

Department of TREASURY AND FINANCE

ANNUAL REPORT 2025-26



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

In accordance with the provisions of the *Public Sector Employment and Management Act 1993* (PSEMA), I am pleased to submit the 2025-26 Annual Report on the activities and achievements of the Department of Treasury and Finance (DTF).

Pursuant to the PSEMA, *Financial Management Act 1995* (FMA) and Treasurer's Directions, I advise that to the best of my knowledge and belief:

- a) proper records of all transactions affecting DTF are kept and the employees under my control observe the provisions of the FMA, the Financial Management Regulations and Treasurer's Directions
- b) procedures within DTF afford proper internal control, and these procedures are recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the FMA
- c) there is no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records
- d) the internal audit capacity available to DTF is adequate and the results of internal audits have been reported to me
- e) the financial statements included in the annual report have been prepared from proper accounts and records, and are in accordance with Treasurer's Directions
- f) all Employment Instructions issued by the Commissioner for Public Employment have been satisfied.

In addition, in relation to items a), e) and f), the Chief Executive of the Department of Corporate and Digital Development (DCDD) advised that, to the best of her knowledge and belief, proper records were kept of transactions undertaken by DCDD on behalf of DTF, and the employees of DCDD observed the provisions of the FMA, the Financial Management Regulations, Treasurer's Directions and Part 9 of the *Information Act 2002*. The Chief Executive also advised that DCDD maintained a corporate governance model, service management frameworks and internal controls appropriate to the span of operations.

It is a requirement of the PSEMA that you table this report in the Legislative Assembly within six sitting days of receipt.

Yours sincerely



Tim McManus
Under Treasurer
30 September 2026

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Purpose of the report

The Department of Treasury and Finance (DTF) 2025-26 Annual Report has been prepared in accordance with the annual reporting requirements specified in section 28 of the *Public Sector Employment and Management Act 1993* (PSEMA), and sections 11 and 13 of the *Financial Management Act 1995* (FMA). Its primary purpose is to report to the Treasurer on DTF's performance in 2025-26 against approved budget outputs and performance measures. Other stakeholders include government, the community, government agencies and DTF staff.

Pursuant to section 28 of PSEMA, DTF must present a report to the Treasurer on its operations within three months of the end of the financial year, and it must contain:

- functions and objectives of the agency
- legislation administered
- organisation overview, including the number of employees in each designation and any variation in these numbers since the last report
- operations, initiatives and achievements relating to planning, efficiency, effectiveness, performance and service delivery to the community
- measures taken to ensure public sector principles were upheld
- management training and staff development programs
- occupational health and safety programs
- financial statements prepared in accordance with sections 11 and 13 of the FMA.

Related annual reporting

The Northern Territory Treasury Corporation (NTTC) and Utilities Commission of the Northern Territory (Utilities Commission) produce their own annual reports in accordance with their governing legislation. Each associated entity forms part of DTF for administrative purposes and summary information of their functions is provided in 'The agency' section of this report. Staffing data provided in this report includes staff working in NTTC and the Utilities Commission, unless otherwise noted. Financial statements include the Utilities Commission as it is in DTF's output structure but not NTTC, which reports its financial outcomes in its own annual report.

The Commissioner of Superannuation reports annually on the operation and management of the government superannuation and pension schemes, which should be read in conjunction with this report and the DTF website, treasury.nt.gov.au.

THE AGENCY

DTF's primary role is to promote the fiscal sustainability and economic development of the Territory, and contribute to improved wellbeing of Territorians.





Under Treasurer's review

I am pleased to present the Department of Treasury and Finance's Annual Report for the year ended 30 June 2026.

Economic overview

In 2025-26 growth in the Territory economy was driven by the resumption of liquefied natural gas (LNG) exports from the Darwin LNG plant as the Barossa gas field entered production. As a result, the Territory's trade surplus widened by 39.4% to \$13.1 billion in 2025-26.

In challenging circumstances, the Territory experienced severe flooding in early 2026, with many parts of the Top End reporting the highest wet season rainfall on record. The Territory Government's response to this weather event is ongoing, with significant damage to business, household, community and public infrastructure requiring remediation.

The Middle East conflict presented an additional challenge and drove fuel prices and inflation higher from early March, putting upward pressure on interest rates, household finances and cash flows for business. Risks for tourism, transport and logistics, agriculture, construction and mining were outlined in the 2026-27 Budget. Excise tax cuts by the Commonwealth and Territory governments, and negotiations to secure fuel supply reduced the economic impact for the Territory, with oil prices and inflation below budget estimates.

Despite these headwinds, Territory household spending remained resilient, supported by strong population and employment growth. Following completion of the \$6 billion Barossa field construction, private investment retracted from these levels in 2025-26. Public investment also eased as major projects near completion.

The Territory experienced some positive consequences from the Middle East conflict as increased energy prices pushed up demand for alternative energy sources, including LNG from the Territory. These factors bolstered the contribution of LNG exports to growth,

increasing the Territory trade surplus. A resumption of exports from the Darwin LNG plant increased Territory exports by 16%.

The labour market remained resilient during the year, with employment increasing by 2.1%, and unemployment averaging 4.6%, below the 10-year average of 5.1%. Population growth reached 1.6% in the year ending December 2025, supported by strong overseas migration, natural increase and a smaller net loss from interstate migration. Inflation increased to 3.8% in the year ending June 2026, the second lowest among all jurisdictions.

Inflation is expected to remain above the Reserve Bank of Australia's target range in the near term due to higher fuel and transport costs, presenting upside risks to interest rates before easing over the forward estimates.

The Territory is transitioning to new sources of growth with investment in the Beetaloo Sub-basin, critical minerals, gold mining, agriculture and data centre projects, all expected to underpin private investment in the Territory economy. Heightened global uncertainty due to the Middle East conflict and associated volatility in Asian energy markets is expected to support the Territory as an attractive investment destination over the medium term. The Territory's reputation as strongly supporting private investment and a history as a reliable energy and minerals supplier will underpin future growth across the Territory.

Fiscal overview

The 2025-26 year was characterised by significant external shocks that influenced both fiscal performance and the 2026-27 Budget development. The Territory experienced five

severe weather events including the effects of tropical cyclones Fina and Narelle, and floods in Central Australia and Big Rivers regions.

These events caused substantial damage to housing, roads and community infrastructure, and required emergency response and recovery funding. In parallel, geopolitical instability and disruptions to global energy markets drove unprecedented increases in fuel and fuel-reliant industries, elevating pressures in the Territory's capital works program, delivery of services and remote power generation. Both presented distinct challenges, introduced risks of increased cost pressures, and heightened uncertainty regarding the Territory's fiscal outlook.

Despite these challenges, the 2026-27 Budget presented an improved debt growth trajectory and declining fiscal balance deficits following higher GST, and taxation and royalty revenue forecasts. This is partly offset by new policy commitments aimed at reducing crime, rebuilding the economy and restoring the Territory lifestyle.

The financial outcomes reported in the 2025-26 Treasurer's Annual Financial Report (TAFR) were largely in line with budget forecasts, however they were influenced by significant offsetting variations. These include substantial unbudgeted disaster-related expenditure that could not be quantified at the time the budget was prepared, largely offset by higher than expected mining royalty revenue, driven by continued strength in commodity prices and production.

Agency overview

In 2025-26, DTF continued to provide policy advice on major projects, fiscal management, Commonwealth funding, own-source revenue, the economy, statistical reporting, economic initiatives and superannuation.

Our work assisted government with resource allocation decisions and financial management strategies. The work of the Standing Committee on Rebuilding the Economy has continued to lead whole of government coordination and drive delivery, in line with the *Rebuilding the Economy: Northern Territory Economic Strategy 2025* and in partnership with Department of the Chief Minister and Cabinet (CMC).

DTF continued to provide high-level economic policy advice on Territory investment.

DTF continued to support the growth of the Territory through promoting first home ownership and new home builds by administering the HomeGrown Territory grant program. The *Payroll Tax Act 2009* amendment that took effect on 1 July 2025 raised the tax free threshold to \$2.5 million and exempted apprentice and trainee wages. This has been successful in supporting local small businesses and encouraging investment in apprentice and trainee positions across the Territory. The Territory now has the highest tax-free threshold of all the states and territories.

During 2025-26, DTF provided cross-government support in national funding negotiations through the Council on Federal Financial Relations, Board of Treasurers, and cross-portfolio negotiation groups. Significant outcomes included resolving negotiations for a new five-year National Health Reform Agreement and National Agreement on Foundational Supports in early 2026.

DTF recognises the strength of its achievements is driven by its people. In August 2025, the Territory Government issued the biennial People Matter Survey. Results indicated that DTF continues to maintain a strong, respectful and inclusive workplace culture, with notable improvements in employee engagement and perceptions of leadership. Results demonstrated strong organisational performance and highlight opportunities to implement improvements to provide high quality service to Territorians.

Overall, the year demonstrated the agency's ability to respond to unexpected challenges while maintaining fiscal discipline, strengthening revenue performance and positioning the Territory for future growth and recovery.

I would like to thank DTF's hard working staff who continue to innovate and contribute to the important work DTF does to support government's priorities.

Tim McManus
Under Treasurer

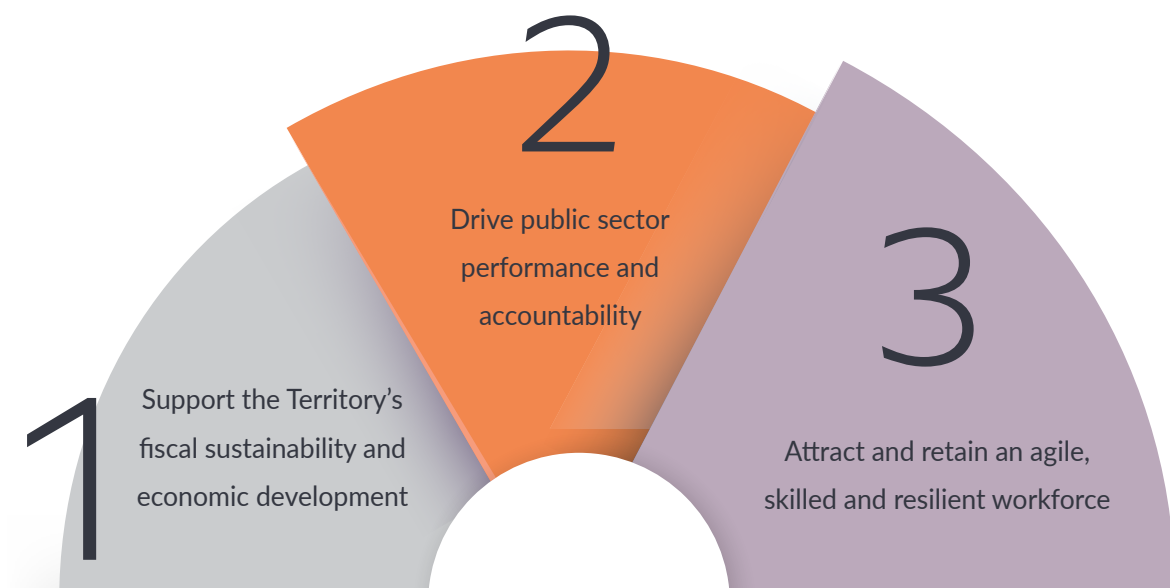
Our strategy

The 2026–2028 Strategic Corporate Plan commenced during 2025-26. Key actions and measures for 2025-26 were based on DTF's strategic focus, building on the achievements outlined later in this report.

Key actions for 2025-26 were implemented throughout the year, with performance monitoring undertaken by the Senior Management Group (SMG) and reported to staff.

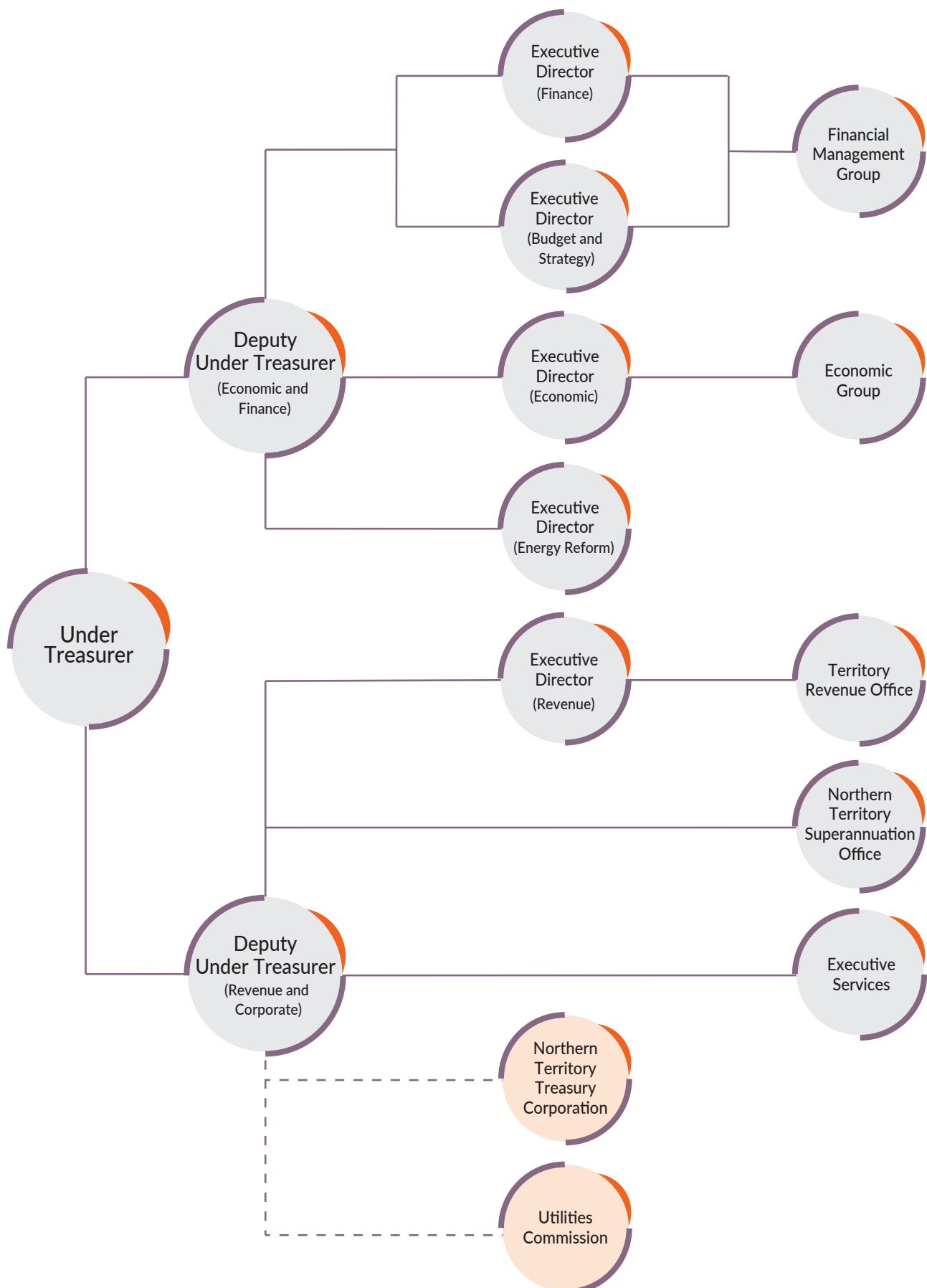
The Strategic Corporate Plan is published on the DTF website, treasury.nt.gov.au.

2026–2028 strategic goals:



Organisation

At 30 June 2026



Functions of the agency

The functions of DTF are provided through five business areas – Economic Group, Financial Management Group, Territory Revenue Office (TRO), Executive Services and the Northern Territory Superannuation Office.

Economic Group

- Provides comprehensive economic, commercial and risk management advice to government and other agencies on major projects, initiatives and policies.
- Undertakes economic analysis and provides economic policy advice to government and other agencies.
- Publishes information on economic and demographic trends that affect the Territory to inform government and investors in decision-making, and provides leadership to agencies in statistical analysis and its use in public policy design.
- Advises on the performance and governance of the Territory government owned corporations and the Motor Accident Compensation Commission (MACC) and the MAC Fund.
- Undertakes GST revenue modelling and forecasting to inform budget development and decision-making.
- Manages Territory input to major national economic inquiries and reviews to represent the Territory's best interests, unique needs and perspectives in national forums.
- Manages the government pricing framework to ensure a consistent approach to user-charging arrangements.
- Guides consideration of appropriate governance structures to ensure government's investments are managed efficiently and effectively to deliver government objectives.

Financial Management Group

- Manages and coordinates the Territory budget process, administers and meets reporting obligations as prescribed in the FMA and the *Fiscal Integrity and Transparency Act 2001* (FITA), and oversees developing, monitoring and reporting on the Territory's fiscal strategy.
- Maintains the Territory's financial management and accountability framework, including providing advice on compliance with the framework and Australian accounting standards, and providing financial leadership to agencies in the Northern Territory Public Sector (NTPS).
- Analyses and provides advice on whole of government resource issues, including major government projects and initiatives with funding implications, to support achievement of key fiscal targets.
- Works with agencies on intergovernmental funding processes and agreements to secure the best possible outcomes for the Territory.
- Manages submissions and data returns to the Commonwealth Grants Commission (CGC) to advocate for the Territory's fair share of untied GST revenue.
- Monitors whole of government and agencies' financial performance.
- Develops and monitors the Territory's infrastructure program from a whole of government perspective.
- Manages the Central Holding Authority (CHA) and provides financial services to the NTTC and NTSO.
- Coordinates and monitors whole of government program evaluation activity, promotes the use of evaluation and evidence to inform policy development, and supports agencies to build their capability in this area.

Territory Revenue Office

- Responsible for the Territory's own-source tax and royalty revenue administration, collection and legislation.
- Provides advice and develops policy initiatives for own-source taxes, and mineral and petroleum royalties.
- Provides information and guidance to assist tax and royalty payers with compliance.
- Reduces risk to the Territory's revenue collections by promoting compliance through monitoring, data matching and audit activity.
- Provides advice and develops policy initiatives for home incentive schemes and grants including measures that support first home ownership and new home construction.
- Administers home incentive schemes and grants, including the HomeGrown Territory grant program and associated legislation, and undertakes compliance activities.
- Undertakes revenue modelling and forecasting to inform budget development and decision-making.
- Independently reviews and determines tax and royalty payer objections, and manages any appeal process.
- Works collaboratively with the Department of Tourism and Hospitality to develop and manage the operating agreements and tax settings for casinos, lottery operators, sports bookmakers and other gaming entities.

Executive Services

- Provides secretariat and executive support, including central coordination and liaison between the Treasurer's Office, ministers, Cabinet Office, Legislative Assembly and other government agencies, on Cabinet and ministerial business.
- Implements DTF's corporate governance framework and supports, and monitors work health and safety (WHS) policies.
- Provides corporate communications and publishing services for the agency.
- Works closely with DTF's shared services providers, the CMC and DCDD, to achieve agency objectives.

Northern Territory Superannuation Office

- Provides superannuation services and expert advice to the Commissioner for Public Employment and various agencies to enable government to meet its superannuation obligations.
- Responsible for NTPS superannuation policy and administration, as well as legislation for a range of defined benefit superannuation and pension schemes.
- Provides services to members of various superannuation and pension schemes.
- Administers and makes superannuation and pension benefit payments.

Associated entities

Under the Administrative Arrangements Order, DTF is responsible for providing resources and assistance to support two independent entities to carry out their responsibilities: NTTC and the Utilities Commission. Both prepare their own annual reports to the Treasurer, which are tabled in parliament in accordance with their establishing legislation.

Northern Territory Treasury Corporation

NTTC is a government business division and central financing authority that borrows, lends and invests funds on behalf of the Territory. Its functions include:

- implementing the approved annual borrowing program to achieve government's funding objectives
- investing surplus short-term cash balances of government accounts
- providing loans to government, agencies, government owned corporations and, in certain circumstances, local governing authorities.

For further information about NTTC, please visit treasury.nt.gov.au/dtf/nttc.

Utilities Commission

The Utilities Commission is the independent economic regulator for the Territory, regulating the electricity supply, water supply, sewerage services and ports industries. With respect to these regulated industries, the Utilities Commission:

- regulates pricing and access
- performs licensing functions
- develops, monitors and enforces compliance with, and promotes improvement in, standards and conditions of service and supply
- develops and monitors the operation of codes and rules relating to the conduct or operations of a regulated industry or licensed entities
- investigates complaints relating to the conduct or operations of licensed entities
- assists consumers and other stakeholders with information
- provides ministerial briefings as requested on any matter referred by the minister.

The Utilities Commission is included in DTF's output structure for administrative purposes only.

For more information about the Utilities Commission, please visit utilicom.nt.gov.au.



OUR PERFORMANCE

This chapter reports DTF's achievements in 2025-26 and priorities for 2026-27 in relation to our strategic goals, as well as output performance against planned outcomes for 2025-26.

DTF's financial responsibilities include preparing both our own financial statements as well as those of CHA, reflecting the department's whole of government responsibilities.



Achievements in 2025-26

Goal 1: Support the Territory's fiscal sustainability and economic development

Achievements:

- Delivered targeted electricity pricing reforms that support affordability and fiscal sustainability, including implementing the peak feed-in and time-of-use tariffs, which provide clear price signals to electricity users and flexibility in how customers can manage power bills.
- Advanced water supply and sewerage regulatory reforms to strengthen oversight of providers and outcomes for consumers.
- Attained full compliance with financial reporting and disclosure obligations, as specified in the FITA and FMA, including the 2024-25 TAFR, Treasurer's quarterly financial reports, 2025-26 Mid-Year Report and 2026-27 Budget.
- Achieved an unmodified audit opinion on the financial statements of each sector of government, as reported in the 2024-25 TAFR.
- Administered government's defined benefit schemes, including paying \$129 million in lump-sum superannuation and invalidity benefits to 932 beneficiaries, and assisted in ensuring government meets its superannuation guarantee obligations.
- Provided expert advice and assistance to DCDD on implementing Payday Super.
- Assisted the Office of the Commissioner for Public Employment (OCPE) and other agencies to ensure government meets its superannuation obligations.
- Continued collaborating with DCDD on developing a new revenue management system to meet contemporary business needs and reduce red tape for taxpayers.
- Introduced amendments to the *Payroll Tax Act 2009* to apply a higher payroll tax rate of 6.5% for employers and members of payroll tax groups with Australia-wide wages of \$100 million or more.
- Implemented extensions to the new housing grants under the HomeGrown Territory grant program to 30 September 2027.
- In conjunction with financial institutions, approved 733 HomeGrown grants – 591 first home owner grants and 142 FreshStart new home grants.
- Developed and implemented the Direct Market Dealings Policy, establishing a clear and transparent framework for considering commercial proposals that deliver infrastructure, services and economic benefits for the Territory.
- Completed a triennial review of compensation contributions under the MAC Scheme.
- Continued to provide advice to government on major commercial projects.
- Collaborated with the Department of Mining and Energy (DME) to design the Territory electricity market reforms implemented through the *Electricity Legislation Amendment (Market Reform) Act 2025* and *Electricity System and Market Operator Act 2025*.
- Commenced implementing the restructure of the Power and Water Corporation (PWC) Gas Services Business Unit to strengthen operation of the gas market, regulatory and commercial functions, and support delivery of the Territory's gas industry development objectives.

Goal 2: Drive public sector performance and accountability

Achievements:

- Chaired the Standing Committee on Rebuilding the Economy to lead whole of government coordination and drive delivery of government's *Rebuilding the Economy: Northern Territory Economic Strategy 2025*.
- Commenced a review of the Regulation Making Framework to improve the quality and transparency of regulatory impact assessments produced across government.
- Supported government, agencies and stakeholders to develop policies, proposals, regulatory reform options and budget strategies through the provision of expert economic, commercial, governance and financial advice.
- Expanded and strengthened DTF's role in advice and assistance to government and agencies on major investment projects and government contracts.
- Engaged with the Commonwealth and electricity retailers to deliver energy bill relief to small businesses and households in the Territory.
- In conjunction with DCDD, continued rollout and development of the Sage agency budget management system across government.
- Engaged with the Commonwealth Attorney-General's Department to prescribe in legislation scheme-specific family law valuation methods for two government defined benefit schemes.
- Developed and released a standardised chief finance officer (CFO) job description and CFO-specific job evaluation assessment tool to provide a consistent and contemporary approach to CFO classification across government agencies.
- Delivered a *Finance fundamentals for end of financial year* presentation, supported by templates and guidance materials, to strengthen agency end-of-year preparedness, improve audit-ready work papers and reconciliations, and enhance analytical review capabilities.
- Released a finance capability framework to establish consistent capability standards across NTPS finance roles, strengthen workforce planning and support development of a sustainable pipeline of skilled finance professionals.
- Collaborated with the Australian National University's School of Demography and Charles Darwin University's Northern Institute to review and modernise the population projection model.
- Developed and released a new Treasurer's Direction on grants and subsidies expenses to support government's budget repair strategy through strengthening policies and processes to improve effectiveness of government spending.
- Collaborated with agencies to identify key measures of success for government's three major strategies to reduce crime, rebuild the economy and restore the Territory lifestyle.
- Completed a review of the anti-money laundering and counter-terrorism financing program, including risk assessment and mitigation strategies for government's defined benefit schemes.

Goal 3: Attract and retain an agile, skilled and resilient workforce

Achievements:

- Developed DTF's 2026 Workforce Strategy, which includes promoting DTF as an employer of choice and raising awareness of early career pathways to high school and university students making decisions on their future careers.
- Continued succession planning, and improved cross-training and staff rotation opportunities at all levels to manage key-person risk.
- Continued to support our staff through financial assistance for relevant study, and paid and unpaid study leave.
- Continued to award academic excellence to Territory school high achievers for relevant subjects including economics, finance and business.
- Worked with DCDD to deliver human resources (HR), digital governance and IT priorities to ensure DTF has the right technology, systems and processes to meet its strategic objectives.
- Implemented new and relevant initiatives from DTF's 2025 People Matter Survey response.
- Continued work on DTF's Positive Duty Response Plan, in line with new obligations under the *Anti-Discrimination Act 1992*.
- Published five Ka-Ching newsletters to inform staff of key DTF projects and achievements.
- Utilised various communication channels to ensure staff understand their ethical responsibilities, generate a culture of integrity and accountability, and embed the right practices and attitudes in everyday processes and activities.
- Continued the DTF WHS Committee, with representatives from DCDD and CMC, to review and improve WHS policies and maintain a safe workplace.



Future priorities

Goal 1: Support the Territory's fiscal sustainability and economic development

Priorities:

- Continue to implement the government pricing framework, including providing guidance to agencies.
- Continue engagement with the Commonwealth to develop its National Competition Policy reform agenda and update the Territory's National Competition Policy jurisdiction-specific reform plan to detail the Territory's approach to implementation.
- Progress reform of the water supply and sewerage services economic regulatory framework, including strengthening regulation in major centres, and extending it to towns and communities across the Territory.
- Commence a major review of the Territory's financial management legislation.
- Advance procurement for the development of new modern correctional facilities in Darwin.
- Review and update the Territory's competitive neutrality policy and regulation-making framework, consistent with the National Competition Principles.
- Establish and administer the Territory red tape portal for individuals, businesses and community groups to provide feedback on unclear, outdated or costly government regulations and approval processes.
- Continue to progress the 10 whole of government recommendations arising from the Approvals Fast-Track Taskforce report.
- Continue to provide advice to government on significant commercial contracts and transactions.
- Work with DME and key stakeholders to design and implement further the Territory electricity market reforms, including establishing the Northern Territory Electricity System and Market Operator as a standalone entity, developing the Regulated Electricity System and Investment Plan, facilitating the transition to new market arrangements, and input to the design and implementation of the new market rules.
- Work with industry, government agencies and key stakeholders to ensure a reliable and competitive gas market, and support the Territory's economic development.

Goal 2: Drive public sector performance and accountability

Priorities:

- Continue to progress the regulatory reform program to improve certainty and reduce timeframes, including implementing recommendations from the *Saying 'Yes' to Business Final Report* as part of *Rebuilding the Economy: Northern Territory Economic Strategy 2025*.
- Implement an oversight framework to strengthen accountability and performance in delivering high-risk and high-value government contracts.
- Continue to monitor agency and whole of government financial performance in accordance with the Financial Management and Accountability Framework.
- Provide additional evidence and evaluation support across government to enhance the effective and efficient delivery of government priorities.

- In conjunction with DCDD, rollout a new reporting tool for agencies to effectively manage their cash requirements in real time and transition agencies to funded bank accounts as part of the new banking platform; revised whole of government cash management policies, procedures and a Treasurer's Direction; and assist agencies to adapt to the new approach.
- In consultation with agencies, commence a review of all Territory Government legislation and regulations to remove references to cheques and modernise payment-related provisions to reflect contemporary banking and payment practices.
- In consultation with DCDD, continue rollout and development of the Sage agency budget management system
- Review and contemporise the Treasurer's Direction on internal controls to strengthen internal audit and audit committee arrangements, and support improved governance, oversight and assurance practices across the NTPS.
- Prioritise the continued development and delivery of RevConnect to improve taxpayer experience and government engagement while reducing administrative burden.
- Collaborate with the Land Titles Office, DCDD and Department of Lands, Planning and Environment's Integrated Land Information System team to advance the transition to e-conveyancing and continue working with these stakeholders to implement it across the Territory.

Goal 3: Attract and retain an agile, skilled and resilient workforce

Priorities:

- Continue to monitor and implement actions to support the new Strategic Corporate Plan 2026–2028 to achieve goal key measures to align with government's future priorities.
- Revise DTF's workforce strategy plan to support delivery of its Strategic Corporate Plan and align to new directions and wider Territory Government policies.
- Strengthen succession planning and the professional development of staff to increase workforce capability including identifying and flagging critical priorities.
- Continue to ensure staff transition to myPerformance plans to improve management of staff planning and development.
- Provide artificial intelligence (AI) guidelines that address the risks related to the use of AI technology and how it can be used safely in the workplace.
- Maintain a staff retention rate of at least 80%.
- Expand on the training options available through external providers for employees' professional development.
- Review internal policies and procedures to ensure staff can operate in an efficient and organised manner.
- Continue to improve DTF's Positive Duty Response Plan.
- Continue to improve and modernise DTF's WHS manual and guidelines in line with a two-year review cycle.
- Develop the capability of the Superannuation Office staff by providing industry-accredited training.
- Progress a TRO knowledge management hub to improve access to information and resources.

Output performance

This section reports the agency's performance against planned outcomes as per the 2025-26 Budget Paper No. 3 *Agency Budget Statements*.

Output group	2025-26 Budget	2025-26 Actual	KPI met/ not met
Financial management			
Compliance with financial reporting and disclosure obligations, as specified in the FITA	100%	100%	Met
Unmodified audit opinion on the financial statements of each sector of government in the TAFR	Yes	Yes	Met
Maintain or improve the Territory's credit rating of Aa3 (stable)	Yes	Yes	Met
Ministerial advice provided within allotted timeframes ¹	≥ 80%	92%	Met
Satisfaction of the Treasurer with fiscal and strategic policy advice ²	≥ 5	≥ 5	Met
Maintain or improve the Territory's GST revenue-sharing relativities	≥ 5.15112	5.15112	Met
Economic			
Variation between key economic forecasts and actual outcomes ³	≤ 1ppt	≤ 0.3	Met
Contribution of the government owned corporations to government's fiscal balance	≥ - \$121M	- \$319M	Not met
Ministerial advice provided within allotted timeframes ¹	≥ 80%	80%	Met
Satisfaction of the Treasurer with strategic policy advice ²	≥ 5	≥ 5	Met
Territory revenue			
Variation between revenue forecast and actual outcome ⁴	≤ 5%	15.1%	Not met
Ministerial advice provided within allotted timeframes ¹	≥ 80%	83%	Met
Satisfaction of the Treasurer with revenue advice ²	≥ 5	≥ 5	Met
Overdue debt as a percentage of total revenue collected	< 1.70%	1.32%	Met
Territory taxation effort ⁵	≥ 90%	82.49%	Not met
Territory Revenue Office expenditure as a percentage of non-financial public sector taxes and royalties	< 1%	0.27%	Met
Superannuation			
Member statements issued within approved timeframes	100%	100%	Met
Satisfaction of the Treasurer with superannuation advice ²	≥ 5	≥ 5	Met
Unmodified audit opinion on superannuation reporting obligations	Yes	Yes	Met
Economic regulation			
Determinations, reports and approvals issued or published within statutory time frames	100%	100%	Met

FITA: *Fiscal Integrity and Transparency Act 2001*; ppt: percentage point; TAFR: *Treasurer's Annual Financial Report*

1 Refers to advice sought on correspondence to the Treasurer.

2 Measure ranges from a rating of 1 = extremely dissatisfied through to 6 = extremely satisfied.

3 Includes population, employment, unemployment, CPI and wage price index forecasts. Reference period is 2024-25 actual.

4 The variance is largely due to higher than expected mining royalties, with some additional revenue from conveyance duties.

5 Measure reflects the most recent year assessed by CGC compared to the states' average of 100%. While the Budget Paper No. 3 target was for Territory taxation effort to be ≥ 90% of the assessed effort of the states, the Fiscal Strategy Statement, in Budget Paper No. 2 *Budget Strategy and Outlook*, set a different target, which was for Territory taxation effort for the last assessed year by CGC to be equal or lower than the state average of 100%. This target has been achieved.

Financial performance

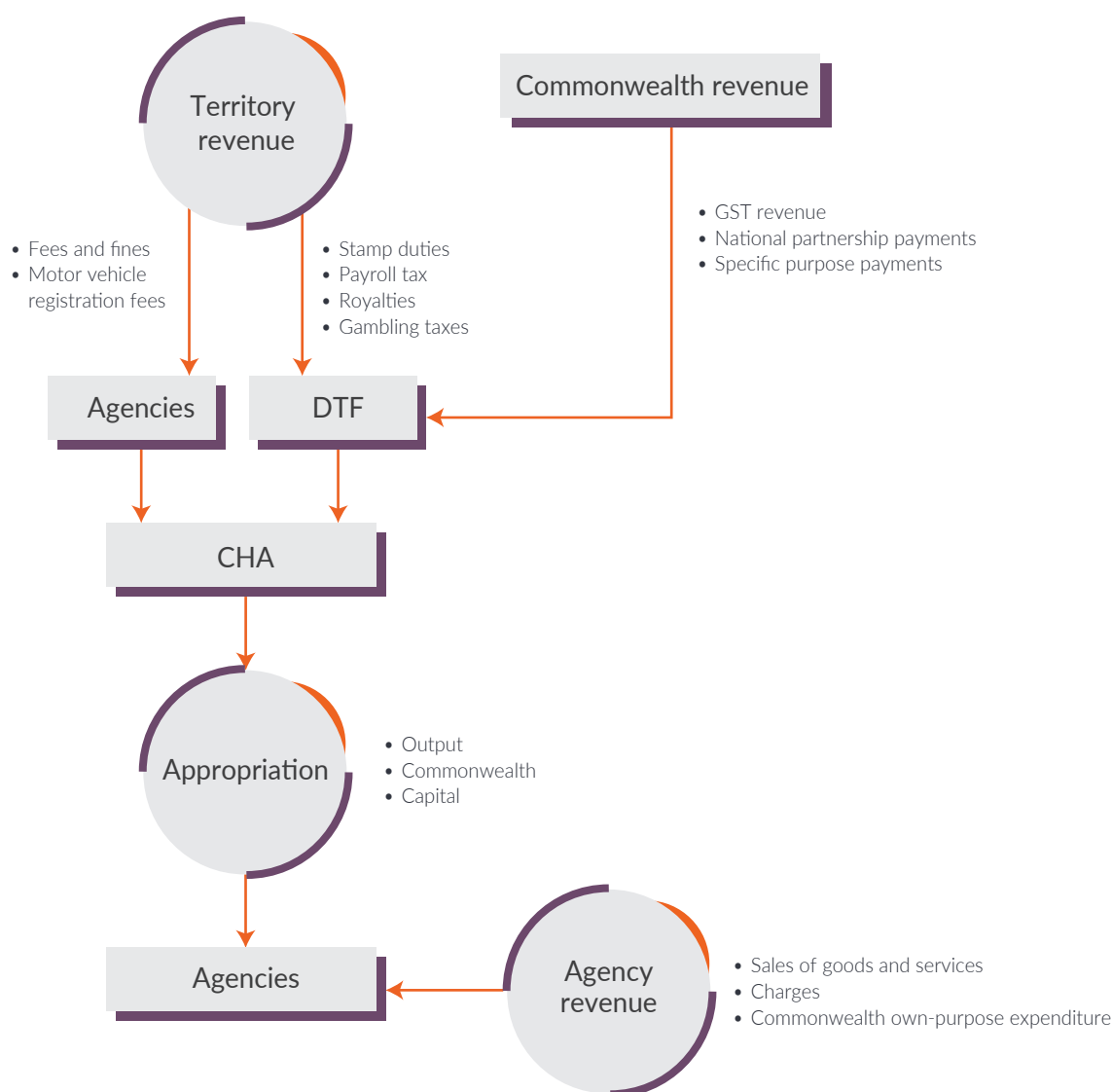
DTF manages two sets of financial statements: one for its own agency activities and one on behalf of the Territory (whole of government) including CHA. The two sets of accounts are closely inter-related, reflecting DTF's whole of government responsibilities.

CHA is a representation of the Territory Government and reflects government's overall financial position as it holds ownership interest in all government-controlled entities. It receives all the Territory's main types of income and distributes this to agencies to fund the delivery of core services.

Although DTF (CHA) is the major receiver of funds, given the breadth of Territory income, agencies are also delegated to manage and administer the collection of some income on behalf of government. These funds are then transferred to CHA for distribution to agencies as appropriation.

A diagram of the interaction between DTF, CHA and other government agencies is provided in Figure 1, with information on the financial performance of DTF and CHA provided later in this report.

Figure 1: Relationship between DTF, CHA and agencies



Department of Treasury and Finance

Overview

The primary role of DTF is to provide specialist fiscal, economic, commercial and revenue policy advice and services to government. Its transactions with the public are limited to collecting Territory revenue and providing home owner assistance. Its other key financial deliverable is providing community service obligation (CSO) payments on behalf of government.

This section summarises DTF's 2025-26 financial results and provides an assessment of actual performance compared with the final budget for 2025-26 and 2024-25 result.

Key 2025-26 financial results include:

- total revenue of \$237.8 million, \$8 million lower than the budget and \$9.9 million lower than 2024-25 (2024-25: \$247.6 million)
- total expenses of \$212.6 million, \$34.4 million lower than the budget and \$7.5 million lower than 2024-25 (2024-25: \$220.1 million)
- net surplus of \$25.2 million, reflecting the revenue and expense variations outlined above (2024-25: \$27.6 million surplus).

Comprehensive operating statement

The comprehensive operating statement presents the flow of income and expenditure through the year.

Table 1: Comprehensive operating statement overview

	2024-25 Actual	2025-26 Final budget	2025-26 Actual	Variation from final budget	Variation from 2024-25 actual
	\$000	\$000	\$000	\$000	\$000
Revenue					
Output appropriation	192 108	216 485	216 485		24 377
Commonwealth appropriation	28 739	21 154	13 860	- 7 294	- 14 879
Sales of goods and services	362	497	497		135
Goods and services received free of charge	6 520	7 432	6 472	- 960	- 48
Other income	19 901	200	438	238	- 19 463
Total revenue	247 630	245 768	237 752	- 8 016	- 9 878
Expenses					
Employee expenses	15 793	18 686	17 080	- 1 606	1 287
Administrative expenses	16 039	22 626	19 308	- 3 318	3 269
Grants and subsidies	188 233	205 676	176 194	- 29 482	-12 039
Interest expenses		9		- 9	
Total expenses	220 065	246 997	212 582	- 34 415	- 7 483
Net surplus/deficit (-)	27 565	- 1 229	25 170	26 399	- 2 395

Operating revenue

DTF's revenue mainly consists of output appropriation for non-discretionary expenses, including CSO payments made on behalf of government and home owner assistance programs. In 2025-26, DTF received \$216.5 million in output appropriation, representing 91% of total operating income of \$237.8 million.

Output appropriation increased by \$24.4 million from 2024-25. This was primarily due to increased funding for the regulated retail electricity CSO payments and the FreshStart home assistance grants.

Commonwealth appropriation in 2025-26 was \$13.9 million, reflecting the claim profile under the National Energy Bill Relief program.

Notional revenue of \$6.5 million for goods and services received free of charge from DCDD and other shared service providers is lower than the final budget of \$7.4 million by \$0.9 million (2024-25: \$6.5 million).

Other income decreased by \$19.5 million from 2024-25 mainly due to the recovery of unspent funding from PWC in 2024-25 relating to the ceased undergrounding power project.

Operating expenses

CSO payments, grants and subsidies accounted for 83% of expenditure, as shown in Figure 2. These payments are made on behalf of government and are non-discretionary.

DTF incurs most of its expenditure through the economic output group as the facilitator of CSOs, as illustrated in Figure 3. The economic output group also includes payment for the Territory's share of GST administration costs on behalf of government. The balance of DTF's budget relates to its own operations, mainly for employee and administrative expenses.

Key variations in operating expenses for 2025-26 compared to the final budget include:

- total grant and subsidy expenses of \$176.2 million, \$29.5 million lower than the 2025-26 final budget mainly due to lower CSO payments and National Energy Bill Relief payments
- total administrative expenses of \$19.3 million, \$3.3 million lower than the 2025-26 final budget mainly due to the timing of consulting expenses
- total employee expenses of \$17.1 million, \$1.6 million lower than the 2025-26 final budget due to lower than expected staffing and vacant positions.

Figure 2: 2025-26 Expenditure by type

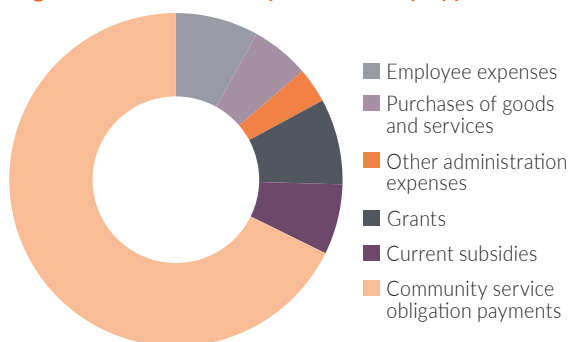
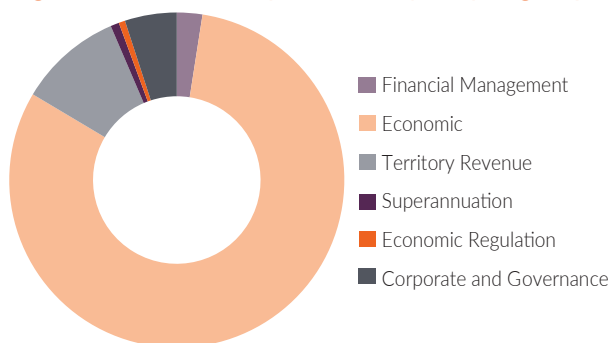


Figure 3: 2025-26 Expenditure by output group



Balance sheet

The balance sheet shows the agency's assets and liabilities at the end of the reporting period. Table 2 compares the net asset position for 2025-26 with 2024-25.

Cash and deposits increased from 2024-25 by \$37.4 million to \$44.2 million in 2025-26, reflecting the recovery of unspent funding of \$21 million relating to the ceased undergrounding power project from PWC and an improved cash balance.

The decrease in receivables of \$7.3 million in 2025-26 from 2024-25 mainly relates to the completion of the National Energy Bill Relief program.

Table 2: Balance sheet overview

	2024-25 Actual	2025-26 Actual	Variation from 2024-25 actual
	\$000	\$000	\$000
Assets			
Cash and deposits	6 843	44 223	37 380
Receivables	30 467	23 208	- 7 259
Advances and investments	25 000	25 000	
Property, plant and equipment	9	1	- 8
	62 319	92 432	30 113
<i>Less</i>			
Liabilities			
Payables and provisions	4 299	8 381	4 534
Net assets/equity	58 020	84 050	26 030



Central Holding Authority

Overview

As the parent financial entity of government, CHA does not transact directly with the public as do other government agencies. In contrast, it receives Commonwealth income, including GST revenue, national partnership and specific purpose payments, and Territory own-source revenue collected by other agencies on behalf of CHA. It then distributes this funding to agencies in the form of appropriations (see Figure 1 on page 18).

Key deliverables include:

- administering appropriation payments to agencies in accordance with the *Appropriation Act*
- maintaining government's investment portfolio
- managing government's borrowings
- recognising whole of government unfunded liabilities including liabilities for superannuation, long service leave, National Redress Scheme and workers compensation.

This section summarises the 2025-26 results and provides an assessment of actual performance compared to the final budget for 2025-26 and 2024-25 results. The final budget comprises the 2025-26 budget as published in the 2026-27 Budget papers in May 2026, plus all approved budget adjustments affecting 2025-26 since that publication.

Key financial results include:

- a net operating surplus of \$1 billion in 2025-26, \$167 million higher than the \$836 million surplus projected in the 2025-26 final budget and \$819 million higher than 2024-25
- net assets of \$6.17 billion, a \$942 million increase when compared to 2024-25 (see Table 4 on page 26).

The operating performance of CHA is driven by factors beyond its control, including fluctuations in GST and Territory taxation revenues, market conditions affecting investments and borrowings, and actuarial changes to the valuation of unfunded employee-related liabilities.

Comprehensive operating statement

Table 3: Comprehensive operating statement overview

	2024-25 Actual	2025-26 Final budget	2025-26 Actual	Variation from final budget	Variation from 2024-25 actual
	\$M	\$M	\$M	\$M	\$M
Revenue	7 425	8 629	8 745	117	1 320
Expenses	7 241	7 793	7 742	- 51	501
Net surplus/deficit (-)	184	836	1 003	167	819
Other comprehensive income	25		- 62	- 62	- 87
Comprehensive result	209	836	942	106	733

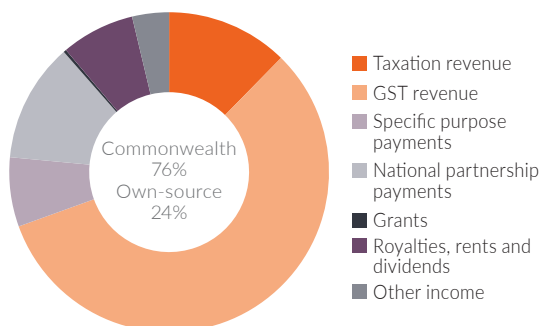
Operating revenue

The Territory continues to be heavily reliant on Commonwealth revenue, with GST revenue being the largest single transfer from the Commonwealth. GST revenue represents 57% of total CHA revenue, followed by tied Commonwealth revenue of 19%. The remaining 24% is Territory own-source revenue.

For 2025-26, CHA recorded total operating revenue of \$8.75 billion, \$117 million higher than projected in the 2025-26 final budget. Key variations include:

- higher royalty revenue of \$169 million, primarily driven by higher than expected growth in commodity prices
- increased interest revenue of \$36 million and investment gains of \$39 million, primarily reflecting improved returns on short-term deposits, cash balances and stronger performance of Conditions of Service Reserve (COSR) investments amid favorable market conditions
- higher GST revenue of \$30 million primarily due to actual receipts being based on updated Commonwealth GST forecasts released on the same day as the Territory budget
- increased taxation revenue of \$21 million predominantly due to higher stamp duty on conveyances driven by unexpected large commercial property transactions
- partially offset by lower national partnership revenue of \$149 million, largely reflecting revised timing of Commonwealth-funded community services programs, remote and social housing, and major infrastructure programs, including the National Water Grid Fund, Nation Building Program and Rum Jungle mine rehabilitation, with revenue now expected to be recognised in 2026-27 and future years as funding milestones are achieved
- lower capital grants revenue of \$28 million, largely reflecting revised timing of Commonwealth-funded roads projects, with revenue now expected to be recognised in 2026-27 and future years as funding milestones are achieved.

Figure 4: CHA – revenue by source for 2025-26



When compared to the 2024-25 actual result, total operating revenue increased by \$1.32 billion. Key variations include:

- an increase in GST revenue of \$710 million, reflecting an increase in the Territory's GST relativity, upward revisions to forecast growth in the national GST collections pool and the Territory's share of national population, combined with a favorable balancing adjustment of \$148 million in 2025-26, compared with a \$31 million decrease in 2024-25
- additional royalties of \$243 million primarily due to higher than anticipated royalty revenue following revised estimations from miners and higher than expected growth in commodity prices
- increased tied Commonwealth revenue of \$204 million, primarily driven by higher funding for education and skills initiatives, including Better and Fairer Schools Agreement and National Skills Agreement, combined with increased funding for remote housing, roads and infrastructure projects, and the Rum Jungle rehabilitation project
- increased taxation revenue of \$121 million, primarily due to:
 - higher stamp duty on conveyances of \$75 million, driven by several large commercial property transactions and stronger than expected growth in residential property prices
 - higher taxes on gambling of \$32 million, reflecting policy changes effective from 1 July 2025 including the introduction of a uniform 50% tax rate for internet gaming licenses and an increase in the tax cap for corporate bookmakers and betting exchanges
 - increased taxes on employers of \$13 million primarily due to stronger than expected private sector wages and employment outcomes
- increased dividend income of \$32 million, reflecting improved financial profitability of government trading entities.

Operating expenses

CHA's largest expense relates to appropriations paid to agencies to deliver government services in accordance with the *Appropriation Act*. Other expenses reflect direct costs associated with workers' compensation, borrowings and unfunded employee liabilities.

For 2025-26, CHA recorded total operating expenses of \$7.74 billion, \$51 million lower than projected in the 2025-26 final budget. Key variations include:

- lower than anticipated national partnership and specific purpose payments of \$98 million from the Commonwealth, passed on to agencies in line with revised milestone payments for various projects
- partially offset by higher whole of government employee-related expenses, including increased workers compensation costs of \$55 million and long service leave expenses of \$13 million, driven by annual actuarial adjustments and the flow-on effects of changes in workers compensation eligibility and claim patterns
- partially offset by lower superannuation expenses of \$19 million due to annual actuarial adjustments and lower accruing costs.



When compared to the 2024-25 actual results, total operating expenses increased by \$501 million. Key variations include:

- increased output appropriation payments of \$363 million made to agencies to fund government's new operating commitments
- higher national partnership and specific purpose payments of \$84 million from the Commonwealth, passed on to agencies in line with new and revised project milestones for various projects
- higher interest expenses of \$63 million in line with new borrowing requirements for the Territory Government
- increased accruing costs for workers compensation expense of \$38 million due to annual actuarial adjustments and the flow-on effects of changes in workers compensation eligibility and claim patterns
- partially offset by lower superannuation expenses of \$20 million due to annual actuarial adjustments and lower accruing costs
- lower administrative expenses of \$13 million, reflecting lower doubtful debt expenses in 2025-26 for taxes receivable when compared to 2024-25
- lower grants and subsidy expenses of \$10 million, largely reflecting annual actuarial adjustments for the National Redress Scheme.

Other comprehensive income

Items included in other comprehensive income represent non-cash movements to the volume or value of assets or liabilities that do not result from a transaction.

For 2025-26, CHA recorded a deficit of \$62 million in total other comprehensive income, reflecting movements in bond rates and actuarial assumptions used to value employee liabilities in accordance with accounting standards.

When compared to 2024-25, the \$87 million variation reflects volatility in bond rates and actuarial assumptions between years affecting the valuation of employee-related liabilities.

Balance sheet

Table 4 compares the net asset position for 2025-26 with 2024-25. Net assets increased by \$942 million from \$5.23 billion in 2024-25 to \$6.17 billion in 2025-26. This increase was driven by a \$2.26 billion increase in total assets, partially offset by a \$1.32 billion increase in total liabilities.

The increase in total assets of \$2.26 billion since 2024-25 reflects:

- increased investment in government entities of \$1.6 billion
- higher receivables of \$277 million, primarily reflecting increases in royalties and dividends receivable (\$113 million), accrued revenue for Commonwealth-funded projects (\$119 million) and taxes receivable (\$41 million)
- higher investments of \$259 million due to revaluation gains in the COSR combined with increased short-term deposits and fixed-interest investments.
- higher cash balances of \$227 million, mainly relating to the NTTC pre-funding a portion of the Territory's 2026-27 borrowing program
- partially offset by lower prepayments of \$97 million, primarily reflecting lower payments in advance for Commonwealth-funded projects.

The increase in liabilities of \$1.32 billion since 2024-25 reflects:

- increased borrowings of \$1.24 billion in line with government's borrowing requirements
- increased payables of \$117 million, largely reflecting an increase in works undertaken by agencies for Commonwealth-funded programs for which cash has not yet been received
- increased other liabilities of \$87 million, largely reflecting higher workers compensation liabilities arising from annual actuarial reassessments, partially offset by lower Commonwealth funding received in advance for future project expenditure
- increased deposits held of \$30 million, largely reflecting higher funds held in trust and on behalf of NTTC arising from pre-funding activities
- partially offset by lower superannuation liabilities of \$176 million mostly due to an increase in the discount rate used in valuing the Territory's superannuation liabilities.

Table 4: Balance sheet overview

	2024-25 Actual	2025-26 Actual	Variation from 2024-25
	\$M	\$M	\$M
Assets			
Cash and deposits	780	1 007	227
Receivables	503	780	277
Prepayments	326	230	- 97
Advances and investments	1 540	1 800	259
Equity investments	17 863	19 456	1 593
	21 013	23 272	2 260
<i>Less:</i>			
Liabilities			
Deposits held	1 144	1 174	30
Payables	278	395	117
Borrowings and advances	10 333	11 577	1 244
Employee benefits	446	462	16
Superannuation liability	2 856	2 680	- 176
Other liabilities	730	817	87
	15 787	17 105	1 318
Net assets/equity	5 226	6 168	942

OUR PEOPLE

As a central agency providing expert advice to the Territory Government to inform decision-making for the benefit of Territorians, we strive to ensure we have the right people in the right jobs.

Our aim is to develop current and future leaders capable of shaping policy and services for the Territory, while supporting our people to achieve their professional goals in a workplace where wellbeing, resilience, inclusion and diversity are at the centre of our culture.



Our workforce

We recognise that our workforce is the key to meet and exceed DTF's organisational goals now and in the future, and continue to strengthen our capacity by fostering a workplace culture of integrity, continuous learning, high performance and capability.

At 30 June 2026, DTF paid 128 staff (including NTTC and the Utilities Commission), or 122.8 full-time equivalents (FTE) compared with 111 staff, or 106.8 FTE, on 30 June 2025.

We have a strong focus on attracting, developing and retaining a highly skilled workforce. The majority of our staff are aged between 25 and 59 and are in their early to mid-career development stage.

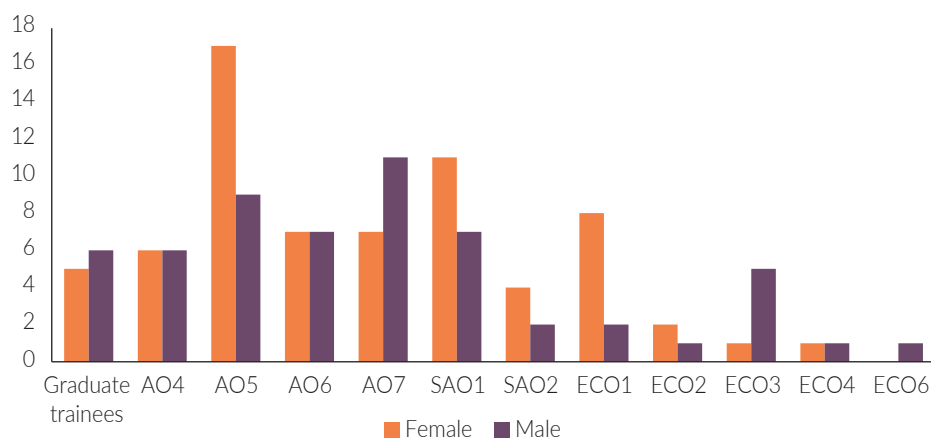
All data presented in graphical form in this section relates to headcount at 30 June 2026.

Full-time equivalent staff by designation

	2023-24	2024-25	2025-26
ECO6	1.0	1.0	1.0
ECO4	3.0	1.0	2.0
ECO3	5.0	5.0	6.0
ECO2	3.0	3.0	3.0
ECO1	8.0	5.7	10.0
SAO2	6.0	6.6	5.6
SAO1	18.1	12.6	16.9
AO7	9.8	15.1	17.6
AO6	20.5	17.0	14.0
AO5	18.6	16.3	24.3
AO4	10.3	12.0	11.1
AO3	1.9		
AO2			0.4
Graduate trainees	11.0	11.5	11.0
Total	116.2	106.8	122.8

Staff by gender and designation as at 30 June 2025

Number of staff



AO: administration officer; SAO: senior administration officer; ECO: executive contract officer



Diversity and inclusion

DTF has a diverse workforce, with 33.6% of staff from culturally and linguistically diverse backgrounds. This proportion is higher than the NTPS as a whole (23.4%).

We celebrate the breadth of backgrounds, as well as education and work experiences among our staff. Each individual's role in our workplace is valued and contributes to our high performing culture.

Of the 128 staff paid at 30 June 2026, 54% were women and 46% were men. This compares with the NTPS ratio of 65% women to 35% men.

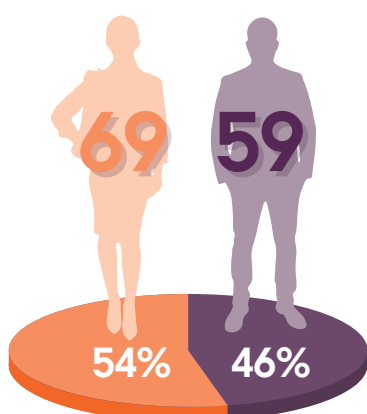
At our more senior levels, 57% of executive staff (SAO2 and above) were female (16 of 28). This compares with the NTPS average of 63% of executives being female.

The average age of our staff is 38 years, younger than the NTPS average age of 42 years.

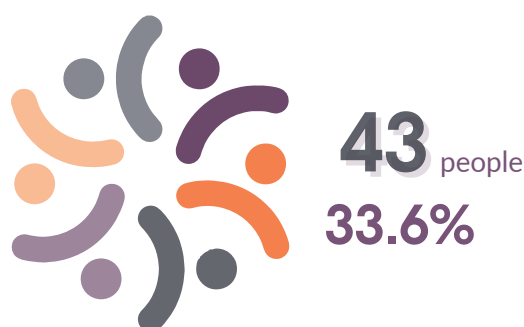
More than half DTF's workforce is under 40 years of age, while 20% are over 50 years of age. This relatively young demographic reflects our focus on providing early career pathways through work experience, vacation and graduate programs, with ongoing mentoring and development enabling staff to succeed in their professional goals and career advancement.

No staff member identifies as having a disability.

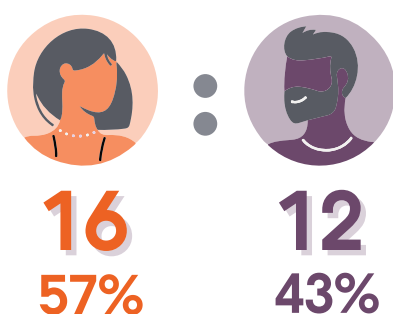
Female to male ratio



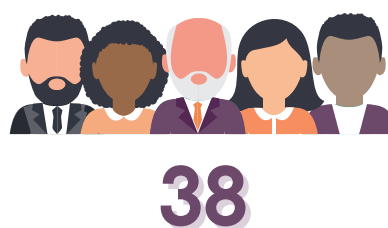
Culturally and linguistically diverse



Female to male executive ratio



Average age (years)



Career pathways

DTF has continued to develop and strengthen our entry-level career pathways, which include work experience, Aboriginal employment, vacation employment and our long-running graduate program. These channels are highly valued by candidates as they provide a strong foundation for their career. There are clear pathways for advancement through DTF and the broader NTPS. Many DTF graduates have progressed to senior levels in DTF and other Territory Government departments, which demonstrates the success of the program in both attracting and retaining high caliber people, and developing current and future leaders.

We also provide award sponsorship to Territory high school students who achieve academic excellence in the study of maths, economics, finance and business to raise awareness of the agency, and promote the early career pathways for students who are making decisions around their future careers, pursuing accounting, economics or finance degrees.

Career pathways

	2023-24	2024-25	2025-26
Work experience	3	2	2
Aboriginal employment program		1	
Vacation employees	2	3	4
Graduate trainees	11	12	11
Total	16	18	17

Professional development

Through our performance development agreements, we encourage our staff to consider and discuss their own career planning with their managers, to identify and achieve their professional goals.

During 2025-26, there were two requests supported for mobility opportunities within the department that provided each employee valuable experience to broaden their skills.

Over 2025-26, employees attended 134 training sessions, excluding in-house procured training.

Training and development expenses

	2021-22	2022-23	2023-24	2024-25	2025-26
Headcount at 30 June	126	117	120	111	128
Total training and development expenses (\$)¹	171 680	122 054	102 160	160 807	181 209²

¹ Figures do not include the value of training sessions provided to staff by in-house experts and specialists, or subscription-free online learning.

² The higher expenditure in 2025-26 reflects increased take-up of short course and external seminars, conferences and professional development workshops.

Study assistance and training

As we work through renewing our corporate strategic plan, providing support to build capability across the agency remains a strong focus for DTF. We continued to support work-related tertiary study, providing financial assistance and study time for seven staff who undertook approved courses. This included competition and consumer law, project administration, and units towards Chartered Accounting and Certified Practising Accountant qualifications, Certified Tax Adviser, Corporate Treasury Certification, as well as a course to complete a Graduate Diploma in Data Science.

Our internal LinkedIn Learning Launchpad series continued, providing staff with 75 licenses that allow opportunities to participate in both group and individual training using the LinkedIn Learning platform.

Over 2025-26, 15 LinkedIn Learning Launchpad sessions were conducted, with an average attendance of five people per session. More than 55% of activated licence holders completed online training independently, completing 11 LinkedIn Learning courses with an average of 40 video views and duration of 1 hour and 42 minutes per viewer. In total, 267 courses and 814 videos were viewed, and 498 videos were completed.

DTF celebrates the achievements of our staff with announcements in the agency newsletter, Ka-Ching.

As NTPS employees, staff are also required to undertake essential training on line including:

- OneNTG orientation program
- Creating respectful workplaces
- Code of Conduct
- merit selection
- foundational cross-cultural training
- introduction to the Independent Commissioner Against Corruption and mandatory reporting
- OneNTG fraud and corruption awareness training.

Leadership programs

DTF invests in leadership development at various levels to enhance strategic leadership skills and prepare for succession opportunities. This year:

- two staff members commenced the Public Sector Management Program through the Queensland University of Technology (graduate diploma course)
- two commenced the Senior Leaders program and are due to complete it in 2026
- two were supported to complete the Emerging Leaders program through OCPE
- four were supported to commence the Leadership for New Managers course through OCPE.



Wellbeing

- In October 2024, DTF published its Commitment to Wellbeing to promote and enhance overall health and wellbeing of our valued DTF employees. Work continued through 2025-26 to build and maintain strategies to support the health and wellbeing of our staff. DTF aims to continue to foster a supportive and positive workplace culture, which will contribute to the overall success and sustainability of our agency.
- For Mental Health Month October 2025, DTF worked to increase awareness about mental health in the workplace and educate staff on resources and support available. Social activities were held throughout the month to encourage collaboration, celebrate achievements and encourage meaningful conversations.
- DTF values diversity and participates in cultural celebrations such as hosting harmony week with activities and a morning tea, encouraging open sharing of all cultures and experiences.
- DTF continues to promote the Employee Assistance Program to ensure staff are aware of how to access the broad range of services and feel encouraged to engage the services.
- Other positive practices in place include regular charity fundraising, an annual 10,000 steps challenge and offering various training opportunities.

People Matter

In August 2025, the NTPS issued the 2025 People Matter survey. DTF had an overall positive response indicating we continue to have a strong, respectful and inclusive workplace culture, with improving employee engagement and positive perceptions of leadership.

The key highlights were:

- Employee engagement increased to 72%, up 6% from 2023. Staff report strong commitment to the organisation, with high 'Say, Stay, Strive' scores.
- Employee satisfaction remains high at 80% overall, with particularly strong results in Executive and Corporate Support, NTTC, Superannuation Office and Utilities Commission (91%).
- Leadership sentiment improved significantly, increasing by 4 to 13%, with overall executive results now sitting at 79% favourable.
- Respectful workplace measures remained very strong.
- Workplace inclusion, diversity and psychological safety continued to be viewed positively, with employees generally feeling respected, safe and able to speak up.

DTF is performing strongly as an organisation, with high engagement, strong employee satisfaction, improving leadership results, and a respectful and inclusive workplace culture. The primary opportunities for improvement were concentrated in strengthening leadership practices, particularly around feedback and performance conversations, reducing burnout, improving communication and clearly demonstrating that employee feedback leads to meaningful organisational action.

DTF values the bi-annual People Matter survey and plans to continue to respond and build on agency policies based on the results. We will continue to work to measure against the results of the next scheduled survey in August 2027.

Employment instructions

Under PSEMA, OCPE issues employment instructions that provide direction to agencies on HR matters. DTF met all obligations as required under each of the 15 employment instructions in 2025-26.

Public sector principles

Part 1a, sections 5a to 5f of PSEMA lists the general principles underlying this legislation. These principles need to be upheld by agencies, chief executives (CEs) and NTPS employees.

In 2025-26, DTF complied with all the prescribed principles.

Administration Management Principle

(PSEMA section 5b)

DTF provided effective, efficient and appropriate services to the community and government, ensuring appropriate use of public resources while working cooperatively and responsively carrying out our functions objectively, impartially and with integrity.

Human Resource Management Principle

(PSEMA section 5c)

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

Merit Principle

(PSEMA section 5d)

DTF appointments are based on the principle of merit. Employees are capable and competent in performing their duties, having the knowledge, skills, experience and qualifications required to be successful in their role, and have potential for future development.

Equality of Employment Opportunity Principle

(PSEMA section 5e)

DTF encourages staff to continually develop and access career development opportunities, which include exchange, transfer and mobility. Implementation of a special measures policy assists DTF to avoid unlawful discrimination while promoting diversity in its workforce.

Performance and Conduct Principle

(PSEMA section 5f)

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

GOVERNANCE

DTF has a strong corporate governance culture based on a broad range of governing principles, and risk and audit management. SMG has primary responsibility for the governance of DTF.



Committees

There are five subcommittees that provide advice to the Under Treasurer (UT) through SMG, which are supported by the relevant shared service providers.

CMC provides business, financial, strategic communications and corporate governance support to DTF under a shared services arrangement. DCDD provides other corporate services, which include HR, ICT, procurement and information management.

Senior Management Group

SMG supports the UT and provides high-level monitoring, strategic direction and decision-making, with a focus on a cross-divisional, whole-of-agency perspective in relation to our department's operations and processes.

SMG membership at 30 June 2026:

- Tim McManus – UT (Chair)
- Mick Butler – Deputy UT, Economics and Financial Management
- Sarah Rummery – Deputy UT, Revenue and Corporate
- Rodney McComiskie – Executive Director, Economics
- Tiziana Hucent – Executive Director, Finance
- Tarrant Moore – Executive Director, Budget and Strategy
- James Richards – Executive Director, Revenue
- Jason Robertson – Executive Director, Energy Reform.

During 2025-26, all SMG subcommittees were assessed and terms of reference reviewed to improve the operation and effectiveness of each committee.

Audit and Risk Management Committee

DTF has a joint Audit and Risk Management Committee (ARMC) with CMC, including OCPE. It provides independent and objective advice and support to CEs of each agency on the effectiveness of their risk management, internal control, compliance and corporate governance frameworks.

The ARMC comprises five members: two independents (one serving as Chair) and one representative from each of CMC, DTF and OCPE.

ARMC membership at 30 June 2026:

- Graham Symons – Chair (independent and external member)
- Gillian Sharkey – CMC member (General Manager, Strategic and Corporate Services)
- Mick Butler – DTF member
- Ursula White – OCPE member (Director, Aboriginal Employment and Career Development)
- Vicki Highland – independent member (Chief Operating Officer, DCDD).

The committee met four times during 2025-26.

Internal audits and reviews

The agency seeks independent assurance of its activities through the internal audit function. Internal audit provides advice to the UT and SMG on the adequacy and effectiveness of DTF's structures, systems and internal controls, and identifies opportunities for improvement.

This assurance is achieved through the Shared Services Internal Audit Plan (SSIAP), delivered by CMC Shared Services and supplemented by the DTF-specific internal audit plan, which is appended to and forms part of the SSIAP.

Audit	Objective
Recruitment audit	Identify integrity and compliance risks associated with recruitment processes and ensure consistent application of the NTPS recruitment framework across agencies.

In 2025-26, two internal DTF reviews were completed, which focused on areas of strategic and operational compliance.

Review	Objective
Territory Records Manager (TRM) information security review	Assess adequacy and effectiveness of record keeping security controls and user access settings within Content Manager (TRM), with a focus on sensitive information and alignment with Territory Government information security expectations.
ICT asset management audit	Review the governance framework and internal controls supporting the management of ICT assets across agencies. The review examined processes governing allocation, tracking, maintenance and disposal of assets, with specific regard to compliance with Territory Government policy requirements.

External audit

The agency is also subject to the Northern Territory Auditor-General's assurance program under the *Audit Act 1995*. Audits and reviews of DTF completed in 2025-26 included:

- agency compliance audit
- Northern Territory Police Supplementary Benefit Scheme
- Treasurer's Annual Financial Statements audit.



Strategic Human Resources Committee

The Strategic Human Resources Committee (SHRC) monitors and oversees strategic HR planning and management for DTF, and compliance with PSEMA and associated employment frameworks consistent with the DTF Corporate Plan.

The role of the committee is to:

- endorse and monitor performance against DTF strategic workforce plans, leadership strategies and succession planning
- oversee recruitment to DTF to ensure alignment with strategic workforce plans, with the aim of building high functioning teams and a strong performance culture
- oversee employee mobility, flexibility and development programs as key measures to support staff capability and retention
- provide strategic oversight and advice to assist with case-managed employees, grievances and unattached employees
- manage DTF's workforce-related risks and compliance requirements
- influence improvement of HR services provided by DCDD under the shared services arrangement and consistent with the OneNTG approach.

The committee met fortnightly throughout 2025-26.

Key outcomes of SHRC for 2025-26 included:

- monitoring strategic workforce strategies and continued implementing and monitoring of key initiatives in the Corporate Plan
- continued to review applications and support DTF's working from home policy as part of its flexible work arrangements

- overseeing the 2025 and 2026 graduate programs, work experience and vacation employment placements
- considered requests for outside employment, flexible work arrangements and study assistance
- monitored excess leave, ensuring plans are in place with staff to use that leave
- monitored DTF's performance on all staffing matters
- monitored the proportion of DTF staff with performance plans in place, and supported training and mobility opportunities identified in those plans.

DTF continued its commitment to wellbeing by promoting and enhancing overall health and wellbeing of its staff to foster a supportive and positive workplace culture.

As part of its ongoing commitment to employee wellbeing, DTF:

- offered free flu vaccinations to staff in April 2026
- held personal development sessions, open to all staff, through the LinkedIn Learning Launchpad series
- ran an information campaign and held interactive activities in line with Mental Health Month
- shared regular WHS posts on the agency's intranet encouraging a proactive approach to wellness and workplace safety.

Digital Governance Committee

The Digital Governance Committee (DGC) provides strategic oversight for DTF's use and development of ICT. It oversees the ICT work plan and receives updates on the cybersecurity environment. It contributes to ICT frameworks, strategies and policies.

The committee's key responsibilities include:

- reviewing and endorsing business cases and project plans for DTF digital initiatives and investment decisions, including submissions for major digital investments or initiatives for approval by the Territory Government ICT Governance Board
- overseeing delivery of digital initiatives and reviewing project performance
- overseeing development and monitoring of digital strategic decisions and policies
- monitoring the agency's digital environment to ensure risks and issues are identified, and appropriately managed
- providing oversight to ensure information is managed in accordance with DTF's risk appetite including risks associated with security, access, privacy, business continuity and investment.

DGC is also the interdepartmental liaison point for whole of government ICT initiatives, particularly where those initiatives relate to the work of DTF.

Key outcomes of DGC for 2025-26 included:

- completed the renewal of the contract with Bravura vendor of the SuperB superannuation administration system
- reviewed and discussed options on requirements to modernise the administration of Territory Bonds
- viewed a demonstration of RevConnect functionality
- monitored and endorsed training on the use of AI in government and arranging a presentation from the Commissioner of Superannuation to the DTF Director group on use of Microsoft Office Co-pilot to build an agent
- received a presentation from the Director Economic Analysis on Tableau software
- monitored and worked with ICT project managers on implications of the Microsoft Exchange and Windows 11 rollouts to all DTF staff
- received updates from the e-conveyancing project manager
- received updates from the RevConnect project manager
- received updates on the Sage project.

The committee met four times during 2025-26.



Work Health and Safety Committee

DTF is committed to a workplace that fosters behaviour aimed at preventing injury, illness or death to our employees, contractors and visiting workers. The committee provides advice to the UT, through SMG, on WHS issues to facilitate the health and safety of employees and clients in the workplace.

The committee chair transferred to the Director Executive Services in 2025-26. The committee includes members from DTF, and CMC and DCDD (providing HR support and corporate support, respectively). The committee has governance oversight of WHS obligations under the *Work Health and Safety (National Uniform Legislation) Act 2011* including:

- advising the UT on establishing, maintaining and monitoring programs, measures and procedures in the workplace relating to the health and safety of employees
- maintaining and improving WHS management systems incorporating policies and programs in accordance with relevant legislation
- promoting a culture of responsibility and accountability for personal health and safety in the workplace
- ensuring WHS issues are considered in planning and implementing any major workplace changes or new work processes
- information sharing and coordination relating to the strategic, cross-government WHS reform context
- training first aid and fire warden office holders
- undertaking regular programmed inspections of DTF's workplaces.

The committee met two times during 2025-26 and the Chair, also a member on the OneNTG WHS Professional Forum, provided updates through to SMG and SHRC on whole of government policy reviews and changes.

Key achievements during the year include:

- continued to review DTF's WHS manual and guidelines regularly to ensure they remain relevant and provide clear processes
- provided an update on whole of government work and review into mould investigations and remediation works
- updated WHS maturity self-assessments to support WHS Senior Officers Advisory Group reporting
- continued to reflect DTF's positive duty to eliminate discrimination, sexual harassment and victimisation under Commonwealth and Territory legislation, and provided various mandatory training sessions to all staff
- engaged executives in workplace inspections, demonstrating their personal commitment to workplace safety
- implemented the communication plan through bi-monthly newsletters and the internal agency website
- facilitated workplace assessments to assist staff with their work station setup.

The committee was impacted by some members being redirected to emergency response efforts as major weather events, including tropical cyclones and widespread flooding across Central Australia, Big Rivers and Top End regions caused widespread damage to homes, roads and community infrastructure, and required significant emergency response and recovery efforts.

To further support wellbeing, DTF funds an employee assistance program for staff and their families that aims to provide support and develop practical resilience where required. Accessing and usage of the program is promoted through the agency's internal communication channels as well as at related activities in line with mental health initiatives. It is also directly provided to employees when identified or requested.

Employee assistance program uptake

	2023-24	2024-25	2025-26
Financial year expenditure (\$)	23 077	17 157	20 898
Total sessions	100	86	75

WHS incidents in 2025-26 included two incidents that occurred while employees were transitioning to or from the workplace.

WHS incidents reported

	2023-24	2024-25	2025-26
Medical incident	2		
Slip, trip or fall	4	1	
Other	1	2	2
Total	7	3	2

There was one workers compensation claim lodged during 2025-26. This matter was managed by Gallagher Basset and was resolved and closed.

Records and information

The *Information Act 2002* combines freedom of information (FOI), privacy and records management legislation, and it affects how we collect, use and store government and personal information.

In compliance with section 11 of the *Information Act 2002*, DTF regularly updates its website, which describes DTF's structure and functions, and how these affect the public. The website also provides a comprehensive listing of publicly available information and advises how to access other information not publicly available.

Information requests

Part 3 of the *Information Act 2002* sets out the process for accessing government information, and accessing and correcting personal information held by DTF.

In 2025-26, DCDD managed FOI and privacy on behalf of DTF and other Territory Government agencies under a centralised model. Details on how to apply for access to information, with links to relevant legislation and related agencies, can be found on DTF's website.

Further assistance can be provided by contacting:

Freedom of Information Services
GPO Box 2391 DARWIN NT 0801

Telephone: 08 8999 1793

Email: FOI@nt.gov.au

Web: treasury.nt.gov.au/InformationAct

During 2025-26, DTF received no FOI applications.

There was one open application at 30 June 2026 that was carried forward to be finalised during 2026-27.

There were no complaints or appeals to decisions made during 2025-26.

Privacy complaints and inquiries

DTF received no privacy complaints or inquiries from the Ombudsman during 2025-26.

Records and information management

Records and archives management standards are established through Part 9 of the *Information Act 2002*, and section 131(2) requires agencies to report annually on their compliance with this part.

In line with the Northern Territory Government Records Management Standards for Public Sector Organisations, DTF continued to use compliant record management practices.

Competitive neutrality

DTF is required to disclose all allegations of non-compliance with the Territory Government's Policy Statement on Competitive Neutrality and report findings of investigations.

No complaints were received or investigated in 2025-26.

Legislation administered

DTF was responsible for administering the following legislation in 2025-26:

<i>Administrators Pensions Act 1981</i>	<i>Merlin Project Agreement Ratification Act 1998</i> (provisions about royalties)
<i>Advance Bank Integration Act 1998</i>	<i>Mineral Royalties Act 2024</i>
<i>Appropriation Act</i>	<i>Mineral Royalty Act 1982</i>
<i>Bank of South Australia (Merger with Advance Bank) Act 1996</i>	<i>Mining (Gove Peninsula Nabalco Agreement) Act 1968</i> (provisions about royalties)
<i>Companies (Unclaimed Assets and Moneys) Act 1963</i>	<i>Motor Accidents (Compensation) Act 1979</i>
<i>Competition Policy Reform (Northern Territory) Act 1996</i>	<i>Motor Accidents (Compensation) Commission Act 2014</i>
<i>Electricity Reform Act 2000</i> (provisions about price regulation and provisions about the setting of licence fees)	<i>Motor Vehicles Act 1949</i> (Part V)
<i>Financial Agreement Between the Commonwealth, States and Territories (Approval) Act 1994</i>	<i>Payroll Tax Act 2009</i>
<i>Financial Management Act 1995</i>	<i>Petroleum Royalty Act 2023</i>
<i>Financial Relations Agreement (Consequential Provisions) Act 2000</i>	<i>Racing and Betting Act 1983</i> (Part IV, Division 5 and Part IVA, Division 5)
<i>First Home Owner Grant Act 2000</i>	<i>Revenue Units Act 2009</i>
<i>Fiscal Integrity and Transparency Act 2001</i>	<i>Soccer Football Pools Act 1978</i> (provisions about duties)
<i>Gaming Control Act 1993</i> (provisions about taxes and levies)	<i>Stamp Duty Act 1978</i>
<i>Gaming Machine Act 1995</i> (Part 8)	<i>Superannuation Act 1986</i>
<i>Government Owned Corporations Act 2001</i>	<i>Superannuation Guarantee (Safety Net) Act 1993</i>
<i>Legislative Assembly Members' Pensions Act 1979</i>	<i>Taxation Administration Act 2007</i>
<i>Legislative Assembly Members' Superannuation Contributions Act 2004</i>	<i>Territory Insurance Office (Sale) Act 2014</i>
<i>McArthur River Project Agreement Ratification Act 1992</i> (provisions about royalties)	<i>Totalisator Licensing and Regulation Act 2000</i> (provisions about wagering tax)
	<i>Unclaimed Superannuation Benefits Act 1998</i>
	<i>Water Supply and Sewerage Services Act 2000</i> (except sections 32(1) and (5), 46, 49(3), 50(2), 52(2), 55(1), 57(2), 61(1) and 63(5), (6) and (7))

FINANCIAL STATEMENTS



Department of Treasury and Finance

Certification of the financial statements

We certify that the attached financial statements for the Department of Treasury and Finance have been prepared based on proper accounts and records in accordance with Australian Accounting Standards and with the requirements as prescribed in the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2026 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

30 September 2026



Matthew Young
Chief Financial Officer

30 September 2026

Comprehensive operating statement

For the year ended 30 June 2026

	Note	2025-26	2024-25
		\$000	\$000
INCOME			
Appropriation	4		
Output		216 485	192 108
Commonwealth		13 860	28 739
Sales of goods and services	5	497	362
Interest revenue		220	203
Goods and services received free of charge	6	6 472	6 520
Other income	7	218	19 697
TOTAL INCOME	3	237 752	247 629
EXPENSES			
Employee expenses	8	17 080	15 793
Administrative expenses			
Purchases of goods and services	9	5 586	3 543
Depreciation and amortisation	17	9	13
Other administrative expenses ¹	10	13 713	12 483
Grants and subsidies expenses			
Current	11a	14 876	29 099
Capital	11b	17 340	9 882
Community service obligations	11c	143 978	149 252
TOTAL EXPENSES	3	212 582	220 065
NET SURPLUS/DEFICIT (-)		25 170	27 564
TOTAL OTHER COMPREHENSIVE INCOME			
COMPREHENSIVE RESULT		25 170	27 564

1 Includes DCDD service charges and Department of Logistics and Infrastructure (DLI) repairs and maintenance service charges.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

Balance sheet

At 30 June 2026

	Note	2025-26	2024-25
		\$000	\$000
ASSETS			
Current assets			
Cash and deposits	13	44 223	6 843
Receivables	15	23 208	30 467
Total current assets		67 431	37 310
Non-current assets			
Advances and investments	16	25 000	25 000
Property, plant and equipment	17	1	9
Total non-current assets		25 001	25 009
TOTAL ASSETS		92 432	62 318
LIABILITIES			
Current liabilities			
Payables	18	5 436	1 703
Provisions	19	2 945	2 596
Total current liabilities		8 381	4 299
TOTAL LIABILITIES		8 381	4 299
NET ASSETS		84 050	58 020
EQUITY			
Capital		- 86 623	- 87 482
Accumulated funds		170 673	145 502
TOTAL EQUITY		84 050	58 020

The balance sheet is to be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the year ended 30 June 2026

	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
	\$000	\$000	\$000	\$000
2025-26				
Accumulated funds	145 503	25 170		170 673
Total accumulated funds	145 503	25 170		170 673
Capital – transactions with owners				
Equity injections				
Capital appropriation	3 677			3 677
Equity transfers in	210 632			210 632
Other equity injections	11 026		8 150	19 176
Equity withdrawals				
Capital withdrawal	- 296 311		- 7 291	- 303 601
Equity transfers out	- 16 507			- 16 507
Total capital – transactions with owners	- 87 482		859	- 86 623
Total equity at end of financial year	58 020	25 170	859	84 050
2024-25				
Accumulated funds	117 939	27 564		145 503
Total accumulated funds	117 939	27 564		145 503
Capital – transactions with owners				
Equity injections				
Capital appropriation	3 677			3 677
Equity transfers in	210 632			210 632
Other equity injections	1 126		9 900	11 026
Equity withdrawals				
Capital withdrawal	- 289 874		- 6 437	- 296 311
Equity transfers out	- 16 507			- 16 507
Total capital – transactions with owners	- 90 945		3 463	- 87 482
Total equity at end of financial year	26 993	27 564	3 463	58 020

The statement of changes in equity is to be read in conjunction with the notes to the financial statements.

Cash flow statement

For the year ended 30 June 2026

	Note	2025-26	2024-25
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Appropriation received			
Output		216 485	192 108
Commonwealth		21 153	21 446
Other operating receipts		1 198	- 679
Total operating receipts		238 836	212 875
Operating payments			
Payments to employees		16 584	15 886
Payments for goods and services		9 536	8 603
Grants and subsidies paid			
Current		14 876	29 099
Capital		17 340	9 882
Community service obligations		143 978	152 005
Total operating payments		202 314	215 475
Net cash from/used in (-) operating activities	14	36 522	- 2 600
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Other equity injections		8 150	9 900
Total financing receipts		8 150	9 900
Financing payments			
Equity withdrawals		7 291	6 437
Total financing payments		7 291	6 437
Net cash from/used in (-) financing activities		859	3 463
Net increase/decrease (-) in cash held		37 380	863
Cash at beginning of financial year		6 843	5 980
CASH AT END OF FINANCIAL YEAR	13	44 223	6 843

The cash flow statement is to be read in conjunction with the notes to the financial statements.

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Notes to the financial statements

For the year ended 30 June 2026

1. Objectives and funding

Department of Treasury and Finance's (DTF) primary role is to provide specialist fiscal, economic and commercial policy advice and services to government to assist in delivering services and infrastructure to benefit Territorians.

Additional information regarding DTF and its principal activities is provided in Chapter 1 *The agency* of this annual report.

DTF considered its primary users of these financial statements to determine which accounting policy information is material and therefore must be disclosed.

DTF is predominantly funded by and dependent on the receipt of parliamentary appropriations. The financial statements encompass all funds through which DTF controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by DTF are summarised into six output groups. The operations of the independent economic regulator, the Utilities Commission, for which DTF has no responsibility (or authority) for delivery, is part of DTF's structure for administrative purposes only. Note 3 provides summary financial information in the form of a comprehensive operating statement by output group.

2. Statement of material accounting policy information

a) Statement of compliance

Compliance framework

These financial statements are general purpose financial statements and have been prepared in accordance with the requirements of the FMA, related Treasurer's Directions, and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). The FMA requires DTF to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements should include:

- certification of the financial statements
- comprehensive operating statement
- balance sheet
- statement of changes in equity
- cash flow statement
- applicable explanatory notes to the financial statements.

Standards and interpretations effective from 2025-26

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

Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2025-26.

The following new Australian Accounting Standard has been issued but is not yet effective and is expected to impact future reporting periods:

Notes to the financial statements

For the year ended 30 June 2026

2. Statement of material accounting policy information (a) (continued)

AASB 18 Presentation and disclosure of financial statements (AASB 18)

AASB 18 replaces AASB 101, and introduces new presentation and disclosure requirements for income statements, cash flow statements and management-defined performance measures.

The standard is proposed to apply to not-for-profit public sector entities for annual reporting periods beginning on or after 1 January 2028 (2028-29 for the agency).

AASB 18 would primarily affect the presentation and disclosure of financial information, including the classification of income and expenses, additional subtotals in the operating statement, revised cash flow classifications for interest and dividends, and new disclosures for management-defined performance measures. The standard does not affect the recognition or measurement of amounts.

Any changes to presentation of financial statements and disclosures will be incorporated into future Treasurer's Directions on proforma financial statements.

b) Agency and Territory items

The DTF financial statements include income, expenses, assets, liabilities and equity over which DTF has control (agency items) and is able to utilise to further its own objectives. Certain items, while managed by the agency, are administered and recorded by the Territory rather than the agency (Territory items). Territory items are recognised and recorded in the CHA as discussed below.

Central Holding Authority

CHA is the 'parent body' that represents the government's ownership interest in government-controlled entities. It also records all Territory items, such as income, expenses, assets and liabilities controlled by government and managed by agencies on behalf of government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

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

CHA recognises and records all Territory items and therefore these items are not included in the agency's financial statements. However, as DTF is accountable for certain Territory items managed on behalf of government, these items have been separately disclosed in Note 26 *Schedule of administered Territory items*.

c) Presentation and rounding of amounts

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

d) Contributions by and distributions to government

DTF may receive contributions from government when government is acting as owner of the agency. Conversely, DTF may make distributions to government. In accordance with the FMA and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by and distributions to government. These designated contributions and distributions are treated by DTF as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by and distributions to government.

Notes to the financial statements

For the year ended 30 June 2026

3. Comprehensive operating statement by output group

		Financial Management		Economic		Territory Revenue		Superannuation	
	Note	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
INCOME									
Appropriation	4								
Output		6 010	6 402	181 535	167 378	21 259	10 605	2 469	2 420
Commonwealth				13 860	28 739				
Sales of goods and services	5	497	362						
Interest revenue				220	203				
Goods and services received free of charge	6								
Other income	7			200		10	19 634	4	4
TOTAL INCOME		6 507	6 764	195 815	196 320	21 269	30 239	2 473	2 424
EXPENSES									
Employee expenses	8	4 695	4 632	3 762	3 077	3 335	3 332	1 018	1 129
Administrative expenses									
Purchases of goods and services	9	533	573	2 519	566	595	675	735	626
Depreciation and amortisation	17								
Other administrative expenses ¹	10			7 240	5 963				
Grants and subsidies expenses									
Current ²	11a			14 876	29 099				
Capital ³	11b					17 340	9 882		
Community service obligations	11c			143 978	149 253				
TOTAL EXPENSES		5 228	5 205	172 375	187 957	21 270	13 890	1 753	1 755
NET SURPLUS/DEFICIT (-)		1 279	1 559	23 440	8 363	- 1	16 348	720	670
TOTAL OTHER COMPREHENSIVE INCOME									
COMPREHENSIVE RESULT		1 279	1 559	23 440	8 363	- 1	16 348	720	670

1 Economic output reflects GST administrative payments.

2 Economic output reflects funding profile of the National Energy Bill Relief program.

3 Territory revenue output reflects home owner assistant grants.

Notes to the financial statements

For the year ended 30 June 2026

3. Comprehensive operating statement by output group (continued)

	Note	Economic Regulation		Corporate and Governance		Total	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
		\$000	\$000	\$000	\$000	\$000	\$000
INCOME							
Appropriation	4						
Output		1 452	1 308	3 760	3 995	216 485	192 108
Commonwealth						13 860	28 739
Sales of goods and services	5					497	362
Interest revenue						220	203
Goods and services received free of charge	6			6 472	6 520	6 472	6 520
Other income	7			4	60	218	19 697
TOTAL INCOME		1 452	1 308	10 236	10 575	237 752	247 629
EXPENSES							
Employee expenses	8	873	777	3 397	2 846	17 080	15 793
Administrative expenses							
Purchases of goods and services	9	431	467	773	635	5 586	3 543
Depreciation and amortisation	17			9	13	9	13
Other administrative expenses ¹	10			6 473	6 520	13 713	12 483
Grants and subsidies expenses							
Current	11a					14 876	29 099
Capital	11b					17 340	9 882
Community service obligations	11c					143 978	149 253
TOTAL EXPENSES		1 304	1 244	10 652	10 014	212 582	220 065
NET SURPLUS/DEFICIT (-)		148	64	- 416	561	25 170	27 564
TOTAL OTHER COMPREHENSIVE INCOME							
COMPREHENSIVE RESULT		148	64	- 416	561	25 170	27 564

¹ Corporate and governance output includes DCDD services charges, CMC shared service provided, and DLI repairs and maintenance charges.

This comprehensive operating statement by output group is to be read in conjunction with the notes to the financial statements.

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

Notes to the financial statements

For the year ended 30 June 2026

4. Appropriation

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

	2025-26			2024-25		
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Output		216 485	216 485		192 108	192 108
Commonwealth		13 860	13 860		28 739	28 739
Total appropriation in the operating statement		230 345	230 345		220 847	220 847

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

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations, resulting in specific purpose payments and national partnership payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the CHA and then passed on to the relevant agencies as Commonwealth appropriation.

Where Commonwealth appropriation received has an enforceable contract with sufficiently specific performance obligations, the transaction is accounted for under AASB 15 as revenue from contracts with customers. In this case, revenue is recognised as and when goods and or services are transferred to the customer or third-party beneficiary. Otherwise, revenue is recognised when the agency gains control of the funds.

Summary of changes to budget appropriations

The following table presents changes to budgeted appropriations authorised during the current financial year together with explanations for significant changes. It compares the amounts originally identified in the *Appropriation (2025–2026) Act 2025* with revised appropriations as reported in 2026-27 Budget Paper No. 3 *Agency Budget Statements* and the final end of year appropriation.

Notes to the financial statements

For the year ended 30 June 2026

4. Appropriation (continued)

The changes within this table relate only to appropriation and do not include agency revenue (for example, goods and services revenue and grants received directly by the agency) or expenditure. Refer to Note 27 *Budgetary information* for detailed information on variations to the agency's actual outcome compared to budget for revenue and expenses.

	Original 2025-26 budget appropriation (a)	Revised 2025-26 budget appropriation (b)	Change to budget appropriation (b-a)	Note	Final 2025-26 budget appropriation (d)	Change to budget appropriation (d-b)	Note
	\$000	\$000	\$000		\$000	\$000	
Output	240 138	216 485	- 23 653	1	216 485		
Commonwealth	20 685	20 685			21 154	469	2
Total appropriation	260 823	237 170	- 23 653		237 639	469	

1 The variance is mainly due to revised timing of funding for regulated retail electricity tariffs and CSO payments offset by additional funding for the procurement process of a new correctional facility.

2 The variation reflects the expected claim profile under the National Energy Bill Relief program.

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

Commonwealth appropriation reflects funding anticipated to be received from the Commonwealth for both operational and capital purposes. As Commonwealth appropriations are largely recognised as or when performance obligations are satisfied, the actual amounts receipted by DTF and reported in these financial statements may vary from the budgeted amounts reported in this table.

5. Sales of goods and services

	2025-26			2024-25		
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Sale of goods and service delivery revenue	497		497	362		362
Total sales of goods and services	497		497	362		362

Sale of goods and service delivery revenue comprise income from a service level agreement between NTTC and Financial Management Group for the provision of financial services. This is recognised at fair value, exclusive of GST.

Notes to the financial statements

For the year ended 30 June 2026

6. Goods and services received free of charge

	2025-26	2024-25
	\$000	\$000
Corporate and information services ¹	5 659	5 719
Shared corporate services ²	787	787
Repairs and maintenance ³	26	14
Total goods and services received free of charge	6 472	6 520

1 DCDD service charges.

2 CMC shared services.

3 DLI repairs and maintenance service charges.

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

Repairs and maintenance expenses incurred on the agency's assets and costs associated with administration of these expenses are centralised and managed by DLI on behalf of the agency, and form part of goods and services received free of charge by the agency.

In addition, the following corporate services staff and functions are centralised and provided by DCDD on behalf of the agency, and form part of goods and services received free of charge by the agency:

- financial services including accounts receivable, accounts payable and payroll
- employment and workforce services
- information management services
- procurement services
- property leasing services.

DTF also receives other shared services from CMC under a shared services arrangement.

Notes to the financial statements

For the year ended 30 June 2026

7. Other income

	2025-26			2024-25		
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Miscellaneous revenue		218	218		19 697	19 697
Total other income		218	218		19 697	19 697

Miscellaneous revenue mainly includes reimbursements from government organisations and does not contain sufficiently specific performance obligations for the agency to transfer goods or services to the grantor or third-party beneficiary. Accordingly, revenue is generally accounted for under AASB 1058 and recognised upfront on receipt of funding. Miscellaneous revenue in 2024-25 includes returned (unspent) capital grants paid in 2023-24.

8. Employee benefits expense

	2025-26	2024-25
	\$000	\$000
Salaries and wages	14 324	13 217
Superannuation expenses	1 695	1 596
Fringe benefits tax	151	165
Payroll tax	910	814
Total employee expenses	17 080	15 793

The number of FTE employees for 2025-26 was 122.84 (2024-25: 106.68), including NTTC and Utilities Commission.

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

The recognition and measurement policy for employee benefits is detailed in Note 18 *Payables* and Note 19 *Provisions*.

Notes to the financial statements

For the year ended 30 June 2026

9. Purchases of goods and services

	2025-26	2024-25
	\$000	\$000
Consultants ¹	1 411	762
Agent service arrangement	571	562
IT charges and communications	789	660
Recruitment ²	193	88
Legal expenses ³	1 271	248
Training and study	181	170
Communications	108	96
Motor vehicle expenses	81	74
Official duty fares	52	35
Marketing and promotion ⁴	45	65
Fees and regulatory charges	38	14
Document production	24	35
Travelling allowance	10	3
Advertising ⁵	40	60
Other	772	673
Total purchases of goods and services	5 586	3 543

1 Includes marketing, promotion and IT consultants.

2 Includes recruitment-related advertising costs.

3 Includes legal fees, claim and settlement costs.

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

5 Does not include recruitment, advertising or marketing and promotion advertising.

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

10. Other administrative expenses

	2025-26	2024-25
	\$000	\$000
Goods and services received free of charge ¹	6 472	6 520
Commonwealth administration charges	7 020	5 760
Advances written down	221	203
Total other administrative expenses	13 713	12 483

1 Includes DCDD service charges, CMC shared services, and DLI repairs and maintenance service charges.

Notes to the financial statements

For the year ended 30 June 2026

11. Grants and subsidies expenses

a) Current grant and subsidy expense

	2025-26	2024-25
	\$000	\$000
Current grants		
Private and not-for-profit sectors	360	360
Total current grants	360	360
Current subsidies		
Private and not-for-profit sectors	316	505
Other sectors of government	14 200	28 235
Total current subsidies	14 516	28 739
Total current grant and subsidy expense	14 876	29 100

Current grants expenses are intended to finance the current activities of the recipient for which no economic benefits of equal value are receivable in return. Subsidies are payments aimed at reducing all or part of the costs of an activity. Current subsidies in 2025-26 and 2024-25 include payments made to utility retailers for the National Energy Bill Relief.

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

b) Capital grant expense

	2025-26	2024-25
	\$000	\$000
Private and not for profit	17 340	9 882
Total capital grant expenses	17 340	9 882

Capital grant expenses are transfers made to a recipient for the purpose of acquiring, constructing or upgrading a non-financial asset that is to be controlled by a party other than the agency. They also include the transfer of existing agency assets to another entity for which no economic benefits of equal value are receivable in return.

Capital grant expenses in both 2024-25 and 2025-26 comprise first home owner grants, HomeGrown and FreshStart.

Capital grant expenses are recognised in the reporting period in which they are paid, exclusive of the amount of GST.

Notes to the financial statements

For the year ended 30 June 2026

11. Grants and subsidies expenses (continued)

c) Community service obligations

	2025-26	2024-25
	\$000	\$000
Private and not-for-profit sectors	9 269	6 104
Other sectors of government	134 709	143 148
Total community service obligations	143 978	149 252

CSO are payments DTF makes to utility retailers to compensate them for undertaking activities they would not elect to undertake on a commercial basis or would only undertake commercially at a higher price. CSO payments are recognised as an expense in the reporting period in which they are paid or payable, exclusive of the amount of GST.

12. Write-offs, postponements, waiver, gifts and ex gratia payments

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

	Agency items				Territory items			
	2025-26	No. of trans.	2024-25	No. of trans.	2025-26	No. of trans.	2024-25	No. of trans.
	\$000		\$000		\$000		\$000	
Irrecoverable money written off ¹					190	3	501	11
Waiver of right to receive or recover money ²					2 430	4	21 005	4
Total write-offs and waivers approved by the Treasurer					2 620	7	21 506	15
Irrecoverable money written off ³	1	1						
Total write-offs and waivers approved by delegates	1	1						
Total gifts approved by delegate			1	4				
Total ex gratia payments approved by the Treasurer⁴					30	1		
Total authorised under the FMA	1	1	1	4	2 650	8	21 506	15

FMA: Financial Management Act 1995

1 2025-26 write-off amount relates to payroll tax debts where the entity is either in administration, liquidation, deregistration or has a liability that is uneconomical to pursue.

2 2025-26 waiver amount mostly relates to payroll tax and stamp duty waivers implemented to give effect to government policy decisions.

3 2025-26 write-off amount relates to an outstanding employee overpayment.

4 2025-26 ex gratia payments relate to assistance provided in exceptional circumstances.

Notes to the financial statements

For the year ended 30 June 2026

12. Write-offs, postponements, waiver, gifts and ex gratia payments (continued)

Write-off

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

Waiver

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

Gifts

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

Ex gratia

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

13. Cash and deposits

	2025-26	2024-25
	\$000	\$000
Cash at bank	44 223	6 843
Total cash and deposits	44 223	6 843

For the purposes of the balance sheet and the cash flow statement, cash includes cash on hand, cash at bank and cash equivalents.

Notes to the financial statements

For the year ended 30 June 2026

14. Cash flow reconciliation

a) Reconciliation of cash

Total DTF cash and deposits of \$44.2 million recorded in the balance sheet is consistent with that recorded as 'cash' in the cash flow statement.

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

	2025-26	2024-25
	\$000	\$000
Net surplus/deficit (-)	25 170	27 564
Non-cash items:		
Depreciation and amortisation	9	13
Changes in assets and liabilities:		
Increase/decrease (-) in receivables	7 259	- 28 289
Increase/decrease (-) in payables	3 734	- 1 757
Increase/decrease (-) in provision for employee benefits	258	- 149
Increase in other provisions	92	18
Net cash from/used in (-) operating activities	36 522	- 2 600

b) Reconciliation of liabilities arising from financing activities

The agency has no liabilities arising from financing activities during 2025-26.

c) Non-cash financing and investing activities

The agency has no non-cash financing and investing activities during 2025-26.

15. Receivables

	2025-26	2024-25
	\$000	\$000
Accounts receivables		21 597
Accrued contract revenue		7 293
GST receivables	- 4	16
Prepayments	185	57
Other receivables ¹	23 027	1 503
Total receivables	23 208	30 467

1 Other receivables include \$22.9 million receivable from Power Retail Corporation, trading as Jacana Energy, relating to the 2025-26 uniform tariff CSO true-up and accrued revenue.

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

Notes to the financial statements

For the year ended 30 June 2026

15. Receivables (continued)

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

Accounts receivable, contract receivables and other receivables are generally have payment terms of 30 days.

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

Credit risk exposure of receivables

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

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

In accordance with the provisions of the FMA, DTF writes off receivables when documented collection action demonstrates that there is no reasonable expectation of recovery.

Ageing analysis and reconciliation of loss allowance for receivables at the reporting date are disclosed below.

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

Ageing analysis

	2025-26				2024-25			
	Gross receivables	Loss rate	ECL	Net receivables	Gross receivables	Loss rate	ECL	Net receivables
	\$000	%	\$000	\$000	\$000	%	\$000	\$000
Internal receivables								
Not overdue	23 027			23 027				
Overdue for less than 30 days								
Overdue for 30 to 60 days								
Overdue for more than 60 days					21 597			21 597
Total internal receivables	23 027			23 027	21 597			21 597
External receivables								
Not overdue								
Overdue for less than 30 days								
Overdue for 30 to 60 days								
Overdue for more than 60 days								
Total external receivables								

ECL: expected credit loss

Notes to the financial statements

For the year ended 30 June 2026

15. Receivables (continued)

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

Reconciliation of loss allowance for receivables

	2025-26	2024-25
	\$000	\$000
Internal receivables		
Opening balance		
Written off during the year		
Recovered during the year		
Increase/decrease in allowance recognised in profit or loss		
Total internal receivables		
External receivables		
Opening balance		
Written off during the year	- 1	
Recovered during the year		
Increase/decrease in allowance recognised in profit or loss	1	
Total external receivables		

16. Advances and investments

	2025-26	2024-25
	\$000	\$000
Advances paid	25 000	25 000
Total advances and investments	25 000	25 000

Advances paid

Advances paid relate to a concessional interest-free loan to the AustralAsia Railway Corporation (AARC), a Territory-controlled government entity. The loss on the advance, representing interest income foregone, has been deferred. Accordingly, amortisation of the loss is recognised in the comprehensive operating statement with a corresponding adjustment to interest income on advances paid. Amortisation has been calculated using the effective interest method, at an average discount rate of 8%.

As the advance to AARC is government guaranteed, the advance is deemed collectable and there were no expected credit losses identified for 2025-26 and 2024-25.

Notes to the financial statements

For the year ended 30 June 2026

16. Advances and investments (continued)

Ageing analysis

	2025-26				2024-25			
	Gross advances paid	Loss rate	ECL	Net advances paid	Gross advances paid	Loss rate	ECL	Net advances paid
	\$000	%	\$000	\$000	\$000	%	\$000	\$000
External receivables								
Not overdue	25 000			25 000	25 000			25 000
Total external receivables	25 000			25 000	25 000			25 000

ECL: expected credit loss

Reconciliation of loss allowance for advances paid

No expected credit losses were identified for 2025-26 and 2024-25.

17. Property, plant and equipment

Total property, plant and equipment

	2025-26	2024-25
	\$000	\$000
Plant and equipment		
At fair value	69	69
Less: accumulated depreciation	- 68	- 59
Total property, plant and equipment	1	9

Reconciliation of carrying amount of property, plant and equipment

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

	2025-26	2024-25
	\$000	\$000
Carrying amount at 1 July	9	22
Depreciation/amortisation expense	- 9	- 13
Carrying amount at 30 June	1	9

Notes to the financial statements

For the year ended 30 June 2026

17. Property, plant and equipment (continued)

Acquisitions

Property, plant and equipment are initially recognised at cost.

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

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

Impairment of assets

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

Materially significant non-financial assets are assessed for indicators of impairment annually. If any indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent an available balance exists in the asset revaluation surplus.

An impairment loss may subsequently be reversed if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so the carrying amount of the asset does not exceed the revised estimate of its recoverable amount, nor exceed the net carrying amount that would have been determined had not impairment loss been recognised for the asset in the years. Where an asset is carried at a revalued amount, impairment reversal is recognised in the comprehensive operating statement as income to the extent an impairment loss was previously recognised in the profit or loss, otherwise, impairment reversal results in an increase in the asset revaluation surplus.

Agency property, plant and equipment assets were assessed for impairment at 30 June 2026. No impairment adjustments were required as a result of this review.

Depreciation and amortisation expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated using the straight-line method over their estimated useful lives. Assets are depreciated from the date of acquisition or from the time an asset is completed and held ready for use.

The estimated useful lives for each class of asset are in accordance with the agency's determination as follows:

	2025-26	2024-25
Plant and equipment	3 to 10 years	3 to 10 years

Notes to the financial statements

For the year ended 30 June 2026

17. Property, plant and equipment (continued)

Inter-governmental leases

DTF applies the inter-governmental leases recognition exemption as per the Treasurer's Direction – *Leases* and recognises these as an expense on a straight-line basis over the lease term. These largely relate to the lease of motor vehicles from NT Fleet. Leases of commercial properties for office accommodation are centralised with DCDD. Consequently, all lease liabilities and right-of-use assets relating to these arrangements are recognised by DCDD and not disclosed within these financial statements.

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

	2025-26	2024-25
	\$000	\$000
Not later than one year	140	95
Later than one year and not later than five years	166	119
Later than five years		
	306	214

18. Payables

	2025-26	2024-25
	\$000	\$000
Accounts payable	22	19
Accrued salaries and wages	525	378
Other accrued expenses	4 889	1 306
Total payables	5 436	1 703

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 of receipt of a valid invoice under \$1 million or 30 days for invoices over \$1 million.

Salaries and wages 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 2026

19. Provisions

	2025-26	2024-25
	\$000	\$000
Employee benefits		
Recreation leave	2 186	1 938
Leave loading	202	187
Other employee benefits	4	10
Other provisions	553	461
Total provisions	2 945	2 596

a) Employee benefits

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

All recreation leave is classified as a current liability.

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

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

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

As part of the financial management framework, CHA assumes the long service leave liabilities of government agencies, including DTF, and therefore no long service leave liability is recognised within these financial statements.

b) Reconciliations of provisions other than employee benefits

	2025-26	2024-25
	\$000	\$000
Balance at 1 July	461	442
Additional provisions recognised	887	697
Reductions arising from payments	- 795	- 679
Balance at 30 June	553	461

Notes to the financial statements

For the year ended 30 June 2026

20. Other liabilities

a) Superannuation

Employees' superannuation entitlements are provided through the:

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

The agency makes superannuation contributions on behalf of its employees to CHA or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by CHA and therefore not recognised in agency financial statements.

b) Financial Guarantee Liability

On 29 September 2025, the Territory entered into several agreements to facilitate new gas supply from the Shenandoah South Pilot Project. One of these agreements provides a financial guarantee of up to \$75 million of Tamboran's \$90 million share of the \$180 million debt financing for the Sturt Plateau Compression Facility.

In accordance with AASB 9, the Territory assessed the fair value of the financial guarantee and expected credit loss (ECL) at inception and at 30 June 2026, taking into account the borrower's financial position, parent company support, underlying security, debt repayment profile and other relevant credit risk factors. Based on this assessment, the Territory considers the probability of default is remote and any ECL is immaterial. Accordingly, no material financial guarantee liability has been recognised, with the assessment to be updated at each reporting date.

21. Fair value measurement

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

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used when sufficient relevant and reliable observable inputs are not available for similar assets or liabilities.

Observable inputs are publicly available data relevant to the characteristics of the assets or liabilities being valued. Observable inputs used by the agency include but are not limited to published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments not available publicly but relevant to the characteristics of the assets or liabilities being valued. Such inputs include internal agency adjustments to observable data to account for particular and potentially unique characteristics or functionality of assets or liabilities, and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

- level 1 – inputs are quoted prices in active markets for identical assets or liabilities
- level 2 – inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- level 3 – inputs are unobservable.

Notes to the financial statements

For the year ended 30 June 2026

21. Fair value measurement (continued)

All DTF's non-financial assets are measured at level 3 and are held primarily for service potential rather than to generate cash inflows. Carrying amounts and reconciliation of movements are disclosed in Note 17 *Property, plant and equipment*. These assets are measured using inputs not based on observable market data.

Valuation techniques and inputs

The valuation technique used to measure fair value of the level 3 asset class plant and equipment (Note 17) in 2025-26 and 2024-25 was the cost approach.

Sensitivity analysis – plant and equipment

Unobservable inputs used in computing the fair value of plant and equipment include the historical cost and the consumed economic benefit. Regarding sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value, and greater consumption of economic benefit lowers fair value.

22. Financial instruments

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

The agency's financial instruments include cash and deposits, receivables, advances paid to other Territory Government entities and payables. These items represent non-complex and standard instruments with limited or no exposure to credit, market or liquidity risks.

23. Related parties

a) Related parties

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

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

b) Key management personnel

Key management personnel of DTF's are those persons having authority and responsibility for planning, directing and controlling the activities of the agency. These include the Treasurer, Under Treasurer and seven members (2024-25: six members) of the executive team.

c) Remuneration of key management personnel

The details below exclude the salaries and other benefits of the Treasurer as the minister's remuneration and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements.

Notes to the financial statements

For the year ended 30 June 2026

23. Related parties (continued)

The aggregate compensation of KMP of DTF is as follows:

	2025-26	2024-25
	\$000	\$000
Short-term benefits	1 701	1 581
Post-employment benefits	166	128
Total remuneration of KMP	1 867	1 709

d) Related party transactions: Transactions with Territory Government-controlled entities

DTF's primary ongoing source of funding is received from CHA in the form of output and capital appropriation, and on-passed Commonwealth national partnership payments.

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

	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$000	\$000	\$000	\$000
2025-26				
Territory Government departments ¹	7 172	157 095	23 013	1 713
Total	7 172	157 095	23 013	1 713
2024-25				
Territory Government departments	6 556	8 107	35	136
Subsidiaries	19 997	172 961	21 670	
Total	26 553	181 068	21 705	136

¹ The Territory Government departments include NTG agencies, government business divisions, government owned corporations and other government entities.

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

Other related party transactions

Given the breadth and depth of Territory Government activities, related parties will transact with the Territory public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges, and therefore these transactions have not been disclosed. There are no other related party transactions in excess of \$10,000 or on non-standard terms and conditions that may be reported.

Notes to the financial statements

For the year ended 30 June 2026

24. Contingent liabilities and assets

a) Contingent liabilities

The agency did not have quantifiable material contingent liabilities at 30 June 2026. In relation to the reporting of contingent liabilities, the Treasurer has determined a materiality threshold of \$5 million.

Details of unquantifiable but material contingent liabilities at 30 June 2026 granted by the agency are presented as follows:

Financial guarantee given to the AustralAsia Railway Corporation

In 2001, the Territory Government and the Crown in the Right of South Australia (SA Government) entered into an agreement to facilitate financing, design, construction, operation and maintenance of a railway between Darwin and Alice Springs, and operation and maintenance of the existing railway between Tarcoola and Alice Springs by the private sector ('Intergovernmental Agreement', 'the AustralAsia Railway Project'). The current holder of the railway concession is Aurizon Bulk Central Holdings Pty Ltd.

As part of the AustralAsia Railway Project, a \$50 million loan was granted to the railway concession holder with underlying financing of \$25 million provided by each of the Territory and SA Governments. To grant this loan, both DTF and the SA Government granted a \$25 million loan to AARC (the 'Territory loan' and 'state loan', respectively), which then on-lent the funds to the railway concession holder in a subordinate loan. The loan is recorded in DTF's financial statements.

If Aurizon Bulk Central Holdings defaults, DTF is obliged to waive the advance to AARC, thereby guaranteeing the repayment of principal by Aurizon Bulk Central Holdings to AARC. It is probable Aurizon Bulk Central Holdings will be able to repay the entire principal.

Darwin Convention Centre Hotel

The indemnity only applies to loss or damage arising out of the development works, whether by the Territory or external party, which is not caused or contributed by Darwin Cove Convention Centre Pty Limited.

Workers compensation insurance

The government has indemnified private sector insurers that provide workers compensation insurance in the Territory, which is administered through DTF. The indemnity covers insurers for losses arising as a result of acts of terrorism. The resultant contingent liability is unquantifiable but reportable as it is deemed to be above the materiality threshold.

Strategic gas supply agreements

On 29 September 2025, the Territory entered into several agreements to facilitate new gas supply from the Shenandoah South Pilot Project. One of these agreements provides a financial guarantee of up to \$75 million of Tamboran's \$90 million share of the \$180 million debt financing for the Sturt Plateau compression facility. The liability is not attributed to the Territory until the guarantee is called, and therefore the guarantee is considered to be a contingent liability.

b) Contingent assets

DTF had no contingent assets at 30 June 2026 or 30 June 2025.

25. Events subsequent to balance date

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

Notes to the financial statements

For the year ended 30 June 2026

26. Schedule of administered Territory items

In addition to operating revenues controlled and utilised by an agency to fund its activities that are included in the financial statements, the agency also acts on behalf of the Territory Government in managing administered items. An agency is unable to use administered items to further its own objectives without authorisation.

Administered items are transferred to and reported by the CHA, as the parent entity of government.

Administered income and expenses are not recognised in the agency's operating statement but are reported separately in accordance with Australian accounting standards.

The following Territory items are managed by the agency on behalf of government and recorded in CHA (refer to Note 2b).

	2025-26	2024-25
	\$000	\$000
TERRITORY INCOME AND EXPENSES		
Income		
Taxation revenue	1 013 872	890 426
Grant and subsidy revenue		
GST revenue	4 997 432	4 287 680
Specific purpose payments	612 432	545 323
National partnership payments	1 054 836	917 671
Current grants	9 798	
Fees from regulatory services	1 645	1 486
Royalties and rents	557 204	314 711
Other income	2	2
TOTAL INCOME	8 247 221	6 957 299
Expenses		
Central Holding Authority income transferred	8 245 270	6 947 442
Doubtful debts	1 761	9 356
Bad debts	190	501
TOTAL EXPENSES	8 247 221	6 957 299
TERRITORY INCOME LESS EXPENSES		
TERRITORY ASSETS AND LIABILITIES		
Assets		
Taxes receivable	137 169	91 695
Other receivables	832 650	702 272
TOTAL ASSETS	969 819	793 967
Liabilities		
Central Holding Authority income payable	756 676	488 790
Unearned Central Holding Authority income	213 143	305 176
TOTAL LIABILITIES	969 819	793 966
NET ASSETS		

Notes to the financial statements

For the year ended 30 June 2026

27. Budgetary information

The following tables present the variation between the 2025-26 original budgeted financial statements, as reported in 2025-26 Budget Paper No. 3 *Agency Budget Statements*, and the 2025-26 actual amounts reported in the financial statements, together with explanations for significant variations.

Refer to Note 4 for detailed information on changes to budgeted appropriations from the 2025-26 original budget to 2025-26 final budget.

a) Comprehensive operating statement

	2025-26			
	Actual	Original budget	Variance	Note
	\$000	\$000	\$000	
INCOME				
Appropriation				
Output	216 485	240 138	- 23 653	1
Commonwealth	13 860	20 685	- 6 825	2
Sales of goods and services	497	497		
Interest revenue	220		220	
Goods and services received free of charge	6 472	7 432	- 960	3
Other income	218		218	
TOTAL INCOME	237 752	268 752	- 31 000	
EXPENSES				
Employee expenses	17 080	19 134	- 2 054	4
Administrative expenses				
Purchases of goods and services	5 586	20 388	- 14 802	5
Depreciation and amortisation	9	9		
Other administrative expenses	13 713	14 329	- 616	6
Grant and subsidy expenses				
Current	14 876	21 180	- 6 304	7
Capital	17 340	16 111	1 229	8
Community service obligations	143 978	192 116	- 48 138	9
Interest expenses		9	- 9	
TOTAL EXPENSES	212 582	283 276	- 70 694	
NET SURPLUS/DEFICIT (-)	25 170	- 14 524	39 694	
OTHER COMPREHENSIVE INCOME				
TOTAL OTHER COMPREHENSIVE INCOME				
COMPREHENSIVE RESULT	25 170	- 14 524	39 694	

Notes to the financial statements

For the year ended 30 June 2026

27. Budgetary information (a) (continued)

The following note descriptions relate to variances greater than \$0.5 million or where multiple significant variances have occurred.

1. The \$23.7 million variance in output appropriation is mainly due to revised timing of funding for the regulated retail electricity tariffs and CSO payments offset by additional funding for the procurement process of a new correctional facility.
2. The \$6.8 million decrease in Commonwealth appropriation reflects the claim profile under the National Energy Bill Relief program.
3. The \$1.0 million decrease reflects lower than anticipated DCDD goods and services free of charge.
4. The \$2.1 million decrease in employee expenses reflects lower than expected staffing in 2025-26 due to vacancies.
5. The \$14.8 million decrease in purchases of goods and services reflect revised timing of funding for Sage and RevConnect ICT projects aligning to payment profile.
6. The \$0.6 million variation in other administrative expenses reflects lower DCDD goods and services free of charge offset by higher Commonwealth GST administration charges.
7. The \$6.3 million decrease in current grants and subsidies mainly reflects the claim profile under the National Energy Bill Relief program.
8. The \$1.2 million increase in capital grants reflects higher home owner assistant grants.
9. The \$48.1 million decrease in CSOs reflects revised timing of funding passed on to the retail electricity providers to support uniform utility tariffs.

Notes to the financial statements

For the year ended 30 June 2026

27. Budgetary information (continued)

b) Balance sheet

	2025-26			
	Actual	Original budget	Variance	Note
	\$000	\$000	\$000	
ASSETS				
Current assets				
Cash and deposits	44 223	19 911	24 312	1
Receivables	23 208	2 176	21 032	2
Total current assets	67 431	22 087	45 344	
Non-current assets				
Advances and investments	25 000	25 000		
Property, plant and equipment	1		1	
Total non-current assets	25 001	25 000	1	
TOTAL ASSETS	92 432	47 087	45 345	
LIABILITIES				
Current liabilities				
Payables	5 436	3 460	1 976	3
Provisions	2 945	2 759	186	
Total current liabilities	8 381	6 219	2 162	
TOTAL LIABILITIES	8 381	6 219	2 162	
NET ASSETS	84 050	40 868	43 182	
EQUITY				
Capital	- 86 623	- 70 240	- 16 383	
Accumulated funds	170 673	111 108	59 565	
TOTAL EQUITY	84 050	40 868	43 182	

The following note descriptions relate to variances greater than \$0.5 million or where multiple significant variances have occurred.

1. The increase in cash and deposits mainly relates to \$21 million refund in 2025-26 from PWC for the cancelled underground power project.
2. The \$21 million increase in receivables reflects an expected refund from Jacana Energy for uniform utility tariffs.
3. The \$2 million increase in payables mainly reflects accrued CSO expenditure and unclaimed Community Benefit Levy to be paid to the Department of Tourism and Hospitality.

Notes to the financial statements

For the year ended 30 June 2026

27. Budgetary information (continued)

c) Cash flow statement

	2025-26			
	Actual	Original budget	Variance	Note
	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Appropriation received				
Output	216 485	240 138	- 23 653	1
Commonwealth	21 153	20 685	468	
Receipts from sales of goods and services	1 198	497	701	
Total operating receipts	238 836	261 320	- 22 484	
Operating payments				
Payments to employees	16 584	19 134	- 2 550	2
Payments for goods and services	9 536	27 285	- 17 749	3
Grants and subsidies paid				
Current	14 876	21 180	- 6 304	4
Capital	17 340	16 111	1 229	5
Community service obligations	143 978	192 116	- 48 138	6
Interest paid		9	- 9	
Total operating payments	202 314	275 835	- 73 521	
Net cash from/used in (-) operating activities	36 522	- 14 515	51 037	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Equity injections				
Other equity injections	8 150	28 150	- 20 000	7
Total financing receipts	8 150	28 150	- 20 000	
Financing payments				
Equity withdrawals	7 291	2 908	4 383	8
Total financing payments	7 291	2 908	4 383	
Net cash from/used in (-) financing activities	859	25 242	- 24 383	
Net increase/decrease (-) in cash held	37 380	10 727	26 653	
Cash at beginning of financial year	6 843	9 184	- 2 341	
CASH AT END OF FINANCIAL YEAR	44 223	19 911	24 312	

Notes to the financial statements

For the year ended 30 June 2026

27. Budgetary information (c) (continued)

The following note descriptions relate to variances greater than \$0.5 million or where multiple significant variances have occurred.

1. The \$23.7 million variance in output appropriation mainly relates to revised timing of funding for the regulated retail electricity tariffs and CSO payments offset by additional funding for the procurement process of a new correctional facility.
2. The \$2.6 million decrease in employee expenses reflects lower than expected staffing in 2025-26 due to vacancies.
3. The \$17.7 million decrease in purchases of goods and services reflects revised timing of payment profile for Sage and RevConnect ICT projects.
4. The \$6.3 million decrease in current grants and subsidies mainly reflects the claim profile under the National Energy Bill Relief program.
5. The \$1.3 million increase in capital grants reflect higher home owner assist grants.
6. The \$48.1 million decrease in CSOs reflects revised timing of funding passed on to the retail electricity providers to support uniform utility tariffs and payments.
7. The \$20 million variance relates to lower equity injections from CHA driven by agency liquidity requirements.
8. The \$4.4 million variance in equity withdrawal relates to the RevConnect ICT project.

Notes to the financial statements

For the year ended 30 June 2026

28. Budgetary information: Administered Territory items

	2025-26			
	Actual	Original budget	Variance	Note
	\$000	\$000	\$000	
TERRITORY INCOME AND EXPENSES				
Income				
Taxation revenue	1 013 872	868 823	145 049	1
Grant and subsidy revenue				
GST revenue	4 997 432	4 570 875	426 557	2
Specific purpose payments	612 432	625 662	- 13 230	
National partnership payments	1 054 836	1 210 333	- 155 497	3
Current grants	9 798		9 798	
Fees from regulatory services	1 645	587	1 058	
Royalties and rents	557 204	346 000	211 204	4
Other income	2	300	- 298	
TOTAL INCOME	8 247 221	7 622 580	624 641	
Expenses				
Central Holding Authority income transferred	8 245 270	7 622 580	622 690	
Doubtful debts	1 761		1 761	
Bad debts	190		190	
TOTAL EXPENSES	8 247 221	7 622 580	624 641	
TERRITORY INCOME LESS EXPENSES				
TERRITORY ASSETS AND LIABILITIES				
Assets				
Taxes receivable	137 169	72 430	64 739	5
Other receivables	832 650	238 408	594 242	6
TOTAL ASSETS	969 819	310 838	658 981	
Liabilities				
Central Holding Authority income payable	756 676	227 061	529 615	7
Unearned Central Holding Authority income	213 143	83 777	129 366	8
TOTAL LIABILITIES	969 819	310 838	658 981	
NET ASSETS				

Notes to the financial statements

For the year ended 30 June 2026

28. Budgetary information: Administered Territory items (continued)

The following note descriptions relate to variances greater than \$20 million or where multiple significant variances have occurred.

1. The \$145 million increase in taxation revenue from the original 2025-26 Budget reflects:
 - additional stamp duties on financial and capital transactions of \$128.3 million, mainly due to several large commercial transactions combined with stronger than expected price growth in the residential property market in 2025-26
 - additional payroll and labour force taxes of \$52.1 million, largely due to strength in private sector wages and employment outcomes
 - offset by lower than anticipated income tax equivalents of \$39.5 million, due to revised financial performance in government owned corporations.
2. Additional GST revenue of \$426.6 million, largely a result of an increase in the Territory's GST relativity, combined with upward revisions to forecast growth in the national GST collections pool and the Territory's share of national population.
3. A decrease in national partnership revenue of \$155.5 million, predominantly due to revised timing of funding for Commonwealth-funded projects in line with milestone completion.
4. The \$211.2 million increase in royalties and rents is due to higher than anticipated royalty revenue following revised estimation from miners and higher than expected growth in key commodity prices.
5. Taxes receivable increased by \$64.7 million, largely due to additional stamp duty, and payroll and labour force taxes driven by unanticipated commercial property transactions and strength in private sector employment, respectively.
6. Other receivables increased by \$594.2 million, largely reflecting \$129.3 million received in advance from the Commonwealth and passed on to agencies, combined with accrued revenue of \$464.9 million predominantly for works undertaken for various Commonwealth-funded programs for which cash has not yet been received.
7. Payables increased by \$529.6 million in line with accrued current and capital grant revenue totalling \$319.6 million for Commonwealth-funded program works undertaken for which cash has not yet been receipted and on-passed to government agencies, combined with \$145.3 million in higher royalties and rent received, and \$64.7 million in taxes received.
8. Unearned CHA income increased by \$129.4 million, predominantly due to Commonwealth funding received in advance in 2025-26 to be spent and recognised in the income statement in future years as milestones are met.

Central Holding Authority

Certification of the financial statements

We certify that the attached financial statements for the Central Holding Authority have been prepared from proper accounts and records in accordance with the prescribed format, FMA and Treasurer's Directions.

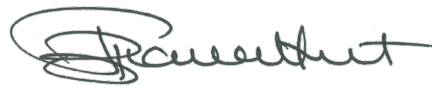
We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2026 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

30 September 2026



Tiziana Hucent
Executive Director Finance

30 September 2026

Comprehensive operating statement

For the year ended 30 June 2026

	Note	2025-26	2024-25
		\$000	\$000
INCOME			
Taxation revenue	3	1 079 354	957 961
Grants and subsidies revenue	4a		
GST revenue		4 997 432	4 287 680
Specific purpose payments		612 432	545 323
National partnership agreements		1 054 837	917 671
Current grants		9 798	
Capital grants		14 679	18 435
Sales of goods and services	4b	97 306	83 586
Interest revenue		133 795	123 223
Royalties, rents and dividends	5	650 746	377 464
Employer superannuation contributions		19 839	22 147
Unrealised gain/loss (-) on investments		53 305	70 282
Other income		21 785	21 243
TOTAL INCOME		8 745 305	7 425 015
EXPENSES			
Long service leave expense		74 098	78 261
Superannuation expense	15	148 509	168 796
Workers compensation expense		142 963	104 999
Administrative expense ¹		2 254	15 073
Grants and subsidies expense ²		2 475	12 925
Interest expense		458 122	395 251
Output appropriation		5 648 124	5 284 716
Commonwealth appropriation		1 265 675	1 181 212
TOTAL EXPENSES		7 742 220	7 241 233
NET SURPLUS/DEFICIT (-)		1 003 086	183 782
OTHER COMPREHENSIVE INCOME			
Remeasurement of superannuation liability	15	67 058	97 257
Revaluations and asset impairment on provisions		- 128 570	- 71 905
TOTAL OTHER COMPREHENSIVE INCOME		- 61 513	25 352
COMPREHENSIVE RESULT		941 573	209 134

1 Administrative expense comprises management fees paid to NTTC for the management of investments and borrowings, combined with any taxation revenue-related bad or doubtful debts.

2 Grants and subsidies expense comprises payments under the National Redress Scheme, combined with any waivers of taxation debt.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

Balance sheet

As at 30 June 2026

	Note	2025-26 \$000	2024-25 \$000
ASSETS			
Current assets			
Cash and deposits	6	1 007 085	780 134
Receivables	8	779 640	502 943
Advances and investments	9	1 799 739	1 540 287
Prepayments	10	181 598	311 650
Total current assets		3 768 062	3 135 013
Non current assets			
Prepayments	10	48 145	14 701
Equity investments		19 456 162	17 863 062
Total non current assets		19 504 307	17 877 763
TOTAL ASSETS		23 272 369	21 012 776
LIABILITIES			
Current liabilities			
Deposits held	11	1 173 860	1 143 863
Payables	12	395 032	277 873
Borrowings and advances	13	772 739	683 278
Employee benefits	14	365 411	351 928
Superannuation liability	15	271 913	282 392
Other liabilities	16	284 071	387 106
Total current liabilities		3 263 026	3 126 441
Non current liabilities			
Borrowings and advances	13	10 803 984	9 649 723
Employee benefits	14	96 276	93 743
Superannuation liability	15	2 408 479	2 573 617
Other liabilities	16	532 882	343 104
Total non current liabilities		13 841 621	12 660 187
TOTAL LIABILITIES		17 104 648	15 786 628
NET ASSETS		6 167 721	5 226 149
EQUITY			
Accumulated funds		6 167 721	5 226 149
TOTAL EQUITY		6 167 721	5 226 149

The balance sheet is to be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the year ended 30 June 2026

	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
	\$000	\$000	\$000	\$000
2025-26				
Accumulated funds	5 226 149	941 573		6 167 721
Changes in accounting policy				
Correction of prior period errors				
Transfers from reserves				
Other movements directly to equity				
Total equity at end of financial year	5 226 149	941 573		6 167 721
2024-25				
Accumulated funds	5 017 015	209 134		5 226 149
Changes in accounting policy				
Correction of prior period errors				
Transfers from reserves				
Other movements directly to equity				
Total equity at end of financial year	5 017 015	209 134		5 226 149

The statement of changes in equity is to be read in conjunction with the notes to the financial statements.

Cash flow statement

For the year ended 30 June 2026

	Note	2025-26 \$000	2024-25 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Taxes received		1 025 818	921 406
Grants and subsidies received			
GST received		4 997 432	4 287 680
Specific purpose payments		612 432	545 323
National partnership agreements		838 591	764 969
Current grants		9 798	
Capital grants		14 774	8 408
Royalties, rents and dividends		537 430	343 987
Employer superannuation contributions		19 839	22 147
Other receipts		117 057	118 605
Interest received		133 972	124 674
Total operating receipts		8 307 143	7 137 198
Operating payments			
Long service leave		55 998	53 321
Superannuation benefits		257 068	246 585
Other salary payments		78 326	67 599
Payments for goods and services		8 212	4 163
Interest paid		457 738	397 389
Output payments		5 648 124	5 284 716
Commonwealth payments		1 243 984	1 102 471
Total operating payments		7 749 450	7 156 242
Net cash from/used in (-) operating activities	7a	557 693	- 19 044
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing receipts			
Equity sales or withdrawals		41 776	230 987
Advances and investing receipts			167 500
Total investing receipts		41 776	398 487
Investing payments			
Advances and investing payments		206 147	69 887
Capital appropriation		767 286	919 941
Commonwealth appropriation		221 648	215 984
Equity injections		451 156	606 086
Total investing payments		1 646 236	1 811 898
Net cash from/used in (-) investing activities		- 1 604 460	- 1 413 411
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Proceeds of borrowings		1 277 000	1 873 400
Deposits received		29 997	- 220 938
Total financing receipts		1 306 997	1 652 462
Financing payments			
Repayment of borrowings		33 278	531 240
Total financing payments		33 278	531 240
Net cash from/used in (-) financing activities	7b	1 273 719	1 121 222
Net increase/decrease (-) in cash held		226 951	- 311 233
Cash at beginning of financial year		780 134	1 091 367
CASH AT END OF FINANCIAL YEAR	6	1 007 085	780 134

The cash flow statement is to be read in conjunction with the notes to the financial statements.

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Notes to the financial statements

For the year ended 30 June 2026

1. Objectives and funding

CHA is the parent body that represents the government's ownership interest in government-controlled entities.

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

CHA also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation, long service leave, workers compensation and national redress liabilities.

CHA recognises all Territory items, therefore the Territory items managed by agencies on behalf of CHA are not recorded in agency financial statements. However, as agencies are accountable for the Territory items they manage on behalf of government, these items have been separately disclosed in the notes of agency financial statements.

2. Statement of material accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with the requirements of the FMA and related Treasurer's Directions and Australian accounting standards. The FMA requires CHA to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements is to include:

- certification of the financial statements
- comprehensive operating statement
- balance sheet
- statement of changes in equity
- cash flow statement
- applicable explanatory notes to the financial statements.

b) Basis of accounting

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

Standards and interpretations effective from 2025-26

Several amending standards and AASB interpretations have been issued that apply to the current reporting period but are considered to have minimal impact on CHA reporting.

Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for the 2025-26 financial year.

The following new Australian accounting standard has been issued but is not yet effective and is expected to impact future reporting periods:

AASB 18 Presentation and disclosure of financial statements

AASB 18 replaces AASB 101 and introduces new presentation and disclosure requirements for income statements, cash flow statements and management-defined performance measures.

Notes to the financial statements

For the year ended 30 June 2026

2. Statement of material accounting policies (b) (continued)

The standard is proposed to apply to not-for-profit public sector entities for annual reporting periods beginning on or after 1 January 2028.

AASB 18 would primarily affect the presentation and disclosure of financial information, including the classification of income and expenses, additional subtotals in the operating statement, revised cash flow classifications for interest and dividends, and new disclosures for management-defined performance measures. The standard does not affect the recognition or measurement of amounts.

AASB issued Exposure Draft ED 338 *Application of AASB 18 by NFP entities and universities*, which proposes amendments to AASB 18 and AASB 107 that would relieve not-for-profit public sector entities from the new presentation and disclosure requirements.

c) Presentation and rounding of amounts

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

d) Reporting period

The reporting period is the year ended each 30 June.

3. Taxation revenue

	2025-26	2024-25
	\$000	\$000
Taxes on employers' payroll and labour force taxes	465 272	452 301
Stamp duties on financial and capital transactions	267 817	192 678
Taxes on gambling	130 145	98 446
Taxes on insurance	78 234	75 572
Motor vehicle registration fees	104 707	102 012
Income tax equivalent income	29 441	33 508
Other	3 737	3 444
Total taxation revenue	1 079 354	957 961

Taxation revenue is recognised at the fair value of the consideration received, exclusive of the amount of GST.

Territory taxation is recognised when the underlying transaction or taxable event gives rise to the right to collect revenue and the revenue can be measured reliably.

Where revenue cannot be reliably measured, revenue is recognised on the earlier of lodgement of assessment or receipt of cash.

The Commonwealth applies a tax equivalent regime that levies the equivalent of specified taxes and local government rates on certain public sector entities. While levied by the Commonwealth, tax equivalent transactions and balances are payable to the Territory and recognised by CHA.

Notes to the financial statements

For the year ended 30 June 2026

4. Revenue

a) Grants and subsidies revenue

	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000
2025-26			
GST revenue		4 997 432	4 997 432
Specific purpose payments		612 432	612 432
National partnership agreements	19 424	1 035 412	1 054 837
Current grants		9 798	9 798
Capital grants		14 679	14 679
Total grants and subsidies revenue	19 424	6 669 753	6 689 178
2024-25			
GST revenue		4 287 680	4 287 680
Specific purpose payments		545 323	545 323
National partnership agreements ¹	26 787	890 885	917 671
Current grants			
Capital grants		18 435	18 435
Total grants and subsidies revenue	26 787	5 742 323	5 769 110

¹ The 2024-25 disclosures have been reclassified to provide consistency with 2025-26 disclosures.

Following the Intergovernmental Agreement on Federal Financial Relations, effective 1 January 2009, all specific purpose and national partnership payments are made by the Commonwealth Treasury to state treasuries in a manner similar to arrangements for GST payments. The payments are received by DTF on behalf of CHA and then passed on to relevant agencies as Commonwealth appropriation.

Grants revenue recognised by CHA includes specific purpose and national partnership payments, Commonwealth capital own-purpose expenditure and general assistance revenue, received by CHA and passed on to agencies as Commonwealth and Territory appropriation.

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

Where a grant agreement is enforceable and contains sufficiently specific performance obligations for the receiving agency to transfer goods or services to the grantor or third-party beneficiary, the transaction is accounted for under AASB 15 as revenue from contracts with customers. In this case, revenue is initially deferred as an unearned contract revenue when received in advance and recognised in CHA as or when performance obligations are satisfied by the receiving agency.

Where grant agreements do not meet the criteria above, it is accounted for under AASB 1058 and income is recognised on receipt of funding, except for national partnership revenue received for the purchase or construction of non financial assets to be controlled by the receiving agency.

GST revenue is general assistance funding received from the Commonwealth for broad objectives that are not sufficiently specific and are recognised upfront, when CHA obtains control of the funds.

Notes to the financial statements

For the year ended 30 June 2026

4. Revenue (continued)

Specific purpose payments funding is received from the Commonwealth to support the Territory's efforts in delivering services in key sectors and do not have sufficiently specific performance obligations. Hence revenue is recognised upfront, when the agency obtains control of the funds.

National partnership payments funding is received from the Commonwealth to deliver outcomes and outputs under federation funding agreement schedules, national partnership agreements and some national funding agreements. These agreements may contain either broad objectives with no performance or specific performance obligations. Hence recognition is dependent on criteria contained within each agreement.

National partnership revenues for capital purposes are enforceable contracts with sufficiently specific obligations. Funds are initially recognised as an unearned revenue liability when received and subsequently recognised progressively as revenue in CHA as or when the receiving agency satisfies its obligations under the agreement. Where a non financial asset is purchased, revenue is recognised in CHA at the time the asset is acquired and control transfers to the receiving agency. For constructed assets, revenue is recognised over time, using the percentage of completion method.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows.

	2025-26	2024-25
Type of good or service ¹	\$000	\$000
Service delivery	15 757	25 179
Construction services	230	600
Research services	3 438	415
Other		593
Total revenue from contracts with customers	19 424	26 787
Type of customer ¹		
Commonwealth	19 424	26 787
Total revenue from contracts with customers	19 424	26 787
Timing of transfer of goods and services ¹		
Over time	19 147	25 387
Point in time	277	1 400
Total revenue from contracts with customers	19 424	26 787

¹ The 2024-25 disclosures have been reclassified to provide consistency with 2025-26 disclosures.

Notes to the financial statements

For the year ended 30 June 2026

4. Revenue (continued)

b) Sales of goods and services

	Revenue from contracts with customers	Other	Total
2025-26	\$000	\$000	\$000
Fees from regulatory services	19 232	9 965	29 197
Workers compensation premiums		68 108	68 108
Total sales of goods and services	19 232	78 073	97 306
2024-25			
Fees from regulatory services	21 740	7 738	29 478
Workers compensation premiums		54 108	54 108
Total sales of goods and services	21 740	61 846	83 586

Regulatory fees classified as Territory income are collected by agencies on behalf of CHA. Revenue from regulatory fees is recognised in CHA when the receiving agency satisfies its performance obligations. These include fees for the issue of licences. The receiving agency's sole performance obligations for the issue of a non-intellectual property licence is the issue of the licence, therefore revenue is recognised upfront on issue of the licence. For intellectual property licences, revenue is recognised at a point in time or over time as or when the performance obligation is satisfied by the receiving agency. The receiving agency recognises licences with a term less than 12 months or a low value of \$10,000 or less, upfront on receipt of cash.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows.

	2025-26	2024-25
Type of good or service	\$000	\$000
Service delivery	19 232	21 740
Total revenue from contracts with customers	19 232	21 740
Type of customer		
Territory Government	19 232	21 740
Total revenue from contracts with customers	19 232	21 740
Timing of transfer of goods and services		
Point in time	19 232	21 740
Total revenue from contracts with customers	19 232	21 740

Notes to the financial statements

For the year ended 30 June 2026

5. Royalties, rents and dividends

	2025-26	2024-25
	\$000	\$000
Royalty income	557 275	314 751
Rental income	25 771	27 409
Dividend income	67 700	35 304
Total royalties, rents and dividends	650 746	377 464

Royalty income is recognised when the taxable event occurs, which is the period for which the royalty is levied.

Rental income largely arises from operating leases, accounted for on a straight-line basis over the lease term.

Dividend revenue is recognised when control of the right to receive the dividend from government trading entities is obtained by CHA.

6. Cash and deposits

	2025-26	2024-25
	\$000	\$000
Cash and deposits	1 007 085	780 134
Total cash and deposits	1 007 085	780 134

Cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash.

Due to the Territory Government's centralised banking arrangements, cash at bank, on call or in short-term deposits is held by CHA, on behalf of government entities.

Notes to the financial statements

For the year ended 30 June 2026

7. Cash flow reconciliation

a) Reconciliation of net surplus/deficit to net cash from operating activities

	2025-26	2024-25
	\$000	\$000
Net surplus/deficit (-)	1 003 086	183 782
Non-cash items:		
Revaluation and asset impairments other comprehensive income	- 61 513	25 352
Unrealised gain (-) on investments	- 53 305	- 70 282
Loss on disposal of investment	6	
Changes in assets and liabilities:		
Increase (-) in receivables	- 276 697	- 218 979
Decrease/increase (-) in prepayments ¹	39 323	- 16 382
Decrease (-)/increase in payables ¹	- 20 349	97 986
Increase in employee benefits	16 016	26 215
Decrease (-) in superannuation liability	- 175 617	- 175 046
Increase in other liabilities	86 743	128 310
Net cash from/used in (-) operating activities	557 693	- 19 044

¹ Amounts exclude expenditure classified as investing payments.

b) Reconciliation of liabilities arising from financing activities

	Cash flows from financing activities				
	1 July	Borrowings and advances received/repaid (-)	Deposits held receipts/payments (-)	Total cash flows	Other changes
	1 July	30 June	30 June	30 June	30 June
2025-26	\$000	\$000	\$000	\$000	\$000
Deposits held	1 143 863		29 997	29 997	1 173 860
Borrowings and advances	10 333 001	1 243 722		1 243 722	11 576 723
Total	11 476 864	1 243 722	29 997	1 273 719	12 750 583
2024-25					
Deposits held	1 364 801		- 220 938	- 220 938	1 143 863
Borrowings and advances	8 990 841	1 342 160		1 342 160	10 333 001
Total	10 355 642	1 342 160	- 220 938	1 121 222	11 476 865

Notes to the financial statements

For the year ended 30 June 2026

8. Receivables

	2025-26	2024-25
	\$000	\$000
Taxes receivable	125 811	85 364
Royalties, rents and dividends receivable	273 336	160 653
Interest receivables	1 471	1 648
Other receivables	7 187	2 427
Less: Loss allowance	- 17 718	- 17 219
Accrued contract revenue	147 427	165 438
Accrued capital grants	242 127	104 631
Total receivables	779 640	502 943

Receivables are recognised at fair value plus any directly attributable transaction costs. Receivables are subsequently measured at amortised cost using the effective interest method, less any allowance for impairment. The loss allowance represents the amount of receivables CHA estimates are likely to be uncollectible and considered doubtful.

Accrued contract revenue comprises current national partnership payments accrued by CHA in line with accrued Commonwealth appropriation recognised in the receiving agency. Accrued contract revenue arise from contracts with customers where the receiving agency's right to consideration in exchange for goods transferred to customers or works completed have arisen but have not been billed at the reporting date. Once the agency's right to payment becomes unconditional, accrued contract revenue balances are reclassified as contract receivables. Accrued revenue that does not arise from contracts with customers is reported as part of other receivables.

9. Advances and investments

	2025-26	2024-25
	\$000	\$000
Advances and investments	1 799 739	1 540 287
Total advances and investments	1 799 739	1 540 287

Advances and investments are initially recorded at cost and subsequently measured at amortised cost or at net market value, after deducting estimated costs of realisation at reporting date. Investments largely comprise the COSR investments that relate to funds set aside to fund the Territory Government's employee-related liabilities including leave entitlements, superannuation payments and to meet similar payments. These are managed by external fund managers through NTTC, on behalf of CHA.

Notes to the financial statements

For the year ended 30 June 2026

10. Prepayments

	2025-26	2024-25
	\$000	\$000
Current		
Prepaid contract revenue	73 060	118 362
Prepaid capital grants	105 860	190 989
Other prepaid expenses	2 678	2 299
	181 598	311 650
Non current		
Prepaid contract revenue	5 600	
Prepaid capital grants	42 545	14 701
	48 145	14 701
Total prepayments	229 743	326 350

Prepaid contract revenue and capital grants comprise funding received in advance from the Commonwealth and passed on to agencies for national partnership agreements and Commonwealth capital own-purpose expenditure, in line with income deferred and recognised as an unearned liability.

11. Deposits held

	2025-26	2024-25
	\$000	\$000
Deposits held	1 173 860	1 143 863
Total deposits held	1 173 860	1 143 863

Deposits held are cash balances held by CHA on behalf of government entities due to centralised banking arrangements.

12. Payables

	2025-26	2024-25
	\$000	\$000
Accounts payable	5 084	7 422
Accrued contract expense	147 427	165 438
Accrued capital grants	242 521	105 013
Total payables	395 032	277 873

Liabilities for accounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received. Accounts payable are normally settled within 20 days.

Accrued contract expense and capital grants comprise Commonwealth funding for which cash has not yet been received and passed on to government agencies for national partnership agreements and Commonwealth own-purpose expenditure, in line with accrued revenue recognised as receivables.

Notes to the financial statements

For the year ended 30 June 2026

13. Borrowings and advances

	2025-26	2024-25
	\$000	\$000
Current		
Borrowings and advances	772 739	683 278
	772 739	683 278
Non current		
Borrowings and advances	10 803 984	9 649 723
	10 803 984	9 649 723
Total borrowings and advances	11 576 723	10 333 001

Borrowings represent funds raised for liquidity management purposes from the following sources: loans raised by the Commonwealth on behalf of the Territory; domestic and international borrowings by NTTC; and overdraft facilities obtained from the commercial banking sector by public non financial corporations and public financial corporations.

Advances reflect loans received for policy purposes. These are primarily the original Commonwealth loans issued at self-government and recorded at fair value, net of transaction costs.

14. Employee benefits

	2025-26	2024-25
	\$000	\$000
Current		
Long service leave	365 411	351 928
	365 411	351 928
Non current		
Long service leave	96 276	93 743
	96 276	93 743
Total employee benefits	461 687	445 671

Long service leave

A liability is recognised for benefits accruing to employees in respect of long service leave when it is probable that settlement will be required and it is capable of being measured reliably.

CHA recognises long service leave liabilities on behalf of all Territory agencies.

Liabilities recognised in respect of employee benefits not expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows calculated using the appropriate government bond rate and taking into consideration expected future salary and wage levels, experience of employee departures and periods of service.

Notes to the financial statements

For the year ended 30 June 2026

15. Superannuation liabilities

	2025-26	2024-25
	\$000	\$000
Current	271 913	282 392
Non current	2 408 479	2 573 617
Total superannuation liabilities (d)	2 680 392	2 856 009

The Territory's superannuation liability represents Territory government administered superannuation schemes that are now closed to new members, with the exception of the Judges Pension Scheme, which remains open. With the exception of Supreme Court judges, all Territory government employees who commenced on or after 10 August 1999 are in an external employee-nominated non-government scheme (choice of fund).

Territory government employees' superannuation entitlements are provided through either a defined contribution plan or a defined benefit plan.

a) Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when employees have rendered the service entitling them to the contributions. These include employee-nominated non-government schemes (choice of fund) for those employees commencing on or after 10 August 1999. As they are funded on an ongoing basis, a liability is generally not recognised, however a liability is recognised for the superannuation costs associated with the benefits accrued for employees in respect of annual leave and long service leave.

b) Defined benefit plans

For defined benefit superannuation plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations carried out at each reporting date.

The projected unit credit method calculates the accrued liability by discounting the value of expected future benefit payments, after allowing for future salary increases, future interest and future pension increases where applicable, arising from membership completed prior to the reporting date.

Actuarial gains and losses are recognised in the comprehensive operating statement as 'other economic flows – other comprehensive income' in the period in which they occur.

The defined benefit superannuation plans include:

- Commonwealth Superannuation Scheme (CSS)
- Northern Territory Government and Public Authorities' Superannuation Scheme (NTGPASS)
- Northern Territory Supplementary Superannuation Scheme (NTSSS)
- Supreme Court Judges Pension Scheme
- Legislative Assembly Members' Superannuation (LAMS) Scheme
- Northern Territory Police Supplementary Benefit Scheme (NTPSBS)
- Administrator Pension Scheme.

Notes to the financial statements

For the year ended 30 June 2026

15. Superannuation liabilities (continued)

c) Scheme information

Commonwealth Superannuation Scheme

The benefits provided by the scheme include an employer-financed defined benefit and the members' accumulation balances. The amount of retirement benefit is the sum of:

- an employer-financed indexed pension
- the accumulated value of productivity contributions (this can be converted to a non-indexed pension)
- the accumulated value of member contributions.

The employer-financed indexed pension is calculated as a percentage of final salary and discounted for early retirement before the maximum retirement age. CSS was closed on 1 October 1986 to all new Territory employees except police, who were eligible to join until 1 January 1988.

Northern Territory Government and Public Authorities' Superannuation Scheme

NTGPASS is a contributory lump sum superannuation scheme that was closed to new members from 10 August 1999. On retirement, members are entitled to the following benefits:

- the members' accumulation account
- plus an accrued employer component.

The accrued employer component is calculated as $2.5\% \times \text{total benefit points} \times \text{benefit salary}$.

Northern Territory Supplementary Superannuation Scheme

The NTSSS is a non-contributory lump sum superannuation scheme that was closed to new members from 10 August 1999. The standard benefit is 3% of annual salary plus approved allowances on the last day of employment for each year of service since October 1988.

Northern Territory Government Death and Invalidity Scheme

The Northern Territory Government Death and Invalidity Scheme (NTGDIS) provides death and disablement cover to all public sector employees under choice of fund arrangements up to the age of 60.

Other schemes

Other schemes include the Supreme Court Judges Pension Scheme, LAMS Scheme, NTPSBS and the Administrator Pension Scheme, which are all pension-based schemes.

Notes to the financial statements

For the year ended 30 June 2026

15. Superannuation liabilities (continued)

d) Superannuation liabilities comprise:

	2025-26	2024-25
	\$000	\$000
CSS	1 645 800	1 730 500
NTGPASS	586 049	648 771
NTSSS	140 793	155 089
NTGDIS	84 622	83 767
Supreme Court Judges Pension Scheme	84 458	91 361
LAMS Scheme	74 122	78 265
NTPSBS	61 871	65 538
Administrator Pension Scheme	2 677	2 718
Total superannuation liabilities	2 680 392	2 856 009

The values reported above are based on estimates of the size and timing of future benefit payments obtained through actuarial reviews conducted at three-yearly intervals, updated on an annual basis. The CSS and NTPSBS values are based on triennial reviews at 30 June 2024, updated for 30 June 2026. The LAMS Scheme, NTGPASS, NTSSS, NTGDIS, Judges Pension Scheme and the Administrators Pension Scheme values are based on triennial reviews conducted on 30 June 2025, updated for 30 June 2026. The downward movement in the liability between years is predominantly due to an increase in the discount rate from 4.53% in 2024-25 to 5.07% in 2025-26. Assumptions are made regarding discount rate, salary rate, expected return on scheme assets, inflation and imputed cost of interest.

Key assumptions

	30 June 2026	30 June 2025
	%	%
Discount rate (gross of tax)	5.07	4.53
Short-term salary rate ¹	3.40	3.20
Long-term salary rate	4.40	4.20
Inflation (pensions) ²	2.60	2.70
Imputed cost of interest	4.53	4.35
Tax rate for employer contributions	nil	nil

1 For 2025-26, growth reflects weighted average increases across a range of enterprise bargaining agreements. The Judges Scheme, and the LAMS and Administrator schemes reflect 0% and 3.4% growth in 2025-26, respectively, in line with relevant remuneration tribunal determinations.

2 Reflects long-term growth assumptions. For 2025-26, CSS and NTPSBS CPI-linked pensions reflect growth of 3.4% declining to 2.9% from 2028 to 2030, in line with Australian CPI assumptions.

Notes to the financial statements

For the year ended 30 June 2026

15. Superannuation liabilities (continued)

	30 June 2026	30 June 2025
	\$000	\$000
Amounts in the financial statements		
Balance sheet		
Present value of defined benefit obligation at end of year	2 656 328	2 826 682
Net present value of creditors ¹	24 064	29 327
Net liability/asset (-) recognised in balance sheet at end of year	2 680 392	2 856 009
¹ Represents amounts payable to members who have exited schemes during the reporting period including for NTGPASS, NTSSS and NTGDIS.		
Comprehensive operating statement		
Employer service cost	31 211	35 290
Net interest cost	122 452	125 254
Losses/gains (-) on settlements	nil	nil
Total included in employee benefit expense	153 663	160 544
Remeasurements in other comprehensive income		
Actuarial gains/losses (-) on liability	67 058	97 257
Total remeasurement included in other comprehensive income	67 058	97 257
Explanation of amounts in the financial statements		
Reconciliation of the net defined benefit liability/asset (-)		
Net defined benefit liability/asset (-) at beginning of year	2 826 682	3 009 658
Expense recognised in comprehensive operating statement	153 663	160 544
Employer contributions	- 256 959	- 246 263
Remeasurements in other comprehensive income	- 67 058	- 97 257
Net defined benefit liability/asset (-) at end of year	2 656 328	2 826 682

Notes to the financial statements

For the year ended 30 June 2026

15. Superannuation liabilities (continued)

	30 June 2026	30 June 2025
	\$000	\$000
Reconciliation of the present value of the defined benefit liability		
Total defined benefit obligation at beginning of year	2 826 682	3 009 658
Employer service cost	31 211	35 290
Interest expense	122 452	125 254
Participant contributions	109	322
Taxes and expenses paid		
Benefit payments	- 257 068	- 246 585
Actuarial gain (-)/loss on liabilities due to changes in demographic assumptions		- 26 576
Actuarial gain (-)/loss on liabilities due to changes in financial assumptions	- 99 024	- 80 085
Actuarial gain (-)/loss on liabilities due to changes in liability experience	31 966	9 404
Total defined benefit obligation at end of year	2 656 328	2 826 682

Sensitivity analysis

The Territory's total defined benefit obligation as at 30 June 2026 under several scenarios is presented below.

	Discount rate change	CSS	NTGPASS	NTSSS	NTGDIS	Supreme Court Judge Pension	LAMS	NTPSBS	Administrator's scheme
	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Discount	1.0	1 499 200	549 100	131 400	64 900	75 976	66 776	55 559	2 537
Discount	- 1.0	1 818 500	610 500	146 200	77 200	94 639	82 890	69 502	2 831
Salary	1.0	1 646 300	614 900	146 300	77 200	93 601	82 487		2 832
Salary	- 1.0	1 645 300	544 600	131 300	64 800	76 656	66 972		2 535
Inflation (pensions)	1.0	1 818 500	578 300	138 500	70 600			69 290	
Inflation (pensions)	- 1.0	1 496 700	578 300	138 500	70 600			55 631	
Mortality	10.0					81 755	72 151	60 363	2 542
Mortality	- 10.0					87 509	76 335	63 545	2 832

Notes to the financial statements

For the year ended 30 June 2026

15. Superannuation liabilities (continued)

The weighted term of benefit obligations per scheme is presented below:

	Weighted term (years)
CSS	9
NTGPASS	9
NTSSS	9
NTGDIS	9
Supreme Court Judge Pension	12
LAMS	12
NTPSBS	12
Administrator's scheme	6

16. Other liabilities

	2025-26	2024-25
	\$000	\$000
Current		
Provisions (a)	103 301	76 850
Unearned capital grants (b)	106 945	191 253
Other unearned revenue (c)	73 825	119 003
	284 071	387 106
Non current		
Provisions (a)	485 237	328 403
Unearned capital grants (b)	42 045	14 701
Other unearned revenue (c)	5 600	
	532 882	343 104
Total other liabilities	816 953	730 210

Notes to the financial statements

For the year ended 30 June 2026

16. Other liabilities (continued)

a) Provisions

	2025-26	2024-25
	\$000	\$000
Current		
Workers compensation liability (ii)	95 508	71 460
National redress liability	7 700	5 300
Other	93	90
	103 301	76 850
Non current		
Workers compensation liability (ii)	460 045	302 252
National redress liability	23 800	25 000
Other	1 392	1 151
	485 237	328 403
Total provisions (i)	588 538	405 254

(i) Reconciliation of provisions

	Workers compensation	National Redress	Other	Total
	\$000	\$000	\$000	\$000
2025-26				
Balance at 1 July	373 712	30 300	1 242	405 254
Effect of changes in assumptions	128 200	2 500	334	131 034
Increase in claims incurred/recoveries anticipated over the year	142 963	1 400		144 363
Payments	- 89 322	- 2 700	- 90	- 92 112
Balance at 30 June	555 553	31 500	1 485	588 538
2024-25				
Balance at 1 July	267 935	18 000	1 296	287 231
Effect of changes in assumptions	71 260	- 800	34	70 494
Increase in claims incurred/recoveries anticipated over the year	104 999	14 677		119 677
Payments	- 70 482	- 1 577	- 88	- 72 148
Balance at 30 June	373 712	30 300	1 242	405 254

Notes to the financial statements

For the year ended 30 June 2026

16. Other liabilities (continued)

Workers compensation liability

Workers compensation liabilities comprise those under the *Return to Work Act 1986* and Comcare liabilities under Commonwealth legislation.

The change in liability for the year ended 30 June 2026 is based on an actuarial assessment of the value of outstanding claims at the end of the period and benefits paid during the year.

National redress liability

National redress liability represents the Territory's estimated costs relating to compensation payable in accordance with the National Redress Scheme for institutional child sexual abuse.

The liability valuation is based on an actuarial assessment of the value of claims for the duration of the scheme.

Other provisions

Other provisions reflects provisions recognised for a long-tail settlement.

(ii) Workers compensation liability

	2025-26	2024-25
	\$000	\$000
<i>Return to Work Act 1986</i>	552 736	370 669
Comcare ¹	2 817	3 043
Total workers compensation liability	555 553	373 712

¹ Administered through the *Safety Rehabilitation and Compensation Act 1988*.

b) Unearned capital grants liability

Unearned capital grants liability relate to consideration received in advance from the Commonwealth and passed on to agencies for national partnership agreements and Commonwealth own-purpose capital expenditure, to enable the receiving agency to acquire or construct a non-financial asset that will be controlled by the receiving agency.

(i) Reconciliation of unearned capital grants

	2025-26	2024-25
	\$000	\$000
Unearned capital grants at the beginning of the year	205 954	211 720
Add: receipt of cash during the financial year	416 440	216 414
Less: income recognised during the financial year	473 404	222 181
Total unearned capital grants liability	148 990	205 954

For assets acquired, performance obligations are typically satisfied at the point in time the asset is acquired.

For constructed assets, performance obligations are typically satisfied over time as the asset is constructed and revenue is recognised accordingly. An input method is used to measure the progress towards the satisfaction of performance obligations and hence the amount of revenue recognised. The progress towards satisfaction of the performance obligations is measured using the percentage of completion method.

Notes to the financial statements

For the year ended 30 June 2026

16. Other liabilities (continued)

(ii) Unearned capital grants time bands

CHA expects to recognise income for any unsatisfied obligations associated with liabilities as at the end of the reporting period in accordance with the time bands below.

	2025-26	2024-25
	\$000	\$000
No later than one year	106 945	191 253
Later than one year and not later than five years	42 045	14 701
Later than five years		
Total unearned capital grants liability	148 990	205 954

c) Other unearned revenue liability

	2025-26	2024-25
	\$000	\$000
Unearned contract revenue	78 660	118 362
Other	765	641
Total other unearned revenue liability	79 425	119 003

Unearned contract revenue relates to consideration received in advance from the Commonwealth and passed on to agencies for current national partnership agreements.

(i) Other unearned revenue time bands

CHA expects to recognise income for unsatisfied obligations associated with unearned contract revenue in accordance with the time bands below.

	2025-26	2024-25
	\$000	\$000
No later than one year	73 060	118 362
Later than one year and not later than five years	5 600	
Later than five years		
Total unearned contract revenue	78 660	118 362

17. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised on the balance sheet when CHA becomes a party to the contractual provisions of the financial instrument. Financial instruments held by CHA include cash and deposits, receivables, advances and investments, deposits held, payables and borrowings. CHA has limited exposure to financial risks as discussed below.

Notes to the financial statements

For the year ended 30 June 2026

17. Financial instruments (continued)

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 *Financial Instruments: Presentation* and have been excluded in the following tables. These include statutory receivables arising from tax receivables, GST input tax credits recoverable, and fines and penalties.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risks arise in the normal course of activities. CHA's advances, investments and borrowings are predominantly managed through the NTTC adopting strategies to minimise risk exposure.

a) Categorisation of financial instruments

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

	FVTPL		Amortised cost	FVOCI	Other	Total
	Mandatory	Designated				
	\$000	\$000	\$000	\$000	\$000	\$000
2025-26						
Cash and deposits					1 007 085	1 007 085
Receivables ¹			2 439			2 439
Advances and investments	1 596 872		202 867			1 799 739
Total financial assets	1 596 872		205 306		1 007 085	2 809 263
Deposits held			1 173 860			1 173 860
Payables ¹			2 837			2 837
Borrowings and advances			11 576 723			11 576 723
Total financial liabilities			12 753 420			12 753 420
2024-25						
Cash and deposits					780 134	780 134
Receivables ¹			2 621			2 621
Advances and investments	1 453 006		87 281			1 540 287
Total financial assets	1 453 006		89 901		780 134	2 323 041
Deposits held			1 143 863			1 143 863
Payables ¹			2 453			2 453
Borrowings and advances			10 333 001			10 333 001
Total financial liabilities			11 479 317			11 479 317

FVOCI: fair value through other comprehensive income; FVTPL: fair value through profit or loss

¹ Total amounts disclosed exclude statutory amounts and accruals, as these are not within the scope of AASB 132. Therefore, amounts will not reconcile to the balance sheet.

Notes to the financial statements

For the year ended 30 June 2026

17. Financial instruments (continued)

Categories of financial instruments

(i) Financial assets at amortised cost

Financial assets categorised at amortised cost are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method less impairments. CHA's financial assets categorised as amortised cost include receivables and certain debt securities.

(ii) Financial assets at fair value through other comprehensive income

CHA does not have any financial assets under this category.

(iii) Financial assets at fair value through profit or loss

Financial assets are classified at FVTPL when they do not meet the criteria for amortised cost or FVOCI. These assets are initially and subsequently recognised at fair value with gains or losses recognised in the net result for the year.

CHA's financial assets categorised as FVTPL include investments in managed unit trusts (COSR investment).

(iv) Financial liabilities at amortised cost

Financial liabilities at amortised cost are measured at amortised cost using the effective interest rate method. CHA's financial liabilities categorised as amortised cost include all accounts payable, deposits held, borrowings and advances received.

(v) Financial liabilities at fair value through profit or loss

CHA does not have any financial liabilities under this category.

b) Credit risk

Credit risk is the risk a counterparty will default on its contractual obligations, resulting in financial loss to the Territory.

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

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

c) Liquidity risk

Liquidity risk is the risk CHA will not be able to meet its financial obligations as they fall due. Liquidity risks are managed by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities. NTTC assists CHA with the management of liquidity risk on a day-to-day basis.

Notes to the financial statements

For the year ended 30 June 2026

17. Financial instruments (continued)

The following table details CHA's remaining contractual maturity for its financial liabilities based on undiscounted cash flows, and includes both interest and principal cash flows.

	Carrying amount	Less than 1 year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
2025-26					
Deposits held	1 173 860	1 173 860			1 173 860
Payables ¹	2 837	2 837			2 837
Borrowings and advances	11 576 723	1 253 548	4 755 668	9 899 070	15 908 285
Total financial liabilities	12 753 420	2 430 245	4 755 668	9 899 070	17 084 982
2024-25					
Deposits held	1 143 863	1 143 863			1 143 863
Payables ¹	2 453	2 453			2 453
Borrowings and advances	10 333 001	1 081 540	4 412 937	8 246 496	13 740 974
Total financial liabilities	11 479 317	2 227 856	4 412 937	8 246 496	14 887 290

¹ Amounts disclosed exclude statutory amounts and accruals (such as accrued expenses and provisions) as these do not meet the definition of a financial instrument and therefore amounts will not reconcile to the balance sheet.

d) Market risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk. The primary market risk CHA is likely to be exposed to is interest rate risk.

(i) Interest rate risk

Interest rate risk is the risk of financial loss and or increased cost due to adverse movements in the values of financial assets and liabilities as a result of changes in interest rates. The interest rate exposure arises from unmatched maturity patterns.

Notes to the financial statements

For the year ended 30 June 2026

17. Financial instruments (continued)

CHA's exposure to interest rate risk by asset and liability classes is disclosed below.

	Interest bearing		Non-interest bearing	Total	Weighted average interest rate
	Variable	Fixed			
	\$000	\$000	\$000	\$000	%
2025-26					
Cash and deposits	1 007 085			1 007 085	4.35
Receivables ¹			2 439	2 439	
Advances and investments		202 867	1 596 872	1 799 739	4.84
Total financial assets	1 007 085	202 867	1 599 311	2 809 263	
Deposits held			1 173 860	1 173 860	
Payables ¹			2 837	2 837	
Borrowing and advances		11 576 723		11 576 723	4.20
Total financial liabilities		11 576 723	1 176 697	12 753 420	

2024-25

Cash and deposits	780 134			780 134	3.85
Receivables ¹			2 621	2 621	
Advances and investments		87 281	1 453 006	1 540 287	4.45
Total financial assets	780 134	87 281	1 455 627	2 323 041	
Deposits held			1 143 863	1 143 863	
Payables ¹			2 453	2 453	
Borrowing and advances		10 333 001		10 333 001	3.96
Total financial liabilities		10 333 001	1 146 316	11 479 317	

1 Total amounts disclosed here exclude statutory amounts and accruals as these are not in the scope of AASB 132. Therefore, amounts will not reconcile to the balance sheet.

Sensitivity analysis

Assuming the financial assets and liabilities at 30 June 2026 were to remain until maturity or settlement without any action by CHA to alter the resulting interest rate exposure, changes in the variable interest rate of 100 basis points (1%) at reporting date would have the following effect on CHA's profit or loss and equity.

	Profit or loss and equity 100 basis points increase/decrease	
	2025-26	2024-25
	\$000	\$000
Cash and deposits	± 10 071	± 7 801
Net sensitivity	± 10 071	± 7 801

Notes to the financial statements

For the year ended 30 June 2026

17. Financial instruments (continued)

(ii) Price risk

CHA is exposed to price risk as CHA holds units in unit trusts. Price risk arises when an agency holds units in unit trusts and there is a change in the market value of these units as advised by respective fund managers.

Price risk is managed through the use of strictly monitored allocation limits for units held in each class of managed funds. CHA invests in a diverse range of managed funds, thereby limiting the impact of any one underlying variable affecting unit prices.

Returns achieved by appointed fund managers are continuously monitored and compared to returns earned by suitable peer group of other professional fund managers.

Sensitivity analysis

The analysis below demonstrates the impact of a movement in prices of units held in unit trusts. It is assumed that any relevant price change occurs at reporting date.

	Change in unit price	Impact on profit or loss and equity	
		2025-26	2024-25
	%	\$000	\$000
Equities	± 10	± 105 165	± 95 496
Property securities	± 10	± 15 674	± 8 472
Interest bearing	± 1	± 3 885	± 4 133
Net sensitivity		± 124 723	± 108 101

e) Net fair value

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, receivables and payables approximates their carrying amount, which is also their amortised cost
- the fair value of advances and investments have been determined using market values
- the fair value of other monetary financial assets and liabilities is based on discounting to present the value of expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

Financial instruments that are measured at fair value are grouped into levels 1 to 3 based on the degree to which the fair value is observable:

- level 1 – the fair value is calculated using quoted prices in active markets.
- level 2 – the fair value is estimated using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The following table provides an analysis of financial instruments measured and disclosed at fair value, grouped based on the level of inputs used.

Notes to the financial statements

For the year ended 30 June 2026

17. Financial instruments (continued)

	Total carrying amount	Net fair value			Total
		Level 1	Level 2	Level 3	
	\$000	\$000	\$000	\$000	\$000
2025-26					
Advances and investments					
Units in unit trusts	1 596 872		1 596 872		1 596 872
Total financial assets	1 596 872		1 596 872		1 596 872

2024-25

Advances and investments					
Units in unit trusts	1 453 006		1 453 006		1 453 006
Total financial assets	1 453 006		1 453 006		1 453 006

The following table discloses the fair value of financial instruments where fair value is not equal to their carrying amount. Fair values are categorised by level of inputs used.

	Total carrying amount	Net fair value			Total
		Level 1	Level 2	Level 3	
	\$000	\$000	\$000	\$000	\$000
2025-26					
Cash and deposits					
Short-term deposits	360 000		362 246		362 246
Advances and investments					
Securities	202 867		203 039		203 039
Total financial assets	562 867		565 285		565 285
Borrowings and advances	11 576 723		10 903 749		10 903 749
Total financial liabilities	11 576 723		10 903 749		10 903 749

2024-25

Cash and deposits					
Short-term deposits	75 000		76 601		76 601
Advances and investments					
Securities	87 281		87 416		87 416
Total financial assets	162 281		164 017		164 017
Borrowings and advances	10 333 001		9 707 634		9 707 634
Total financial liabilities	10 333 001		9 707 634		9 707 634

There were no changes in valuation techniques during the period.

Notes to the financial statements

For the year ended 30 June 2026

18. Budgetary information

a) Comprehensive operating statement

	2025-26 ¹			
	Actual	Original budget	Variance	Note
	\$000	\$000	\$000	
INCOME				
Taxation revenue	1 079 354	939 435	139 919	1
Commonwealth revenue				
GST revenue	4 997 432	4 570 875	426 557	2
Specific purpose payments	612 432	625 662	- 13 230	
National partnership agreements	1 054 837	1 210 333	- 155 496	3
Current grants	9 798		9 798	
Capital grants	14 679	68 812	- 54 133	3
Fees from regulatory services	29 197	30 260	- 1 063	
Interest revenue	187 100	117 909	69 191	4
Royalties, rents and dividends	650 746	412 698	238 048	5
Employer superannuation contributions	19 839	30 825	- 10 986	
Other revenue	89 893	92 334	- 2 441	
TOTAL INCOME	8 745 305	8 099 143	646 162	
EXPENSES				
Long service leave expense	74 098	56 379	17 719	
Superannuation expense	148 509	177 756	- 29 247	6
Other salary payment	142 963	73 030	69 933	7
Administrative expense	4 729	984	3 745	
Interest expense	458 122	464 878	- 6 756	
Appropriation expense	6 913 799	7 004 939	- 91 140	8
TOTAL EXPENSES	7 742 220	7 777 966	- 35 746	
NET SURPLUS/DEFICIT (-)	1 003 086	321 177	681 909	
OTHER COMPREHENSIVE INCOME				
Comprehensive income	- 61 513		- 61 513	9
TOTAL OTHER COMPREHENSIVE INCOME	- 61 513		- 61 513	
COMPREHENSIVE RESULT	941 573	321 177	620 396	

1 Actuals have been presented consistent with original budget.

Notes to the financial statements

For the year ended 30 June 2026

18. Budgetary information (a) (continued)

The following note descriptions relate to variances greater than \$20 million or where multiple significant variances have occurred.

1. The \$139.9 million increase in taxation revenue from the original 2025-26 Budget reflects:
 - additional stamp duties on financial and capital transactions of \$128.3 million mainly due to several large commercial transactions, combined with stronger than expected price growth in the residential property market in 2025-26
 - additional payroll and labour force taxes of \$52.1 million largely due to strength in private sector wages and employment outcomes
 - offset by lower than anticipated income tax equivalents of \$39.5 million due to revised financial performance in government owned corporations.
2. Additional GST revenue of \$426.6 million largely a result of an increase in the Territory's GST relativity, combined with upward revisions to forecast growth in the national GST collections pool and the Territory's share of national population.
3. A decrease in national partnership revenue of \$155.5 million and capital grants of \$54.1 million, predominantly due to revised timing of funding for Commonwealth-funded projects in line with milestone completion.
4. The \$69.2 million increase in interest income from the original 2025-26 Budget is due to greater than anticipated returns on investments within the COSR, short-term deposits and securities.
5. The \$238 million increase in royalties, rents and dividends is predominantly due to higher than anticipated royalty revenue of \$211.2 million following revised estimation from miners and higher than expected growth in key commodity prices.
6. Superannuation expenses decreased by \$29.2 million since the original 2025-26 Budget as a result of annual actuarial adjustments and lower accruing costs.
7. Other salary expenses increased by \$69.9 million due to higher workers compensation expenses driven by annual actuarial adjustments and the flow-on effects of changes in workers compensation eligibility and claim patterns.
8. The decrease of \$91.1 million in appropriation expense was largely due to a decrease in Commonwealth appropriation of \$99.8 million paid to agencies in line with tied Commonwealth funding, partially offset by increased appropriation paid to various agencies of \$8.6 to fund government's operating commitments.
9. The variation reflects the movement in bond rates and actuarial assumptions used in valuing the Territory's employee and long-term liabilities as required by accounting standards.

Notes to the financial statements

For the year ended 30 June 2026

18. Budgetary information (continued)

b) Balance sheet

	2025-26 ¹			
	Actual	Original budget	Variance	Note
ASSETS	\$000	\$000	\$000	
Cash and deposits	1 007 085	520 800	486 285	1
Receivables	779 640	258 204	521 436	2
Prepayments	229 743	111 211	118 532	3
Advances and investments	1 799 739	1 771 384	28 355	4
Equity investments	19 456 162	19 515 077	- 58 915	5
TOTAL ASSETS	23 272 369	22 176 676	1 095 693	
LIABILITIES				
Deposits held	1 173 860	833 500	340 360	6
Creditor and accruals	395 032	79 798	315 234	7
Borrowings and advances	11 576 723	12 109 723	- 533 000	8
Superannuation liability	2 680 392	2 918 317	- 237 925	9
Provision for long service leave	461 687	419 457	42 230	10
Provision for workers compensation	555 553	267 935	287 618	11
Other liabilities	261 400	121 078	140 322	12
TOTAL LIABILITIES	17 104 648	16 749 808	354 840	
NET ASSETS	6 167 721	5 426 868	740 853	
EQUITY				
Accumulated funds	6 167 721	5 426 868	740 853	
TOTAL EQUITY	6 167 721	5 426 868	740 853	

1 Actuals have been presented consistent with original budget.

Notes to the financial statements

For the year ended 30 June 2026

18. Budgetary information (b) (continued)

The following note descriptions relate to variances greater than \$20 million or where multiple significant variances have occurred.

1. Total cash and deposits are \$486.3 million higher than the original 2025-26 Budget largely due to the Territory's improved fiscal balance outcome driven by higher GST, and taxation and mining royalty revenue, partially offset by revenue (receivables) recognised but not yet received in cash.
2. Receivables increased by \$521.4 million, largely reflecting an increase in accrued revenue for works undertaken under various Commonwealth-funded programs for which cash had not yet been received (\$319.7 million), combined with increases in royalties and dividends receivables (\$149.8 million) and taxes receivables (\$68 million).
3. Prepayments increased by \$118.5 million largely reflecting funds received in advance from the Commonwealth and passed on to agencies for national partnership agreements, specific purpose payments and Commonwealth capital own-purpose expenditure.
4. Advances and investments increased by \$28.4 million since the original 2025-26 Budget reflecting the net movement in the COSR investments and other short-term and fixed interest investments.
5. Equity investment represents CHA's ownership in public sector entities with the variation predominantly reflecting the revised timing of Territory-funded capital projects to future years.
6. Deposits held increased by \$340.4 million due to higher than anticipated funds held on behalf of government entities.
7. Payables increased by \$315.2 million in line with accrued current and capital grant revenue relating to works undertaken for various Commonwealth-funded programs for which cash has not yet been receipted and not yet passed on to government agencies.
8. Net borrowings and advances decreased by \$533 million since the original 2025-26 Budget largely due to the revised timing of the Darwin ship lift facility loan in line with estimated construction milestones, and reduced CHA borrowing requirements in line with additional GST and Territory income.
9. Superannuation liabilities decreased by \$237.9 million since the original 2025-26 Budget as a result of annual actuarial adjustments and lower accruing costs, combined with the movement in the bond rate used in valuing superannuation liabilities as required by accounting standards.
10. Provision for long service leave increased by \$42.2 million due to increased leave entitlements as a result of the flow-on effect of new enterprise agreements and recognition of an additional year of accruals as employees move closer to entitlement.
11. Provision for worker's compensation increased \$287.6 million as a result of annual actuarial adjustments and the flow-on effects of changes in workers compensation eligibility and claims patterns.
12. Net other liabilities increased by \$140.3 million predominantly due to Commonwealth funding received in advance in 2025-26 to be spent and recognised in the income statement in future years as milestones are met, and increase in the National Redress Scheme liability as a result of annual actuarial review.

Notes to the financial statements

For the year ended 30 June 2026

18. Budgetary information (continued)

c) Cash flow statement

	2025-26 ¹			
	Actual	Original budget	Variance	Note
	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Taxes received	1 025 818	934 317	91 501	1
Commonwealth revenue received				
GST received	4 997 432	4 570 875	426 557	2
Specific purpose payments	612 432	625 662	- 13 230	
National partnership agreements	838 591	1 021 185	- 182 594	3
Current grants	9 798		9 798	
Capital grants	14 774	75 806	- 61 032	3
Receipts from regulatory services	29 197	30 260	- 1 063	
Interest received	133 972	89 246	44 726	4
Royalties, rents and dividends	537 430	398 843	138 587	5
Superannuation contributions	19 839	30 825	- 10 986	
Other receipts	87 860	92 334	- 4 474	
Total operating receipts	8 307 143	7 869 353	437 790	
Operating payments				
Long service leave	55 998	56 379	- 381	
Superannuation benefits paid	257 068	228 042	29 026	6
Other salary payments	78 326	76 039	2 287	
Payments for goods and services	8 212	5 584	2 628	
Interest paid	457 738	460 920	- 3 182	
Appropriation payments	6 892 108	6 984 498	- 92 390	7
Total operating payments	7 749 450	7 811 462	- 62 012	
Net cash from/used in (-) operating activities	557 693	57 891	499 802	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Equity withdrawals from agencies	41 776	144 288	- 102 512	8
Advances and investing receipts				
Total investing receipts	41 776	144 288	- 102 512	

Notes to the financial statements

For the year ended 30 June 2026

18. Budgetary information (c) (continued)

c) Cash flow statement (continued)

	2025-26 ¹			
	Actual	Original budget	Variance	Note
	\$000	\$000	\$000	
Investing payments				
Advance and investing payments	206 147	57 328	148 819	9
Appropriation payments	988 934	1 364 330	- 375 396	10
Equity injections to agencies	451 156	253 408	197 748	8
Total investing payments	1 646 236	1 675 066	- 28 830	
NET CASH FLOW FROM INVESTING ACTIVITIES	- 1 604 460	- 1 530 778	- 73 682	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Proceeds of borrowings	1 277 000	1 617 000	- 340 000	11
Deposits received	29 997	- 298 934	328 931	12
Total financing receipts	1 306 997	1 318 066	- 11 069	
Financing payments				
Repayment of borrowings	33 278	8 278	25 000	11
Total financing payments	33 278	8 278	25 000	
NET CASH FLOW FROM FINANCING ACTIVITIES	1 273 719	1 309 788	- 36 069	
Net increase (+) /decrease (-) in cash held	226 951	- 163 099	390 050	
Cash at beginning of financial year	780 134	683 899	96 235	
CASH AT END OF FINANCIAL YEAR	1 007 085	520 800	486 285	

1 Actuals have been presented consistent with original budget.

The following note descriptions relate to variances greater than \$20 million or where multiple significant variances have occurred.

- The \$91.5 million increase in taxes received compared to the original 2025-26 Budget reflects:
 - additional stamp duties on financial and capital transactions of \$128.3 million mainly due to several large commercial transactions, combined with stronger than expected price growth in the residential property market in 2025-26
 - additional payroll and labour force taxes of \$52.1 million largely due to strength in private sector wages and employment
 - offset by lower than anticipated income tax equivalents of \$39.5 million due to revised financial performance in government owned corporations
 - higher taxes receivable of \$40.9 million.
- Additional GST revenue of \$426.6 million largely a result of an increase in the Territory's GST relativity, combined with upward revisions to forecast growth in the national GST collections pool and Territory's share of national population.
- Lower national partnership revenue of \$182.6 million and capital grants revenue of \$61 million due to the revised timing of Commonwealth-funded projects.

Notes to the financial statements

For the year ended 30 June 2026

18. Budgetary information (c) (continued)

4. Interest receipts increased by \$44.7 million since the original 2025-26 Budget, due to greater than anticipated returns on investments and short-term deposits
5. Royalties, rents and dividends received increased by \$138.6 million predominantly due to higher than anticipated royalty revenue following revised estimation from miners and higher than expected growth in key commodity prices.
6. Superannuation payments increased by \$29 million since the original 2025-26 Budget due to wages growth following enterprise agreement outcomes, combined with increases in CPI-indexed pensions.
7. The decrease of \$92.4 million in appropriation expense was largely due to a decrease in Commonwealth appropriation of \$101 million paid to agencies in line with tied Commonwealth-funded agreements, partially offset by increased output appropriation of \$8.6 million paid to various agencies to fund government's operating commitments.
8. Net withdrawals and injections of \$95.2 million largely reflect the transfer of cash from CHA to general government agencies.
9. Net increase in advance and investing receipts of \$148.8 million predominantly due to higher than budgeted short-term and fixed interest investments.
10. The decrease of \$375.4 million in appropriation payments was largely due to the revised timing of Territory and Commonwealth-funded capital projects to future years.
11. The \$315 million net decrease in repayments and proceeds of borrowings is largely due to the revised timing of the Darwin ship lift facility loan in line with estimated construction milestones and reduced CHA borrowing requirements in line with additional GST and Territory income.
12. Deposits received increased by \$328.9 million due to higher cash balances held by CHA on behalf of government entities.

19. Related parties

a) Related parties

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

- the portfolio minister (the Treasurer) and KMP because he has 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 entities controlled or jointly controlled by KMP or the portfolio minister, or controlled or jointly controlled by their close family members.

b) Key management personnel

KMP of CHA are those persons having authority and responsibility for planning, directing and controlling the activities of CHA. The KMP of CHA for 2025-26 were:

- the Treasurer
- the Under Treasurer
- the Executive Director Finance.

Notes to the financial statements

For the year ended 30 June 2026

19. Related parties (continued)

c) Remuneration of key management personnel

CHA does not make any direct payments to its KMP. The Treasurer's remunerations and allowances are not paid by CHA and consequently are disclosed within the Treasurer's Annual Financial Report. The Under Treasurer's and Executive Director Finance's remuneration and allowances are payable by DTF, and are disclosed in DTF's financial statements.

d) Related-party transactions

Transactions with Territory Government-controlled entities

CHA's primary sources of income are Commonwealth revenue received by DTF and Territory income administered by government entities passed on to CHA.

CHA's primary expenses are payments to government-controlled entities in the form of output and capital appropriation, and Commonwealth national partnership and specific purpose payments passed on to agencies.

20. Contingent assets and liabilities

Contingent assets and liabilities are possible future assets or obligations that arise from past events, which are only realised if a special event occurs. While they have no impact on the financial statements, contingent assets and liabilities are disclosed as they have the potential to affect the entities' future financial performance or position.

a) Contingent assets

Disaster Recovery Funding Arrangements

The Territory has submitted claims for expenses incurred for 2022-23 (claim 2), 2023-24 and 2024-25 to the Commonwealth under the Disaster Recovery Funding Arrangements (DRFA) totalling \$92.4 million. Management has estimated recoveries of \$39.4 million in relation to these submitted claims. The Territory will be submitting claims for disaster events that occurred in 2025-26, which are unquantifiable.

The contingent asset has not been recognised as an asset in the financial statements as reimbursement is not certain at the reporting date. Although claims have been submitted, they remain subject to further audit, assurance and assessment processes before reimbursement is approved.

The amount and timing of any reimbursement remain subject to Commonwealth assessment including verification of eligible expenditure, supporting documentation and quality assurance processes. Previous DRFA claims have been adjusted following audit and assessment processes. As a result, the final amount approved for reimbursement may differ from the amount disclosed.

b) Contingent liabilities

Darwin ship lift and Marine Industry Park

The Territory has entered into a loan facility agreement with the Northern Australia Infrastructure Facility (NAIF) to borrow \$300 million for the Darwin ship lift and Marine Industry Park. The project will enable maintenance and servicing of defence and Australian Border Force vessels, along with commercial and private vessels including from the oil, gas and marine industries.

The Territory indemnifies NAIF and the Commonwealth against any loss related to the Territory's fulfilment of any condition precedent to the loan facility agreement. The conditions and obligations contained in the facility agreement are being monitored during development of the project to ensure the conditions are satisfied.

Notes to the financial statements

For the year ended 30 June 2026

21. Events subsequent to reporting date

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

List of acronyms

AARC	AustralAsia Railway Corporation	ICT	information and communications technology
AASB	Australian Accounting Standards Board	IT	Information Technology
AI	Artificial Intelligence	KMP	key management personnel
AO	administrative officer	LAMS	Legislative Assembly Members' Superannuation
ARMC	Audit and Risk Management Committee	LNG	liquefied natural gas
CE	chief executive	MAC	Motor Accident Compensation
CFO	chief finance officer	MACC	Motor Accident Compensation Commission
CGC	Commonwealth Grants Commission	NAIF	Northern Australia Infrastructure Facility
CHA	Central Holding Authority	NTGDIS	NTG Death and Invalidity Scheme
CMC	Department of the Chief Minister and Cabinet	NTGPASS	Northern Territory Government and Public Authorities' Superannuation Scheme
COSR	Conditions of Service Reserve	NTPS	Northern Territory Public Sector
CPI	consumer price index	NTPSBS	Northern Territory Police Supplementary Benefit Scheme
CSO	community service obligation	NTSSS	Northern Territory Supplementary Superannuation Scheme
CSS	Commonwealth Superannuation Scheme	NTTC	Northern Territory Treasury Corporation
DCDD	Department of Corporate and Digital Development	OCPE	Office of the Commissioner for Public Employment
DGC	Digital Governance Committee	ppt	percentage point
DLI	Department of Logistics and Infrastructure	PSEMA	<i>Public Sector Employment and Management Act 1993</i>
DME	Department of Mining and Energy	PWC	Power and Water Corporation
DRFA	Disaster Recovery Funding Arrangements	SA	South Australia
DTF	Department of Treasury and Finance	SAO	senior administrative officer
ECL	expected credit loss	SHRC	Strategic Human Resources Committee
ECO	executive contract officer	SMG	Senior Management Group
FITA	<i>Fiscal Integrity and Transparency Act 2001</i>	SSIAP	Shared Services Internal Audit Plan
FMA	<i>Financial Management Act 1995</i>	TAFR	Treasurer's Annual Financial Report
FOI	freedom of information	TRM	Territory Records Manager (Content Manager)
FTE	full-time equivalent	TRO	Territory Revenue Office
FVTPL	fair value through profit or loss	UT	Under Treasurer
FVOCI	fair value through other comprehensive income	WHS	work health and safety
GST	goods and services tax		
HR	human resources		

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Northern Territory Treasury Corporation

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