

Northern Territory TREASURY CORPORATION

Annual Report 2024-25



Department of Treasury and Finance acknowledges the traditional custodians of the lands on which we work and gather. We pay respects to Elders past and present.

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The Honourable Bill Yan MLA
Treasurer
GPO Box 3146
DARWIN NT 0801

Dear Treasurer

I am pleased to provide to you the 2024-25 Annual Report for the Northern Territory Treasury Corporation (NTTC), which has been prepared in accordance with section 31 of the *Northern Territory Treasury Corporation Act 1994* (NTTC Act), section 28 of the *Public Sector Employment and Management Act 1993* (PSEMA) and section 12 of the *Financial Management Act 1995* (FMA).

Pursuant to my responsibilities as the accountable officer under the PSEMA and FMA, I advise that to the best of my knowledge and belief:

- proper records of all transactions affecting NTTC are kept and employees under my control observe the provisions of the FMA, Financial Management Regulations and Treasurer's Directions
- procedures within NTTC afford proper internal control and 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 FMA
- no instance of fraud, malpractice, major breach of legislation or delegation, or major error in or omission from the accounts and records that has not been appropriately reported and addressed exists. Proper records of incidents of suspected fraud are documented in a fraud register in accordance with the Treasurer's Direction – Fraud Control. The incidents are managed in accordance with the Department of Treasury and Finance's Fraud Control Framework, including notification to the appropriate agencies. There is no impact on NTTC's financial statements
- in accordance with the requirements of section 15 of the FMA, the internal audit capacity available to NTTC is adequate and the results of internal audits have been reported to me
- 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
- all Employment Instructions issued by the Commissioner for Public Employment have been satisfied
- NTTC is working in compliance with section 131 of the *Information Act 2002*.

I can also advise you that the Auditor-General has audited NTTC's financial statements for the year ended 30 June 2025 and his report is included.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Tim McManus".

Tim McManus
Under Treasurer

3 October 2025

List of acronyms

AASB	Australian Accounting Standards Board
ASX	Australian Securities Exchange Ltd
BBSW	Bank Bill Swap
CHA	Central Holding Authority
CFA	Central financing authority
CMC	Department of the Chief Minister and Cabinet
DTF	Department of Treasury and Finance
EAP	employee assistance program
ECL	expected credit loss
FMA	<i>Financial Management Act 1995</i>
FOI	freedom of information
HR	human resources
ICT	information and communications technology
KMP	key management personnel
MUFG	MUFG Corporate Markets
NTPS	Northern Territory Public Sector
NTTC	Northern Territory Treasury Corporation
NTTC Act	<i>Northern Territory Treasury Corporation Act 1994</i>
PSEMA	<i>Public Sector Employment and Management Act 1993</i>
RBA	Reserve Bank of Australia
SMG	Senior Management Group
US	United States (of America)
WACoB	weighted average cost of borrowing
WHS	work health and safety

Contents

List of acronyms	2
Purpose of this report	2
Corporate profile	3
Mission	3
Purpose and functions	3
Values	4
Enabling Act	4
Statutory guarantee	4
Status	4
Credit rating	4
Chair's address	5
Performance summary	6
Review of 2024-25	6
Outlook for 2025-26	9
Strategic issues for 2025-26	9
Financial markets	10
Borrowing environment	10
Borrowing activity	11
Client services	15
Loans	15
Administration and governance	17
Corporate objectives	17
Structure	17
Advisory Board	18
Workforce	20
Other business relationships	21
Risk management framework	21
Compliance	22
Appendix A: Outstanding domestic borrowings	23
Appendix B: Glossary of terms	26
Financial statements	29

Purpose of this report

This report is designed to meet NTTC's statutory annual reporting requirements, as specified for public sector agencies in the PSEMA, FMA, *Information Act 2002* and NTTC Act. It reports NTTC's performance to the Treasurer, the Legislative Assembly, government agencies, stakeholders, financial markets and ratings agencies.

Corporate profile

Mission

Assist the Territory by providing government entities with cost-effective funding, efficient financial management and reliable service, and advice on banking, finance and investment matters.

NTTC's mission is accomplished by pursuing the following programs:

- Financial Markets Program – diversifying borrowing and investment activities across the maturity spectrum, and utilising a variety of funding sources to meet the Territory's stated funding requirement.
- Client Services Program – providing loans to the Territory Government, government business divisions, government owned corporations, local authorities and other government organisations in accordance with commercially based guidelines and practices.
- Administration and Governance Program – actions taken to ensure NTTC operates in a professional, prudent and cost-effective manner.

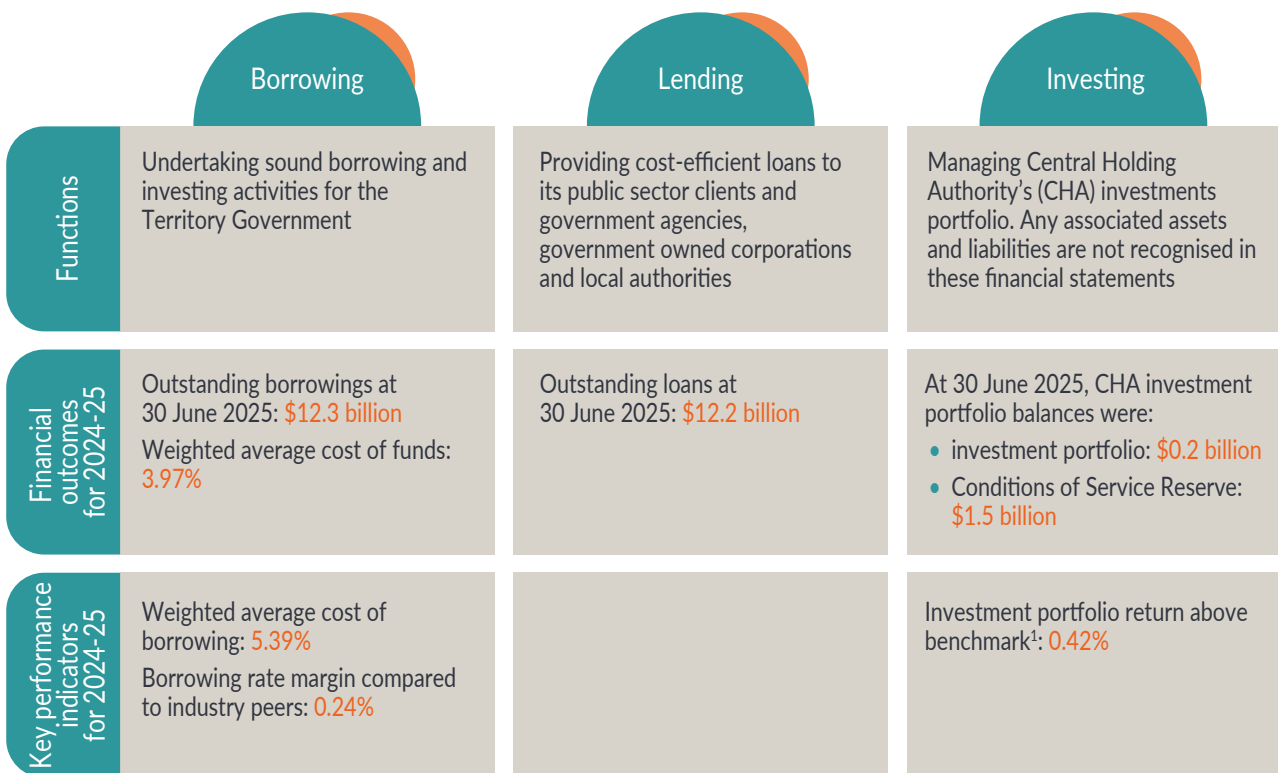
NTTC has a policy of risk neutral operation. Risk neutral means NTTC will generally manage financial risk inherent in the financial assets and liabilities of NTTC, avoiding unnecessary or speculative exposures.

Purpose and functions

NTTC is the central financing authority (CFA) for the Territory Government, responsible for providing specialist financial services and advice to support the delivery of infrastructure and services to Territorians by:

- undertaking sound borrowing and investing activities for the Territory Government
- investing surplus short-term cash balances of government accounts
- providing cost-efficient loans to its public sector clients and government agencies, government owned corporations and local authorities.

Figure 1: Overview of NTTC functions



1 The benchmark is the Bloomberg AUSBond Bank Bill Index. The benchmark return for 2024-25 was 4.39% while NTTC achieved a return of 4.81%.

Values

Our values are:

- commitment to service
- ethical practice
- respect
- accountability
- impartiality
- diversity.

In addition, our four key commitments to our customers are in line with the Department of Treasury and Finance (DTF) values as our parent agency and are that we will:

- provide trusted expertise
- act with accountability and integrity
- ensure we are engaging effectively
- be professional and respectful at all times.

Enabling Act

NTTC was established on 1 July 1994 under the *Northern Territory Treasury Corporation Act 1994*.

Statutory guarantee

All obligations incurred or assumed by NTTC are guaranteed by the Treasurer on behalf of the Territory under section 20 of the NTTC Act.

Status

NTTC is a government business division and an administrative unit of DTF for the purposes of the FMA and PSEMA.

Credit rating

Moody's Investors Service has assigned NTTC a long-term issuer and debt rating of Aa3 with a stable outlook.

Chair's address

Geopolitical tensions and international trade developments impacted financial markets throughout the 2024-25 financial year, resulting in significant financial market volatility and easing of monetary policy by central banks. Global economic growth is at or around long-term averages and inflation has moderated to more sustainable levels. International trade developments have been driven by a new suite of United States (US) tariffs. Tariff negotiations are yet to be finalised, and could have significant ramifications for growth and inflation into the future. The major macro themes globally are a weakening US dollar and high long-term bond yields, despite short-term expectations for reductions in official cash rates.

Domestically, inflation has reduced to the middle of the Reserve Bank of Australia's (RBA) target band of 2% to 3%, giving the RBA confidence to reduce the cash rate twice in the year by 0.25% from 4.35% to 3.85%. Market expectations are for the RBA to continue to ease monetary policy towards a target rate of around 3% in 2026. The RBA acknowledges the outlook remains uncertain due to the global factors mentioned above, however sees domestic demand, household incomes and the labour markets as positives for the economy. It is adopting a cautious approach given the balance of risks and remains committed to both price stability and full employment.

The Territory economy contracted in 2024-25 due to lower liquefied natural gas (LNG) exports, however is expected to rebound strongly in 2025-26 as the Barossa project transitions from construction to LNG production. Household and public consumption is expected to remain strong in the near term, and employment growth is expected to be slightly above trend. Inflation has moderated from previously high levels and is expected to remain within the RBA's target band over the forward estimates. While the Territory's share of exports to the US is not material, the broader trade impacts from US tariffs on the local economy are unknown.

In 2024-25, NTTC raised funds of about \$2.3 billion through a number of short, medium and long-term funding strategies, thereby completing the Territory's 2024-25 funding requirement and delivering \$176 million of additional borrowings (pre-funding) to support the delivery of government's commitments in 2025-26.

In March 2025, Moody's reaffirmed NTTC's Aa3 rating with a stable outlook. Moody's assessment of the Territory's financial position incorporates ongoing support from the Commonwealth and recognises the Territory's fiscal balance is expected to remain in deficit over the budget cycle.

I conclude by expressing my gratitude to the members of the Advisory Board and NTTC staff for their valuable ongoing guidance and dedicated commitment during the year.



Tim McManus
Under Treasurer and Chair

Performance summary

Review of 2024-25

- Successful delivery of \$2.3 billion borrowing program .
- Yield curve extension achieved by issuing a new benchmark bond maturing in April 2037.
- Pre-funding of about \$176 million for 2025-26.

Table 1 summarises the 2024-25 results and provides an assessment of actual performance compared to the budget estimate for 2024-25 and 2023-24 results. Key results include:

- total revenue of \$491.6 million, largely in line with the budget and \$91.7 million greater than 2023-24. The variation from 2023-24 largely reflects an increase in loans provided to counterparties at higher interest rates.

- total expenses of \$457.6 million, largely in line with the budget and \$113.4 million greater than 2023-24. The variation from 2023-24 relates to an increase in interest rates and borrowings.
- net profit after income tax of \$23.8 million, largely in line with the budget and \$15.2 million lower than 2023-24 outcome, directly resulting from the revenue and expenses variations outlined above.
- a cash position of \$260.3 million, \$103.9 million greater than budget. This is largely due to pre-funding part of the 2025-26 borrowing program that resulted in NTTC raising a further \$176 million, taking the total borrowing program for 2024-25 to \$2.3 billion (see Table 7).

Table 1: Comprehensive operating statement and cash flow overview

	2024-25 Actual	2024-25 Estimate	2023-24 Actual	Variation from estimate	Variation from 2023-24 actual
	\$000	\$000	\$000	\$000	\$000
Statement of income					
Revenue	491 635	486 354	399 953	5 281	91 682
Expenses	457 585	456 001	344 182	1 584	113 403
Profit before tax	34 051	30 353	55 771	3 698	(21 720)
Tax expense	10 215	9 106	16 731	1 109	(6 516)
Net profit after income tax	23 836	21 247	39 040	2 589	(15 204)
Statement of cash flows					
Cash flows from operating activities	36 189	29 132	23 488	7 057	12 701
Cash flows from/to investing activities	(1 506 701)	(1 517 701)	(1 277 242)	11 000	(229 459)
Cash flows from/to financing activities	1 324 986	1 239 115	1 489 222	85 871	(164 236)
Net increase/decrease in cash held	(145 527)	(249 454)	235 468	103 927	(380 995)
Cash at beginning of financial year	405 788	405 788	170 320		235 468
Cash at end of financial year	260 261	156 334	405 788	103 927	(145 527)

Table 2: Financial position overview

	2024-25 Actual	2024-25 Estimate	2023-24 Actual	Variation from estimate	Variation from 2023-24 actual
	\$000	\$000	\$000	\$000	\$000
Statement of financial position					
Cash and cash equivalents	260 261	156 334	405 788	103 927	(145 527)
Trade and other receivables	6 699	9 732	7 854	(3 033)	(1 155)
Loans	12 220 998	12 231 997	10 714 296	(10 999)	1 506 702
Property, plant and equipment (leases)	5	4	12	1	(7)
Total assets	12 487 963	12 398 067	11 127 951	89 896	1 360 012
Deposits held	454	779	779	(325)	(325)
Trade and other payables	100 535	100 282	82 217	253	18 318
Provisions and tax liabilities	34 165	30 494	55 912	3 671	(21 747)
Borrowings	12 331 174	12 244 876	10 967 400	86 298	1 363 774
Leases	5	5	13	-	(8)
Total liabilities	12 466 332	12 376 436	11 106 320	89 896	1 360 012
Total equity	21 631	21 631	21 631	-	-

Table 2 compares the net asset position for 2024-25 with both the budget estimate for 2024-25 and the 2023-24 results. Loans and borrowings increased from 2023-24 by \$1.5 billion and \$1.4 billion, respectively. Cash decreased by \$145.5 million to \$260.3 million in 2024-25, largely due to lower pre-funding activities undertaken in 2024-25 compared to the prior year (see Table 7).

Table 3 reports the movement in borrowings with an overall increase of \$1.4 billion compared to 2023-24. This variation is mainly driven by an increase of borrowings in the wholesale market to fund government operating and capital activities in 2024-25.

Table 3: Borrowings movement

	2023-24	Cash flow		Non-cash	2024-25
		Drawdown	Repayment	Premiums and discounts	
	\$000	\$000	\$000	\$000	\$000
Wholesale market	10 169 597	2 072 339	(647 372)	(585)	11 593 979
Retail market	640 971	211 632	(262 424)	-	590 180
Commonwealth	156 832		(9 817)	-	147 015
Total	10 967 400	2 283 972	(919 613)	(585)	12 331 174

Table 4: Key performance indicators

	2024-25 Budget	2024-25 Estimate	2024-25 Actual	KPI met/ not met
Weighted average cost of borrowings	≤ 5.50%	≤ 5.75%	5.39%	Met
Borrowing rate margin compared to industry peers	≤ 0.25%	≤ 0.35%	0.24%	Met
Investment portfolio return above benchmark ¹	≥ index	≥ index	0.42%	Met
Unqualified audit opinion	Yes	Yes	Yes	Met

1 The benchmark is the Bloomberg AUSBond Bank Bill Index. The benchmark return for 2024-25 was 4.39% while NTTC achieved a return of 4.81%.

Table 4 reports the NTTC's performance against planned outcomes for 2024-25, as presented in Budget Paper No. 3, and confirms all key performance indicators have been achieved.

NTTC's weighted average cost of borrowing target for 2024-25 was increased to 5.75% (from 5.5%) in response to higher long-term market interest rates experienced throughout the financial year. The actual outcome achieved for the 2024-25 financial year was 5.39%. The weighted average cost of borrowing on outstanding issued debt at 30 June 2025 was 3.97%.

The average recorded spread or borrowing margin achieved on wholesale bonds issued by NTTC during the financial year was about 24 basis points above similar bond maturities issued by NTTC's peers (CFAs in other jurisdictions). NTTC-issued bonds were priced at higher margins to peers throughout the financial year (Table 5) in comparison to the prior year. This reflects the increased supply of government bonds issued in the domestic market, pushing borrowing margins wider (Figure 2).

Table 5 reports that in 2024-25 NTTC recorded the highest weighted average cost of borrowing in the five years to 2024-25, and third lowest borrowing rate margin. The return above benchmark decreased from 0.52% in 2023-24 to 0.42% in 2024-25.

Figure 2: Weighted Average Cost of Borrowing (WACoB) and margin to peers

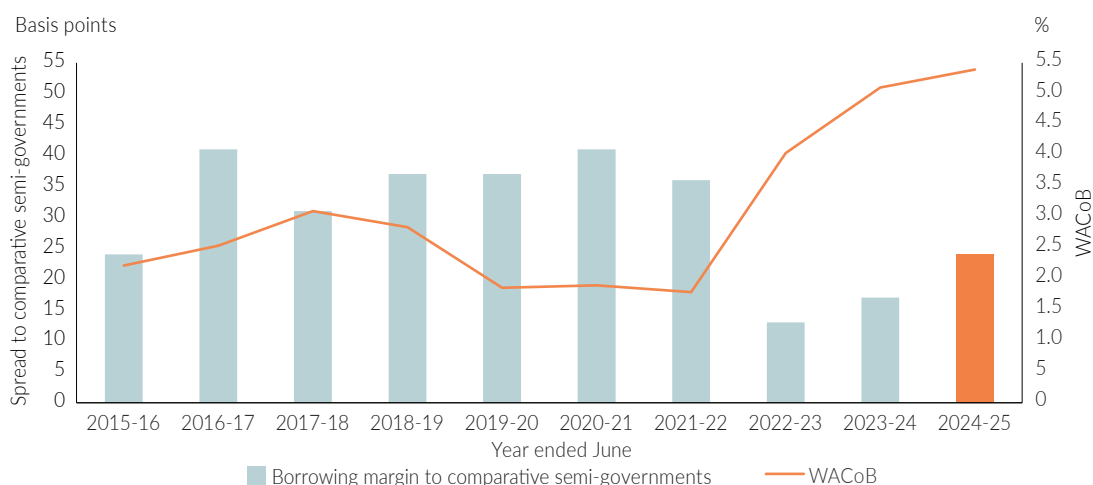


Table 5: Five-year key performance indicators summary

	2024-25	2023-24	2022-23	2021-22	2020-21
Weighted average cost of borrowing	5.39%	5.10%	4.04%	1.79%	1.90%
Borrowing rate margin compared to industry peers	0.24%	0.17%	0.13%	0.36%	0.41%
Investment portfolio return above benchmark ¹	0.42%	0.52%	0.19%	0.01%	0.39%
Unqualified audit opinion	Yes	Yes	Yes	Yes	Yes

1 The benchmark is the Bloomberg AUSBond Bank Bill Index. The benchmark return for 2024-25 was 4.39% while NTTC achieved a return of 4.81%.

Table 6: Five-year financial overview

	2024-25	2023-24	2022-23	2021-22	2020-21
	\$000	\$000	\$000	\$000	\$000
Statement of income					
Net profit after tax	23 836	39 040	38 211	27 995	22 162
Statement of financial position					
Total assets	12 487 963	11 127 951	9 600 914	9 815 505	10 039 274
Total liabilities	12 466 332	11 106 320	9 579 283	9 793 874	10 017 643
Total equity	21 631	21 631	21 631	21 631	21 631

Table 6 presents a summary of NTTC's financial performance over the past five years. It shows NTTC's net profit has been steady, with the current year lower due to increased costs associated with the amount of pre-funding and cash held throughout the year.

In the five years to 2024-25, total assets and liabilities have fluctuated in line with government yearly net cash requirements, increasing by about \$2.5 billion over the period.

Outlook for 2025-26

- Uncertainty arising from the potential trade impacts of US tariffs is continuing to create market volatility, disruption in bond markets and steep yield curves.
- Central banks are mostly seeking to ease monetary policy through reductions in official cash rates.
- Long-term interest rates are likely to be anchored at the current elevated levels, while short-term interest rates will benefit from easing monetary policy.
- The increase in supply of government bonds issued into the domestic market will keep borrowing margins high and create significant competition between government borrowers for investor support.

Strategic issues for 2025-26

- Secure funding across the maturity spectrum to manage refinance risk and contain the weighted average cost of borrowing.
- Increase the total outstanding amount of each existing benchmark bond line to generate more liquidity in the secondary market and cap primary market borrowing margins.
- Issue a new long-term benchmark bond subject to market conditions.
- Utilise promissory note issuance to support delivery of the borrowing program.
- Implement the Clean Energy Finance Corporation (CEFC) facility agreement to fund qualifying projects for government owned corporations.

Financial markets

Funding

NTTC manages the Territory Government's exposure to funding risk by ensuring it is not subject to a significant refinancing risk in any financial year. NTTC's approach to minimising funding risk involves the diversification of borrowing and investment activities across the maturity spectrum and utilising a variety of funding sources to meet its requirements.

NTTC's funding sources are as follows:

- » Wholesale market
 - fixed interest securities
 - floating rate notes
 - promissory notes
- » Retail market
 - Territory Bonds

Table 7: Five-year borrowing composition

	2024-25	2023-24	2022-23	2021-22	2020-21
	\$M	\$M	\$M	\$M	\$M
Refinancing maturing Territory debt	920	860	895	838	98
New borrowings	1 521	1 394	-	629	1 790
Debt reduction	-	-	(277)	-	-
Pre-funding	(334)	(130)	(43)	(870)	(708)
Borrowing requirement	2,107	2 124	575	597	1 180
Pre-funding	176	334	130	43	870
Total borrowing program	2 283	2 458	705	640	2 050

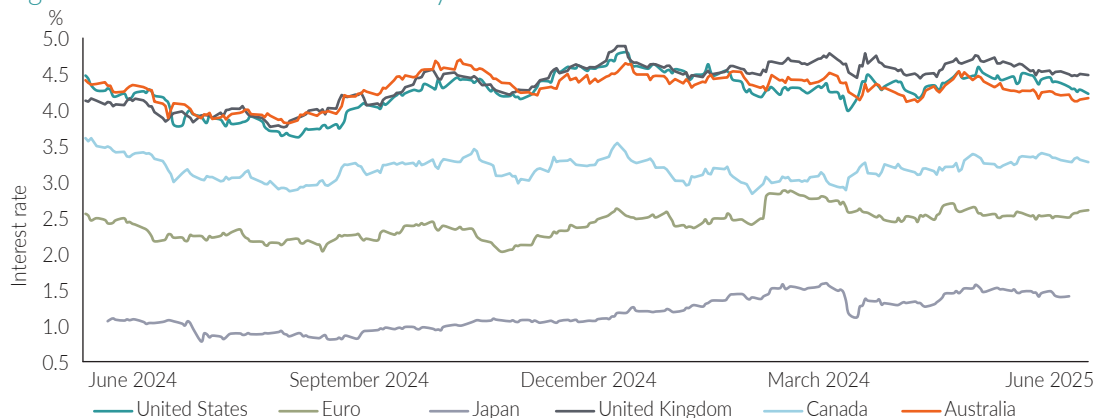
Borrowing environment

The global economy has continued to experience relatively high levels of uncertainty and volatility due to ongoing geopolitical tensions in the Middle East, the extended conflict between Russia and Ukraine, and trade disruptions caused by US tariffs. Despite most central banks taking a less restrictive stance on monetary policy, long-term interest rates remained anchored at elevated levels due to investors

demanding a risk premium as protection against this uncertainty.

Accordingly, the environment in financial markets during the 2024-25 financial year was one of increased market volatility and steeper yield curves, with investors seeking a safe haven in short-term bonds and reducing long-term bond holdings.

Figure 3: Global interest rates – 10-year bonds



Borrowing activity

The borrowing program for 2024-25 raised about \$2.3 billion, including \$917 million to refinance maturing debt. This increased borrowing activity resulted in total outstanding issued debt on 30 June 2025 being \$1.4 billion higher than last year's reported balance.

In addition to increasing a number of existing select lines, NTTC issued a new \$750 million benchmark bond series to April 2037. NTTC issued a total of \$2.15 billion face value of bonds to institutional investors at a weighted average interest rate of 5.5%, as shown in Table 8.

Territory Bonds, the retail borrowing program, raised about \$212 million at a weighted average interest rate of 4.58% and weighted average term to maturity of about three years. A full listing of NTTC's issued debt is provided in Appendix A on page 23.

At 30 June 2025, NTTC had 16 institutional benchmark bond issues as detailed in Table 9.

Table 8: Institutional bond issues during 2024-25

Issue date		Amount issued	Maturity date	Coupon	Yield
		FV \$M		%	%
July 2024	Existing line	100	21 March 2035	4.50	5.57
July 2024	Existing line	100	21 April 2033	3.75	5.30
August 2024	Existing line	100	21 November 2042	4.10	5.48
September 2024	Existing line	100	21 November 2042	4.10	5.53
September 2024	Existing line	100	21 March 2051	3.00	5.65
September 2024	Existing line	100	21 March 2041	2.75	5.30
September 2024	Existing line	100	21 May 2038	5.25	5.19
October 2024	Existing line	100	21 March 2035	4.50	5.15
October 2024	Existing line	100	21 April 2031	2.00	4.67
October 2024	Existing line	200	21 March 2036	5.50	5.50
October 2024	Existing line	100	21 May 2032	2.50	4.98
October 2024	Existing line	50	21 March 2035	4.50	5.44
November 2024	Existing line	50	21 April 2033	3.75	5.31
December 2024	Existing line	100	21 May 2030	3.50	4.64
January 2025	New line	750	21 April 2037	5.75	5.93
Total		2 150	Weighted average		5.50

Table 9: Institutional bond issues at 30 June 2025

Maturity date	Coupon	Amount on issue	Maturity date	Coupon	Amount on issue
	%	\$M		%	\$M
15 March 2026	6.00	650	21 March 2034	5.25	850
21 April 2027	2.75	750	21 March 2035	4.60	900
21 April 2028	3.50	750	21 March 2036	5.50	850
21 May 2029	2.00	750	21 April 2037	5.75	750
21 May 2030	3.50	850	21 May 2038	5.25	600
21 April 2031	2.00	850	21 March 2041	2.75	200
21 May 2032	2.50	850	21 November 2042	4.10	850
21 April 2033	3.75	900	21 March 2051	3.00	250

Duration and term to maturity

At 30 June 2025, the weighted average duration of borrowings was 6.3 years compared to 6.1 years in June 2024. The weighted average term to maturity at 30 June 2025 was 8 years compared with 7.6 years in June 2024.

Interest rate risk management

NTTC's interest rate risk arises from cash flow mismatches in the maturity profiles and repricing dates of its financial assets and liabilities. In addition, debt maturities are capped in each financial year to ensure a large volume of debt is not repriced in any single year. The debt maturity profile as at 30 June 2025 is shown at Figure 4 below. The annual debt maturity limit was amended to 10% of total outstanding debt in 2024-25, in order to cap refinancing risk in any one financial year to an acceptable level.

Figure 4: Debt maturity profile at 30 June 2025

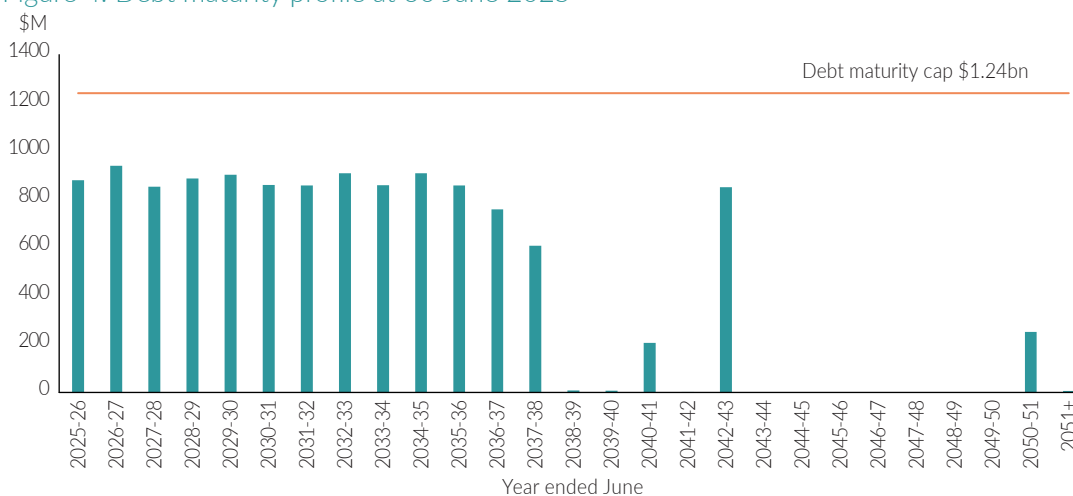


Table 10: Borrowing performance at 30 June

	2024-25	2023-24	2022-23	2021-22	2020-21
	%	%	%	%	%
Average borrowing margin					
Short term – margin to BBSW rate ¹	- 0.06	- 0.04	- 0.10	n/a	n/a
Long term (fixed rate) – margin to comparative semi-government security	0.24	0.17	0.13	0.36	0.41
Cost of borrowing achieved during the year					
Weighted average cost of new borrowing	5.39	5.10	4.04	1.79	1.90
Total cost of funds					
Weighted average cost of total funds	3.97	3.55	3.14	2.92	3.06

n/a: not assessable

¹ Bank bill swap rate.

Borrowing margin

Borrowing margins are influenced by a jurisdiction's credit rating and perceived liquidity of issued bonds. NTTC has the lowest credit rating of all CFAs at Moody's Aa3, and the outstanding bonds are not actively traded. As a result, NTTC borrowing margins compared to Commonwealth bonds and other state and territories are higher to compensate investors for the higher credit risk and lower level of liquidity of issued bonds.

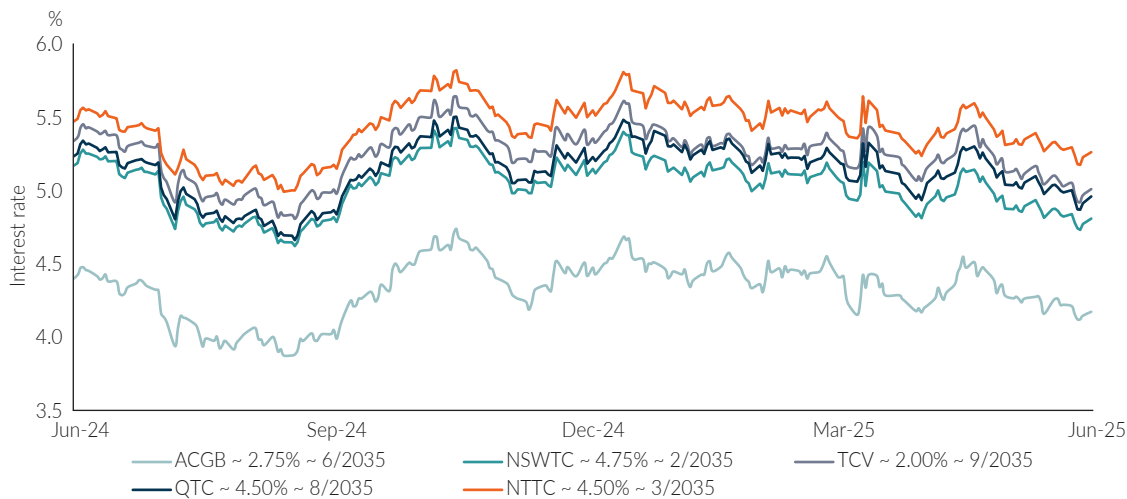
As shown in Table 10, the recorded spread or borrowing margin achieved on NTTC wholesale bond issues during 2024-25 was about 0.24% higher than similar bond maturities issued by the largest CFAs in Australia (New South Wales, Queensland and Victoria).

Figure 5 shows the implied trading margin between NTTC's 2035 bond series and similar maturities issued by the Commonwealth and other CFAs. Relative to the Commonwealth bond, NTTC's 2035 bond series has been trading at a margin of between 103 and 122 basis points. NTTC's margin relative to comparative bonds issued by other CFAs has been between 19 and 35 basis points.

Promissory notes

NTTC's short-term funding requirements are met through issuance of promissory notes. These notes are typically for tenors of 3 to 6 months and are issued to institutional investors. While NTTC has no promissory notes on issue at 30 June 2025, \$100 million of promissory notes were issued during the year and repaid. The yield achieved for the financial year was 4.65%, with a margin to the BBSW reference rate of -0.06%.

Figure 5: Trading margin against peers 2024-25



Territory Bonds

Territory Bonds is NTTC's retail fixed interest borrowing product and is used to attract funds from retail and middle-market investors. Territory Bonds have been issued since 1979 and offered to investors seeking a safe, secure, government-guaranteed investment.

NTTC raised about \$212 million in the 12 months to June 2025 compared with \$58 million in

2023-24. At 30 June 2025, the total outstanding balance in Territory Bonds was about \$590 million, with the number of registered investor holdings decreasing to 1,293 compared with 1,585 recorded in June 2024. The average investment in Territory Bonds is about \$456,000 (see Figure 6).

The current outstanding balance of Territory Bonds matures in full by June 2029 (see Figure 7).

Figure 6: Territory Bonds – outstanding balances and average investment at 30 June

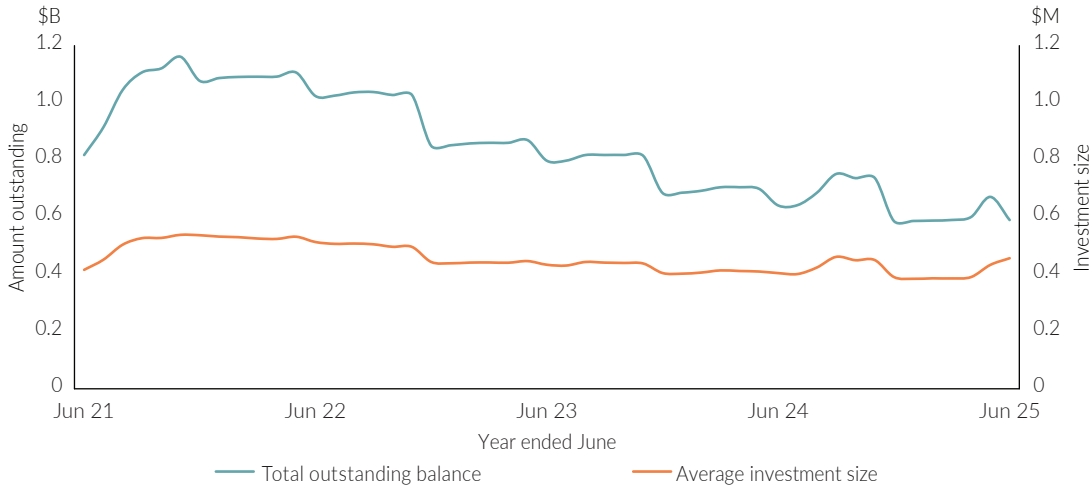
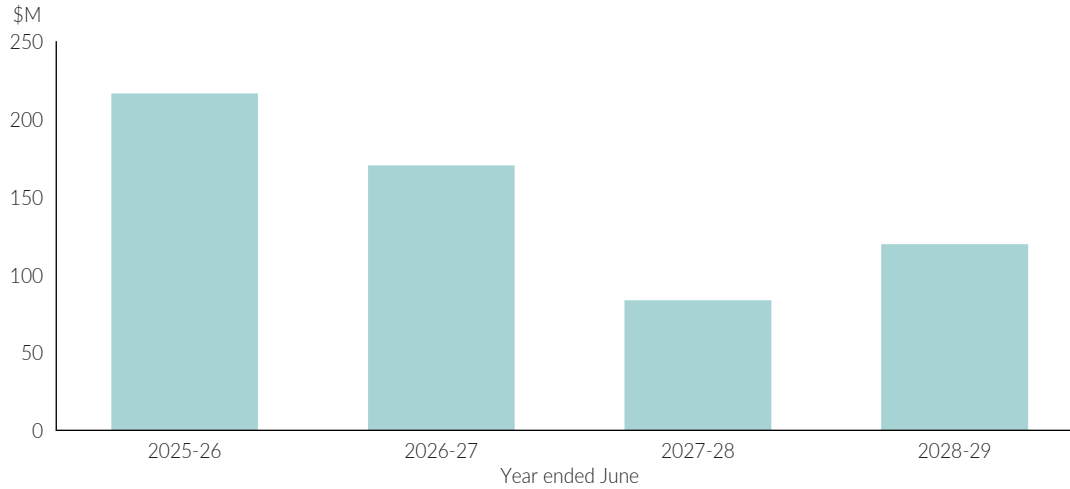


Figure 7: Territory Bonds maturity profile at 30 June



Client services

Loans

NTTC lends funds to the Territory Government, government business divisions and government owned corporations. Loans are issued on commercial terms and approved by the Treasurer in accordance with section 13(2)(b) of the NTTC Act and section 31(1) of the FMA.

At 30 June 2025, NTTC had a total outstanding loan portfolio of \$12.2 billion, about \$1.5 billion higher than the balance reported at 30 June 2024. Figure 8 shows the components of client loans and Table 11 (page 16) provides a comparative analysis of total outstanding loans by NTTC over the past five years. A full listing of NTTC's loans is provided in Table 12 on page 16.

General government agencies

General government agencies are funded through the Central Holding Authority (CHA) appropriations, some of which are funded by loans provided by NTTC. CHA is the 'parent body' that represents the Territory Government's ownership interest in government-controlled entities. The funds are used to finance general government activities and the Territory's major infrastructure projects.

At 30 June 2025, loans to the general government sector totalled \$10.3 billion, an increase of about \$1.3 billion from the previous financial year.

Government business divisions

Loans to government business divisions represent borrowings by Territory Government-owned entities that operate on a commercial basis. The funds are used to finance capital expenditure requirements.

At 30 June 2025, loans to this sector totalled about \$114 million, about \$1 million lower than the previous financial year. This net movement is a combination of scheduled principal repayments throughout the year and new loans settled.

Government owned corporations

Loans to government owned corporations represent borrowings by Territory Government-owned entities that operate on a commercial basis without a guarantee from the Territory Government. The funds are used to finance capital expenditure requirements and for general corporate purposes.

At 30 June 2025, loans to this sector totalled about \$1.8 billion, an increase of \$166 million from the previous financial year, reflecting new loans issued to Territory Generation and Power and Water Corporation during the 2024-25 financial year.

Figure 8: Client loans at 30 June 2025

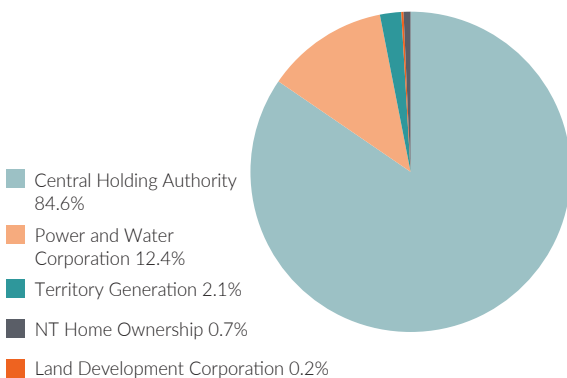


Table 11: Outstanding loans

	2024-25	2023-24	2022-23	2021-22	2020-21
	\$M	\$M	\$M	\$M	\$M
General government agencies	10 333	8 991	7 842	8 124	7 317
Government business divisions	114	115	148	171	193
Government owned corporations	1 774	1 608	1 436	1 405	1 387
Total	12 221	10 714	9 426	9 699	8 897

Table 12: Outstanding loans by counterparty

	2024-25	2023-24
	\$M	\$M
General government agencies		
Central Holding Authority	10 333	8 991
Total general government agencies	10 333	8 991
Government business divisions		
Land Development Corporation	28	15
NT Home Ownership	86	100
Total government business divisions	114	115
Government owned corporations		
Power and Water Corporation	1 512	1 336
Territory Generation	262	272
Total government owned corporations	1 774	1 608
TOTAL	12 221	10 714

Administration and governance

The administration and governance program aims to ensure NTTC operates in a professional, prudent and cost-effective manner. This is achieved by implementing policies relating to current financial market and accounting practices, regularly reviewing internal procedures and providing relevant training to employees. Specific functions include:

- providing accurate timely settlement of all financial market transactions
- maintaining NTTC's inscribed stock register by recording details of all inscribed stock and holders in accordance with the Registry Services Agreement and NTTC's Incribed Stock Regulations
- ensuring NTTC's finances are managed effectively, within stated limits and in accordance with Australian accounting standards and legislative frameworks
- providing administrative support to NTTC's Advisory Board
- managing NTTC's human resources in accordance with PSEMA
- producing NTTC's annual report in accordance with legislative requirements.

Corporate objectives

NTTC's objectives are:

- fund loans to government using appropriate borrowing strategies and ensuring compliance with financial reporting obligations
- effective surplus cash management, on behalf of CHA, with the aim of optimising returns within approved guidelines and cash flow requirements.

These are realised by:

- safeguarding financial resources by establishing and regularly reviewing credit limits, and maintaining adequate internal controls and staffing
- minimising borrowing costs through effective control and management of its interest rate risk, and maintaining interest rate risk at an acceptable level
- ensuring sufficient short and long-term liquidity to meet debts as and when they fall due
- reviewing and evaluating risk management policies and procedures on an annual basis to ensure they remain adequate for NTTC to operate in a risk-neutral manner.

Structure

NTTC was established as a corporation sole (a corporation that consists solely of a nominated office holder) in July 1994 and is constituted under the NTTC Act. The Under Treasurer of DTF is designated as the office holder of the corporation sole, under the NTTC Act, and as such represents the Crown in right of the Territory. Under section 5 of the NTTC Act, NTTC is subject to the direction of the Treasurer.

Department of Treasury and Finance

NTTC reports to DTF as its parent agency through its Director Debt Capital Markets, and the Executive Director (Revenue) who is a member of DTF's Senior Management Group (SMG). SMG supports the Under Treasurer and is responsible for strategic decision-making and policy setting of DTF and its business units. This includes managing performance and improving management and business practices. The main role of SMG is corporate governance and to develop DTF's corporate capabilities including people, systems and work environment.

During 2024–25, NTTC underwent a business restructure that resulted in transferring its finance and governance functions to DTF. This enables NTTC to focus on its core operations while benefiting from the shared expertise and resources of DTF.

Three standing committees further support the Under Treasurer and SMG with oversight and advice in relation to risks and issues affecting the agency:

- Work Health and Safety (WHS) Committee, provides advice to the Under Treasurer and SMG on WHS issues to facilitate the health and safety of employees and clients in the workplace
- Strategic Human Resources (HR) Committee, monitors and oversees strategic HR planning and management for DTF in compliance with PSEMA and the Northern Territory Public Sector (NTPS) HR strategies
- Digital Governance Committee, provides effective governance and prioritises, monitors and controls DTF's program of digital works, and ensures risks associated with the digital program are monitored and aligned with strategic priorities.

Figure 9: NTTC's reporting structure



Advisory Board

Under section 8 of the NTTC Act, NTTC has established an Advisory Board to assist the Under Treasurer with issues relating to NTTC's operations. The Advisory Board is constituted to be the Under Treasurer and up to five other persons appointed by the Treasurer.

The Advisory Board meets quarterly to review and monitor NTTC's business risks and performance in relation to its objectives. It also provides guidance on policy, analysis of economic conditions and advice on aligning borrowing and investing intentions with interest rate expectations.

Advisory Board members



**Mr Tim McManus, Chair
Department of Treasury
and Finance**

Tim was appointed Under Treasurer in September 2024.

Tim joined DTF in 2000 as a graduate program participant after completing a Bachelor Business Studies, Northern Territory University (now Charles Darwin University). He was appointed Senior Director Budget Development in 2013, Executive Director (Finance) in 2017 and Deputy Under Treasurer (Finance and Performance) in December 2023.

Tim was Deputy Chief Executive Strategic and Corporate Services, Department of the Chief Minister and Cabinet (CMC) from May 2022 to June 2023.

Tim also has completed a Graduate Certificate in Management, Curtin University and the Masterclass of Business Administration Foundation, Australian Institute of Management and Deputies Leadership Program, Australia and New Zealand School of Government.



**Dr Sarah Rummery,
Executive Director (Revenue)
Department of Treasury
and Finance**

Sarah was appointed Executive Director (Revenue) in January 2020 and is also the Commissioner of Territory Revenue and Mineral Royalty Secretary. She is responsible for the administration and enforcement of own-source revenue and grants legislation, ensuring the strategic alignment and effectiveness of revenue programs, and providing high level policy, strategic and technical advice.

Sarah's previous roles include Assistant Under Treasurer (Economic) and Commissioner of Superannuation in the Funds Management division of DTF. She joined the NTPS in 2005 after 10 years working as an economics lecturer in the US. Sarah has a Bachelor of Economics from the University of Western Australia and a PhD in Economics from the Australian National University.



**Mr John Montague
Former External Board
Member and Chair of the
Audit Committee**

John was appointed to the Board in November 2014. He has held a variety of senior executive roles over the past 29 years in the public and private sectors. He joined NTTC in 1994 and was General Manager for 14 years before being appointed as DTF's Senior Director Funds Management in 2008, Assistant Under Treasurer (Funds Management) in 2011 and Commissioner of Superannuation in 2012. John was General Manager of Super SA from 2014 to 2017 and is currently a financial services consultant. John's tenure on the Advisory Board expired in April 2025 and SMG are currently searching for a replacement.



**Ms Clare Milikins
External Board Member
and Member of the
Audit Committee**

Clare was appointed to the Board in May 2021 and is a Fellow of CPA Australia, with a Bachelor of Commerce (Accounting) and a Graduate Certificate in Public Sector Management. She is a graduate of the Australian Institute of Company Directors, a Board Director and member of the Audit and Risk Committee of Venture Housing Company Inc, independent Chair of the Department of Infrastructure, Planning and Logistics' Audit and Risk Management Committee, and independent Audit Committee Chair for City of Palmerston. She was the Deputy Chair and Chair of Audit and Risk of Jacana Energy from 2014 to 2021. Clare has experience in both the public and private sectors, and provides consultancy and advisory services focused on business redirection, governance, financial and change management.

Workforce

At 30 June 2025, NTTC paid a total of four employees (headcount). This reduced from 7 reported in 2023-24 due to transfer of finance services and governance now delivered by DTF on a cost-recovery arrangement.

NTTC's staff members are employed under PSEMA. Section 10 of the NTTC Act permits the Under Treasurer to assign staff to NTTC from DTF on either a full or part-time basis. Employees are required to comply with PSEMA, the Northern Territory Government Code of Conduct and codes of ethics of all relevant professional associations.

Flexible work arrangements

NTTC offers a range of initiatives for work-life balance for staff including flexible work arrangements, purchased leave options and recreation leave at half pay. The initiatives are in line with the NTPS Enterprise Agreement.

Graduate program

Throughout the year, graduates employed through the DTF graduate program are engaged on a one-year contract and undertake work experience in several work areas in DTF, including NTTC. This is coupled with regular training through a comprehensive series of workshops and seminars outlining DTF's functions, government processes and structures, and regular performance feedback. One graduate from the program undertook a rotation in NTTC during the year and is now a permanent employee.

Training and professional memberships

Employees undertake training and professional development aligned with organisational requirements, generally identified through an employee development framework process. In addition, formal study of approved courses is supported by DTF's study assistance program and employees are reimbursed half the cost of their annual professional membership fees where membership is relevant to their work role. Additionally, all staff working in NTTC are required to undertake anti-money laundering and counter-terrorism financing awareness training.

Equal opportunity and merit

NTTC is an equal opportunity employer and is committed to providing a workplace free from discrimination and harassment. All employees are required to undertake training on anti-discrimination, cross-cultural and harassment awareness to promote an understanding of such issues, and are informed of policies in place to address any incidents. In addition, DTF has formal and informal complaints processes as well as a grievance resolution procedure in place that staff can access.

Staff 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.

Employee wellness

NTTC employees have access to DTF's Employee Assistance Program (EAP). This program provides an important service to the agency's employees and forms part of our work health and safety commitments. NTTC recognises that staff may be affected by personal, family or work-related issues and EAP is one-way NTTC supports staff. The EAP offers up to three free confidential counselling sessions for employees and their family members with DTF's EAP providers.

Other business relationships

The Department of Corporate and Digital Development provides other corporate services, which include HR, ICT, procurement and records management.

Registry services

NTTC has a key relationship with MUFG Corporate Markets (MUFG), which maintains NTTC's retail inscribed stock register, recording details of all inscribed stock and holders in accordance with the Registry Services Agreement and NTTC's Inscribed Stock Regulations. MUFG has offices in Melbourne, Sydney, Brisbane and Perth, providing convenient access for most bondholders.

NTTC utilises ASX Austraclear Services Limited (Austraclear) for the registration of its wholesale domestic borrowings. Austraclear provides NTTC with the full range of corporate actions relating to the life cycle of the security issued to the financial markets, from origination to maturity. Corporate actions include inscribing the securities in the Austraclear register, making payments, transferring ownership of the security between seller and buyer, and effecting payments at maturity of securities.

Risk management

Risk recognition and management is an essential function of NTTC, given the nature of its operations and is the responsibility of all staff. NTTC has various frameworks, policies and controls in place to ensure all key risks are identified and managed.

Risk management framework

NTTC has developed a framework to capture and articulate all elements of risk management and compliance in the business environment. The framework comprises a risk appetite statement and a comprehensive risk register, which provides a repository for recording each risk and its attributes, evaluation and treatments. Its key function is to provide information on the risks faced by NTTC and the mitigating controls in place to address those risks. The Risk Management Framework is updated on an ongoing basis in response to changes in NTTC's associated risks.

The management of risk is fundamental to the successful execution of NTTC strategy, and risks are classified into four broad categories:

- strategic risks – risks relating to NTTC strategy
- financial risks – the risk of financial loss, lack of liquidity or funding
- operational risks – the risk of loss or other adverse consequences due to a failure of internal processes, people and systems, or from external events
- compliance and fraud risks – the risk of financial loss or reputational damage as the result of fraudulent actions or inappropriate recording, reporting and disclosure of financial results, taxation or regulatory information.

Fraud control

NTTC is subject to DTF's fraud control framework, which provides assurance that fraud control strategies are robust. This is supported by NTTC's internal controls environment and providing mandatory fraud awareness training to all staff.

Financial control

NTTC has a robust system of financial control, and an appropriate framework of delegated authorities is in place. Comprehensive financial planning, reporting and review procedures are in place, with an annual budget, mid-year report and estimates process. Financial and key performance indicators are reviewed against budget on a monthly basis, and quarterly reports are reviewed and considered by the Advisory Board.

Conflict of interest

Staff and Advisory Board members are required to disclose any actual, potential or perceived conflicts of interest. Formal disclosure declarations are made on an annual basis and verbally on an ad hoc basis where a conflict is identified.

Anti-money laundering and counter-terrorism financing legislation

NTTC has an exemption to the general requirements of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* but is subject to the suspicious matters reporting requirements.

Business continuity management

NTTC has a business continuity plan to ensure it can meet its financial obligations during an event that disrupts normal processes and procedures. The plan is reviewed at least every two years to ensure all critical functions are captured and contingency arrangements are documented.

Control self-assessment

NTTC uses control self-assessment reviews to identify and monitor risk areas in its environment. Management completes quarterly questionnaires and the Advisory Board reviews the associated quarterly reports on an annual basis.

Delegations

Clear lines of responsibility and authority to act are specified in agency corporate delegations through DTF and internal policy manuals approved by the Under Treasurer. Both delegations and policy manuals are reviewed annually to ensure they meet current legislative frameworks and business resourcing requirements.

Work health and safety

Under the shared services arrangements between DTF and CMC, the agencies operate a joint WHS committee that meets regularly and reports to SMG.

Compliance

NTTC has a high level of compliance and is subject to several audits and review processes during the year. Audits are undertaken by both internal and external auditors, and their focus reflects the importance of risk management and corporate governance. Findings of reviews and audits conducted during the year are reported in Table 13.

Table 13: Audits undertaken during the year

Function	Type	Period ending	External/ internal	Outcomes
2023-24 financial statements	Audit	30/06/24	External	Unqualified audit opinion
Internal controls testing	Review	30/09/25	Internal	No significant matters identified
	Review – Quantum upgrade		Internal	No significant matters identified ¹
Interim period review – 1 July 2024 to 28 February 2025	Audit	30/06/25	External	No significant matters identified

¹ Some observations were noted by the internal auditors regarding the need to further define proactive vendor management practices and strengthen internal project management practices.

External audit

Under section 30 of the NTTC Act, the Northern Territory Auditor-General is required to review and audit NTTC's accounts and operating environment. Under section 31, the Auditor-General will issue an audit opinion on NTTC's financial statements and report to the Treasurer and the Legislative Assembly.

Internal audit

NTTC has an internal audit function, reporting directly to its Advisory Board and DTF's senior executives. The appointed internal auditor reviews NTTC's operational controls environment, focusing on its information technology and general controls, and its control self-assessment process.

Policy and procedures

Formal policy and procedure manuals are established and provided to all staff. Policy and procedure manuals are updated regularly. Activities and controls are designed to meet the requirements of legislative and regulatory frameworks, codes and practices, and in line with the Risk Management Framework.

Corporate planning and reporting process

NTTC links into DTF's strategic planning and reporting processes, which guide core business areas in delivering government objectives.

Information Act 2002

NTTC is subject to the requirements of the *Information Act 2002*, which include records management, freedom of information (FOI) and privacy. DTF is responsible for managing all information requests on behalf of NTTC. In 2023-24, the Department of Corporate and Digital Development managed FOIs for DTF and other Territory Government agencies under a centralised model. Details about how to apply for access to information, with links to relevant legislation and related agencies, can be found on DTF's website, treasury.nt.gov.au/InformationAct. Further assistance can be provided by contacting:

Freedom of Information Services
GPO Box 2391 DARWIN NT 0800

Telephone: 08 8999 1793

Email: FOI@nt.gov.au

Appendix A: Outstanding domestic borrowings

at 30 June 2025

Maturity date	Coupon rate	Face value	Maturity date	Coupon rate	Face value
	%	\$000		%	\$000
2025-26			15-Jun-26	4.10	80
15-Sep-25	8.50	1 974	15-Jun-26	4.15	30
15-Dec-25	0.80	7 000	15-Jun-26	4.20	2 575
15-Dec-25	0.85	112	15-Jun-26	4.25	57
15-Dec-25	0.90	81	15-Jun-26	4.30	12 923
15-Dec-25	1.00	35 555	15-Jun-26	4.40	20 049
15-Dec-25	1.10	22 500	15-Jun-26	4.50	2 000
15-Dec-25	1.20	54 885	TOTAL 2025-26	4.96	868 523
15-Dec-25	1.25	61	2026-27		
15-Dec-25	1.30	64	15-Dec-26	1.35	1 762
15-Dec-25	1.40	10 900	15-Dec-26	1.40	34 140
15-Dec-25	3.10	75	15-Dec-26	1.50	57 928
15-Dec-25	3.30	455	15-Dec-26	1.65	80
15-Dec-25	3.45	20	15-Dec-26	1.70	462
15-Dec-25	3.60	100	15-Dec-26	1.80	2 570
15-Dec-25	3.75	192	15-Dec-26	3.50	10
15-Dec-25	3.80	135	15-Dec-26	3.60	10 070
15-Dec-25	3.90	312	15-Dec-26	3.80	50
15-Dec-25	4.05	5	15-Dec-26	3.90	65
15-Dec-25	4.15	150	15-Dec-26	3.95	19
15-Dec-25	4.20	69	15-Dec-26	4.00	50
15-Dec-25	4.25	33	15-Dec-26	4.10	215
15-Dec-25	4.30	139	15-Dec-26	4.15	10
15-Dec-25	4.35	458	15-Dec-26	4.30	45
15-Dec-25	4.40	461	15-Dec-26	4.35	35
15-Dec-25	4.50	1 848	15-Dec-26	4.40	2 213
15-Mar-26	6.00	650 000	15-Dec-26	4.45	361
15-Jun-26	0.85	210	15-Dec-26	4.50	773
15-Jun-26	1.00	13 353	15-Dec-26	4.60	18 425
15-Jun-26	1.15	586	15-Mar-27	6.00	8 400
15-Jun-26	1.20	374	21-Apr-27	2.75	750 000
15-Jun-26	1.30	25 116	15-Jun-27	1.75	92
15-Jun-26	1.60	40	15-Jun-27	1.90	2 337
15-Jun-26	2.70	5	15-Jun-27	2.10	6
15-Jun-26	3.05	52	15-Jun-27	2.20	673
15-Jun-26	3.20	16	15-Jun-27	2.95	50
15-Jun-26	3.75	570	15-Jun-27	3.00	12
15-Jun-26	3.80	384	15-Jun-27	3.10	10 285
15-Jun-26	3.90	2 519			

Maturity date	Coupon rate	Face value	Maturity date	Coupon rate	Face value
	%	\$000		%	\$000
15-Jun-27	3.35	35	15-Jun-28	4.30	737
15-Jun-27	3.40	372	15-Jun-28	4.40	6 484
15-Jun-27	3.50	1 791	15-Jun-28	4.45	206
15-Jun-27	3.90	5	15-Jun-28	4.60	79
15-Jun-27	4.00	168	30-Jun-28	5.00	7 131
15-Jun-27	4.10	9 434	TOTAL 2027-28	3.64	848 552
15-Jun-27	4.15	110	2028-29		
15-Jun-27	4.20	170	15-Dec-28	4.15	62
15-Jun-27	4.30	10 150	15-Dec-28	4.20	100
15-Jun-27	4.35	1 031	15-Dec-28	4.30	20 245
15-Jun-27	4.40	2 440	15-Dec-28	4.45	20
15-Jun-27	4.50	1 954	15-Dec-28	4.50	290
TOTAL 2026-27	5.45	928 797	15-Dec-28	4.55	170
2027-28			15-Dec-28	4.60	928
15-Dec-27	3.65	12	15-Dec-28	4.65	590
15-Dec-27	3.70	618	15-Dec-28	4.70	2 383
15-Dec-27	3.80	1 184	15-Dec-28	4.80	39 705
15-Dec-27	3.95	30	15-Mar-29	6.00	7 500
15-Dec-27	4.00	184	21-May-29	2.00	750 000
15-Dec-27	4.05	15	15-Jun-29	4.35	142
15-Dec-27	4.10	2 265	15-Jun-29	4.40	242
15-Dec-27	4.15	482	15-Jun-29	4.50	51 902
15-Dec-27	4.20	397	15-Jun-29	4.55	374
15-Dec-27	4.30	972	15-Jun-29	4.60	417
15-Dec-27	4.35	30	15-Jun-29	4.70	2 143
15-Dec-27	4.40	30	TOTAL 2028-29	2.39	877 213
15-Dec-27	4.45	25	2029-30		
15-Dec-27	4.50	2 150	15-Mar-30	6.00	42 000
15-Dec-27	4.55	40	21-May-30	3.50	850 000
15-Dec-27	4.60	575	TOTAL 2029-30	3.62	892 000
15-Dec-27	4.70	55 082	2030-31		
15-Mar-28	6.00	7 900	21-Apr-31	2.00	850 000
21-Apr-28	3.50	750 000	30-Jun-31	5.00	13 287
15-Jun-28	3.85	28	TOTAL 2030-31	2.05	863 287
15-Jun-28	3.90	322	2031-32		
15-Jun-28	3.95	172	21-May-32	2.50	850 000
15-Jun-28	4.00	10 420	TOTAL 2031-32	2.50	850 000
15-Jun-28	4.10	963			
15-Jun-28	4.20	10			
15-Jun-28	4.25	10			

Maturity date	Coupon rate	Face value
	%	\$000
2032-33		
21-Apr-33	3.75	900 000
30-Jun-33	4.50	2 860
TOTAL 2032-33	3.74	902 860
2033-34		
21-Mar-34	5.25	850 000
30-Jun-34	4.50	3 260
TOTAL 2033-34	5.23	853 260
2034-35		
21-Mar-35	4.50	900 000
30-Jun-35	4.50	2 954
TOTAL 2034-35	4.50	902 954
2035-36		
21-Mar-36	5.50	850 000
30-Jun-36	4.50	3 103
TOTAL 2035-36	5.50	853 103
2036-37		
21-Apr-37	5.75	750 000
30-Jun-37	4.50	3 317
TOTAL 2036-37	5.74	753 317
2037-38		
21-May-38	5.25	600 000
TOTAL 2037-38	5.25	600 000

Maturity date	Coupon rate	Face value
	%	\$000
2038-39		
30-Jun-39	4.50	16 858
TOTAL 2038-39	4.50	16 858
2039-40		
30-Jun-40	4.50	27 258
TOTAL 2039-40	4.50	27 258
2040-41		
21-Mar-41	2.75	200 000
30-Jun-41	4.50	31 797
TOTAL 2040-41	2.99	231 797
2041-42		
30-Jun-42	4.50	25 582
TOTAL 2041-42	4.50	25 582
2042-43		
21-Nov-42	4.10	850 000
TOTAL 2042-43	4.10	850 000
2050-51		
21-Mar-51	3.00	250 000
TOTAL 2050-51	3.00	250 000
2095-96		
30-Jun-96	5.00	9 608
TOTAL 2095-96	5.00	9 608
TOTAL	3.91	12 404 969

Appendix B: Glossary of terms

Advisory Board

The board established under section 8 of the *Northern Territory Treasury Corporation Act 1994* to exercise powers and perform functions as determined by the Treasurer.

Agency

A unit of government administration, or office or statutory corporation, nominated in an Administrative Arrangements Order, as an agency for the purpose of the *Financial Management Act 1995*.

Bank bill swap rate

Australian Securities Exchange Ltd (ASX) bank bill reference rates available via live feed from a financial markets information service or published daily with a 24-hour delay on the ASX benchmark rates webpage.

Bond

A bond is a negotiable certificate or debt security that acknowledges the indebtedness of the bond issuer to the holder. It is a formal agreement to pay interest at defined fixed intervals and repay the borrowed principal at maturity.

Central financing authorities

Central financing authorities (CFAs) are institutions established by state and territory governments primarily to provide finance for their respective governments and other corporations owned or controlled by those governments. CFAs borrow funds, mainly by issuing securities, and on-lend them to their public sector clients. CFAs also administer and invest surplus funds on behalf of government. However, they also engage in other financial intermediation activity for investment purposes and may engage in the financial management activities of the parent government.

Credit foncier loan

A loan that is repaid in instalments comprising both principal and interest components.

Debt

An obligation owed by one party (the debtor) to a second party (the creditor). A debt is created when a creditor agrees to lend or invest a stated principal amount of funds to a debtor.

Discount

The amount by which the value of a security is less than its face value.

Face value

The amount of money indicated on a security or inscribed in relation to a security as being due to be paid on maturity.

Fixed interest

Interest on investments such as bonds and debentures, paid at a predetermined and unchanging rate for a specified period, over the life of the bond or debenture (also known as the coupon).

Floating rate note

Medium to long-term debt securities carrying a variable interest rate, adjusted periodically by a margin against a benchmark rate.

Government business division

A Territory-controlled trading entity that follows commercial practices and is required to comply with competitive neutrality principles.

Government owned corporation

An entity in which its objectives are to operate at least as efficiently as any corporate business and maximise a sustainable return to government. The *Government Owned Corporations Act 2001* adopts the shareholder model of corporate governance.

Inscribed stock

Securities for which ownership is recorded in a registry. The owner is issued with a certificate, which is not itself transferable. The stock can only be transferred by use of the appropriate documents.

Margin

The difference between a benchmark interest rate and the rate charged to an individual borrower. It is sometimes called the spread.

Maturity date

The date on which the final bond payment is to be made.

Operational risk

The risk of loss, whether direct or indirect, arising from inadequate or failed internal processes, people or systems, or from external events. It encompasses risks inherent in the agency's operating activities such as fraud risk, settlement risk, legal risk, accounting risk, personnel risk and reputation risk.

Premium

The amount by which the value of a security is greater than its face value.

Principal

The nominal amount or face value of a bond.

Promissory note

Issue of a debt security by NTTC with the undertaking to pay the stated amount to the note holder on a specified date.

Security

A security is generally a fungible, negotiable financial instrument representing financial value.

Territory Bonds

Issues of NTTC inscribed stock to retail investors.

Financial statements

Page

Independent Auditor's report to the Treasurer	30
Certification of financial statements	33
Statement of comprehensive income	34
Statement of financial position	35
Statement of cash flows	36
Statement of changes in equity	37
1. Objectives and associated guarantees	38
2. Statement of material accounting policy information	38
3. New standards and interpretations	39
4. Interest income	40
5. Other revenue	40
6. Interest expense	41
7. Administration expenses	41
8. Income tax expense and liabilities	42
9. Cash and cash equivalents	42
10. Cash flow reconciliation	42
11. Trade and other receivables	43
12. Loans	44
13. Property, plant and equipment	44
14. Trade and other payables	45
15. Provisions and tax liabilities	46
16. Borrowings	47
17. Leases	47
18. Contributed capital	48
19. Retained profits	48
20. Financial instruments and risk management	48
21. Fair values of financial instruments	56
22. Related parties	58
23. Auditor and review services	60
24. Fees and commissions	60
25. Fiduciary activities	60
26. Advisory Board	61
27. Segment information	61
28. Events subsequent to reporting date	61

Independent Auditor's Report

To the Treasurer

Northern Territory Treasury Corporation

Report on the audit of the financial report for the year ended 30 June 2025

Opinion

I have audited the financial report of the Northern Territory Treasury Corporation (the Corporation), which comprises the statement of financial position as at 30 June 2025, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the Under Treasurer's declaration.

In my opinion, the accompanying financial report of the Corporation is in accordance with the *Northern Territory Corporation Act 1994* (the Act), including:

- giving a true and fair view of the Corporation's financial position as at 30 June 2025 and of its financial performance for the year then ended
- complying with Australian Accounting Standards.

Furthermore, in my opinion the receipt and expenditure of money and the acquisition and disposal of property by the Corporation during the year ended 30 June 2025 have been in accordance with the Act.

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

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the matter
Fair values of financial instruments	
<p>The Corporation's loans and borrowings are shown in the statement of financial position at amortised cost determined using the effective interest rate method, which discounts projected future cash flows to the present carrying amount.</p> <p>At 30 June 2025, the Corporation reported loans totalling \$12.220 billion in financial assets and borrowings totalling \$12.331 billion in financial liabilities.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> ▪ Obtaining an understanding of the valuation methodology. ▪ Using own treasury specialists to review the valuation methodology and assumptions used by management to value financial instruments for reasonableness.

Key audit matter

How my audit addressed the matter

Fair values of financial instruments (continued)

The fair value of Corporation's financial assets and financial liabilities is disclosed in note 21 *Fair value of financial instruments*.

At 30 June 2025, the fair value of financial assets was \$11.619 billion and the fair value of financial liabilities was \$11.814 billion.

I consider this to be a key audit matter because:

- changes to inputs and assumptions can significantly impact the fair value of the financial assets and financial liabilities
- significant judgement is applied to determine the selection of inputs and assumptions used to value financial instruments classified as 'level 2'.

Further information on the valuation of financial instruments is disclosed in the abovementioned note 21.

- Testing the inputs to the valuation system by comparing them to independently sourced market observable data.
- Comparing the calculations of fair value to independent recalculations across a sample of financial instruments.
- Evaluating the accuracy and adequacy of the disclosures made in the financial report against the requirements of the applicable Australian Accounting Standards.

Other information

The Under Treasurer is responsible for the other information. The other information comprises the information included in the *Annual Report* but does not include the financial report and my auditor's report thereon, which I obtained prior to the date of this auditor's report.

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

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

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

Responsibilities of the Under Treasurer for the financial report

The Under Treasurer is responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards and the Act and for such internal control as the Under Treasurer 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, the Under Treasurer is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

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



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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Under Treasurer.
- Conclude on the appropriateness of the Under Treasurer'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 Corporation's ability 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 the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Jara K Dean
Auditor-General
Darwin, Northern Territory
19 September 2025



Certification of financial statements

For the year ended 30 June 2025

We certify that the attached financial statements for the Northern Territory Treasury Corporation have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act 1995*, *Northern Territory Treasury Corporation Act 1994* and Treasurer's Directions.

We further state that the information set out in the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and notes to and forming part of the financial statements present fairly the financial performance and cash flows for the year ended 30 June 2025 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.



Tim McManus
Under Treasurer

19 September 2025



Paul Abbott
A/Director Financial Services

19 September 2025

Statement of comprehensive income

For the year ended 30 June 2025

	Note	2024-25	2023-24
		\$000	\$000
INCOME			
Interest	4	490 638	398 926
Other revenue	5	997	1 027
TOTAL INCOME		491 635	399 953
EXPENSES			
Interest	6	455 182	341 988
Administration	7	2 403	2 194
TOTAL EXPENSES		457 585	344 182
PROFIT BEFORE INCOME TAX		34 051	55 771
Income tax expense	8	10 215	16 731
NET PROFIT AFTER INCOME TAX		23 836	39 040
Other comprehensive income			
TOTAL OTHER COMPREHENSIVE INCOME			
COMPREHENSIVE RESULT	19	23 836	39 040

Notes to the financial statements are included on pages 39 to 62.

Statement of financial position

For the year ended 30 June 2025

	Note	2024-25	2023-24
		\$000	\$000
ASSETS			
Cash and cash equivalents	9	260 261	405 788
Trade and other receivables	11	6 699	7 854
Loans	12	12 220 998	10 714 296
Property, plant and equipment	13	5	12
TOTAL ASSETS		12 487 963	11 127 951
LIABILITIES			
Deposits held		454	779
Trade and other payables	14	100 535	82 217
Provisions	15	23 950	39 181
Tax liabilities	8	10 215	16 731
Borrowings	16	12 331 174	10 967 400
Leases	17	5	13
TOTAL LIABILITIES		12 466 332	11 106 320
NET ASSETS		21 631	21 631
EQUITY			
Contributed capital	18	21 631	21 631
TOTAL EQUITY		21 631	21 631

Notes to the financial statements are included on pages 39 to 62.

Statement of cash flows

For the year ended 30 June 2025

	Note	2024-25	2023-24
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received from operating activities		491 441	384 062
Interest and other costs of finance paid		(437 060)	(342 953)
Other receipts:			
Management fee		967	922
Other fees		30	105
Payments to suppliers and employees		(2 459)	(2 271)
Income tax paid		(16 731)	(16 376)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	10a	36 189	23 488
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayment of loans		55 699	129 758
Drawdown of loans		(1 562 400)	(1 407 000)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES		(1 506 701)	(1 277 242)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(919 613)	(1 228 331)
Finance lease payments		(8)	(8)
Proceeds from borrowings		2 283 972	2 755 778
Deposits received		(326)	(7)
Dividend paid		(39 040)	(38 211)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	10b	1 324 986	1 489 222
NET INCREASE/(DECREASE) IN CASH HELD		(145 527)	235 468
Cash and cash equivalents at the beginning of the financial year		405 788	170 320
Cash and cash equivalents at the end of period	9	260 261	405 788

Notes to the financial statements are included on pages 39 to 62.

Statement of changes in equity

For the year ended 30 June 2025

	Note	2024-25	2023-24
		\$000	\$000
CONTRIBUTED CAPITAL			
Balance at the beginning of the financial year		21 631	21 631
Movement for the year			
Balance at the end of the financial year	18	21 631	21 631
RETAINED PROFITS			
Balance at the beginning of the financial year			
Net profit		23 836	39 040
Dividends provided for	19	(23 836)	(39 040)
Balance at the end of the financial year			
TOTAL EQUITY		21 631	21 631

Notes to the financial statements are included on pages 39 to 62.

Notes to the financial statements

For the year ended 30 June 2025

1. Objectives and associated guarantees

a) Objectives

The Northern Territory Treasury Corporation (NTTC) is the central financing authority for the Territory, responsible for providing specialist financial advice and services to the Territory Government. Additional information in relation to NTTC and its principal activities may be found on page 3 of this annual report. NTTC considered the needs of primary users to determine the material accounting policy information to be disclosed in these financial statements and notes.

b) Statutory guarantee

Under section 20 of the *Northern Territory Treasury Corporation Act 1994* (NTTC Act), all financial obligations incurred or assumed by NTTC are guaranteed by the Treasurer on behalf of the Northern Territory Government of Australia.

2. Statement of material accounting policy information

a) Statement of compliance

These financial statements are general purpose financial statements and have been prepared in accordance with the NTTC Act, Australian accounting standards as issued by the Australian Accounting Standards Board (AASB), the requirements of the *Financial Management Act 1995* (FMA) and related Treasurer's Directions.

The financial statements were authorised for issue by the Under Treasurer on 19 September 2025.

b) Basis of accounting

In accordance with section 10(2) of the FMA, the financial statements of NTTC were prepared based on commercial accounting principles and comply with AAS.

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. NTTC's financial statements are also consistent with the requirements of AAS. The effects of all relevant new and revised standards and interpretations issued by the AASB that are effective for the current annual reporting period have been evaluated.

c) Reporting entity

The financial statements cover NTTC as an individual reporting entity. The Treasurer has determined that NTTC is a government business division as defined in section 3(1) of the FMA.

NTTC is domiciled in Australia. Its registered address is 19 The Mall Darwin NT 0800.

d) Comparatives

Where necessary, comparative information for the 2023-24 financial year has been reclassified to provide consistency with current year disclosures.

e) Presentation and rounding of amounts

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

Notes to the financial statements

For the year ended 30 June 2025

2. Statement of material accounting policy information (continued)

f) Accounting judgements and estimates

The preparation of the financial report requires making judgements, assumptions and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses. Except where stated, the financial statements were prepared on the basis of historical cost. Cost is based on fair values of the consideration given in exchange for assets.

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

Use of estimates and judgements in preparing these financial statements has been limited. Information about areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is described in Note 21.

3. New standards and interpretations

Standards and interpretations effective from 2024-25 financial year

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

Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2024-25.

Several amendment interpretations have been issued that apply to future reporting periods but are considered to have no or minimal impact on NTTC financial reporting.

AASB S2 Climate-related disclosures

AASB S2 requires entities to disclose information about climate-related risks and opportunities that could reasonably be expected to affect its cashflows, access to finance or cost of capital over the short, medium or long term. This standard is mandatory to entities that comply with the *Corporations Act 2001* for periods beginning on or after 1 January 2025.

While a public sector corporation, the NTTC Act declares the NTTC to be excluded from application of the *Corporation Act 2001* and therefore is not required to comply with AASB S2 reporting disclosures.

Notes to the financial statements

For the year ended 30 June 2025

4. Interest income

	2024-25	2023-24
	\$000	\$000
Interest from loans:		
General government agencies	360 302	289 796
Government owned corporations	91 868	69 904
Government business divisions	5 616	6 683
Gain on extinguishment	391	11 662
Interest from cash balances:		
General government agencies	32 463	20 881
TOTAL INTEREST INCOME	490 638	398 926

Interest income includes interest from loans to government, gain on extinguishment from retail borrowings and gain on extinguishment from loans. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

Gains and losses on extinguishment occur when a loan or borrowing is redeemed prior to the scheduled maturity date. A gain or loss is derived where the fair value at redemption is higher or lower than the value of the instrument at amortised cost. These gains and losses are recognised in the period in which the instrument is extinguished.

5. Other revenue

	2024-25	2023-24
	\$000	\$000
Management fees	967	922
Other	30	105
TOTAL OTHER REVENUE	997	1 027

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customer at an amount that reflects the consideration to which NTTC expects to be entitled in exchange for those goods or services. Performance obligations may be completed at a point in time or over time.

Other revenue predominantly comprises fees for services provided to CHA of about \$1 million to manage the investment portfolio (as described in Note 25). Fees are recognised as income over the period the service is provided.

Notes to the financial statements

For the year ended 30 June 2025

6. Interest expense

	2024-25	2023-24
	\$000	\$000
Interest to:		
Wholesale borrowings	429 010	316 591
Debt to Commonwealth	7 227	7 669
Retail borrowings	15 416	11 339
Promissory notes	2 666	6 388
Losses on extinguishment	863	
TOTAL INTEREST EXPENSE	455 182	341 988

Interest expenses consist of interest and other costs incurred in connection with borrowing funds. It includes accrued interest, losses on extinguishment and amortisation of discount and premiums on borrowings. Interest expense is recognised on an effective-yield basis in the reporting period in which they are incurred.

7. Administration expenses

	2024-25	2023-24
	\$000	\$000
Salaries and related employee expenses ¹	605	1 098
Agent service arrangements – external	476	398
Other service arrangements – internal ¹	546	162
IT charges and communications	410	271
Subscriptions	248	124
General property management	86	95
Document production	17	21
Amortisation	8	8
Other operating expenses	6	17
TOTAL ADMINISTRATION EXPENSES	2 403	2 194

1 During 2024-25, financial administration of NTTC was transferred to Department of Treasury and Finance (DTF) under a fee for service arrangement, which resulted in lower salaries offset by higher other service arrangements.

Administration expenses represent day-to-day running costs of NTTC, including supplies and service costs, recognised in the period in which they are incurred.

Notes to the financial statements

For the year ended 30 June 2025

8. Income tax expense and liabilities

	2024-25	2023-24
	\$000	\$000
Income tax expense/payable	10 215	16 731
TOTAL INCOME TAX EXPENSE/LIABILITIES	10 215	16 731

NTTC is exempt from the payment of income tax under section 50-25 of the *Income Tax Assessment Act 1997* (as amended). However, in accordance with the requirements of the Treasurer's Directions, NTTC is required to pay notional income tax on its accounting profits at the company tax rate of 30% to CHA as the parent entity of government. Tax for current and prior periods is recognised as a liability to the extent that it is unpaid.

9. Cash and cash equivalents

	2024-25	2023-24
	\$000	\$000
Cash at bank	260 261	405 788
TOTAL CASH AND CASH EQUIVALENTS	260 261	405 788

For the purposes of the statement of financial position and statement of cash flows, cash and cash equivalents includes cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to insignificant risk of changes in value, and have a maturity of three months or less at date of acquisition. They are measured at face value or the gross value of the outstanding balance.

The carrying amount of cash and cash equivalents approximate fair value due to their short-term nature.

10. Cash flow reconciliation

a) Reconciliation of net profit after tax to net cash flows from operating activities

	2024-25	2023-24
	\$000	\$000
Net profit after income tax	23 836	39 040
Adjustments		
Add (gain)/loss on extinguishment	472	(11 662)
Add amortisation	8	8
Less (premium) and discount amortisation	1 609	(15 993)
Changes in assets and liabilities		
Less decrease/(increase) in interest receivable	1 194	(3 202)
Add decrease/(increase) in prepayments and other receivables	(39)	(15)
Add increase/(decrease) in employee benefits	(27)	(31)
Add increase/(decrease) in creditors and accruals	2	(39)
Add increase/(decrease) in tax liabilities	(6 516)	355
Add increase/(decrease) in interest payable	15 650	15 028
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	36 189	23 488

Notes to the financial statements

For the year ended 30 June 2025

10. Cash flow reconciliation (continued)

b) Reconciliation of liabilities arising from financing activities

2024-25	1 July	Cash flow	Provision	Non-cash		30 June
				Premiums and discounts and gain/loss extinguishment	Leases	
	\$000	\$000	\$000	\$000	\$000	\$000
Borrowings	10 967 400	1 364 359		(585)		12 331 174
Leases	13	(8)				5
Deposits held	779	(326)				454
Dividends	39 040	(39 040)	23 836			23 836
TOTAL	11 007 231	1 324 986	23 836	(585)		12 355 468

2023-24	1 July	Cash flow	Provision	Non-cash		30 June
				Premiums and discounts and gain/loss extinguishment	Leases	
	2023-24	\$000	\$000	\$000	\$000	\$000
Borrowings	9 456 490	1 527 447		(16 537)		10 967 400
Leases	21	(8)				13
Deposits held	786	(7)				779
Dividends	38 211	(38 211)	39 040			39 040
TOTAL	9 495 507	1 489 222	39 040	(16 537)		11 007 231

11. Trade and other receivables

	2024-25	2023-24
	\$000	\$000
Accrued interest on loans	6 484	7 678
Debtors		4
Prepayments	215	172
TOTAL TRADE AND OTHER RECEIVABLES	6 699	7 854

All receivables are current and deemed collectable. There are no known expected credit losses (ECLs) identified at 30 June 2025.

The carrying amount of trade and other receivables approximate fair value due to their short-term nature.

Prepayments represent payments in advance of receipt of goods and services, or the part of expenditure made in one accounting period covering a term extending beyond that period.

Notes to the financial statements

For the year ended 30 June 2025

12. Loans

	2024-25	2023-24
	\$000	\$000
General government agencies		
Fixed rate loans	10 278 200	8 928 700
Credit foncier loans	54 801	62 141
Government owned corporations		
Fixed rate loans	1 774 000	1 608 000
Government business divisions		
Fixed rate loans	61 000	55 000
Credit foncier loans	52 997	60 455
TOTAL LOANS	12 220 998	10 714 296

NTTC issues loans to government. Loans are measured at amortised cost using the effective interest rate method.

Information on NTTC's exposure to market risk and fair value measurements is included in notes 20 and 21.

13. Property, plant and equipment

	2024-25	2023-24
	\$000	\$000
Right-of-use asset – motor vehicles		
At capitalised cost	32	32
Less: accumulated amortisation	(28)	(20)
TOTAL PROPERTY, PLANT AND EQUIPMENT	5	12

NTTC recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets with a fair value of \$10,000 or less. For these leases, NTTC has elected to recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

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, and any initial direct costs incurred. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset.

At 30 June 2025, NTTC leased assets relating to vehicles and are typically made for fixed periods of four years but may have extension options.

Notes to the financial statements

For the year ended 30 June 2025

13. Property, plant and equipment (continued)

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

	2024-25	2023-24
	\$000	\$000
Amortisation expense of right-of-use assets	8	8
Interest expense on lease liabilities		
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME	8	8

14. Trade and other payables

	2024-25	2023-24
	\$000	\$000
Creditors and accruals	214	197
Accrued interest on borrowings	100 311	81 995
Accrued salaries	10	25
TOTAL TRADE AND OTHER PAYABLES	100 535	82 217

Liabilities for accounts payable and other amounts payable are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency.

Accounts payable are normally settled within 20 days from receipt of valid invoices under \$1 million or 30 days for invoices over \$1 million.

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

Notes to the financial statements

For the year ended 30 June 2025

15. Provisions and tax liabilities

	2024-25	2023-24
	\$000	\$000
Employee benefits		
Recreation leave:		
Opening balance	112	135
Recreation leave paid	(56)	(152)
Recreation leave provided for	40	129
Closing balance	96	112
Leave bonus:		
Opening balance	10	17
Leave bonus paid	(4)	(8)
Leave bonus provided for	2	1
Closing balance	8	10
Superannuation external on provisions:		
Opening balance	17	18
Superannuation paid	(17)	(18)
Superannuation provided for	8	17
Closing balance	8	17
Total employee benefits	112	139
Fringe benefit tax	2	2
Dividend payable	23 836	39 040
TOTAL PROVISIONS	23 950	39 181

Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, and annual leave in the period the related service is rendered at the undiscounted amount of benefits expected to be settled within 12 months in exchange for that service. Provisions made in respect to employee benefits not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by NTTC in respect to services provided by employees up to the reporting date.

NTTC's long service leave liabilities are recorded by CHA. As part of the financial management framework, CHA assumes the long service leave liabilities of government agencies, including NTTC and therefore no long service leave liability is recognised within these financial statements.

Superannuation

Employee superannuation entitlements are provided through the:

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

Notes to the financial statements

For the year ended 30 June 2025

15. Provisions and tax liabilities (continued)

NTTC makes superannuation contributions on behalf of its employees. Any liability for superannuation is met directly by the Territory Government, and NTTC has and will continue to have no other direct superannuation liability.

Dividends

NTTC may make distributions to government in the form of dividends in accordance with the NTTC Act, the FMA and Treasurer's Directions. These designated distributions are treated by NTTC as adjustments to equity.

NTTC's dividend is equivalent to 100% of its net profit for the financial year and is in accordance with the Treasurer's budget direction.

16. Borrowings

	2024-25	2023-24
	\$000	\$000
Wholesale market		
Fixed interest securities	11 593 979	10 169 597
Retail market		
Territory Bonds	590 180	640 971
Commonwealth		
Credit foncier loans	147 015	156 832
TOTAL BORROWINGS	12 331 174	10 967 400

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised, as well as through the amortisation process.

Information on NTTC's exposure to market risk and fair value measurements is included in notes 20 and 21.

17. Leases

	2024-25	2023-24
	\$000	\$000
Leases	5	13
TOTAL LEASES	5	13

At commencement date of the lease where NTTC is the lessee, the lease liability is recognised and measured at the present value of lease payments to be made over the lease term using the rate implicit in the lease. If this rate cannot be readily determined, NTTC uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect 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.

Notes to the financial statements

For the year ended 30 June 2025

17. Leases (continued)

The movement of the period is as follows:

	2024-25	2023-24
	\$000	\$000
Balance at 1 July	13	21
Additions/remeasurements		
Interest expenses		
Payments	(8)	(8)
BALANCE AT 30 JUNE	5	13

18. Contributed capital

	2024-25	2023-24
	\$000	\$000
Balance at 1 July	21 631	21 631
Movement for the year		
BALANCE AT 30 JUNE	21 631	21 631

19. Retained profits

	2024-25	2023-24
	\$000	\$000
Balance at 1 July		
Net profit	23 836	39 040
Dividends paid	(23 836)	(39 040)
BALANCE AT 30 JUNE		

20. Financial instruments and risk management

A financial instrument is a contract that gives rise to a financial asset of one entity or financial liability, or equity instrument of another entity. Financial assets and liabilities are recognised in the statement of financial position when NTTC becomes a party to the contractual provisions of the financial instrument.

a) Financial assets

Financial assets include cash and cash equivalents, trade and other receivables (mainly interest) and loan receivables. Loans and receivables are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, such financial assets are measured at amortised cost using the effective interest method (less impairment) with any difference between the initial recognised amount and the amortised cost (less impairment) amount recognised in the statement of comprehensive income over the period of the financial asset.

Notes to the financial statements

For the year ended 30 June 2025

20. Financial instruments and risk management (continued)

(i) Impairment of financial assets

NTTC recognises an allowance for ECLs for loans and other financial assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that NTTC expects to receive, discounted at an approximation of the original effective interest rate. No credit loss provision is made for receivables from Territory Government entities due to the low credit risk of these entities.

(ii) Derecognition

Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or been transferred. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

b) Financial liabilities

Financial liabilities include deposits held, trade and other payables, and borrowings. Financial liabilities are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortised cost with any difference between the initial recognised amount and the redemption amount recognised in the statement of comprehensive income over the period of the financial liability using the effective interest method.

c) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments (including all fees and basis points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial assets or liabilities, or where appropriate, a shorter period. Interest income and expense is recognised on an effective interest rate basis for debt instruments.

d) Gains and losses on extinguishment

Gains and losses on extinguishment occur when a loan or borrowing is redeemed prior to the scheduled maturity date. A gain or loss is derived where the fair value at redemption is higher or lower than the value of the instrument at amortised cost. These gains and losses are recognised in the period in which the instrument is extinguished.

e) Objectives and policies

NTTC's objectives are:

- fund loans to government using appropriate borrowing strategies and ensuring compliance with financial reporting obligations
- effective surplus cash management, on behalf of CHA, with the aim of optimising returns within approved guidelines and cash flow requirements.

Notes to the financial statements

For the year ended 30 June 2025

20. Financial instruments and risk management (continued)

These are realised by:

- safeguarding financial resources by establishing and regularly reviewing counterparty credit limits and maintaining adequate internal controls
- minimising borrowing costs through effective control and management of interest rate risk, and maintain interest rate risk at an acceptable level
- ensuring there is sufficient short and long-term liquidity to meet debts as and when they fall due
- minimising the cost of foreign currency requirements through the effective control and management of its foreign exchange risk, and neutralise foreign exchange exposures
- reviewing and evaluate risk management policies and procedures on an annual basis to ensure they remain adequate for NTTC to operate in a risk-neutral manner.

NTTC is exposed to financial risks arising from its activities, such as market risk (interest rate risk and foreign exchange risk), credit risk, liquidity risk and funding risk. These risks are managed by NTTC within the risk management framework, policies and limits endorsed by the Under Treasurer.

f) Management of capital

NTTC is not subject to any legislative requirement to maintain a minimum level of equity, however NTTC reviews capital adequacy at least annually in line with the risk management framework and on a risk-based approach. The current level of contributed equity is deemed appropriate for the risks inherent to NTTC's business.

g) Categories of financial instruments

The carrying amount of financial instruments by category is as follows:

	Category	2024-25	2023-24
		\$000	\$000
Financial assets			
Cash and cash equivalents	Other	260 261	405 788
Loans and receivables:			
Trade and other receivables	Amortised cost	6 484	7 683
Loans	Amortised cost	12 220 998	10 714 296
TOTAL FINANCIAL ASSETS		12 487 743	11 127 767
Financial liabilities			
Deposits held	Amortised cost	454	779
Trade and other payables	Amortised cost	100 535	82 217
Borrowings	Amortised cost	12 331 174	10 967 400
Leases	Amortised cost	5	13
TOTAL FINANCIAL LIABILITIES		12 432 167	11 050 409

Notes to the financial statements

For the year ended 30 June 2025

20. Financial instruments and risk management (continued)

h) Market risk

NTTC adopts a policy of a risk-neutral operation. Risk-neutral means NTTC will generally manage interest rate and foreign exchange risk by matching assets and liabilities where possible, and then utilising a variety of derivative financial instruments to manage any residual exposures.

In the normal course of business, NTTC may utilise the following derivative instruments:

- interest rate swaps to mitigate the risk of rising interest rates
- cross-currency swaps to manage the foreign currency risk associated with foreign currency-denominated borrowings.

NTTC does not enter into or trade in derivative financial instruments for speculative purposes.

Market risk is reported at each meeting of the Advisory Board. To the extent there are mismatches between assets and liabilities, the sensitivity to interest rate risk is measured by a parallel shift in the current market yield curve of 1%. There is currently no exposure to foreign exchange risk, therefore no sensitivity analysis is undertaken. However, should NTTC borrow in foreign currency in the future, the sensitivity to foreign exchange risk can similarly be measured by shifting spot exchange rates by an appropriate margin.

Market risks are discussed in more detail below.

Interest rate risk

Interest rate risk is the risk of financial loss or increased costs due to adverse movements in the value of financial assets and liabilities as a result of changes in interest rates. NTTC's interest rate risk arises from cash flow mismatches in the maturity profiles and repricing dates of its financial assets and liabilities.

NTTC aims to manage the interest rate exposure on its financial assets and liabilities at an acceptable level in an attempt to minimise the cost of its borrowing requirements within stated guidelines.

NTTC's interest rate risk on its financial assets and liabilities is significantly reduced as a result of its relationship with CHA. At 30 June 2025, about 85% (2024: 82%) of NTTC's debt is on-lent to CHA. The interest rates and maturity dates set on these loans are closely matched to the debt issued by NTTC to external counterparties. NTTC's loans to CHA attract a margin over the cost of servicing the debt.

(i) Sensitivity analysis

Assuming the financial assets and liabilities at 30 June 2025 were to remain until maturity or settlement without any action by NTTC to alter the resulting interest rate risk exposure, an immediate and sustained increase or decrease of 1% in market interest rates across all maturities would have the impact on profit before tax for the financial year as outlined in the following table.

		Impact on profit before tax	
		Rates up/down by 1%	
		2024-25	2023-24
		\$000	\$000
Cash at bank	±	2 603	4 058
TOTAL SENSITIVITY	±	2 603	4 058

Notes to the financial statements

For the year ended 30 June 2025

20. Financial instruments and risk management (continued)

(ii) Interest rate risk exposures

NTTC's exposure to interest rate risk, re-pricing maturities and the effective interest rates at 30 June 2025 is:

30 June 2025	Weighted average interest rate	Interest rate reset due in				Non-interest bearing	Total
		0 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years		
	%	\$000	\$000	\$000	\$000	\$000	\$000
Financial assets:							
Cash	3.85%	260 261					260 261
Trade and other receivables						6 484	6 484
Loans:							
Fixed rate loans	4.17%	265 000	883 000	4 148 800	6 816 400		12 113 200
Credit foncier loans	8.12%			7 976	99 821		107 798
TOTAL FINANCIAL ASSETS		525 261	883 000	4 156 776	6 916 221	6 484	12 487 743
Financial liabilities:							
Deposits held						454	454
Trade and other payables						100 535	100 535
Leases	0.77%	2	3				5
Borrowings:							
Fixed interest securities	3.97%	1 974	870 175	3 532 007	7 780 003		12 184 159
Credit foncier loans	4.60%			7 131	139 884		147 015
TOTAL FINANCIAL LIABILITIES		1 976	870 178	3 539 138	7 919 887	100 989	12 432 167

Notes to the financial statements

For the year ended 30 June 2025

20. Financial instruments and risk management (continued)

For comparative purposes, NTTC's exposure to interest rate risk, repricing maturities and the effective interest rates at 30 June 2024 was as follows:

30 June 2024	Weighted average interest rate	Interest rate reset due in				Non-interest bearing	Total
		0 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years		
	%	\$000	\$000	\$000	\$000	\$000	\$000
Financial assets:							
Cash	4.35	405 788					405 788
Trade and other receivables						7 683	7 683
Loans:							
Fixed rate loans	3.80	72 000	748 900	4 207 800	5 563 000		10 591 700
Credit foncier loans	8.16			11 330	111 266		122 596
TOTAL FINANCIAL ASSETS		477 788	748 900	4 219 130	5 674 266	7 683	11 127 767
Financial liabilities:							
Deposits held						779	779
Trade and other payables						82 217	82 217
Leases	0.77	2	6	5			13
Borrowings:							
Fixed interest securities	3.55		779 909	3 312 493	6 718 165		10 810 567
Credit foncier loans	4.61			9 285	147 547		156 832
TOTAL FINANCIAL LIABILITIES		2	779 915	3 321 783	6 865 712	82 996	11 050 408

Credit risk

Credit risk is the risk of financial loss or increased costs due to the failure of a counterparty to meet its financial obligations. NTTC's exposure to credit risk arises out of lending and derivative transactions. This risk is mitigated by the fact that lending activities are limited to Territory Government entities and its wholly-owned corporations.

NTTC aims to ensure its exposures to individual and group counterparties are within acceptable levels, and to minimise the likelihood that a counterparty will fail to execute its financial obligations. NTTC's dealings in physical securities or derivative financial instruments are transacted only with counterparties possessing strong or extremely strong credit rating criteria using NTTC's internal credit rating, which is guided by issued credit ratings. In addition, derivative financial instruments are only transacted with counterparties that have signed an International Swaps and Derivatives Association Master Agreement with NTTC.

The credit risk arising from funds advanced to loan counterparties is considered minimal as loans are only advanced to counterparties within the Northern Territory public sector, as approved by the Treasurer. Accordingly, ultimate responsibility for loans advanced by NTTC lies with the Territory Government. The NTTC internal credit rating criteria is not applied to loan counterparties.

In the case of recognised financial assets, the carrying amount of the assets recorded in the statement of financial position represents NTTC's maximum exposure to credit risk.

Notes to the financial statements

For the year ended 30 June 2025

20. Financial instruments and risk management (continued)

Liquidity risk

Liquidity risk is the risk of financial loss or increased costs due to unanticipated events or errors in cash flow forecasts, which result in additional borrowing costs, reduced investment income, or an inability to meet financial or operational commitments as they fall due. NTTC's exposure to liquidity risk may arise due to inadequate or inaccurate communication of actual cash flows, and the need to fund unanticipated operating cash requirements when an insufficient cash balance forces NTTC to liquidate investments or utilise backup funding facilities at higher costs.

NTTC seeks to ensure adequate cash reserves or funding sources are available at all times to meet its short-term commitments as they arise.

NTTC's approach in minimising liquidity risk involves diversification of physical borrowing and investment activities across the maturity spectrum and utilising a variety of funding sources to meet NTTC's requirements.

In addition, NTTC at all times maintains:

- minimum cash balances
- a committed overdraft facility
- an uncommitted short-term borrowing program through NTTC's promissory note facility
- a diverse list of counterparties
- its borrowing exposures in a manner that avoids undue reliance on any one counterparty.

Funding risk

Funding risk refers to the medium to long-term risk that NTTC may be unable to raise funds when required or at a cost substantially higher than could be achieved under normal market conditions. Funding risk typically relates to periods greater than one year, whereas liquidity risk relates to periods less than one year. The objective of funding risk management is to ensure NTTC is not exposed to a significant refinancing risk in any financial year.

NTTC's approach to minimising funding risk involves diversification of physical borrowing and investment activities across the maturity spectrum and utilising a variety of funding sources to meet its requirements.

NTTC has limited funding risk as the Territory Government supports the financial viability of NTTC under section 20 of the NTTC Act. Such a government guarantee is believed to be sufficient to allow NTTC to issue debt at competitive rates under normal market conditions.

NTTC's current funding sources are as follows:

- wholesale market:
 - fixed interest securities
 - floating rate notes
 - promissory notes
- retail market:
 - Territory Bonds
 - Migration Linked Bonds.

Notes to the financial statements

For the year ended 30 June 2025

20. Financial instruments and risk management (continued)

Wholesale market issues account for about \$11.59 billion (2024: \$10.17 billion) or 94% (2024: 93%) of all outstanding issued debt at 30 June 2025. Borrowing from the retail market is primarily sourced through the Territory Bonds program. NTTC constantly monitors credit markets and maintains key investor relationships to ensure there is sufficient diversification of available funding sources.

	2024-25	2023-24
Territory Bonds at 30 June		
Number of investors	1 293	1 585
Bonds on issue (\$000)	590 180	640 971
Average investment size (\$000)	456	404

(i) Maturity analysis

The following tables detail the maturity analysis of NTTC's financial instruments including deposits held, loans and borrowings. The maturity analysis for loans is based on expected timing of receipts. The maturity analysis for domestic borrowings is based on the earliest possible date on which NTTC can be required to pay.

The tables are based on undiscounted cash flows and hence include both interest and principal cash flows. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected cash flows as illustrated by the yield curves existing at leave balance date.

30 June 2025	At call	0 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Loans:						
General government agencies						
Fixed rate loans		126 474	941 001	4 370 196	8 213 727	13 651 398
Credit foncier loans		3 362	10 703	42 741	32 770	89 576
Government owned corporations						
Fixed rate loans		264 683	284 831	1 236 794	321 189	2 107 497
Government business divisions						
Fixed rate loans		893	17 386	50 696		68 975
Credit foncier loans		2 542	7 626	40 671	10 168	61 007
TOTAL FINANCIAL ASSETS		397 954	1 261 547	5 741 099	8 577 853	15 978 453
Deposits held	454					454
Borrowings due to other financial institutions:						
Wholesale market						
Fixed interest securities		95 969	1 017 012	4 721 207	9 879 750	15 713 938
Retail market						
Territory Bonds		69	233 832	401 577		635 478
Commonwealth						
Credit foncier loans			17 038	62 849	133 692	213 579
TOTAL FINANCIAL LIABILITIES	454	96 038	1 267 882	5 185 633	10 013 442	16 563 449

Notes to the financial statements

For the year ended 30 June 2025

20. Financial instruments and risk management (continued)

30 June 2024	At call	0 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Loans:						
General government agencies						
Fixed rate loans		80 687	750 982	3 947 622	6 610 278	11 389 569
Credit foncier loans		3 362	10 710	47 252	42 324	103 648
Government owned corporations						
Fixed rate loans		82 363	267 385	1 380 915	114 766	1 845 429
Government business divisions						
Fixed rate loans		10 775	16 576	32 223		59 574
Credit foncier loans		2 542	7 626	40 671	20 336	71 175
TOTAL FINANCIAL ASSETS		179 729	1 053 279	5 448 683	6 787 704	13 469 395
Deposits held	779					779
Borrowings due to other financial institutions:						
Wholesale market						
Fixed interest securities		81 540	815 640	4 214 745	8 196 420	13 308 345
Retail market						
Territory Bonds		63	267 238	402 103		669 404
Commonwealth						
Credit foncier loans			17 045	65 494	148 085	230 624
TOTAL FINANCIAL LIABILITIES	779	81 603	1 099 923	4 682 342	8 344 505	14 209 152

21. Fair values of financial instruments

AASB 7 requires NTTC to provide fair value information through supplementary disclosures for any financial assets or financial liabilities not measured at fair value in its statement of financial position.

Fair values of financial instruments are determined on the following basis:

- The fair value of cash and non-interest-bearing monetary financial assets and liabilities approximate their carrying value, which is defined as their amortised cost.
- The fair value of other monetary financial assets is based on discounting the expected future cash flows by applying current market yields. Current market yields used for valuing loans to counterparties, excluding loans to government agencies, are determined with reference to the Refinitiv Eikon Australian dollar interest rate swaps plus a margin. Market yields used for valuing loans to government agencies are derived from current market interest rates for debt securities issued by NTTC plus a margin. The market yields are then used to discount the expected future cash flows arising from the financial assets to their present value. The margins applied to the current market yields on NTTC's loans take into account credit quality and liquidity considerations.

Notes to the financial statements

For the year ended 30 June 2025

21. Fair values of financial instruments (continued)

- The fair value of other monetary financial liabilities is determined using valuation models, whereby appropriate direct market inputs are used to benchmark, extrapolate or otherwise derive a fair value on the instrument's risk characteristics and correlations. The market rates are then used to discount the expected future cash flows arising from the financial liabilities to their present value.
- The fair values of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument.

The fair values represent NTTC's best estimate of the replacement cost of financial transactions undertaken by the entity. NTTC concedes that in its estimation of fair value there is an element of subjectivity involved in the calculations, given NTTC's financial assets and liabilities are not readily priced or frequently traded in financial markets.

The carrying value of all other assets and liabilities not recorded at fair value approximates fair value.

The following table presents financial assets and liabilities measured at fair value for disclosure purposes in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the degree to which the fair value is observable:

- level 1 – derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- level 2 – derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
- level 3 – derived from valuation techniques that include inputs for the asset or liability not based on observable market data (unobservable inputs).

The fair value of loans and domestic borrowings not recorded at fair value is as follows:

	Total carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
30 June 2025	\$000	\$000	\$000	\$000	\$000
Loans:					
Fixed rate loans	12 113 200		11 506 510		11 506 510
Credit foncier loans	107 798		112 807		112 807
TOTAL FINANCIAL ASSETS	12 220 998		11 619 317		11 619 317
Borrowings and advances:					
Wholesale	11 593 979		11 077 090		11 077 090
Retail	590 180		596 585		596 585
Commonwealth	147 015		140 183		140 183
TOTAL FINANCIAL LIABILITIES	12 331 174		11 813 858		11 813 858

Notes to the financial statements

For the year ended 30 June 2025

21. Fair values of financial instruments (continued)

	Total carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
30 June 2024	\$000	\$000	\$000	\$000	\$000
Loans:					
Fixed rate loans	10 591 700		9 700 278		9 700 278
Credit foncier loans	122 596		126 156		126 156
TOTAL FINANCIAL ASSETS	10 714 296		9 826 434		9 826 434
Borrowings and advances:					
Wholesale	10 169 597		9 356 824		9 356 824
Retail	640 971		622 388		622 388
Commonwealth	156 832		147 731		147 731
TOTAL FINANCIAL LIABILITIES	10 967 400		10 126 944		10 126 944

22. Related parties

a) Related parties

NTTC is a government administrative entity and is wholly owned and controlled by the Territory Government. Under section 5 of the NTTC Act, NTTC is subject to the direction of the Treasurer. NTTC is a government business division and an administrative unit of the DTF. Under the NTTC Act, the Under Treasurer of DTF is designated as the office holder, the corporation sole, and as such represents the Crown in right of the Territory.

Related parties of NTTC include:

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

b) Key management personnel

KMP of NTTC are those persons having authority and responsibility for planning, directing and controlling the activities of NTTC. The following people have been identified as KMPs for NTTC:

- the Treasurer
- Under Treasurer
- two Deputy Under Treasurers
- Executive Director (Revenue)
- NTTC General Manager.

Notes to the financial statements

For the year ended 30 June 2025

22. Related parties (continued)

c) Remuneration of key management personnel

The detail below excludes the salaries and other benefits of the Treasurer as the minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's Annual Financial Statements. NTTC does not make any direct payments to the Under Treasurer, Deputy Under Treasurers or the Executive Director (Revenue), whose remunerations and allowances are payable by DTF and therefore also excluded. The aggregate compensation of KMP of NTTC is as follows:

	2024-25	2023-24
	\$000	\$000
Short-term benefits ¹	88	215
Long-term benefits ²	135	
Post-employee benefits ³	25	28
Termination benefits		
TOTAL	248	243

1 Includes salary, paid leave and motor vehicle benefits.

2 Long service leave paid by CHA.

3 Includes superannuation contributions paid by NTTC.

d) Related-party transactions – Territory Government-controlled entities

Transactions with related parties during the year include:

- loans, loan repayments and associated interest from public sector entities (refer notes 4 and 12)
- interest on investment of cash surpluses (refer notes 4 and 12)
- management fees for services provided to government agencies (refer Note 5)
- payment for services provided by government agencies (refer Note 7)
- tax payments made to DTF (refer Note 8)
- dividend payments made to CHA (refer Note 15).

The above transactions were in the normal course of business and on commercial terms and conditions. Outstanding balances with related parties are discussed throughout the financial statements.

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

	2024-25	2023-24
	\$000	\$000
Receipts from related parties	548 137	514 847
Payments to related parties	1 618 843	1 461 888

Notes to the financial statements

For the year ended 30 June 2025

23. Auditor and review services

	2024-25	2023-24
	\$000	\$000
External audit – Northern Territory Auditor-General's Office		
Audit and review of financial statements	114	94
Internal audit – KPMG		
Internal audit	100	69
TOTAL	214	163

24. Fees and commissions

NTTC currently has commission and maintenance arrangements with the following service providers:

	2024-25	2023-24
	\$000	\$000
Link Market Services Pty Ltd	114	115
FIS Asia Pacific Inc	320	163
Austraclear Ltd	260	216
Refinitiv Australia Pty Ltd	41	39

25. Fiduciary activities

NTTC acts as manager of CHA's investments portfolio. Any associated assets and liabilities are not recognised in these financial statements. Management fees generated in carrying out these activities are included in the statement of comprehensive income. The aggregate income from fiduciary activities for the 2024-25 year was \$967,000 (2024: \$922,000).

At 30 June, CHA investment portfolio balances were:

	2024-25	2023-24
	\$000	\$000
Investment portfolio	162 500	575 000
Conditions of Service Reserve	1 453 006	1 315 415
TOTAL	1 615 506	1 890 415

Notes to the financial statements

For the year ended 30 June 2025

26. Advisory Board

The NTTC Advisory Board was established in October 1994. At 30 June 2025, Mr Tim McManus was the Under Treasurer and Chair of the Board, and the following people held the position of member:

Mr John R P Montague External Advisory Board member (until 24 April 2025)
Ms Clare Milikins External Advisory Board member
Dr Sarah Rummery DTF, Executive Director (Revenue)

During the year ended 30 June 2025 three advisory board meetings were held and only two members were entitled to receive Advisory Board sitting fees, amounting to \$36,340 (2024: \$39,644). Members who are employed under the *Public Sector Employment and Management Act 1993*, or on similar terms, are not entitled to fees.

	2024-25	2023-24
	\$000	\$000
Sitting fees	36	40
Superannuation	4	4
TOTAL	40	44

27. Segment information

NTTC acts predominantly in the finance industry, and lends funds and provides financial advice to the Territory Government, its government owned corporations and government business divisions, and local authorities. NTTC operates mainly in one geographical area, being the Northern Territory of Australia.

28. Events subsequent to reporting date

There were no subsequent events.