and income tax equivalents		
Other receipts	19 551	21 326
Total operating receipts	1 048 306	1 028 141
Cash payments for operating activities		
Income tax equivalents paid	- 9 764	- 11 918
Payments for employees	- 153 048	- 159 974
Payment for goods and services	- 619 382	- 597 144
Grants and subsidies paid	- 1 313	- 1 273
Interest paid	- 72 144	- 74 772
Other payments	- 6 936	
Total operating payments	- 862 587	- 845 081
NET CASH FLOWS FROM OPERATING ACTIVITIES	185 718	183 060
Cash flows from investments in non financial assets		
Sales of non financial assets		
Purchases of non financial assets	- 115 541	- 187 347
Net cash flows from investments in non financial assets	- 115 541	- 187 347
NET CASH FLOWS FROM OPERATING ACTIVITIES AND INVESTMENTS IN NON FINANCIAL ASSETS	70 178	- 4 287
Net cash flows from investments in financial assets for policy purposes ²		
Net cash flows from investments in financial assets for liquidity purposes	839	742
NET CASH FLOWS FROM INVESTING ACTIVITIES	- 114 702	- 186 605
Net cash flows from financing activities		
Advances received (net)		
Borrowing (net)	- 113 186	- 98 917
Deposits received (net)	13	- 130
Dividends paid	- 16 403	- 16 361
Other financing (net)	10 000	10 000
NET CASH FLOWS FROM FINANCING ACTIVITIES	- 119 576	- 105 408
NET INCREASE/DECREASE IN CASH HELD	- 48 560	- 108 953
Net cash flows from operating activities	185 718	183 060
Net cash flows from investments in non financial assets	- 115 541	- 187 347
Dividends paid	- 16 403	- 16 361
CASH SURPLUS (+)/DEFICIT (-)	53 774	- 20 648

1 Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

2 Includes equity acquisitions, disposals and privatisations (net).

Non financial public sector

Comprehensive operating statement

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
REVENUE		
Taxation revenue	478 628	478 446
Current grants	4 086 267	4 081 820
Capital grants	209 792	265 894
Sales of goods and services	1 123 896	1 133 069
Interest income	101 707	86 073
Dividend and income tax equivalent income	39 982	34 759
Other revenue	537 156	514 910
TOTAL REVENUE	6 577 428	6 594 971
<i>less</i> EXPENSES		
Employee benefits expense	2 704 195	2 679 835
Superannuation expenses		
Superannuation interest cost	95 089	95 089
Other superannuation expenses	352 051	334 293
Depreciation and amortisation	782 125	765 416
Other operating expenses	1 946 762	2 038 976
Interest expenses	380 550	382 804
Other property expenses	4 333	
Current grants	997 618	1 017 771
Capital grants	149 680	139 152
Subsidies and personal benefit payments	104 051	99 984
TOTAL EXPENSES	7 516 454	7 553 320
<i>equals</i> NET OPERATING BALANCE	- 939 027	- 958 349
<i>plus</i> Other economic flows – included in operating result	- 127 426	- 40 941
<i>equals</i> OPERATING RESULT	- 1 066 453	- 999 290
<i>plus</i> Other economic flows – other comprehensive income	1 731 075	- 232 680
<i>equals</i> COMPREHENSIVE RESULT – total change in net worth before transactions with owners in their capacity as owners	664 622	- 1 231 970
NET OPERATING BALANCE	- 939 027	- 958 349
<i>less</i> Net acquisition of non financial assets		
Purchases of non financial assets	839 026	964 962
Sales of non financial assets	- 31 004	- 33 765
<i>less</i> Depreciation	782 125	765 416
<i>plus</i> Change in inventories	- 28 546	- 17 923
<i>plus</i> Other movements in non financial assets	25 089	18 896
<i>equals</i> Total net acquisition of non financial assets	22 441	166 754
<i>equals</i> FISCAL BALANCE	- 961 467	- 1 125 103

1 Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

Non financial public sector

Balance sheet

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
ASSETS		
Financial assets		
Cash and deposits	1 498 885	1 004 994
Advances paid	198 214	204 621
Investments, loans and placements	2 342 168	2 359 988
Receivables	562 612	575 513
Equity		
Investments in other public sector entities	21 631	21 631
Equity accounted investments		
Investments – shares		
Other financial assets	30 371	28 652
Total financial assets	4 653 881	4 195 399
Non financial assets		
Inventories	180 406	189 286
Property, plant and equipment	21 743 943	19 876 118
Investment property	39 959	41 791
Intangible assets	42 001	77 364
Assets held for sale	3 565	5 014
Other non financial assets	157 709	122 471
Total non financial assets	22 167 583	20 312 044
TOTAL ASSETS	26 821 464	24 507 443
LIABILITIES		
Deposits held	1 058 230	1 017 084
Advances received	276 990	279 098
Borrowing	8 488 305	8 409 944
Superannuation	4 440 350	4 408 250
Other employee benefits	811 750	748 684
Payables	401 220	323 349
Other liabilities	1 374 136	1 222 014
TOTAL LIABILITIES	16 850 980	16 408 423
NET ASSETS/(LIABILITIES)	9 970 484	8 099 020
Contributed equity		
Accumulated surplus/(deficit)	166 466	233 570
Reserves	9 804 018	7 865 450
NET WORTH	9 970 484	8 099 020
NET FINANCIAL WORTH ²	- 12 197 099	- 12 213 024
NET FINANCIAL LIABILITIES ³	12 218 730	12 234 655
NET DEBT⁴	5 784 258	6 136 523

1 Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

2 Net financial worth equals total financial assets minus total liabilities.

3 Net financial liabilities equals the sum of total liabilities less total financial assets excluding investments in other public sector entities.

4 Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

Non financial public sector

Cash flow statement

	Year to date June 2020	Final budget 2019-20 ¹
	\$000	\$000
Cash receipts from operating activities		
Taxes received	484 913	473 446
Receipts from sales of goods and services	1 146 951	1 120 483
Grants and subsidies received	4 317 642	4 268 004
Interest receipts	102 236	86 073
Dividends and income tax equivalents	31 651	31 651
Other receipts	749 503	750 131
Total operating receipts	6 832 897	6 729 788
Cash payments for operating activities		
Payments for employees	- 3 013 542	- 3 103 424
Payment for goods and services	- 2 120 096	- 2 251 630
Grants and subsidies paid	- 1 176 997	- 1 245 248
Interest paid	- 380 325	- 382 580
Other payments	- 20 229	
Total operating payments	- 6 711 190	- 6 982 882
NET CASH FLOWS FROM OPERATING ACTIVITIES	121 707	- 253 094
Cash flows from investments in non financial assets		
Sales of non financial assets	31 004	33 765
Purchases of non financial assets	- 838 097	- 966 412
Net cash flows from investments in non financial assets	- 807 093	- 932 647
NET CASH FLOWS FROM OPERATING ACTIVITIES AND INVESTMENTS IN NON FINANCIAL ASSETS	- 685 386	- 1 185 741
Net cash flows from investments in financial assets for policy purposes ²	10 155	6 000
Net cash flows from investments in financial assets for liquidity purposes	- 177 878	- 145 081
NET CASH FLOWS FROM INVESTING ACTIVITIES	- 974 816	- 1 071 728
Net cash flows from financing activities		
Advances received (net)	- 11 341	- 9 232
Borrowing (net)	990 496	1 007 360
Deposits received (net)	887 787	846 640
Other financing (net)		
NET CASH FLOWS FROM FINANCING ACTIVITIES	1 866 942	1 844 768
NET INCREASE/DECREASE IN CASH HELD	1 013 833	519 946
Net cash flows from operating activities	121 707	- 253 094
Net cash flows from investments in non financial assets	- 807 093	- 932 647
CASH SURPLUS (+)/DEFICIT (-)	- 685 386	- 1 185 741
Future infrastructure and superannuation contributions/earnings ³	- 41 989	- 36 692
UNDERLYING SURPLUS (+)/DEFICIT (-)	- 727 375	- 1 222 433

1 Final budget reflects the 2019-20 Mid-Year Report, plus budget adjustments affecting 2019-20 since that publication.

2 Includes equity acquisitions, disposals and privatisations (net).

3 Contributions for future infrastructure and superannuation requirements.