



2024-2025

Annual Report

Department of Logistics
and Infrastructure



Acknowledgement

The Department of Logistics and Infrastructure (DLI) acknowledges the Traditional Owners of the Northern Territory and recognises their continuing cultural and spiritual connections to the lands, waters and communities.

While this report uses the term Aboriginal, the contents and information should be read to include both Aboriginal and Torres Strait Islander people.

Interpreter services

If required, interpreter services are available to assist you to read this report. Please contact:

Interpreting and Translating Service
NT on (08) 8999 8506

Aboriginal Interpreter Service on
1800 334 944

Information regarding interpreter services in the Northern Territory can be accessed via nt.gov.au/itsnt

Providing feedback

DLI welcomes feedback on this annual report and can be contacted on the details below.

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INTRODUCTION

About the report

This annual report highlights the work and performance of the Department of Logistics and Infrastructure (DLI) during the 2024-25 financial year. Performance is reported against strategic goals, approved budget and output measures.

This report has been developed to inform the Legislative Assembly, Territorians, industry and other stakeholders of the:

- main functions and responsibilities of DLI
- significant activities and highlights achieved throughout the year
- fiscal management and performance reporting of DLI.

The report is structured in the following sections:



PART 1
Our organisation



PART 2
Our highlights and achievements



PART 3
Governance framework



PART 4
Our people



PART 5
Our performance



PART 6
Financial statements

DLI is an agency of the Northern Territory Government that facilitates efficient, safe and agile logistics and infrastructure solutions for all Territorians. We deliver this through transport planning, infrastructure investment and supporting effective logistics supply chains.

LETTER TO THE MINISTER

29 August 2025

Minister for Logistics and Infrastructure
Parliament House
State Square
Darwin NT 0800

Dear Minister Yan

Re: Agency Representation Letter 2024-25

As part of the presentation of the agency's Annual Report, and in accordance with Treasurer's Direction R2.1.6, each accountable officer shall include a representation to the relevant minister that to the best of the accountable officer's knowledge and belief:

- a. proper records of all transactions affecting the agency are kept and that employees under their control observe the provisions of the *Financial Management Act 1995* (FMA), the Financial Management Regulations and Treasurer's Directions
- b. procedures within the agency afford proper internal control and a current description of such procedures is recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the FMA.
- c. no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists (or where this is not the case, details to be provided of any such instances)
- d. in accordance with the requirements of section 15 of the FMA, the internal audit capacity available to the agency is adequate and the results of internal audits have been reported to the accountable officer
- 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. reporting required under Employment Instructions issued by the Commissioner for Public Employment has been satisfied
- g. the agency is working in compliance with the *Information Act (2002)*.

In addition, the Chief Executive of the Department of Corporate and Digital Development (DCDD) advises that, in relation to items a), e) and g) above that involve functions provided by DCDD, to the best of her knowledge and belief, proper records are kept of transactions undertaken by DCDD on behalf of the agency and that the employees of DCDD observe the provisions of the FMA, the Financial Management Regulations and Treasurer's Directions and Part 9 of the *Information Act 2002*.

Yours sincerely



Gemma Lake
Acting/Chief Executive Officer
29 August 2025



MESSAGE FROM THE CEO

This annual report highlights the work and performance of the Department of Logistics and Infrastructure during the 2024-25 financial year. Performance is reported against strategic goals, approved budget and output measures.

Louise McCormick

Chief Executive Officer
Department of Logistics and Infrastructure

I am pleased to present the first annual report for the Department of Logistics and Infrastructure (DLI).

DLI works with the community, business and government partners to deliver, design, construct, maintain, manage, regulate and invest in integrated infrastructure, developments and services across the NT. DLI is supporting the government's 3 pillars to reduce crime, rebuild the economy and restore the Territory lifestyle through a number of projects and initiatives.

The department was established in September 2024 following the Machinery of Government (MoG) changes. As part of MoG changes, the portfolio of Housing Construction was established, with the capital works program remaining in DLI. Housing property maintenance moved to the Department of Housing, Local Government and Community Development to be aligned with tenancy management.

MoG changes led to a department restructure focusing on 4 key functional areas - Regions, Strategic Projects, Program Delivery and Procurement, and Transport Operations and Corporate Services. This restructure ensures our delivery functions of Housing and Land Servicing, Built Infrastructure and Transport and Civil Infrastructure are housed in the same functional area, creating efficiency for our various programs and priorities.

The integration of transport and frontline services into the Transport Operations and

Corporate Services division ensures DLI's frontline operations are well supported and strategically located within the agency. Our Regions deliver 60% of the government's program and our larger rebuilding the economy projects have been kept within Infrastructure NT to continue a strategic focus.

As the construction authority of the Northern Territory Government, DLI manages many of the government's key projects and programs. This includes delivering the multi-billion dollar road and remote housing programs as well as investment through Built Infrastructure into areas such as health, education and police.

The 2024-25 infrastructure program of \$5.43 billion saw DLI deliver, among many other strategic priorities:

- Tanami Road - 150 km sealed
- Katherine High School STEAM Centre
- Tiger Brennan Drive and Berrimah Road overpass
- Godinymayin Yijard Rivers Arts and Culture Centre
- Nyinkka Nyunyu Art and Culture Centre
- Borroloola cyclone shelter
- Tennant Creek streetlighting upgrade
- Tennant Creek Youth Justice Supported Accommodation Facility
- Dundee Beach boat ramp upgrades.

DLI has played a key role in supporting the need for greater capacity in our prisons. Since the change of government, over 900 additional beds were delivered in the financial year in our corrections system, and work continues to ensure we have corrections infrastructure that is fit for purpose. Through the Corrections Infrastructure Master Plan, released in December 2024, DLI is supporting the reduction of pressure on existing correctional facilities, returning watchhouses to the NT Police Force for immediate use, providing staged and considered solutions to accommodate future growth while also delivering on existing commitments for youth. During the reporting period the capital works program for corrections was \$117.4 million.

The delivery of safe and effective public transport is also a priority of this department and in May 2025 a suite of reforms was announced to address disruptive behaviour and improve public safety on buses and on the bus network. This is underpinned by the bus safety reform strategy, launched in June 2025, which aims to increase passengers' trust and confidence in the public bus network, strengthen partnerships with key stakeholders and explore opportunities to optimise the public bus network.

This will be achieved through a range of initiatives including the closure of Casuarina and Darwin bus interchanges, delivery of a new NT Bus Tracker app, continuation of free bus travel as an interim measure, a network and infrastructure review and delivery of upgraded safety measures.

Key initiatives have been delivered by the Motor Vehicle Registry with the cost of living relief commitments implemented representing a saving of over \$1 million, including:

- 38,850 1-year free driver licences issued between 1 January and 30 June 2025
- registration fees frozen until July 2026
- 3-year light trailer registrations implemented.

Another key functional area following the establishment of DLI is the regions, with 60% of the infrastructure program delivered in the regions across infrastructure, transport and housing outside of Darwin. This includes construction and maintenance of government infrastructure, buildings, roads, transport safety, policy, strategy, and compliance.

The Alice Springs Priority Infrastructure Plan is a key focus for the regions to enhance liveability and lifestyle for the residents and visitors of Alice Springs. Funded from existing budget, the plan focuses on delivering 4 main priorities:

- Aboriginal and Torres Strait Islander Art Gallery of Australia (ATSIAGA) including restoring Anzac Oval
- Multicultural Community Facility
- Gillen Multi-sport Precinct
- Jim McConville Oval.

Two other priority regional projects in the form of capital grants include \$4.8 million to support the Alice Springs Town Council (ASTC) to deliver the Tourism Central Australia headquarters and Visitor Information Centre and \$14.9 million to support ASTC to construct a new library, expanding public services and enriching community spaces.

Through the work of Infrastructure NT, DLI is leading key economic initiatives that will create jobs and restore confidence in the Territory as a place to live and to do business. As part of Infrastructure NT, the strategic project office is delivering the:

- Middle Arm Precinct
- Darwin Region Water Supply Program, including the Manton Dam return to service, and the Adelaide River Off-stream Water Storage (AROWS)
- Territory Energy Link, connecting strategic economic development projects in the Beetaloo Sub-basin and at Middle Arm Precinct
- Darwin Harbour Infrastructure Projects, including Darwin Ship Lift Facility, Mandorah Marine Facility, and the Gunyangara (Gove Port) Tourism Precinct.

Finally, work continues on establishing a network of regional logistics hubs and intermodal facilities to improve freight efficiencies and capitalise on the Territory's access to Asian markets, renewable energies and rich resources.

The Housing and Land Servicing division continues to deliver housing capital works across the Northern Territory and enabling land development works. This year marked the second year of the landmark 10-year \$4 billion remote housing program, jointly funded by the Australian Government and Northern Territory Government. Pleasingly, 222 new or replacement homes were completed in remote areas, with an additional 202 homes underway.

Roads and civil construction continues to be a critical component of what this department delivers; connecting communities, facilitating trade, supporting tourism, and enabling people to access essential services. The Transport and Civil Infrastructure division:

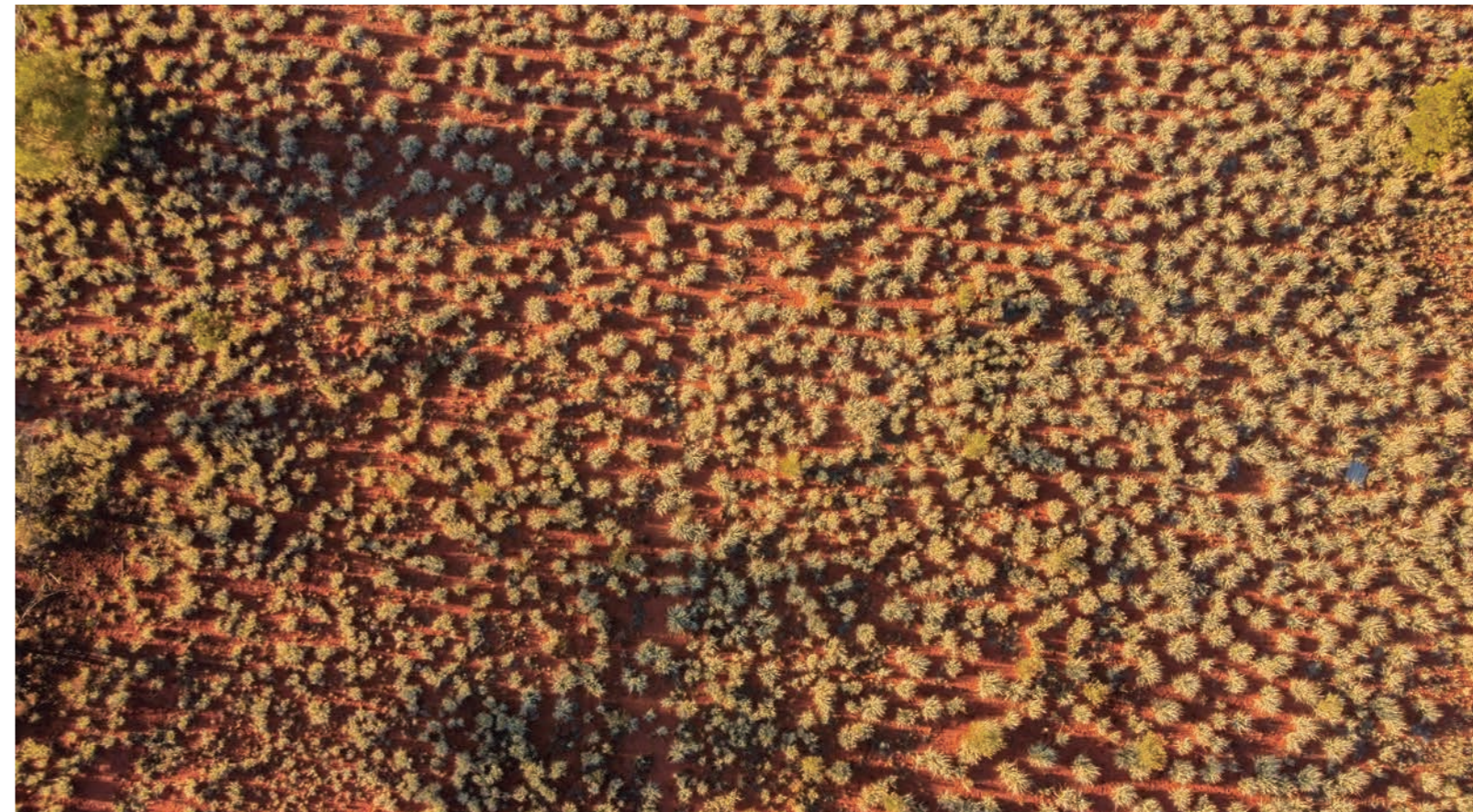
- designs, develops and manages transport infrastructure across the NT
- delivers significant upgrades and maintenance works on the NT road network
- manages transport assets including aerodromes, barge landings and boat ramps.

Works continue across key initiatives including \$254 million in joint investment to upgrade 175 km of the Carpentaria Highway, ongoing upgrades to Tanami Road and the duplication of Roystonea Avenue between Terry Drive and Lambrick Avenue to improve safety and support the Territory lifestyle in the growing city of Palmerston.

The work of this department remains essential to delivering government's priorities. This year has seen significant changes to our department, our divisions and the infrastructure program, reflecting the evolving needs and ambitions of the Territory. Throughout this busy and dynamic period, our teams have demonstrated remarkable dedication, adaptability and professionalism. I sincerely thank all our staff for their unwavering commitment and hard work. Your efforts have been instrumental in accomplishing significant achievements and valuable outcomes for Territorians. As we look ahead, I am confident DLI will continue to build on the successes of 2024-25 and deliver strong results in 2025-26 and beyond.



Louise McCormick
Chief Executive Officer
Department of Logistics and Infrastructure





PART 1 Our organisation



OUR VISION

Build, Connect,
 Grow the Territory.
 Plan for tomorrow.
 Deliver for today.

OUR PURPOSE

To facilitate efficient,
 safe and agile logistics
 and infrastructure
 solutions for all
 Territorians.

NTPS VALUES

- Accountability
- Respect
- Diversity
- Commitment to Service
- Ethical Practice
- Impartiality

OUR VISION

<p>Integrated strategic infrastructure planning and agile delivery</p>	<p>Clear and informed accountability</p>	<p>Streamlined systems and processes</p>	<p>Strong engagement and consultation</p>	<p>Skilled, committed and engaged workforce</p>
<p>Coordinated infrastructure planning is executed collaboratively, acting as a critical enabler of successful delivery</p>	<p>Empowered decision making through clear, focused accountability</p>	<p>Integrated and improved systems, technology and processes</p>	<p>Foster strong relationships and transparent communications across government, industry and our stakeholders</p>	<p>Attract, build and retain a skilled and committed workforce within a supported and connected environment</p>
<p>OBJECTIVES</p> <ul style="list-style-type: none"> Place-based planning that facilitates successful and effective infrastructure delivery Infrastructure that supports local, Territory and national priorities Regionally focused integrated infrastructure plans are in place Positive stakeholder engagement through debriefs and performance reports Delivering quality projects on time and in budget 	<p>OBJECTIVES</p> <ul style="list-style-type: none"> Accountabilities are simple and clearly defined in strong governance frameworks Defensible, efficient and timely decision making Transparency and consistency in decision making Improved integration and collaboration Empowered decision making with the use of appropriate delegations Strong reputation with external stakeholders 	<p>OBJECTIVES</p> <ul style="list-style-type: none"> Efficient, effective and consistent processes across the agency Data driven and informed decision making User friendly applications and processes Improved user experience Minimising duplication and maximising efficiency Fewer non-compliances identified in audits Improved and consistent approach to project/program management Reduced wait times on departmental process More targeted and responsive reporting Early investigation and adoption of new systems and technologies that improve our service delivery across the agency 	<p>OBJECTIVES</p> <ul style="list-style-type: none"> Dynamic, trusted and authentic relationships Improved responsiveness Support government priorities by leading a consistent approach to collaboration and engagement Improved agency performance feedback from industry and clients Reduction in the number of complaints Increased positive feedback provided Projects delivered in partnership with others including NT Agencies, Australian Government and the private sector 	<p>OBJECTIVES</p> <ul style="list-style-type: none"> Attract and retain people with the right knowledge and skills Connected teams and knowledge sharing Efficient resource structuring and utilisation through workforce planning Staff are supported through improved people focussed initiatives and programs Increased learning and development opportunities to develop a highly knowledgeable and capable workforce Reduction in vacancies, time to fill, and the number of times a role is advertised Increased number of applicants through improved attraction methods Increased positive feedback through the People Matter Survey Recognition as an Employer of Choice Improved employee retention rates

OUR FUNCTIONS

DLI aims to drive the sustainable, economic and social advancement of the Northern Territory through:

- » strategic transport planning and infrastructure investment to meet community needs, support future growth and enable effective logistics supply chains
- » delivering the Northern Territory's infrastructure program and providing services as the Northern Territory's central construction agency
- » regulatory and customer services that promote safe, efficient and sustainable building development and transport systems
- » advocating the Northern Territory's interests in national and local reforms, and supporting statutory committees and boards to ensure coordinated progress.



Program Delivery and Procurement

- Housing and Land Servicing
- Transport and Civil Infrastructure
- Built Infrastructure
- Prison Infrastructure and Planning
- Procurement



Infrastructure NT

- Middle Arm Precinct
- Enabling Infrastructure
- Freight and Logistics
- Darwin Harbour Infrastructure Projects
- Environment
- Policy and Legal Services



Transport Operations and Corporate Services

- Transport Safety and Services
 - » Policy and Reform
 - » Regulation and Compliance
 - » TSS Contracts
 - » Customer Service
- Corporate Services
 - » Finance and Business Services
 - » Executive Services
 - » Program Enterprise Services



Regions

- Northern Region
 - » Big Rivers
 - » East Arnhem
- Southern Region
 - » Central Australia
 - » Barkly

OUR OPERATING STRUCTURE

DLI delivers projects across the Northern Territory and has employees based in 7 office locations across 5 regions.

Services are also delivered at customer facing locations such as Motor Vehicle Registries and Vehicle Inspection facilities across the Northern Territory.

763

Full time equivalent (FTE) staff based across the Northern Territory

\$1.66B +

Spent on infrastructure and related payments

An infrastructure program worth over

\$5.43B

Collected revenue on behalf of government, including

\$100.8M

from rent, royalties and regulatory services, including motor vehicle registration and stamp duty fees

Management of buildings, roads, bridges and other assets with a written down value of over

\$10.04B

GREATER DARWIN

Teams are located across 3 offices, Energy House (Darwin CBD), Highway House (Palmerston) and East Arm.

NHULUNBUY

Located in the heart of the East Arnhem region on John Flynn Drive.

KATHERINE

The Katherine office is based in the Big Rivers Government Centre which also has customer service facing functions.

TENNANT CREEK

Our Tennant Creek team are based centrally in the Barkly on Leichhardt Street.

ALICE SPRINGS

The Green Well Building in Alice Springs is the primary home of DLI in the southern region.

SHARED SERVICES

There are a number of corporate services which are centralised across the department that largely fall under the Transport Operations and Corporate Services Division.

These corporate services include the provision of high-level administrative, communication and governance support and functions across the following 6 business units.

Audit, Risk and Investigations

The Audit, Risk and Investigations unit manages the internal audit, risk management and investigative functions within the department.

Communications, Media and Engagement

The Communications, Media and Engagement unit provides communication, proactive and reactive media management and stakeholder and community engagement services to the department. The unit works closely with the Minister's office on communications and media matters.

Corporate Governance

The Corporate Governance unit is responsible for implementing and supporting the department's corporate governance framework and structure, ensuring effective governance practices are in place across the department. The unit manages the department's corporate policies including for disclosure and management of conflict of interests and gifts and benefits.

Secretariat and Ministerial Liaison

The Secretariat unit plays a pivotal role in the relationship between the Minister's office and the department. The unit maintains records of Ministerial correspondence, provides advice on preparing and handling Ministerial, Cabinet and parliamentary documents, as well as coordinating whole of department reporting.

People, Safety and Culture

The People, Safety and Culture branch is responsible for leading workforce strategies to attract, retain and develop capability to build a skilled and committed workforce within a supported, safe and connected environment. The branch provides support services across the agency (including regions) on workforce matters with a focus on employee wellbeing and culture, workforce planning, work health and safety, employee onboarding, business improvement support, recruitment and training and capability.

Finance and Business Services

The Finance and Business Services unit provides financial services, budget management and compliance reporting to facilitate responsible financial management.

- The Finance team ensures the department meets financial compliance, budget obligations and supports maximisation of financial resources within the financial management frameworks including:
 - » managing and coordinating budgets
 - » ledger management
 - » financial reporting
 - » financial policy and procedures
 - » department taxation returns.
- The Business Services team provides property management and travel assistance to employees including:
 - » building and property maintenance
 - » building security
 - » general office services
 - » facility management
 - » support for travel
 - » TRIPS system administrators.

OUR LEGISLATION

Legislation and administrative responsibilities

Legislation administered under the Administrative Arrangements Order (No.4) 2024

1. *Aerodromes Act Repeal Act 2002*
2. *AustralAsia Railway Corporation Act 1996*
3. *AustralAsia Railway (Special Provisions) Act 1999*
4. *AustralAsia Railway (Third Party Access) Act 1999*
5. *Commercial Passenger (Road) Transport Act 1991*
6. *Control of Roads Act 1953*
7. *Marine Act 1981*
8. *Marine Safety (Domestic Commercial Vessel) (National Uniform Legislation) Act 2013*
9. *Motor Vehicles Act 1949 (except Part V)*
10. *Port of Darwin Act 2015*
11. *Ports Management Act 2015*
12. *Public Transport (Passenger Safety) Act 2008*
13. *Rail Safety (National Uniform Legislation) Act 2012*
14. *Traffic Act 1987*

General administrative responsibilities

- Administration of arrangements with operator for Port of Darwin
- Assets and program management (except repairs, maintenance and minor new works for social and remote housing (including public housing))
- Commercial passenger vehicle industry
- Designated ports (including regional harbourmasters)
- Freight and logistics industry development
- Infrastructure planning, management and delivery
- Maritime industry development
- Ports development
- Procurement (infrastructure services)
- Public transport
- Rail industry development
- Recreational boating safety
- Regional air services development
- Road network management
- Road safety
- Road transport

- Strategic growth and infrastructure planning
- Transport assets
- Transport policy and planning
- Whole of government strategic logistics and infrastructure policy, planning and delivery required for the development of the Northern Territory

Statutory Bodies

Statutory bodies that receive funding or support from the department

- AustralAsia Railway Corporation

NATIONAL TRANSPORT REFORMS

The department is participating in the development of key national transport reforms including:

» **Automated vehicles**

The department is participating in the program led by the National Transport Commission to develop an end-to-end regulatory framework for the safe deployment of automated vehicles in Australia. States, territories and the Australian Government are aiming to implement major legislative reform to support this framework and establish a new Automated Vehicle Safety Regulator.

» **Heavy vehicle road reform**

The department is contributing to the development of national road funding and pricing reform. Led by the Australian Government, this reform aims to link heavy vehicle user needs with the level of service received, the charges paid by industry and investment into heavy vehicle road infrastructure and services.

» **National road safety strategy and action plan**

The National Road Safety Strategy was released in December 2021, setting the agenda for coordinated and planned government action to improve road safety outcomes to 2030. In February 2023, the National Road Safety Action Plan 2023-25 was released, outlining the actions Australian, state and territory governments will undertake to support implementation of the National Road Safety Strategy. The department is working with the national Office of Road Safety and all jurisdictions to implement the National Road Safety Strategy and Action Plan, including developing annual reports on implementation.

» **Improving the interoperability of rail systems**

The department is working with the National Transport Commission and all jurisdictions to improve rail interoperability through the National Rail Action Plan. Australia's rail system is made up of 18 separate rail networks, 11 different signalling systems and a range of different rules. Creating an interoperable rail system is a priority for all governments. Priorities include aligning digital technology, developing harmonised rail standards and improving governance arrangements.

» **National Freight and Supply Chain Strategy and National Action Plan**

Working with all jurisdictions and the Australian Government, the department has been contributing to a review of the National Freight and Supply Chain Strategy and a supporting Action Plan. The Strategy focuses on 4 National Priority Action Areas of productivity, resilience, decarbonisation and data and was released in August 2025.

» **Decarbonisation of transport and infrastructure**

Decarbonisation of transport and infrastructure is a key priority for Infrastructure and Transport Ministers and the department has been contributing to national working groups focusing on decarbonisation.

LEGISLATIVE REFORM PROGRAM

Legislation

» **Transport Legislation Amendment Regulations 2024**

Made on 30 July 2024 and commenced on 31 July 2024. Amendments to the *Marine (General) Regulations 2013* to:

- expand infringement notice offences
- update liability provisions relating to the issue of infringement notices by boating inspectors
- update the Australian Builders Plate standards.

Amendments to the *Traffic Regulations 1999* to:

- update and expand enforcement powers in regard to a person who has erected an advertisement, structure or other thing on a road without permission
- update and simplify the process to apply for consent to hold an event on a road or public place, and require mandatory reporting of accidents and other event-related incidents
- clarify that an event held in the vicinity of a road that may disrupt traffic is prohibited without a permit, and that a competent authority may impose conditions on a permit
- update road rules to require vehicles crossing road related areas, turning into side roads and approaching intersections and crossings, to give way to cyclists as well as pedestrians

- extend the exemption allowing a person over the age of 17 to ride a bicycle without a helmet, so that they can ride across a road from one shared path to another
- update the burnout related infringement notice description so it aligns with previous amendments made to the offence.

» **Motor Vehicles (Fees and Charges) Amendment Regulations 2024**

Made on 16 May 2024 and commenced on 1 July 2024.

Amendments to the *Motor Vehicles (Fees and Charges) Regulations 2008* to implement adjustments to the nationally consistent fee for a national heavy vehicle number plate for the 2024-25 financial year.





PART 2

Our highlights and achievements



Regions



Infrastructure
NT



Transport
Operations
and Corporate
Services



Program
Delivery and
Procurement





Nyinkka Nyunyu Art and Culture Centre

The \$10 million upgrade to the Nyinkka Nyunyu Art and Culture Centre (NNACC) has been completed.

The NNACC is owned by the Julalikari Council Aboriginal Corporation (JCAC) and was established by the Warumungu people to maintain culture and art practices and for young people to continue to learn about their culture.

The NNACC upgrades included:

- a new exhibition space incorporating technology to immerse visitors in Warumungu country, culture, stories and song
- museum and exhibition space showcasing important traditional cultural objects and practices, and the dynamic contemporary art of Warumungu artists and the Barkly region
- an upgraded retail space to sell local artworks, merchandise and souvenirs
- a new outside loop path, walkways, and a viewing platform for the sacred site supported by cultural interpretation signage in Warumungu and English
- landscape design featuring native plantings important to Warumungu Country
- men and women's performance area for arts and cultural performances, festivals and events.

The project was led by the NNACC steering committee and Traditional Owners in consultation with the JCAC board, staff and stakeholders.



Tiger Brennan Drive and Berrimah Road overpass

The Tiger Brennan Drive and Berrimah Road overpass project was completed in mid 2025, jointly funded by the Australian Government and Northern Territory Government. The \$165 million project has improved the way traffic flows and connects communities in Darwin and the Port of Darwin at East Arm Wharf, significantly improving safety and efficiency on one of the critical road corridors in the Territory.

The upgrade has provided an efficient transport route for freight operators and daily commuters by removing a key bottleneck, improving road safety, and providing a more reliable and predictable journey for all road users.

The overpass addresses longstanding traffic challenges and creates a safer environment for all road users. By enabling faster and more reliable travel, the project fosters economic connectivity, particularly for industries reliant on efficient freight routes to the East Arm Wharf. For residents, reduced congestion during peak hours translates to valuable time savings and increased convenience, as well as a safer route to and from work.



Sitzler led the construction, partnering with more than 210 local businesses. The project engaged 1,710 workers, including 191 Aboriginal workers and 48 apprentices and trainees, ensuring skill development and economic benefits for Territorians.

The overpass exemplifies cutting-edge engineering, incorporating features such as high-fill embankments, stormwater detention systems, and state-of-the-art drainage culverts to ensure resilience against environmental challenges. Sustainability has been a key consideration, with efforts to minimise disruptions and incorporate green technologies wherever possible.

Tiger Brennan Drive is one of Darwin's busiest arterial roads, with more than 20,000 vehicles using it each day. The completion of the overpass at Berrimah Road has helped to improve traffic flow by separating local and through traffic, reducing congestion and minimising delays.



FAST FACTS

Infrastructure program



The department managed a total infrastructure program, of over **\$5.7 billion** including capital works and other infrastructure-related costs

A year end expenditure of **\$1.66 billion** including **\$249 million** for repairs and maintenance, including disaster maintenance



426 contracts awarded, valued at **\$645 million**

Provided governance support to over 20 client agencies to assist in maintaining and managing their infrastructure assets, including:



- Schools
- Hospitals
- Health clinics
- Government buildings
- Parks
- Courts
- Police stations



FAST FACTS

MVR cost of living relief measures

In 2024-25, the department launched cost of living relief measures and digital system enhancements to reduce regulatory touch points for Territorians with the MVR, which were rolled out across the NT:

38,850
free 1-year drivers
licences issued

522
2-year trailer
registrations
issued

1,340
3-year trailer registrations issued



9 online forms released:

- application to transfer NT registered vehicles

- apply for an earlier suspension start date
- apply for the good driving behaviour option
- driver and vehicle information
- evidence of age card replacement
- licence and registration history application
- modify a vehicle application
- restricted motorcycle rider licence payment
- temporary vehicle licence.



Towards Zero Road Safety Action Plan 2024-2028

The Towards Zero Road Safety Action Plan 2024-2028 aims to reduce road related trauma, encourage a responsible road culture and motivate Territorians to be part of the solution to improve road safety.

Guided by the National Road Safety Strategy and Action Plan and developed with input from a range of stakeholders, the action plan focuses on 10 key priority areas under the Safe System themes of Safe Road Use, Safe Roads and Safe Vehicles. The action plan includes 30 actions which focus on key priority areas including alcohol and drugs, seatbelts, speed, vulnerable road users, infrastructure, heavy vehicles and workplace safety.

The department has established a Road Safety Task Force, chaired by the department's Chief Executive Officer. Members include the Motor Accident Compensation Commissioner and senior representatives of NT Police, NT Fire and Emergency Services and the Department of Education and Training. The task force meets 3 times a year, providing strategic road safety advice to government, oversight of the development and implementation of the action plan and coordination of whole-of-government road safety related policies and activities. The task force is supported by a Road Safety Implementation Project Team, with membership from across the task force agencies.

The department continues to focus on increasing road safety awareness and delivering initiatives and infrastructure that contribute to reducing the harmful and wide-reaching effects of road trauma in the community.



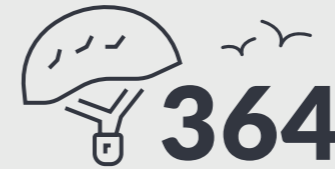
FAST FACTS

6,930



students were reached by road safety education sessions.

- 413 presentations and workshops delivered
- 349 presentations delivered to schools and childcares
 - » 55 were in remote locations



364

students attended bike safety sessions at Parap and Newland Park Road Safety Centres



67 Hector the Road Safety Cat visits to early learning centres



Roystonea Avenue duplication

In April 2025, work commenced on the duplication of Roystonea Avenue between Terry Drive and Lambrick Avenue, Palmerston.

Roystonea Avenue is a key access road connecting the Palmerston CBD to the suburbs.

The project will improve road safety, traffic flow and drainage, particularly around the Inverway Circuit intersection.

The duplication also addresses peak hour delays and congestion, seasonal flooding, and caters for future population growth.

Pedestrian crossings will also be added at the Inverway Circuit intersection.

The project is jointly funded by the Australian Government and Northern Territory Government.

It is anticipated the project will be completed by end of 2025.





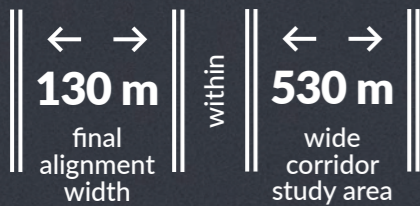
FAST FACTS

Territory Energy Link

Elliott to Darwin



buried services infrastructure corridor



Territory Energy Link

Territory Energy Link is a proposed multi-user, multi-asset infrastructure corridor from Elliott to Darwin.

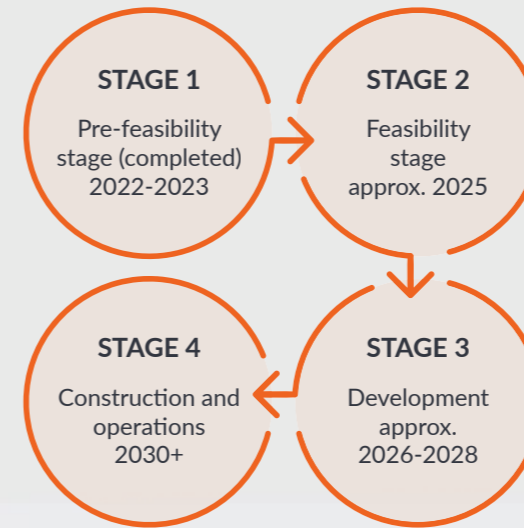
The proposed corridor will help position the Territory as a key player in global supply chains for energy and other technologies by providing a buried services corridor to carry gas, water, optical fibre, hydrogen gas and other services in the future.

The corridor will connect major energy projects in the Beetaloo Sub-basin to Middle Arm Precinct and other strategic infrastructure in Darwin.

A prefeasibility study completed in 2022-23 identified a preliminary alignment which takes into consideration connections to existing infrastructure, avoids known constraints, and minimises environmental and cultural impacts.

The Territory Energy Link project is now in the feasibility phase, the second stage of 4. This stage involves on-ground investigations, geotechnical surveys and the identification of sacred sites.

Together with consultation outcomes, these activities will inform a detailed business case to confirm the project's feasibility and inform the final alignment for Territory Energy Link.



Cullen Bay dredging project

A dredging project to improve vessel access to the Cullen Bay ferry facility and Cullen Bay Marina was completed mid 2025.

The facility supports the movement of over 150,000 passengers each year to Mandorah and the Tiwi Islands, with 4,000 ferry services between Darwin and Mandorah.

Urgent dredging was brought forward by 12 months after the entrance channel and basin silted up more rapidly, which resulted in cancellations and delays to ferry services due to limited low-tide access to Cullen Bay.

The department undertakes dredging work at varying intervals, subject to weather conditions, to maintain vessel access to the Cullen Bay ferry facility.

Dredging began in late May 2025 and the project was completed 2 weeks ahead of schedule in early July 2025 with affected ferry services reinstated 3 weeks early.

The contractor was able to maintain access to the Cullen Bay pontoon and lock during the project as the dredger worked through the basin and entrance channel.

Approximately 72,000 cubic metres of sand was removed from Cullen Bay basin and entrance channel, and dredging will not be required for another 4-6 years, subject to conditions.





Alice Springs Priority Infrastructure Plan

The Northern Territory Government developed a Priority Infrastructure Plan for Alice Springs to enhance liveability and lifestyle for residents and visitors of Alice Springs.

Under the plan, a number of projects are being delivered by the NT Government including:

- delivering the Aboriginal and Torres Strait Islander Art Gallery of Australia (ATSIAGA) in the heart of the Alice Springs CBD
- reinstating Anzac Oval to enhance recreational opportunities
- developing the Gillen Oval multi-sports precinct to support active lifestyles and community engagement

- upgrading sports lighting at Jim McConville Oval in Gillen to enhance safety and boost participation opportunities year-round
- establishing the Alice Springs Multicultural Centre to celebrate and support Alice Springs's diverse cultural landscape.

As part of the plan, the NT Government has signed a Memorandum of Understanding with the Alice Springs Town Council (ASTC) to establish:

- Tourism Central Australia headquarters and Visitor Information Centre to help strengthen local tourism
- an ASTC library to expand public services and enrich community spaces
- a regional Skate and Play Precinct at Newland Park to create a dynamic and inclusive community hub.



Aboriginal and Torres Strait Islander Art Gallery of Australia (ATSIAGA)

The Aboriginal and Torres Strait Islander Art Gallery of Australia (ATSIAGA) is continuing to take shape with 50% of designs completed.

Located in the heart of Alice Springs CBD on the southern portion of the Anzac Oval precinct, the redesigned gallery will feature:

- a 3-storey building of approximately 4,000 square metres with large galleries for major touring and international exhibitions. The total area of exhibition space is over 1,300 square metres, similar to previous designs
- a colour palette and design that highlights and draws on the local landscape
- a public cafe
- new car parking for the gallery, including 89 spaces plus 4 accessible spaces

- back of house and technical spaces, including a secure loading dock, art quarantine, conservation and registration spaces, and staff spaces
- a gallery forecourt, including seating and landscaping elements to allow for both small and large groups
- a new entrance and secure car park for the Over 50's community, including 4 additional secure car parking spaces
- a new northern car park for Anzac Oval, including 79 spaces plus 5 caravan parking spaces.

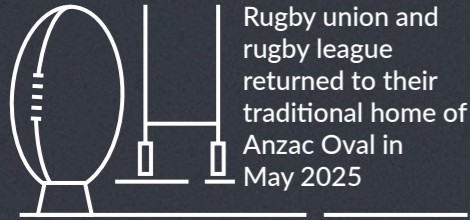
ATSIAGA is a significant project for Central Australia, driving local economic growth through construction, increased visitation, and long-term employment opportunities.





FAST FACTS

Rugby returns to Anzac Oval in Alice Springs



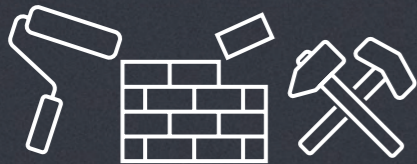
Rugby union and rugby league returned to their traditional home of Anzac Oval in May 2025



Anzac Oval was restored for the Alice Springs community, with the playing surface levelled and grass repaired and irrigation installed



Goal posts were reinstalled, along with a new **electronic scoreboard**



The club house was repaired

The restoration was part of the wider **Alice Springs Priority Infrastructure Plan** to improve community safety, and enhance the liveability and lifestyle for the people and visitors of Alice Springs



Tennant Creek Youth Justice Supported Accommodation Facility

The Tennant Creek Youth Justice Supported Accommodation Facility officially opened in May 2025.

The facility was delivered under the guidance of an Indigenous Land Use Agreement through Patta Aboriginal Corporation.

The facility, located on Peko Road in Tennant Creek, keeps young people in the Barkly region close to family and community during legal proceedings.

The project was an important initiative under the Barkly Regional Deal, and was identified by the community and Aboriginal organisations as a priority for the region so young people on bail can be supported close to home and in a culturally safe environment.



Tennant Creek streetlight upgrades

Street lighting on Paterson Street in Tennant Creek was upgraded to improve visibility and safety at night for drivers and pedestrians.

The upgrade also improves compliance with Australian standards in terms of safety and street lighting levels required for a national highway.

The works included upgrading all existing lighting to LED, installing smart controllers, replacing damaged light poles and installing additional light poles along the entire length of Paterson Street.

The upgrades improve night visibility for drivers and pedestrians.



Galiwin'ku subdivision

Housing and Land Servicing received national recognition at the 2025 Urban Development Institute of Australia National Awards for Excellence for a 27-lot subdivision in Galiwin'ku.

At the awards ceremony on 19 March 2025, the project received a Highly Commended award in the Residential Subdivision category, with judges noting they were impressed with the logistics and community consultation aspect of the project.

This national honour followed an earlier success in 2024, when the Galiwin'ku project won the Northern Territory Award for Excellence in the same category.





Darwin Region Water Supply Program

Securing water for our future

Ensuring reliable water supply is essential to supporting the Territory lifestyle and enabling a strong and growing economy. Demand for water in the Darwin region is forecast to more than double by 2050, reaching 100 gigalitres (GL) per year.

The department is delivering the Darwin Region Water Supply Program, the multi-stage Darwin Region Water Supply Program (the Program) to secure both short and long term water supplies.

The Community Reference Group, established in 2022, continues to meet, ensuring community views and feedback are captured and inform the program's progression. The program is funded by the Australian Government and Northern Territory Government, and is delivered in partnership with Power and Water Corporation.

Stage 1 – Underway

- Manton Dam Return to Service:
Returning Manton Dam to service will boost short term supply by 2026.
- Strauss Water Treatment Plant (Stage 1):
Commencement of a state-of-the-art facility to deliver high-quality treated water into Darwin's supply network.

- Adelaide River Off-stream Water Storage (AROWS) – planning and approvals:
AROWS would nearly double available water by supplying up to 60 GL per year for drinking water, industry and agriculture.
 - » Innovative off-stream storage design minimises environmental impacts by avoiding in-stream damming.
 - » Planning includes rigorous technical studies, environmental assessment, and ongoing consultation with stakeholders.
 - » In January 2025, the project's Environmental Referral was released for public comment and Terms of Reference are now in place. The draft Terms of Reference received 55 public submissions and 10 government authority submissions.
 - » SMEC Australia is preparing the concept design, including dam walls, intake and pumps, outlet, and ancillary infrastructure.

Stage 2 – Future delivery

- AROWS construction and commissioning:
Long term water security through new infrastructure to store 250 GL and deliver up to 60 GL to the Darwin system annually.
- Strauss Water Treatment Plant (Stage 2):
Expansion to meet Darwin's growing demand.



FAST FACTS

Safe and secure drinking water for the future



Enable **economic** growth



DOUBLE our water supply



Resilient **climate change**



Sustainable solution



Endorsed by **Infrastructure Australia**



Tanami Road

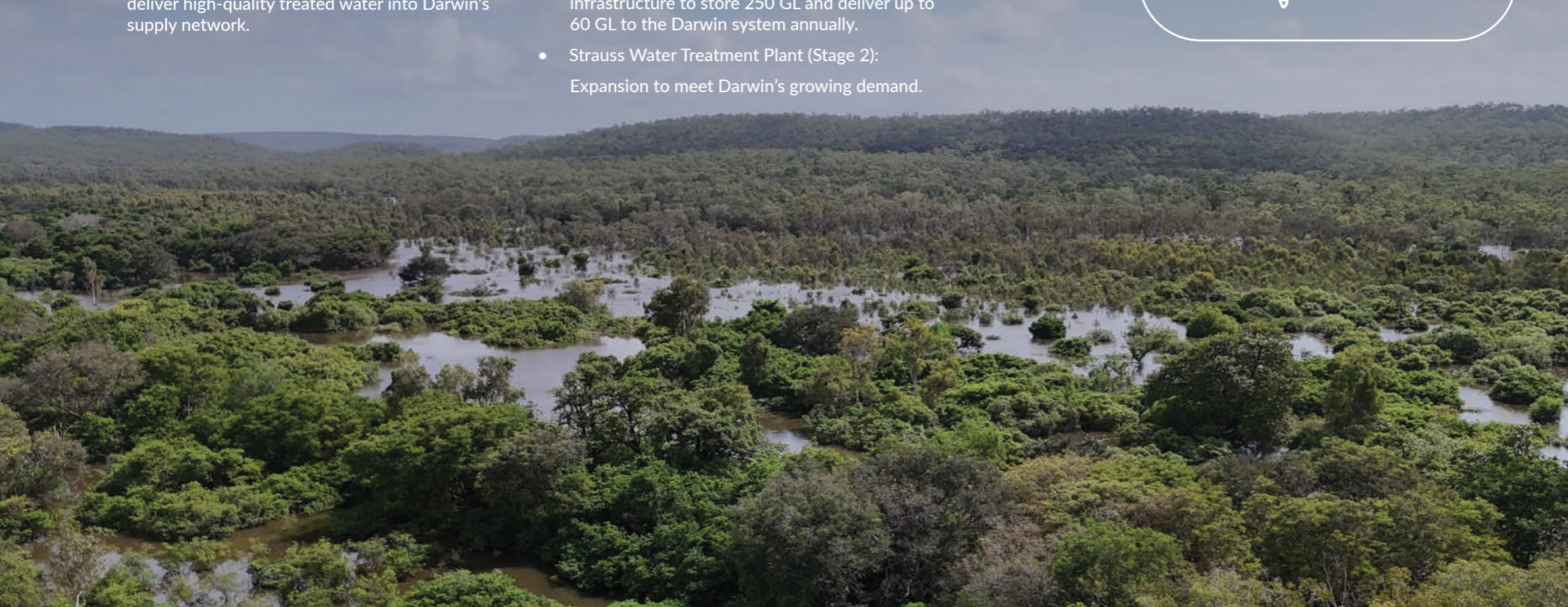
The Northern Territory Government has completed the sealing of 150 km of the Tanami Road in Central Australia from Yuendumu to west of Chilla Well.

The \$197 million project was jointly funded by the Australian Government and Northern Territory Government.

Tanami Road is a vital inter-regional link connecting Alice Springs to Western Australia. It is a key freight route for the mining and pastoral industries, services a number of Aboriginal communities, and is an important access road for tourists.

The upgrades will support regional and local economic development by improving connectivity, and increasing safety for industry and communities in the region.

The Australian Government and Northern Territory Government have committed \$202 million over 10 years on a co-funding basis to upgrade the Tanami Road within the NT under the Roads of Strategic Importance initiative.





FAST FACTS

Gunyangara (Gove Port) Tourism Precinct

Approximately **6,000** tonnes of rock was placed to build the groyne from Gulkula Quarry

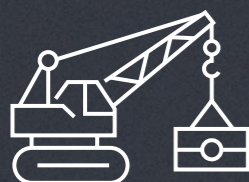


100 m

Approximate length



Approximately **850** cubic metres of concrete was recycled from the site and used to construct the rock groyne



15%

Aboriginal employment on the project



600

tyres were recycled to create the new floating pontoon



Gunyangara (Gove Port) Tourism Precinct

Construction of a new rock groyne has been completed as part of a project to build new marine and landside facilities at Inverell Bay, Gunyangara, near Nhulunbuy.

The works are part of the \$9.3 million Gunyangara (Gove Port) Tourism Project to boost tourism and marine services in the East Arnhem region.

The project includes a new extended rock groyne, careening facilities that vessels can dock alongside for maintenance, floating pontoon extending from the groyne, washdown bay, car park upgrades, new toilet facilities and an entry structure at Gove Boat Club. The new infrastructure will enable larger and greater numbers of commercial and recreational vessels, such as yachts, pleasure craft, cruise ship tenders and charter vessels, to use the facilities to increase visitation and tourism activity in the area.

Concrete and road works on the rock groyne have been completed, and the car park is being upgraded.

The floating Tire-Link pontoon has been assembled on site, using 600 recycled tyres that would otherwise go to landfill.

The pontoon has been installed, the piling has been completed for the new careening structure and the new entrance structure is complete.

The remaining work to be completed includes the final sealing of the Gove Boat Club car park.

Approximately 15% of the workforce on the project working under the current contract are Aboriginal with 8 workers employed at the Gulkula Quarry to source, process and deliver the rock for the project.

Local company, DTA Contractors worked with Gulkula Quarry, which is an Aboriginal Business Enterprise, to build local capacity as the company expands its business to quarrying to support local road and other infrastructure projects.

The overall \$9.3 million project is jointly funded by the Australian Government through the Aboriginal Benefits Account to the Gumatj Corporation, Northern Territory Government and Developing East Arnhem Limited.

The project will provide improved facilities for local users as well as opportunities to maximise local and Aboriginal participation, and support regional growth.

Construction is expected to be completed in August 2025.



Mental Health Inpatient Unit at Royal Darwin Hospital

Significant progress has been made on the construction of Royal Darwin Hospital's (RDH) new Mental Health Inpatient Unit.

Since construction started in March 2023:

- the ground floor and first floor concrete slabs and columns were completed
- the second-floor concrete slab was completed in May 2025
- works are proceeding on the internal fitout of the ground and first floors.

The facility consists of 3 levels containing 18 inpatient beds, support services, and a 6 bed Stabilisation Assessment and Referral Area (SARA). The facility will be connected to the emergency department via an elevated, enclosed walkway across Nightingale Road.

The SARA will provide short term care in a therapeutic environment for mental health clients who present to the emergency department and who may benefit from detailed assessment, management plans and referral to other providers for ongoing mental health care.

The new facility will improve acute mental health service capacity in the Top End and is anticipated to be completed in 2026.





Darwin Ship Lift Facility

The first caissons that will form the sea walls for the Darwin Ship Lift Facility have been constructed as progress on site continues for the new enabling marine infrastructure project.

The ship lift project provides key infrastructure to rebuild the Territory economy by establishing Darwin as a key maritime maintenance centre in northern Australia.

The ship lift will be capable of lifting vessels up to 5,500 tonnes, enabling vessels in the defence, energy, pearling, fishing and coastal cruising industries to be serviced in Darwin.

The facility includes a 26 metre wide and 103 metre long ship lift, wet berths for in-water maintenance, hard stand areas for ship repair and maintenance works, an administration building and a shed to store the self-propelled modular transport (SPMT) units that transport the ships around the facility once they are out of the water.

A blast and paint facility will be built to service all design vessels and once constructed the height will be similar to a 12 storey building – becoming one of the largest such facilities in Australia.

Construction progress continues to ramp up with key activities including reclamation, dredging and fabrication of key structures.

During the 2024–25 financial year, construction milestones included completing

- temporary material offloading facility to move dredge material to site for land reclamation in December 2024
- initial backhoe dredging with the BHD Nulla Nulla in February 2025
- delivery of sheet piles in March 2025
- temporary access bunds in March 2025.

Construction of the caissons began in May 2025 with 7 out of 47 caissons in construction or completed by the end of June 2025.

So far, \$69.6 million in subcontracts have been awarded to Territory companies, of which \$22.6 million of subcontracts have been awarded to Aboriginal enterprises.



FAST FACTS

61.4%

of people working on the project are Territorians

250 workers will be on site at peak construction



Support **HUNDREDS** of ongoing jobs in the marine maintenance industry once constructed



3 large cranes working on site including **450, 300** and **285** tonne cranes



Middle Arm Precinct

The Middle Arm Precinct is set to emerge as a globally competitive, industrial precinct. The precinct is being planned as a place where industry can come and confidently do business, that aligns with environmental regulations and gives the community confidence in the activities taking place.

The proposed precinct area covers about 1,500 hectares or 15 square kilometres.

The project is currently in the planning and design stage, attracting industries focussed on:

- renewable energy
- low emission liquefied natural gas (LNG)
- carbon capture, utilisation and storage
- minerals processing
- hydrogen.

The Australian Government has recognised the national importance of Middle Arm and committed \$1.5 billion of planned equity towards common user infrastructure.

Common user infrastructure will reduce environmental impact, avoid unnecessary duplication and de-risk investment for proponents wishing to establish in Middle Arm.

The NT Government has made commitments with various proponents over specific land in Middle Arm to undertake industry activity. These include green hydrogen, critical minerals processing for batteries and LNG processing.

The NT Government is progressing the necessary environmental investigations under the Strategic Environmental Assessment process to move the project forward.

Progressing the project through the strategic assessment process will ensure the highest level of assessment by undertaking the scientific, stakeholder and regulatory processes required to deliver the project and activate the economy.

A growing economy and population stimulate business activity, job opportunities and investment to create certainty and security.

The precinct will provide ongoing, long-term, well remunerated jobs for Territorians.

Strong collaborations between businesses, community services, and vocational education and training providers will support Territorians to be job ready.





FAST FACTS

DriveSafeNT statistics

1,357

DriveSafe urban enrolments. The DriveSafeNT remote team visited **87** remote communities

2,364

DriveSafeNT learner licences issued
- **1,098** urban
- **1,266** remote

712

DriveSafeNT provisional licences issued
- **366** urban
- **346** remote

Online booking services

- **139** learner driver licences
- **165** overseas driver licence transfers
- **202** interstate driver licence transfers
- **228** interstate vehicle registrations



Kakadu Road

Upgrades to key tourism roads in Kakadu National Park totalling \$70 million will soon be underway, with the first tender for the project released in June 2025.

Work is expected to begin in 2025 to upgrade sections of Kubara Road and Maguk Road to improve access to Kubara Pools Walk, Nangulawurr Art Site and Barramundi Gorge (Maguk Waterfall).

Kubara Road is an 8 km gravel road, of which the first 2 km will be upgraded and realigned to improve safety.

A 6.6 km section of the gravel Maguk Road will be lifted, upgraded and sealed to improve flood immunity and reduce road closures. The Maguk day use track will receive an upgrade to the first 1.6 km to improve access and safety.

Further works on Gimbat Road, Gunlom Road and Jim Jim Falls Road are planned for 2026 and 2027.

These upgrades are funded by the Australian Government, and delivered by the department.



Carpentaria Highway

Upgrades to the Carpentaria Highway are underway to provide better access to the Beetaloo Sub-basin, Borroloola and for the Territory's pastoral, tourism, agriculture and mining industries.

The works form part of a five-stage upgrade to the Carpentaria Highway:

- Stage 1 (ch. 2-50 km): completed September 2024
- Stage 2 (ch. 50-140 km): underway, completion expected August 2025
- Stage 3 (ch. 140-175 km): underway, completion expected December 2025
- Stage 4 (Carpentaria Highway and Stuart Highway intersection upgrade): design underway
- Stage 5 (ch. 175-270 km): planning and investigations in progress.

The upgrade works involve reconstructing, widening, lifting, sealing, and other flood immunity improvements. Sealing of the road is being undertaken to a dual-lane standard, meaning one sealed lane in each direction, offering substantial safety benefits for all road users.

The program will support increased traffic activity, improve safety and reduce travel times. It will also cut costs for freight operators and enhance economic opportunities related to the Beetaloo Sub-basin development, as well as the cattle, mining and tourism industries.

Approximately 15 pastoral stations rely on the Carpentaria Highway for transporting about 30,000 cattle each year to the East Arm Wharf in Darwin.

The road is also a key route for the McArthur River Mine for provision of supplies and transport of heavy equipment including 40,000 litres of diesel per day, supplied by road train from Darwin.





Mandorah Marine Facilities

The new \$85 million Mandorah Marine Facilities project on the Cox Peninsula is expected to be completed by August 2025.

The new facilities will improve and maintain public transport services for residents and visitors to Mandorah, Wagait Beach and Belyuen.

The new public facilities are compliant with *Disability Discrimination Act 1992* and include a new boat ramp, toilet facilities, car park upgrades and an improved experience for ferry users.

An existing building near the marine facilities has been repurposed to provide a new ferry terminal for ferry users.

Construction of 2 breakwaters was completed in late 2024 with approximately 80,000 tonnes of rock placed carefully to form a new basin to provide protection from sea swells and wave action.

The pontoon and gangway installation was completed and is expected to be commissioned in August 2025.

Landside construction is 95% complete with final sealing, landscaping, signage and line marking underway by the end of June 2025.

Specialist marine construction company SMC Marine began construction in May 2024.

More than 90% of subcontractors and suppliers engaged by SMC Marine were awarded to Territory businesses with the remainder of contracts being for specialised disciplines.

A total of 404 people have been employed to work on the project since construction started in 2024.



FAST FACTS

Mandorah Marine Facility



Approx 193 (90%) of the 213 suppliers and subcontractors are Territorians

New floating pontoon designed for 150 people each year



Facility will support over 4,000 ferry services

4 new accessible car parks installed



80,000 TONNES

of rock to form 2 new breakers



Progress of housing works in Canteen Creek and Epenarra

Great progress is being made on new homes in the Barkly communities of Canteen Creek and Epenarra.

The works are jointly funded by the Australian Government and Northern Territory Government as part of the \$4 billion National Partnership Agreement on Remote Housing Northern Territory.

The community of Canteen Creek is set to receive a total of 8 new homes, with 6 completed in early March 2025.

Epenarra is set to receive 4 new homes, 2 completed in April 2025.

Works in both communities are being carried out by LA Build, who, in December 2024 achieved 47% Aboriginal employment.



Katherine High School STEAM Centre

Works are complete on the \$16.7 million Science, Technology, Engineering, Arts and Mathematics (STEAM) Centre at Katherine High School.

The state-of-the-art centre was completed and ready to use for the beginning of Term 3, 2025.

The project included significant upgrades to existing infrastructure, along with purpose-built spaces that support high-quality, contemporary education in STEAM subjects.

On the ground floor of P block construction included 7 new classrooms designed to provide flexible and modern learning spaces, along with a staff room for teachers and support staff.

On the first floor of P block the upgrades featured 3 state-of-the-art science laboratories, complete with a preparation room for experiments and equipment storage, and an additional staff room to support faculty working in the science department.

In the adjacent R block the focus was on fostering creativity and artistic expression.

The ground floor was transformed into a dedicated art space, housing 3 studios, tailored for various artistic disciplines, a gallery area for showcasing student work, and a communal staircase, doubling as a breakout space to encourage collaboration and informal gatherings.

The first floor features 4 music practice rooms, a studio, and a control room built to support recording and production.

A standout feature of the project was the contractor's (M+J Builders) engagement with students through their Student Experience Initiative. The initiative provided an invaluable opportunity for students to gain firsthand experience in a real-world construction environment.



Housing construction and road safety in Mutitjulu

The community of Mutitjulu is set to receive a total of 12 new homes in 2025 as part of the remote housing program.

Blueprint (NT) Construction, an Aboriginal Business Enterprise, is currently constructing 12 new homes in the community, with anticipated completion in late 2025.

With construction well underway, staff from the Housing and Land Servicing, and Road Safety teams took the opportunity to educate children in the community on road safety with a focus on safety near construction vehicles, in preparation for the housing works.

In March 2025, special guest Hector the Road Safety Cat visited the community alongside DLI staff to deliver important safety messages about heavy machinery, wearing seatbelts, pedestrian safety, helmets and bike safety.

Children were provided with a variety of merchandise promoting safety messaging, including beanies, sunglasses, wristbands and t-shirts.

Blueprint involved the children so they could get hands-on, interaction experience with the heavy loader and see the view from the driver's seat. This provided the children valuable insight into the limited visibility drivers have of pedestrians from inside heavy machinery.



Umbakumba housing development

Progress has been made towards new houses in Umbakumba as part of the \$4 billion National Partnership Agreement on Remote Housing Northern Territory.

In 2025, Groote Eylandt and Bickerton Island Enterprises (GEBIE), an Aboriginal Business Enterprise, delivered a 40-lot subdivision to support new housing in Umbakumba.

The subdivision was constructed across a single dry season from tender award to completion, allowing for the construction of new housing to commence in 2025-26.



Borroloola Sports and Cyclone Shelter

The construction of the \$11.7 million Borroloola Sports and Cyclone Shelter has been completed improving community resilience and providing a facility for community and sporting events.

The multi-use facility is an Importance Level 4 building that provides shelter in an emergency event for up to 600 people.

The shelter includes indoor sporting facilities, ablutions and associated facilities for the community to use year-round.

The project was jointly funded, with the Northern Territory Government committing \$9.8 million to the

Roper Gulf Regional Council grant, and the McArthur River Mine Community Benefits Trust committing \$1.9 million.

Roper Gulf Regional Council, who own the building, will now be able to operate the facility for numerous sports and community events including fundraisers, market stalls, basketball and netball competitions.

The shelter will build community resilience in the face of natural disasters by ensuring Territorians have a safe place during extreme weather events.





Plenty Highway

Work has begun on a \$44 million project to upgrade and seal a 27 km section of the Plenty Highway in Central Australia.

The Plenty Highway is one of 7 interconnecting roads that make up The Outback Way, a key tourism route that cuts through the middle of Australia from Queensland through to Alice Springs in the NT before finishing in Western Australia.

The upgrade project is jointly funded by the Australian Government and Northern Territory Government.

The upgrades are designed to improve safety and provide greater access and benefits to remote communities, as well as the tourism, mining and freight sectors.

Concrete causeways will be constructed at the crossings of Plenty River, Marshall River and Bonya Creek. The intersections to Bonya community and Jervois Station Roadhouse will be formalised, upgraded and sealed.

Works will also include the relocation and realignment of Lucy Creek mine intersection to improve sight distance and address safety concerns.

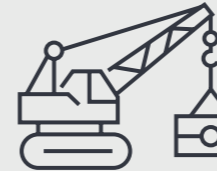
Construction commenced in September 2024 with the first section of works expected to be complete by October 2025. The project is expected to be finished by January 2026.



FAST FACTS

The project is expected to support

62
employees including



15 Aboriginal employees

14 apprentices



FAST FACTS

Bus safety reform

In 2024-25, the department launched a suite of bus safety reform initiatives to reduce anti-social behaviour, improve safety and enhance service delivery. Reforms announced in May 2025 include:



FREE BUS

travel as an interim measure to improve driver safety

Launch of a new and improved **bus tracker app** for real time network updates and journey planning



Bus network infrastructure review to evaluate current assets, opportunities and create a **safer environment** for passengers



Bus interchange closures from October 2025 in **Darwin and Casuarina** with **Palmerston** to follow

79 DRIVER PROTECTION SCREENS

installed in all buses across the Darwin and Alice Springs bus network





PART 3 Governance framework



CORPORATE GOVERNANCE

The department's governance framework guides the actions of its people by providing clarity and direction about appropriate behaviour and decision making. Governance is underpinned by our accountability, planning, performance and compliance activities.



As a public sector organisation, the department's Chief Executive Officer is required to meet operating and reporting requirements specified in the *Public Sector Employment and Management Act 1993*, *Financial Management Act 1995* and *Information Act 2002*.

The Chief Executive Officer is supported by the Executive Management Board and Executive Leadership Team to provide leadership and direction to the department. This section describes the governance structures that operated during the year, along with a description of the achievements and forthcoming priorities.

In early 2025 the department released a new strategic plan following Machinery of Government changes with a vision to **Build, Connect and Grow the Territory-Plan for tomorrow; Deliver for today**. This vision is supported by 5 key goals that will form the basis of a refreshed governance framework.

EXECUTIVE BOARDS AND COMMITTEES

Executive Management Board

The Executive Management Board (EMB) supports the Chief Executive Officer in delivering government priorities by providing leadership, strategic direction and guidance, to ensure the department is responsive to changing community and business needs.

EMB meet weekly or as required.

EMB is responsible for:

- overseeing implementation of the department's strategic agenda, key priorities and services
- strategic planning and department policy direction
- discussing current and emerging key issues, including resolving any identified interface issues and department responses to these
- overseeing corporate governance arrangements and activities of governance committees where required
- sharing corporate and departmental messaging to staff
- considering other matters as appropriate.

Executive Leadership Team

The Executive Leadership Team (ELT) meets monthly and assists the Chief Executive Officer and EMB with oversight and management of compliance, regulatory, governance and operational matters of the department.

ELT has a performance monitoring and advisory role that encompasses consideration, discussion and approval of strategies, initiatives and issues that impact divisions or the department as a whole.

ELT is a forum for the exchange of knowledge and information about the department's operations, corporate governance and overall organisational performance.

ELT is responsible for:

- setting strategic direction and overseeing implementation of strategic plans, policies, and programs
- monitoring department key performance against plans and budgets where appropriate
- overseeing corporate governance arrangements
- acting as the Work Health and Safety (WHS) Steering Committee (under the WHS Framework) and monitoring activity and issues arising from WHS Worksite Committees

- sharing departmental messaging to staff
- considering other matters as appropriate, including relevant cross-government activity.

This financial year the ELT:

- invited participants of the 2024 DLI Leadership Program to present their chosen projects and provide feedback of their experience; with some ELT members also being sponsors and mentors of the program
- reviewed and endorsed the quarterly Agency Performance Report, including the (former) DIPL Infrastructure NT Quarterly Performance Report
- monitored the department's performance and deliverables in terms of budget and financial performance, work health and safety matters, emergency management matters, and audit and risk management activities
- monitored updates on shared services from the Department of Corporate and Digital Development (DCDD), including the status of workforce, information management and digital development services
- received presentations and briefings from internal groups on various projects and initiatives, including but not limited to:
 - » realignment of DLI structure and proposed internal reform
 - » development of the first NT Police Strategic Infrastructure Investment Plan
 - » 10-year planning for Housing and Land Servicing
 - » the Alice Springs Priority Infrastructure Projects
- attended regional and off-site visits, including Darwin Harbour Infrastructure Projects' East Arm Office, Darwin Ship Lift Facility, and a regional trip to Alice Springs that saw members meeting with their regional staff and visiting projects on site
- endorsed new and revised departmental frameworks, strategies, policies, and plans including a DLI Employee Wellbeing Program and the introduction of a DLI Welcome Pack initiative.

EXECUTIVE LEADERSHIP TEAM STRUCTURE



Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) provides the Chief Executive Officer with independent advice on the effectiveness of the department's audit and risk management, internal control and compliance systems.

The ARMC:

- oversees and monitors the effectiveness of the department's risk management and internal compliance and control systems
- monitors and evaluates the effectiveness of the internal audit function including internal audit strategic planning, compliance with the internal audit charter, delivery of the internal audit plan and management's responsiveness to internal audit findings and recommendations
- reviews the scope of external audits, identification of risk areas, remedial recommendations, and monitors the effectiveness of the department's relationship with external auditors.

In 2024-25, the ARMC was overseen by independent chair, Clare Milikins. It met on one occasion and:

- endorsed the Internal Audit Plan for 2024-25
- reviewed internal and external audit activities including audits completed, outstanding actions to address audit recommendations and management responses to audit recommendations
- received updates on the (former) department's progress in implementing recommendations arising from the Organisational Review Implementation Plan
- received updates on the progress of risk management activities.

In 2025, following the finalisation of department changes as a result of MoG, the department established a new ARMC that will be overseen by independent chair Clare Gardiner-Barnes.

Health and Safety Committee

As part of Work Health and Safety (WHS) committees are established for each DLI worksite throughout the NT.

Department committees:

- provide an environment for cooperation and consultation between the employer and workers on work health and safety matters
- proactively identify, develop and implement measures to ensure the health and safety of workers at the workplace and external operations conducted from the workplace
- consider and make recommendations to the Executive Leadership Team (ELT) regarding training, education and promotion of health and safety at the workplace
- ensure hazard inspections are conducted each quarter and address any identified hazards.
- assist in coordinating the appointment of emergency wardens and first aid officers in collaboration with the People, Safety and Culture team
- keep informed about WHS standards and health and safety issues more generally for comparable workplaces
- where necessary, assist with investigating incidents or hazards at the workplace with the People & Safety team and recommend suitable changes or other appropriate remedial action
- perform other functions as agreed to by the Health and Safety Committee and the employer
- record any issues in the risk register.



Consultative Committee

In late 2024, after the MoG, the department established a Change Management Committee and Consultative Committee (CC) as part of the department's ongoing commitment to facilitate a consultative approach to change management and working with employees and unions in an open, transparent and inclusive manner.

The CC:

- provides a forum for agency representatives to identify and consider reasons for organisational change, and objectives to achieve
- considers employee suggestions, issues or concerns with MoG changes
- monitors impact of MoG changes as they are finalised
- navigates realignment of agency functions and operating models
- reports the committee's activities, including any outcomes or decisions, to the Change Management Committee.

In 2024-25, the committee met on 8 occasions and:

- reviewed major change proposals
- gathered feedback from employees and union representatives
- provided input into implementation planning
- information centralised on the department intranet
- ensured consistent messaging and information sharing across divisions, through:
 - » regular CEO messages
 - » publishing information on the department's intranet
 - » members sharing information with colleagues and/or representatives after each meeting
- held 7 consultation sessions open to all DLI employees, with recordings published on the department's intranet
- reported committee activities and outcomes to the Change Management Committee
- will continue to meet in 2025 to see through the department's implementations and finalisation of its internal structure realignment.

The committee, chaired by the Chief Executive Officer, includes the agency's nominated Change Manager, departmental representatives from every division, and senior staff from key operational areas. Representatives from the Community and Public Sector Union, Australian Manufacturing Workers Union, and Transport Workers Union were also invited.

Emergency Management Committee

The Emergency Management Committee's (EMC) principal responsibility is to ensure the department is adequately prepared for emergencies and to lead initial response to emergency situations.

The EMC:

- leads department activities before, during and after an emergency
- manages communications and emergency messaging for staff and assists with coordination of messaging to stakeholders across government.

In 2024-25, the EMC met on 2 occasions and:

- reviewed its terms of reference to increase regional, and functional group representation on the membership
- reviewed the draft 2025 DLI Emergency Management Plan to reflect MoG changes and include regional floods
- monitored progress of the DLI Emergency Waste Management Plan
- discussed key topics and emerging events including updates on bush fire preparedness and planning, and the emergency response debrief following flood events for 2024.

Following MoG changes, the former EMC was dissolved. A new committee is currently being established.



CONTROLS AND COMPLIANCE

Monitoring performance and risks through audits and reviews

The quality of our control systems is monitored as part of divisional plans. Internal and external audits, including performance and financial statement audits and assurance reviews are conducted to assess the adequacy of internal controls and compliance of these controls.

Internal and external audits and reviews provide:

- an independent assessment of selected areas of the department
- an assurance about public sector financial reporting, administration and accountability.

The department completed 2 internal audits/reviews during 2024-25 and the Northern Territory Auditor General's Office finalised 3 audits/reviews.

Internal audits

Internal audit is a key pillar of governance in the department. It strengthens the department's ability to create, protect and sustain value by providing the Chief Executive Officer and management with independent, risk-based and objective assurance, advice, insight and foresight.

Internal audit is a service function that provides key stakeholders with a range of risk-based activities to assess whether the department is operating satisfactorily. It also enables the department's ARMC and ELT to determine if appropriate risk and internal control mechanisms are in place for a strong risk and compliance culture.

The internal audit team is independent from operational areas of the department reporting through Executive Services. This arrangement provides an independent and objective assurance and advisory service to the department as well as assurance to the Chief Executive Officer and the ARMC that the department's financial and operational controls are capable of:

- managing organisational risk
- achieving organisational objectives
- operating efficiently, effectively and in an ethical manner
- assisting management to improve business performance.

External audits

External audits play a crucial role in providing assurance on the department's conformance with laws, regulations and other requirements. External audits are conducted by outside entities, usually the Northern Territory Auditor-General's Office, however, occasionally other external parties are engaged. The Auditor-General for the Northern Territory reports directly to the Northern Territory Parliament and releases reports publicly.

There were 3 external audits/inquiries finalised in 2024-25 by the Auditor-General's Office.

Risk management

Risk management is an integral part of the management process and incorporates the principles of corporate governance, accountability, communication and strategic alignment.

The department's Enterprise Risk Management Framework is designed to assist staff in identifying, assessing, treating and monitoring risks at strategic, operational and project levels.

This framework provides a coordinated approach to risk management across all divisions while ensuring the approach remains relevant to the specific context of our different business functions and priorities.

Fraud and corruption awareness

The Fraud and Corruption Control Framework details the department's approach to fraud and corruption control. The framework consists of a range of fraud control strategies designed to protect the agency and employees. Each strategy contributes to the effectiveness and efficiency of the Framework and is consistent with the department's operations and ethical culture. The department strives to enhance fraud and corruption awareness and to strengthen internal controls to prevent, detect and respond to fraud and corruption.

Compliance and reporting

The department has a number of internal control mechanisms designed to mitigate risks in the workplace.

The department is committed to creating and maintaining an environment that encourages staff to report improper conduct and to protect those individuals who make reports.

Code of Conduct

Through internal training programs, such as the OneNTG Online Orientation program, regular internal communications and a department wide orientation program, employees are regularly reminded of their responsibility to act in accordance with the Code of Conduct for the Northern Territory Public Sector. Where an employee acts in contravention of the Code of Conduct the department may undertake disciplinary proceedings. Specialised training has continued throughout 2024-25 including the mandatory requirement for staff to complete essential training.

Delegations

The Chief Executive Officer delegates certain powers to other employees under the *Financial Management Act 1995*, the *Public Sector Employment and Management Act 1993*, the *Contracts Act 1978* and the *Procurement Act 1995*.

The Chief Executive Officer has established the following delegations:

- financial delegations
- human resources delegations
- procurement and contracts delegations.

Business unit delegations

- transport legislation delegations (various acts).

The department holds a range of record sets that are captured, managed and disposed of, or archived, in accordance with the *Information Act 2002 (NT)*.

Department record sets include:

- government works procurement and projects
- motor vehicle registration and licensing transactions
- administrative files
- transport and traffic management.

Access to information

The *Information Act 2002* provides public access to information held by a public sector organisation.

A total of 33 applications to access information through the Act in relation to this department were processed in 2024-25. Of the 33 applications, 28 were for government information, 4 for personal information and 1 for mixed personal and government information.

The department was consulted for access to information under the *Freedom of Information Act 1982* (Commonwealth) in relation to 2 separate applications for government information from the following agencies:

- Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts
- Attorney-General's Department.

Several other requests for government information were received during the year, which were managed using standard administrative processes, which is the preferred process where possible. The department has publications and information available to the public free of charge. These can be found on the agency website.

Corporate governance reporting

Conflicts of interest

Whether actual, potential or perceived, undisclosed and unmanaged conflicts of interest can lead to the loss of public confidence in government, and of the organisation. All staff are required to declare conflicts of interest as soon as they become aware of them and prior to commencing in specified work activities including participation on procurement and recruitment panels. All staff are required to take reasonable steps to avoid conflicts, and all disclosed interests must have an approved management strategy in place.

It is mandatory for all Executive Contract Officers to complete a disclosure of interest statement on an annual basis, including to declare nil conflicts, in accordance with the department's conflict of interest policy.

Staff disclosures completed using the department's conflict of interest declaration form are recorded on an online register and are reported to EMB on a quarterly basis.

The department undertakes regular reviews of the conflict of interest policy and procedures to ensure continuous improvement in the disclosure and management of conflicts of interest.

Gifts and benefits

The department must be open, accountable and actions defensible when dealing with the acceptance of gifts and benefits. All staff are required to declare all offers of gifts and benefits including declined offers. Declared gifts and benefits are recorded on an online register and are reported to EMB on a quarterly basis.

The department undertakes regular reviews of the gifts and benefits policy and procedures to ensure continuous improvement in the reporting and oversight of offers of gifts and benefits to staff.

Improper conduct

The department is committed to creating and maintaining an environment that encourages staff to report improper conduct and to protect those individuals who make reports.

There are various avenues available for staff to report improper conduct within the department or directly to the Independent Commissioner Against Corruption. The Senior Director of People, Safety and Culture is the department's 'Nominated Recipient' under the *Independent Commissioner Against Corruption Act 2017*.

The department undertakes regular reviews of the Fraud and Corruption Control Framework, including the Whistleblower Policy, to ensure the department has mechanisms in place to prevent, detect and respond effectively to allegations of improper conduct.

Compliance with whole-of-government directions

The department complied with all prescribed principles outlined in Part 1A (sections SA-SF) of the *Public Sector Employment and Management Act 1993*. The department complied with its obligations under each Employment Instruction issued by the Commissioner for Public Employment throughout 2024-25. Performance against each Employment Instruction is detailed below.

Employment Instruction	2024-25 Performance
<p>Instruction 1 Filling Vacancies</p> <p>Chief Executive Officer must develop a procedure for the filling of vacancies.</p>	<p>The department publishes procedures on how to fill a vacancy on its intranet for staff information, which link to the NT Public Sector (NTPS) Recruitment and Selection Policy on the Office of the Commissioner for Public Employment's website as well as procedures on the NT Government's intranet.</p>
<p>Instruction 2 Probation</p> <p>Chief Executive Officer must develop a probation procedure.</p>	<p>The department has a Probation Policy and process compliant with the <i>Public Sector Employment and Management Act 1993</i> and relevant awards. New ongoing employees are advised of the probation as part of their Offer of Employment. This process is explained further during induction and available on the intranet. The employee's manager monitors probationary reports and timeframes and works with the employee to ensure a successful completion.</p>
<p>Instruction 3 Natural Justice</p> <p>A person who may be adversely affected by an impending decision must be afforded natural justice before a final decision is made.</p>	<p>The principles of natural justice are communicated to all employees and embedded within the department's culture.</p>
<p>Instruction 4 Employee Performance Management and Development Systems</p> <p>Chief Executive Officer must develop and implement an employee performance management and development procedure.</p>	<p>The department's performance management system integrates the planning framework and objectives with employees' work priorities and aligns with the department's Strategic Plan and objectives.</p> <p>The department has further developed its online performance management tools to better support employee growth, team development and succession planning. The online system provides a reporting dashboard for managers and executive.</p>
<p>Instruction 5 Medical Examinations</p> <p>Chief Executive Officer may engage a health practitioner to undertake an examination of an employee in the case of inability, unsatisfactory performance or breach of discipline matters.</p>	<p>The department engages qualified health professionals to support our staff members when there are concerns pertaining to their health.</p>

Employment Instruction	2024-25 Performance
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**Instruction 6
Employee Performance and Inability**

Chief Executive Officer may develop employee performance and inability procedures.

The department's performance management system provides a framework for managers and staff to document where performance improvement is required. The People, Safety and Culture unit supports the Performance Management Framework process and system. Further assistance is sought from DCDD Workforce Services as required to deal with matters of underperformance and assist employees and managers to work together collaboratively to improve performance.

**Instruction 7
Discipline**

Chief Executive Officer may develop discipline procedures.

The department utilises the NTPS Discipline Handbook and the *Public Sector Employment and Management Act 1993* to apply considered and informed assessment of all discipline matters before determining outcomes and seeks further guidance from DCDD Workforce Services as required.

**Instruction 8
Internal Department Complaints and Section 59 Grievance Reviews**

Chief Executive Officer must develop an internal employee grievance-handling policy and procedure.

The department is committed to having a fair and just working environment and publishes procedures on how to resolve and manage disputes and complaints on its intranet for staff information to support the prompt and effective resolution of internal disputes for all employees; in compliance with the *Public Sector Employment and Management Act 1993*, relevant Employment Instructions and centralised procedures published on NTG Central.

**Instruction 9
Employment Records**

Chief Executive Officer is responsible for keeping employees' records of employment.

DCDD stores all personnel files. The department complies with the DCDD policy regarding access to these files. Any requests to access employee records are made through the appropriate delegate. DLI keep current employee personnel files as an option for employees to save their employment correspondence (i.e. Performance Development Plan, training certificates etc.)

Employment Instruction	2024-25 Performance
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**Instruction 10
Equality of Employment Opportunity Programs**

Chief Executive Officer must develop an equality of employment opportunity program integrated with corporate, strategic and other department planning processes.

The department is committed to treating all employees equally in the workplace, and has implemented various strategic plans and programs to assist with providing equity across our workforce, such as:

- the Strategic People Plan 2022-2025 represents an overall workforce strategy and framework that sets the direction for change and improvement for the department and our people
- the Aboriginal Employment Action Plan outlines key priorities and initiatives to continue to grow and develop a skilled and capable Aboriginal workforce including program initiatives for mentoring, leadership training and engagement with schools
- the Special Measures Recruitment Plan gives priority consideration and preference in selection for all vacancies
- the establishment of an Aboriginal Employee Network to strengthen opportunities for personal and professional development
- the Disability Action Plan which forms part of the NTPS' broader strategic intention to deliver active and meaningful whole of sector diversity strategies, and actively promote workplace inclusion practices.

**Instruction 11
Occupational Health and Safety Standards Programs**

Chief Executive Officer must ensure the application of appropriate occupational health and safety standards and programs, and report annually on these programs.

The department has appropriate plans, strategies and guidelines as well as Work Health and Safety (WHS) Committees to ensure WHS compliance. The details of the WHS activities are outlined in this report.

**Instruction 12
Code of Conduct**

Chief Executive Officer may issue a department-specific code of conduct.

All department employees are required to complete the OneNTG orientation program that incorporates Code of Conduct training.

The Transit Safety Unit has its own Code of Conduct which complements the Code of Conduct for the Northern Territory Public Sector.

**Instruction 13
Appropriate
Workplace Behaviour**

Chief Executive Officer must develop and implement a department policy and procedure to foster appropriate workplace behaviour and a culture of respect, and to deal effectively with inappropriate workplace behaviour and bullying.

The department is committed to providing all employees with a safe and healthy workplace, free from inappropriate behaviours such as bullying, harassment and discrimination. Policy and procedures are in place for managing inappropriate workplace behaviour, including bullying. All department employees are required to complete the OneNTG orientation program which incorporates 'Appropriate Workplace Behaviour' training.

**Instruction 14
Redeployment and
Redundancy Procedures**

Management of employees who are redeployees or employees who are subject to a redundancy.

The department acts in accordance with redeployment and redundancy procedures as set out under the Enterprise Agreement and Employment Instruction 14.

**Instruction 15
Special Measures**

The department has a Special Measures plan that includes all externally advertised vacancies (for all positions). The department also continues to participate in specific Aboriginal Early Careers Programs to meet identified targets.





PART 4
Our
people



GEOGRAPHICAL SPREAD

650

Greater Darwin

17

East Arnhem

44

Big Rivers

13

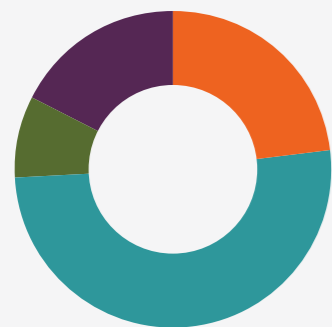
Barkly

62

Central Australia



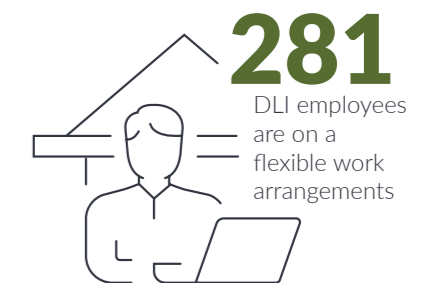
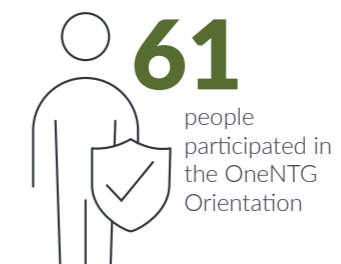
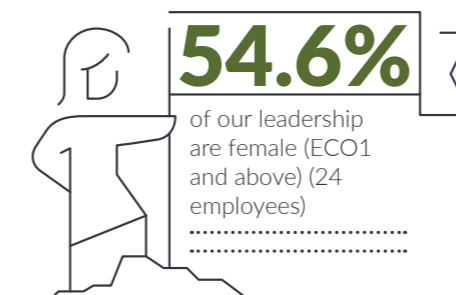
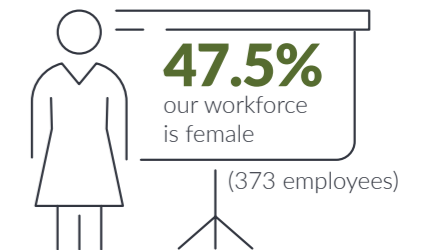
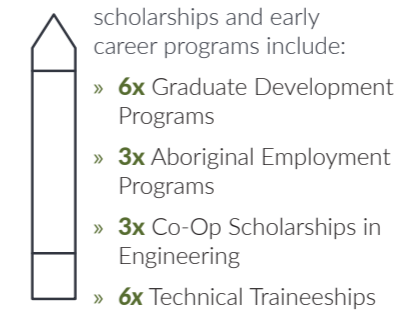
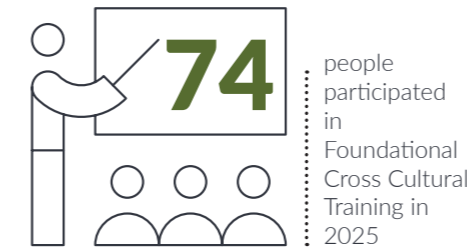
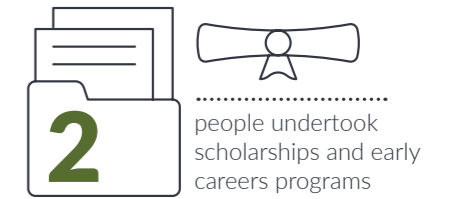
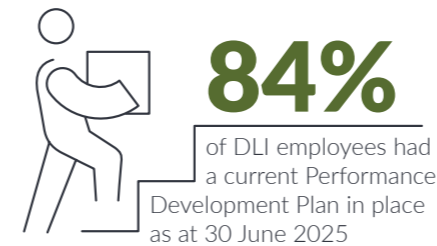
Divisional distribution



182	Transport Operations and Corporate Services
403	Program Delivery and Procurement
65	Infrastructure NT
136	Regions
786	Total headcount

Commencements and separations

103	commenced with the department
93	separated from the department
67	transferred into the department
260	transferred out of the department





PART 5

Our performance



KEY PERFORMANCE INDICATORS

Key Performance Indicator	2024-25 Target	2024-25 Estimate	2024-25 Actual	2025-26 Target
Government's strategic infrastructure planning document, Northern Territory Infrastructure Plan and Pipeline, developed and released annually	Yes	Yes	Yes	Yes
Construction contracts awarded to Territory enterprises	≥97%	99%	99.37%	≥97%
Territory Government-owned building assets inspected	≥33%	33%	30.15%	≥33%
School and community-based road and marine safety programs delivered ¹	675	450	536	675
Heavy vehicles checked as part of on-road auditing activity ^{1,2}	7 000	4 500	4 702	7 000
Motor Vehicle Registry customers served within 15 minutes ³	≥80%	50%	32%	≥80%
Reported defects on roads repaired	≥80%	76%	90%	≥80%
Average processing time for corridor access applications (days)	≤10	6	4.6	≤10
Remote housing lots developed	200	227	264	200
Proportion of Aboriginal people employed to deliver housing works and services ⁴	≥30%	30%	30.84%	≥30%
New constructed homes:				
• remote ⁵	260	270	238	270
• urban ⁵	17	18	8	17

Notes:

1. The variation in 2024-25 is due to staff resourcing availability
2. The 2025-26 target reflects ongoing targeted recruitment for specific technical positions in the vehicle compliance area.
3. The variation in 2024-25 is due to ongoing staff recruitment and retention challenges
4. The 2024-25 target has been recast to reflect machinery of government changes
5. The variation in 2024-25 is due to a prolonged wet season, availability of contractors, procurement delays, essential services restrictions and barge availability.





PART 6 Financial statements



OVERVIEW

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

The final budget comprises the 2024-25 revised budget as published in the May 2025 Budget, plus any approved budget adjustments affecting 2024-25 since that publication, including machinery of government changes.

Excluding non-cash items and other accounting related adjustments, the department's key financial results when compared with final budget includes:



total revenue of \$595 million \$6 million lower than projected

total expenses of \$582 million \$8 million lower than projected

a net operating surplus of \$12 million \$2 million higher than projected



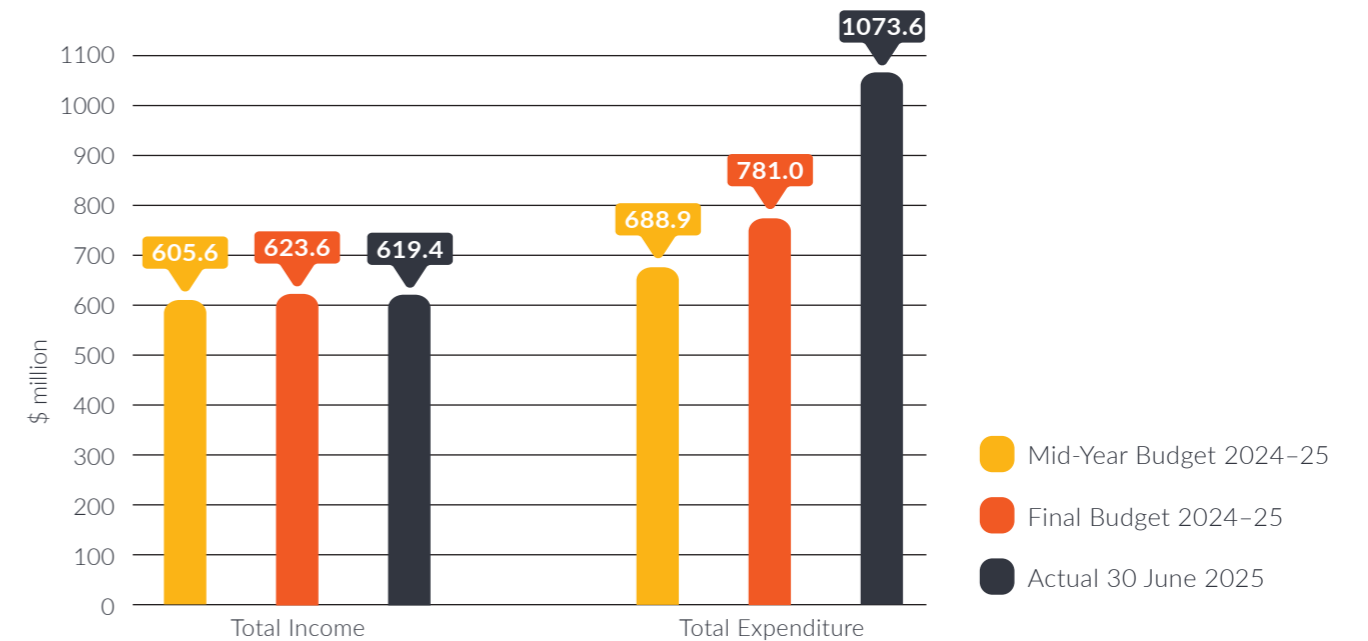
COMPREHENSIVE OPERATING STATEMENT (Financial Performance)

The comprehensive operating statement presents income and expenditure for the financial year.

The statement shows an unadjusted operating deficit of \$454.2 million against a final budget deficit of \$157.4 million; a net difference of \$296.8 million.

As the department is a not-for-profit public sector entity, it is normal to budget and report an operating deficit due to unfunded non-cash items and other accounting adjustments. This includes depreciation and amortisation expenses and reclassification of items funded on the cash flow statement as capital purchases, and now expensed in the comprehensive operating statement. Reclassification of capital works largely relates to transfers of completed assets to be owned by external entities, such as local government councils; and capital costs that do not meet the capitalisation criteria and must be expensed in line with accounting standards.

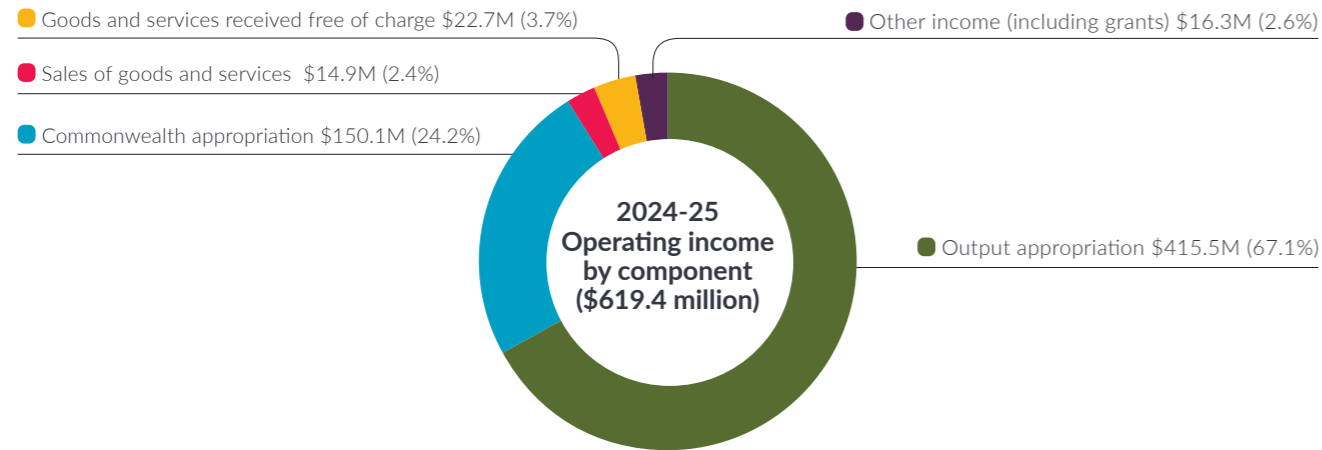
The graph below summarises changes in total income and total expenditure compared to the department's original budget (adjusted for the new structure and as reported in the November 2024 Mid-Year Report), the final budget, and the actual result for the period ended 30 June 2025.



The graph demonstrates that since the original budget, final expenditure budget increased by \$92.1 million from \$688.9 million to \$781 million. The significant increase is largely due to:

- additional Territory funding to support disaster related repairs and maintenance expenses due to flood and cyclone damage across several Territory regions
- increase in estimated non-cash capital works costs to be expensed in line with accounting standards, combined with higher estimated transfers of completed capital works to be owned by external entities
- partially offset by revised timing of major projects in line with projected milestones.

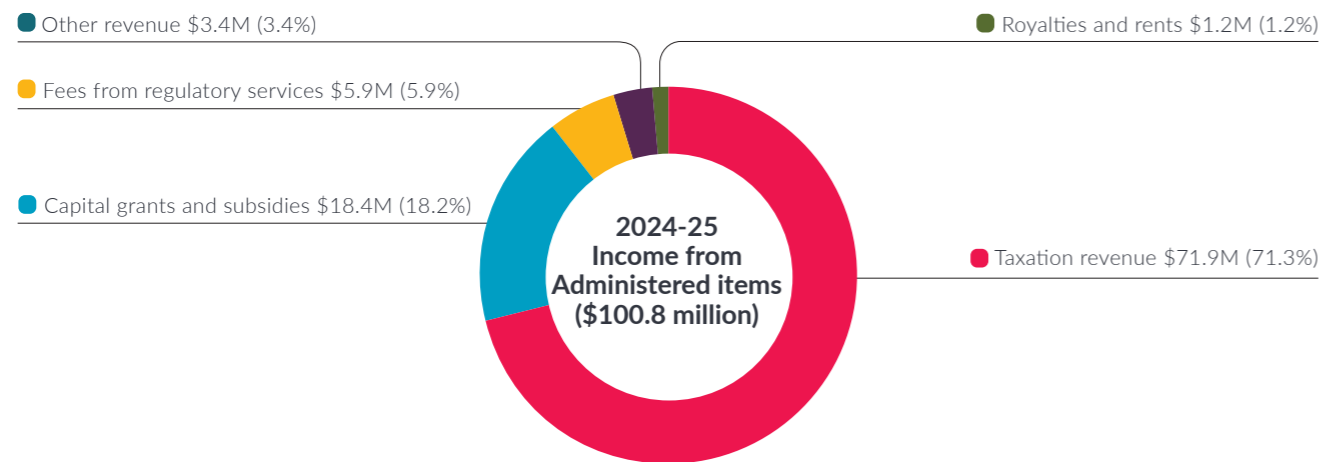
Income



Income for DLI mainly comprises:

- output appropriation (i.e. Territory funding) to enable the department to deliver on government's objectives
- Commonwealth appropriation for nationally funded initiatives, largely Darwin Region Water Supply Infrastructure and Territory roads
- sales of goods and services, mostly from motor vehicle registry fees and charges, such as personalised number plates, souvenir plates, evidence of age cards, and administration fees for the collection and issue of licences and motor vehicle registrations on behalf of government
- corporate services received free of charge from the Department of Corporate and Digital Development.

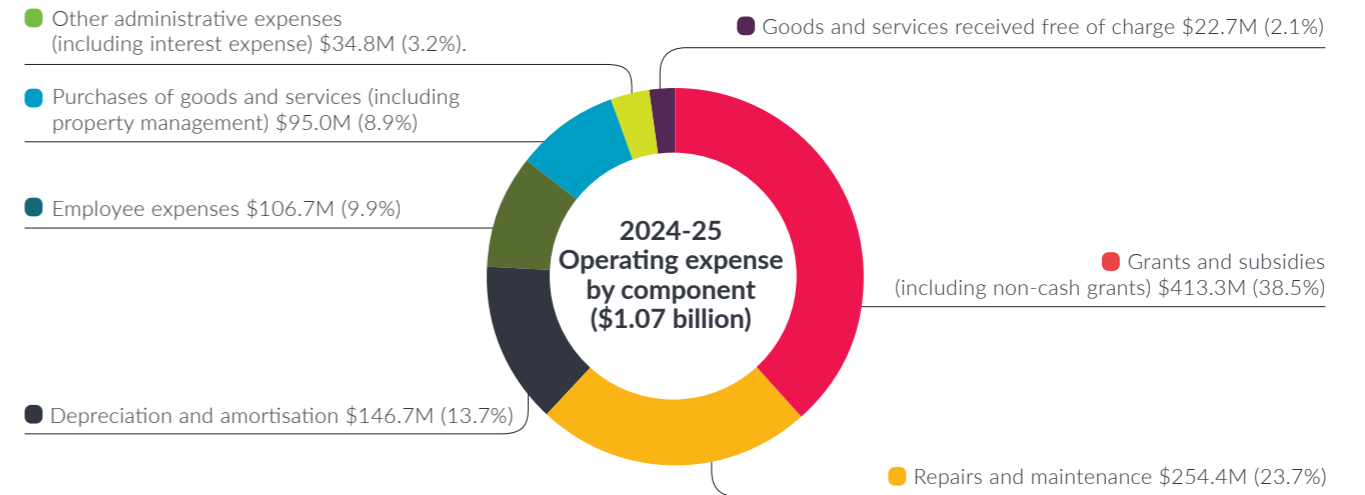
Total income was \$4.2 million lower when compared to final budget, primarily due to timing of revenue recognition for the Darwin Region Water Supply Infrastructure Program, received in advance and recorded as unearned revenue; partially offset by higher goods and services revenue. When excluding non-cash adjustments relating to remeasurement of lease receivables (\$1.8 million), total income was \$6 million lower when compared to final budget.



In addition to operating activities, the department also acts on behalf of the Territory Government to manage administered items. These include the collection of motor vehicle registration fees, other licence fees, rent, and capital grants for specific purposes such as road infrastructure projects.

Administered income does not form part of the department's operations and therefore is excluded from the comprehensive operating statement. For more information on administered items refer to Note 28 of the financial statements.

Expenditure



For 2024-25, DLI's expenditure is largely comprised of grants (38.5%) and costs associated with repairs and maintenance works on Territory Government assets (23.7%). Other administrative expenses predominantly relate to capital works costs that did not meet the capitalisation criteria and were expensed.

Expenditure trend

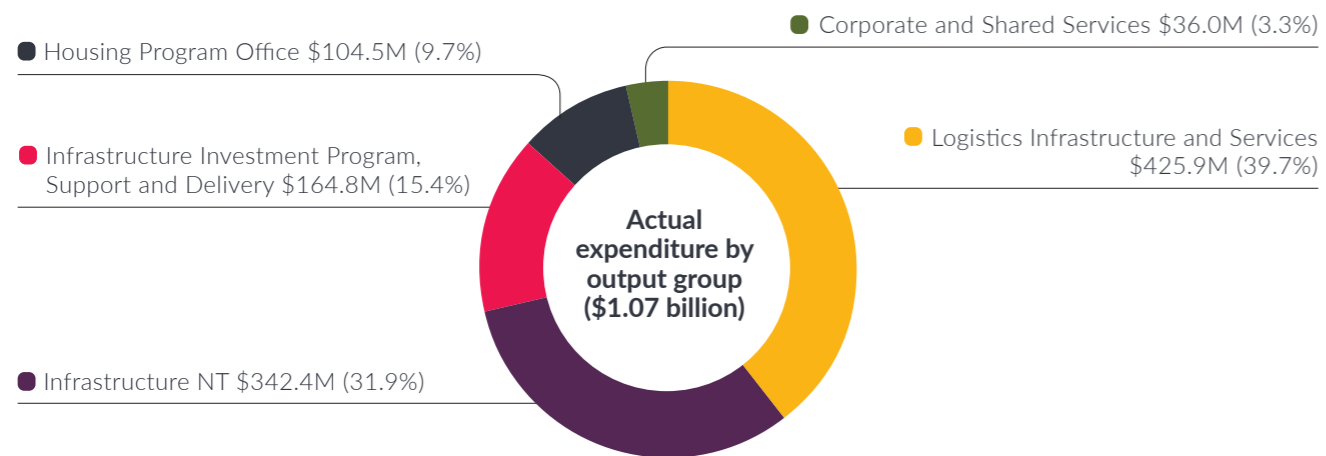
The table below compares actual spend against final budget for 2024-25.

Operating expenses	2024-25 Actual outcome	2024-25 Final Budget	Variance	Variance
	\$M	\$M	\$M	%
Employee expenses	106.7	108.0	(1.3)	(1.2)
Purchases of goods and services (including property management)	95.0	99.1	(4.1)	(4.1)
Repairs and maintenance	254.4	251.1	3.3	1.3
Depreciation and amortisation	146.7	85.2	61.5	72.2
Goods and services received free of charge	22.7	23.1	(0.4)	(1.7)
Other administrative expenses (including interest)	34.8	24.5	10.3	42.0
Grants and subsidies (including non-cash capital grants)	413.3	190.0	223.3	117.5
Total	1 073.6	781.0	292.6	37.5

As shown in the table, total expenditure was \$1.07 billion for 2024-25. When compared to the final budget, this was an increase of \$292.6 million. Key variations include:

- **depreciation and amortisation expenses:** \$61.5 million higher than anticipated, largely due to a reduction in the remaining useful lives of transport assets in accordance with valuation advice, resulting in higher non-cash depreciation expense
- **other administrative expenses:** \$10.3 million higher than anticipated, relating to reclassification of housing land servicing and infrastructure capital works (funded on the cash flow statement as capital purchases) that did not meet the capitalisation criteria
- **grants and subsidies expenses:** \$223.3 million higher than budget, primarily due to revised timing and reclassification of expenditure for the Darwin ship lift project (funded on the cash flow statement as capital purchases); and higher than anticipated transfer of completed capital works for nil consideration to Indigenous Essential Services and local government councils.

When excluding non-cash expenditure and reclassification of capital works, the department's adjusted expenditure was under budget by \$7.9 million.



Around 72% of the department's expenditure was incurred in the Logistics Infrastructure and Services and Infrastructure NT outputs. Further information and a comparison between the mid-year budget, final budget and actual outcome by output and output group is summarised in the following table:

Output group / output	2024-25 Mid-Year Budget	2024-25 Final Budget	% change	2024-25 Actual Outcome	% change to Final Budget
	\$M	\$M	%	\$M	%
Infrastructure NT	168.6	139.9	(17.0)¹	342.4	144.8⁴
Infrastructure NT Policy and Development	8.9	10.2		4.4	
Strategic Project Office	159.7	129.7		338.0	
Infrastructure Investment Program, Support and Delivery	155.1	160.5	3.5	164.8	2.7
Infrastructure Investment Delivery	36.4	40.4		39.0	
Infrastructure Planning and Governance	8.0	8.3		10.4	
Building Asset Management	110.7	111.8		115.4	
Logistics Infrastructure and Services	299.9	362.2	20.8²	425.9	17.6⁵
Passenger Transport	73.6	73.7		72.2	
Registration and Licensing	10.2	10.1		11.3	
Road and Water Safety and Compliance	9.6	9.6		8.4	
Transport Planning and Delivery	189.0	245.3		310.0	
Transport Assets	14.9	20.9		21.1	
Strategy, Policy and Legislation	2.6	2.6		2.9	
Housing Program Office	31.3	85.0	171.6³	104.5	22.9⁶
Capital Program Delivery	20.2	74.3		94.6	
Program Planning and Engagement	11.1	10.7		9.9	
Corporate and Shared Services	34.0	33.4	(1.8)	36.0	7.8
Corporate and Governance	10.9	10.3		13.3	
Shared Services Received	23.1	23.1		22.7	
Total	688.9	781.0	13.4	1 073.6	37.5

1. Infrastructure NT decreased from mid-year budget to final budget primarily due to transfers between financial years to align with project timing for the Darwin Region Water Supply Infrastructure and Middle Arm Precinct programs.
2. Logistics Infrastructure and Services increased from mid-year budget to final budget primarily due to additional funding relating to disaster expenditure as a result of flood and cyclone damage across a number of Territory regions, and one-off capital-related expenditure that cannot be recorded as assets.
3. Housing Program Office increased from mid-year budget to final budget primarily due to one-off capital related expenditure that cannot be recorded as assets, and one-off non-cash capital grants provided to Indigenous Essential Services and local government councils, transferring ownership of assets for nil consideration.
4. The variance in actual expenditure for Infrastructure NT against final budget was primarily due to revised timing and reclassification of capital works for the Darwin ship lift project.
5. The variance in actual expenditure for Logistics Infrastructure and Services against final budget was primarily due to higher depreciation and amortisation expense from a reduction to the remaining useful lives of transport assets in accordance with valuation advice.
6. The variance in actual expenditure for Housing Program Office against final budget is primarily due to higher than anticipated end of year projected spend for one-off non-cash housing capital expenditure which cannot be recorded as assets; and one-off non-cash capital grants provided to local government councils, transferring ownership of assets for nil consideration.

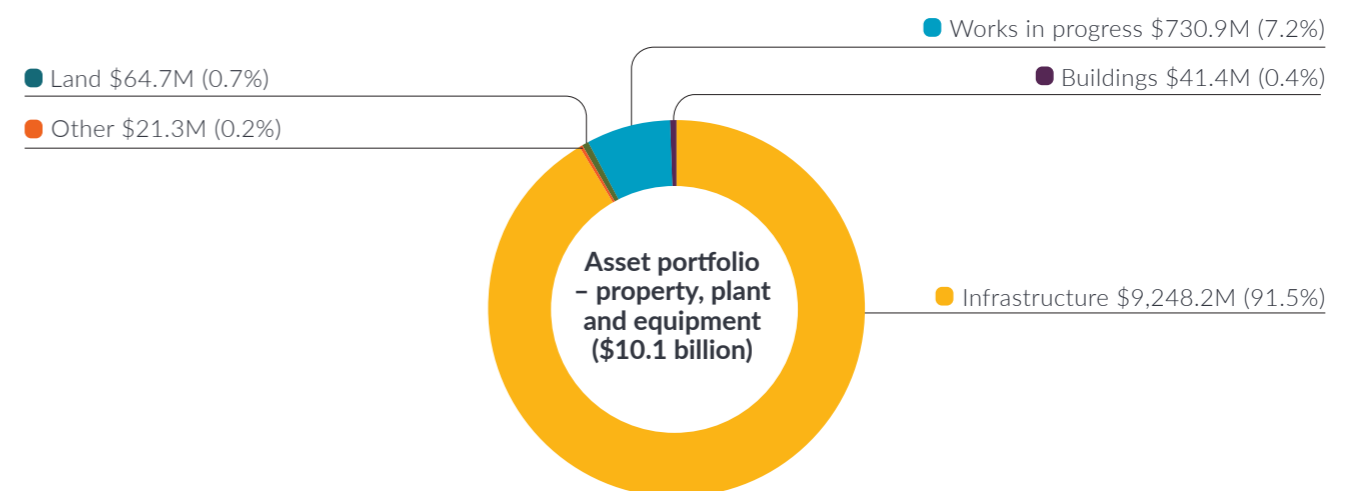
BALANCE SHEET (Financial Position)

The balance sheet shows the department's net worth and financial position. The department held net assets totalling \$10 billion at year end.

Assets

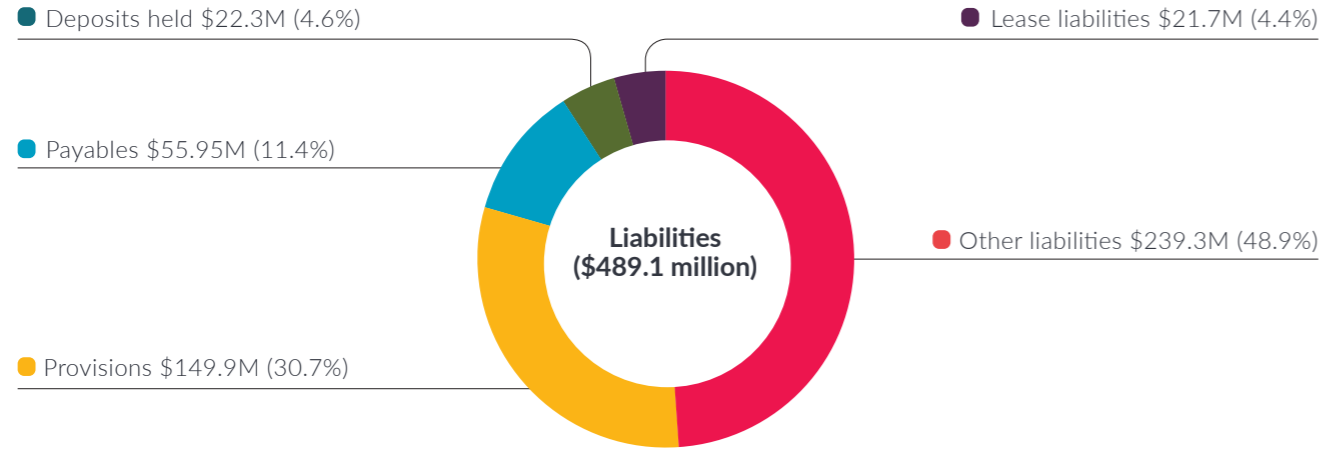
The largest component of the department's asset profile relates to infrastructure assets of \$9.25 billion, largely reflecting Territory road network assets, including roads and bridges. Also included in infrastructure assets are transport assets, such as barge landings, aerodromes and marine infrastructure.

Another significant component of the asset profile is work in progress, as the department plays a lead role in planning, constructing and maintaining government infrastructure across the Northern Territory, and holds construction (work in progress) at \$730.9 million. This represents the aggregate value of works which are yet to be completed and transferred to each appropriate host department.



Liabilities

The department continued to maintain a strong financial position in 2024-25, with total liabilities at \$489.1 million, representing around 4.7% of total assets.



The department's liabilities are mainly comprised of:

- other liabilities at \$239.3 million or 48.9%, predominantly reflecting Commonwealth revenue received in advance for infrastructure grant programs and construction of capital assets. Revenue will be recognised in future reporting periods as expenditure is incurred, with a corresponding reduction to the liability
- provisions at \$149.9 million or 30.7%, mostly relating to revised timing and reclassification of Darwin ship lift project expenditure in accordance with accounting standards. The provision will be progressively reduced as associated works are completed.

CASH FLOW STATEMENT

The cash flow statement represents cash received and applied during the year from operating, investing and financing activities.

The table below summarises the cash flow movement for 2024-25.

Cash flow movement summary	2024-25 Actual Outcome	2024-25 Final Budget	Variance	Variance
	\$M	\$M	\$M	%
Cash at beginning of year	113.1	113.1	nil	nil
Cash received	1 938.0	2 061.7	(123.7)	(6.0)
Less cash spent	1 901.6	1 862.5	39.1	2.1
Cash at end of reporting period	149.5	312.3	(162.8)	(52.1)

The department held cash and deposits of \$149.5 million at year end, a \$162.8 million decrease against final budget of \$312.3 million. The decrease in cash is mainly due to the timing of milestone payments from the Commonwealth for expenditure incurred but not yet received for various capital works projects.

INFRASTRUCTURE PROGRAM

The infrastructure program combines capital works, capital grants, repairs and maintenance and infrastructure-related expenses, and represents total commitments for construction and maintenance of assets across the Territory.

For 2024-25, the department spent \$1.66 billion in total infrastructure payments on behalf of the Territory. Most of the expenditure related to capital and minor works of \$1.08 billion. Within this capital expenditure, \$270.7 million was spent on the Territory road network, \$334.3 million on public housing and \$471.1 million on other built infrastructure across a number of portfolios. In addition, the department spent \$249.1 million in repairs and maintenance delivered on behalf of the department and other government agencies; \$5.3 million on infrastructure related consultancies to support design and delivery of the Territory's infrastructure program; and \$328.7 million in capital grants.

DEPARTMENT OF LOGISTICS AND INFRASTRUCTURE
FINANCIAL REPORT

CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for the Department of Logistics and Infrastructure 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 2025 and the financial position on that date.

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



Gemma Lake
A/Chief Executive Officer
29 August 2025



Donna Moore
A/Chief Financial Officer
29 August 2025

COMPREHENSIVE OPERATING STATEMENT
for the year ended 30 June 2025

	Note	2024-25
		\$000
INCOME		
Grants and subsidies revenue		
Current	4	26
Capital	4	581
Appropriation		
Output	5	415 454
Commonwealth	5	150 089
Sales of goods and services	6	14 844
Goods and services received free of charge	7	22 654
Other income	8	15 709
TOTAL INCOME	3	619 357
EXPENSES		
Employee benefits expense	9	106 649
Administrative expenses		
Property management		14 139
Purchases of goods and services	10a	80 868
Repairs and maintenance	10b	254 437
Depreciation and amortisation	16	146 712
Goods and services received free of charge	7	22 654
Other administrative expenses		33 893
Grants and subsidies expenses		
Current	11	8 708
Capital	11	404 613
Interest expenses		932
TOTAL EXPENSES	3	1 073 605
NET SURPLUS / (DEFICIT)		(454 248)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to net surplus/(deficit)		
Changes in asset revaluation surplus		(716 751)
TOTAL OTHER COMPREHENSIVE INCOME		(716 751)
COMPREHENSIVE RESULT		(1 170 999)

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

BALANCE SHEET

as at 30 June 2025

	Note	2024-25
		\$000
ASSETS		
Current assets		
Cash and deposits		149 517
Receivables	14	122 632
Other financial assets	15	7 773
Total current assets		279 922
Non-current assets		
Receivables	14	66
Property, plant and equipment	16	10 106 532
Intangibles		366
Other financial assets	15	76 802
Total non-current assets		10 183 766
TOTAL ASSETS		10 463 688
LIABILITIES		
Current liabilities		
Deposits held	17	22 330
Payables	18	55 905
Lease liabilities	19	5 110
Provisions	20	16 441
Other liabilities	21	224 546
Total current liabilities		324 332
Non-current liabilities		
Lease liabilities	19	16 623
Provisions	20	133 419
Other liabilities	21	14 701
Total non-current liabilities		164 743
TOTAL LIABILITIES		489 075
NET ASSETS		9 974 613
EQUITY		
Capital		6 122 315
Reserves		6 229 478
Accumulated funds		(2 377 180)
TOTAL EQUITY		9 974 613

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 2025

	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
	\$000	\$000	\$000	\$000
2024-25				
Accumulated funds	(1 922 932)	(454 248)		(2 377 180)
Reserves				
Asset revaluation surplus	6 946 229	(716 751)		6 229 478
Total reserves	6 946 229	(716 751)		6 229 478
Capital - transactions with owners				
Equity injections				
Capital appropriation	5 807 501		835 172	6 642 673
Equity transfers in	3 970 313		732 994	4 703 307
Other equity injections	838 991		135 329	974 320
Specific purpose payments	134 731		24 060	158 791
National partnership payments	2 144 963		250 537	2 395 500
Commonwealth capital appropriation	200 357		19 404	219 761
Equity withdrawals				
Capital withdrawal	(811 181)		(11 911)	(823 092)
Equity transfers out	(6 425 199)		(1 723 746)	(8 148 945)
Total capital	5 860 476		261 839	6 122 315
TOTAL EQUITY AT END OF FINANCIAL YEAR	10 883 773	(1 170 999)	261 839	9 974 613

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 2025

	Note	2024-25
		\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Grants and subsidies received		
Current		26
Appropriation received		
Output		415 454
Commonwealth (excluding capital appropriation)		169 272
Receipts from sales of goods and services		174 621
Total operating receipts		759 372
Operating payments		
Payments to employees		(109 821)
Payments for goods and services		(485 888)
Grants and subsidies paid		
Current		(8 708)
Capital		(195 300)
Interest paid		(932)
Total operating payments		(800 649)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	13	(41 277)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing receipts		
Proceeds from sales of non financial assets	16	1 700
Repayment of advances		10 367
Total investing receipts		12 067
Investing payments		
Purchase of non financial assets		(1 078 980)
Advances and investing payments		(4 687)
Total investing payments		(1 083 667)
NET CASH FROM / (USED IN) INVESTING ACTIVITIES		(1 071 600)
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Deposits received		(14 333)
Equity injections		
Capital appropriation		835 172
Commonwealth capital appropriation		210 435
Other equity injections		135 329
Total financing receipts		1 166 603
Financing payments		
Lease liabilities payments		(5 419)
Equity withdrawals		(11 911)
Total financing payments		(17 330)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	13	1 149 273
Net increase / (decrease) in cash held		36 396
Cash at beginning of financial year		113 121
CASH AT END OF FINANCIAL YEAR		149 517

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

1. Objectives and funding

The Department of Logistics and Infrastructure works with the community, business and industry to build, connect and grow the Territory. The department plans, constructs, maintains and invests in services, and integrated logistics and infrastructure solutions across the Territory. The department also performs transport regulatory functions on behalf of the Territory Government.

Additional information in relation to the department and its principal activities can be found in the Performance Reporting section of the annual report.

The department considered primary users of these financial statements and their needs for information and quantitative thresholds to determine which accounting policy information is material and therefore must be disclosed.

The department is predominantly funded and therefore dependent on the receipt of parliamentary appropriations. The financial statements encompass all funds through which the department controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the department are summarised into several output groups. Note 3 provides summarised financial information in the form of a comprehensive operating statement by output group.

Output groups include:

- Infrastructure NT
- Infrastructure Investment Program, Support and Delivery
- Logistics Infrastructure and Services
- Housing Program Office
- Corporate and Shared Services.

a) Machinery of government changes

It is usual practice to include in the financial statements comparative results of the prior financial year. During the reporting period however, the department was significantly impacted by administrative restructuring as part of machinery of government changes initiated in September 2024. This restructuring involved wide scale transfer of functions out of the department. Because of these changes it was not administratively practical to recast an opening budget covering all transferred functions, and prior year actuals are no longer comparable to the revised operations of the department for 2024-25.

2. Statement of material accounting policy information

a) Statement of compliance

These financial statements are general purpose financial statements and have been prepared in accordance with the requirements of the *Financial Management Act 1995*, related Treasurer's Directions and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board. The *Financial Management Act 1995* requires the Department of Logistics and Infrastructure to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of department financial statements include:

- (i) a certification of the financial statements
- (ii) a comprehensive operating statement
- (iv) a statement of changes in equity
- (v) a cash flow statement and
- (vi) applicable explanatory notes to the financial statements.

Standards and interpretations effective from 2024-25 financial year

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

2. Statement of material accounting policy information (continued)

Standards and interpretations issued but not yet effective

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

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

b) Agency and Territory items

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

Central Holding Authority

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

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

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

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the department's financial statements. However, as the department is accountable for certain Territory items managed on behalf of government, these items have been separately disclosed in Note 28 – 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 of \$500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding.

d) Contributions by and distributions to government

The department may receive contributions from government where the government is acting as owner of the department. Conversely, the department may make distributions to government. In accordance with the *Financial Management Act 1995* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, government. These designated contributions and distributions are treated by the department 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 2025

3. Comprehensive operating statement by output group

2024-25	Note	Infrastructure NT	Infrastructure Investment Program, Support and Delivery	Logistics Infrastructure and Services	Housing Program Office	Corporate and Shared Services	Total
		\$000	\$000	\$000	\$000	\$000	\$000
INCOME							
Grants and subsidies revenue							
Current	4			26			26
Capital	4				581		581
Appropriation							
Output	5	17 819	152 167	218 477	17 145	9 846	415 454
Commonwealth	5	116 941		33 148			150 089
Sales of goods and services	6			14 524		320	14 844
Goods and services received free of charge ¹	7					22 654	22 654
Other income	8	1 957	4 903	629	30	8 190	15 709
TOTAL INCOME		136 717	157 070	266 804	17 756	41 010	619 357
EXPENSES							
Employee benefits expense							
	9	9 460	35 941	40 806	11 777	8 665	106 649
Administrative expenses							
Property management		201	3 003	10 522	163	250	14 139
Purchases of goods and services	10a	5 676	3 603	63 704	3 727	4 158	80 868
Repairs and maintenance	10b	1 484	114 707	138 246			254 437
Depreciation and amortisation	16	143	484	145 628	287	170	146 712
Goods and services received free of charge ¹	7					22 654	22 654
Other administrative expenses			1 912	18 685	13 296		33 893
Grants and subsidies expenses							
Current	11	2 098		6 610			8 708
Capital	11	323 355	5 145	818	75 295		404 613
Interest expenses		1		907		24	932
TOTAL EXPENSES		342 418	164 795	425 926	104 545	35 921	1 073 605
NET SURPLUS / (DEFICIT)		(205 701)	(7 725)	(159 122)	(86 789)	5 089	(454 248)
OTHER COMPREHENSIVE INCOME							
Items that will not be reclassified to net surplus/(deficit)							
Changes in asset revaluation surplus		11 175		33 969		(761 895) ²	(716 751)
TOTAL OTHER COMPREHENSIVE INCOME		11 175		33 969		(761 895)	(716 751)
COMPREHENSIVE RESULT		(194 526)	(7 725)	(125 153)	(86 789)	(756 806)	(1 170 999)

¹ Includes Department of Corporate and Digital Development service charges. ² Reflects transfer of reserves as a result of machinery of government changes.

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

The department is predominantly funded by parliamentary appropriations for the provision of outputs. Outputs are the services provided or goods produced by a department for users external to the department. They support the delivery of the department'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 the department.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

4. Grants and subsidies revenue

	2024-25
	\$000
Current grants	26
Capital grants	581
Total grants and subsidies revenue	607

Grants revenue is recognised at fair value exclusive of GST in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*.

To determine if a grant should be accounted for under AASB 1058 or AASB 15, the department must assess if the relevant agreement is 'enforceable' and contains 'sufficiently specific' performance obligations. When assessing whether the performance obligations are 'sufficiently specific', the department applies significant judgement by performing a detailed analysis of the terms and conditions contained in the grant agreement, including accompanying documentation (e.g. activity work plans) and where necessary holding discussions with relevant parties.

The agency has adopted a low value contract threshold of \$50,000 excluding GST and recognises revenue from contracts with a low value, upfront on receipt of income.

For 2024-25, current grant revenue comprises funds received for other agency arrangements including:

- Disaster Ready Funds - National Highway Network Flood Resilience Assessment
- Disaster Ready Funds - NT Remote Aerodrome Resilience Assessment.

Capital grants revenue encompasses Commonwealth funds received for the Remote Indigenous Communities Fencing Project.

Capital grants with enforceable contracts and sufficiently specific obligations are deferred as unearned capital grants liability, included in Note 21 Other liabilities, when received and subsequently recognised progressively as revenue as or when the department satisfies its obligations under the agreement. Where a non-financial asset is purchased, revenue is recognised at the point in time the asset is acquired and control transfers to the department. For constructed assets, revenue is recognised over time, using the percentage of completion method, measured as the costs incurred as a proportion of estimated total project costs.

Where grant agreements do not meet AASB 15 criteria, they are accounted for under AASB 1058 and recognised upfront on receipt of funding. For 2024-25, all grant revenue has been recognised in accordance with AASB 1058.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

5. Appropriation

	2024-25
	\$000
Comprehensive operating statement	
<i>Delivery of services</i>	
Output	415 454
Commonwealth	150 089
Total appropriation in the comprehensive operating statement	565 543

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

Output appropriation is the operating payment to the department for the provision of outputs as specified in the *Appropriation Act*. It does not include any allowance for major non cash costs such as depreciation. Output appropriation does not have sufficiently specific performance obligations and is recognised on receipt of funds.

Commonwealth appropriation relates to national partnership payments being made by the Commonwealth Treasury to Department of Treasury and Finance on behalf of the Central Holding Authority, and then passed on to the department 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. Revenue is recognised as and when goods or services are transferred to the customer or third party beneficiary. Otherwise revenue is recognised when the department gains control of the funds. There was nil Commonwealth appropriation received by the department under AASB 15 in 2024-25.

The following table provides information on total appropriation received by the department as reported in the cash flow statement.

	2024-25
	\$000
Cash flow statement	
<i>Delivery of services</i>	
Output	415 454
Commonwealth	169 272
<i>Delivery of capital works</i>	
Capital	835 172
Commonwealth	210 435
Total appropriation in the cash flow statement	1 630 333

Appropriation recorded in the cash flow statement includes appropriation received for the delivery of services, plus capital appropriation and Commonwealth capital appropriation received for delivery of capital works.

Appropriation for capital works is not recognised as revenue by the department. It is transferred to the department from the Central Holding Authority as an equity injection.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

5. a) Summary of changes to budget appropriation

The following table presents changes to budgeted appropriations authorised during the 2024-25 financial year together with explanations for significant changes. It compares the amounts identified in the November 2024 Mid-Year Report with revised appropriations as reported in 2025-26 Budget Paper No. 3 *Agency Budget Statements* and the final end of year appropriation.

The changes within this table relate only to appropriation and do not include agency revenue (for example, goods and services revenue and grants received directly by the agency) or expenditure. Refer to Note 29 Budgetary information for detailed information on variations to the department's actual outcome compared to budget for revenue and expenses.

	2024-25 Mid-Year Budget	2024-25 Revised Budget	Change to budget appropriation	Note	2024-25 Final Budget	Change to budget appropriation	Note
	\$000	\$000	\$000		\$000	\$000	
Output	381 171	365 934	(15 237)	1	415 454	49 520	2
Capital	1 007 505	860 171	(147 334)	3	835 172	(24 999)	4
Commonwealth	715 848	622 421	(93 427)	5	646 481	24 060	6
Total appropriation	2 104 524	1 848 526	(255 998)		1 897 107	48 581	

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

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

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

- The variance in output appropriation from original budget to revised budget is primarily due to the transfer between financial years to align with expenditure for the Middle Arm Sustainable Development Precinct and reallocation of funding to support capital works expenditure in 2024-25.
- The variance in output appropriation from revised budget to final budget is primarily due to additional funding provided through a Treasurer's Advance to support disaster related repairs and maintenance expenses.
- The variance in capital appropriation from original budget to revised budget is primarily due to the transfer of capital works cash requirements to align with anticipated project milestone for the Darwin Ship Lift project, transfer between Department of Housing, Local Government and Community Development for cyclical maintenance works, and reallocation of funding to support Alice Springs priority projects.
- The variance in capital appropriation from revised budget to final budget is primarily due to the net transfer between a number of agencies of \$0.94 million and \$24.06 million to the Department of Education and Training (DET) for infrastructure works in schools.
- The variance in Commonwealth appropriation from original budget to revised budget is primarily due to the timing of milestone payments for the national network investment roads capital works program, National Aboriginal Art Gallery in Alice Springs and transfer between financial years to align budget with projected expenditure for the Darwin Region Water Supply Infrastructure Program.
- The variance in Commonwealth appropriation from revised budget to final budget is primarily due to the transfer of Commonwealth funding from DET of \$24.06 million for infrastructure works in schools.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

6. Sales of goods and services

	2024-25		
	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000
Motor vehicle registry fees and charges		13 000	13 000
Sale of goods and rendering of other services	795	1 049	1 844
Total sales of goods and services	795	14 049	14 844

Motor vehicle registry fees and charges

Revenue from motor vehicle registry fees and charges include sales of goods such as personalised number plates, souvenir plates, and evidence of age cards; and fees associated with collection and issue of licences and motor vehicle registrations, including taxes and certain rents collected on behalf of the Central Holding Authority. Refer to Note 28 Schedule of Administered Territory items for more information.

The department has elected to not apply the requirements of AASB 15 to short-term licences less than 12 months and licences for which the transaction price is low (less than \$10,000). Revenue for these licences is recognised upfront on receipt of cash.

Sale of goods and rendering of other services

Sale of goods and rendering of other services is recognised at fair value, exclusive of GST.

Sales of goods

Revenue from sales of goods is recognised when the department satisfies a performance obligation by transferring the promised goods. The department typically satisfies its performance obligations when control of goods is transferred to customers. The payments are typically due at that point in time.

Rendering of services

Revenue from rendering of services is recognised when the department satisfies the performance obligation by transferring the promised services. The department typically satisfies its performance obligations for the majority of services it renders at a point in time deemed to occur when the department delivers the promised services. Services rendered over time relate to the fulfilment of annual service level agreements. Rental income arising from operating leases is accounted for on a straight-line basis over the lease term.

Revenue from rendering of services largely relates to:

- provision of regional harbourmaster services
- bus advertising sales
- property rental and service level agreements with Northern Territory Government departments.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

7. Goods and services received free of charge

	2024-25
	\$000
Corporate and information services	22 654
Total goods and services received free of charge	22 654

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 are recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

The following corporate services staff and functions are centralised and provided by Department of Corporate and Digital Development (DCDD) on behalf of the department and form part of goods and services received free of charge by the department:

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

8. Other income

	2024-25
	\$000
Goods and services tax (GST) reimbursements	8 131
Finance lease receipts	6 515
Rental income	534
Miscellaneous revenue	529
Total other income	15 709

Other income is generally accounted for under AASB 1058 and recognised upfront on receipt of funding.

Income arising from finance leases are recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

Rental income arising from operating leases incidental to the core functions of the department is accounted for on a straight-line basis over the lease term.

Miscellaneous revenue also includes income from *Information Act* fees. As these items have a low transaction price (less than \$10,000), the department has elected to not apply the requirements of AASB 15 and account for them under AASB 1058.

9. Employee benefits expense

	2024-25
	\$000
Salaries and wages	90 386
Superannuation expenses	10 410
Fringe benefits tax	377
Payroll tax	5 476
Total employee benefits expense	106 649

The number of full-time equivalent (FTE) employees for 2024-25 was 763.

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 20 Provisions.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

10 a) Purchases of goods and services

The net (deficit) has been arrived at after charging the following goods and services expenses:

	2024-25
	\$000
Agency service arrangements ¹	49 397
Information technology charges and communications	10 854
Consultants ²	6 612
Motor vehicle expenses	2 431
Legal expenses ³	2 339
Travel and accommodation	1 849
Training and study	1 070
Bank charges	1 048
Memberships	1 016
Insurance	658
Marketing and promotion ⁴	568
Equipment expenses	539
Freight	366
Recruitment ⁵	300
Other	1 821
Total purchases of goods and services	80 868

¹ Includes bus and ferry contracts.

² Includes marketing, promotion and IT consultants, but excludes infrastructure-related consultancies which are incorporated in repairs and maintenance.

³ Includes legal fees, claims 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 Includes recruitment related advertising costs.

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

b) Repairs and maintenance

	2024-25
	\$000
Repairs and maintenance expense	249 090
Infrastructure-related consultants	5 347
Total repairs and maintenance	254 437

Costs associated with repairs and maintenance works on Territory assets are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

11. Grants and subsidies expenses

a) Current grants and subsidies

	2024-25
	\$000
Current grants	
Local government	530
Private and not-for-profit sector	4 877
Other sectors of government	1 691
Total current grants	7 098
Subsidies	
Private and not-for-profit sector	1 610
Total subsidies	1 610
Total current grants and subsidies	8 708

Current grant expenses are intended to finance the current activities of the recipient for which no economic benefits of equal value are receivable in return. Current grant expenses primarily relate to the provision of public transportation facilities, enhancement of regional transport capacity, and preliminary activities associated with Darwin water infrastructure.

Subsidies are payments aimed at reducing all or part of the costs of an activity. This includes payments for regional transport and driving instruction support.

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 grants

	2024-25
	\$000
Local government	34 322
Private and not-for-profit sector	215 247
Other sectors of government	155 044
Total capital grants	404 613

Capital grant expenses are transfers made to a recipient for the purposes of acquiring or constructing a new physical asset or upgrading an existing physical asset, for which no economic benefits of equal value are receivable in return. It also includes the transfer of existing department assets to another entity for which no economic benefits of equal value are receivable in return.

Capital grant expenses primarily consist of:

- capital works expenditure for major infrastructure projects and land servicing activities; including transfer of asset ownership at nil consideration to Power and Water Corporation, Indigenous Essential Services and local government councils
- payments to other sectors of government for the delivery of works under national funding agreements.

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

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

The following table presents all write-offs, waivers, postponements and gifts approved under the *Financial Management Act 1995*. There were nil ex-gratia payments for 2024-25.

	2024-25	
	\$000	No. of Trans
Write-offs, postponements and waivers		
<i>Approved by the Treasurer</i>		
Waiver of right to receive or recover money ¹	...	1
Total approved by the Treasurer	...	1
<i>Approved by delegates</i>		
Losses or deficiencies of money written off	1	6
Postponement of right to receive or recover money	1	1
Total approved by delegates	2	7
Total write-offs, postponements and waivers	2	8
Gifts approved by delegate	1	7
Total gifts	1	7
TOTAL AUTHORISED UNDER THE FINANCIAL MANAGEMENT ACT 1995	3	15

¹ Waiver of public bus transportation fares for 2024-25. As this relates to revenue foregone, no amount has been attributed to the waiver.

Write-offs

Write-offs remove from accounting records the value of public money or public property owing to, or loss sustained by, the department. They largely relate to debts that have been deemed irrecoverable, after all reasonable recovery actions have been taken. Write-offs result in no cash outlay and are accounted for under 'Other administrative expenses' in the comprehensive operating statement.

Postponements

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

Waivers

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 has 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 generally accounted for under 'Current grants and subsidies expense' in the comprehensive operating statement.

Gifts

Gifts are assets or property transferred to suitable recipients without receiving any consideration or compensation, and where there is no constructive or legal obligation for the transfer.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

13. Cash flow reconciliation

a) Reconciliation of cash

Total 'Cash and deposits' of \$149,517,459 recorded in the balance sheet is consistent with 'Cash at end of financial year' in the cash flow statement.

Reconciliation of net (deficit) to net cash used in operating activities

	2024-25
	\$000
Net (deficit)	(454 248)
Non cash items:	
Depreciation and amortisation	146 712
Asset write-offs/write-downs	33 895
Finance income from lease remeasurement	(1 829)
Capital grants non cash	75 894
Changes in assets and liabilities:	
Decrease/(increase) in receivables	2 737
Decrease/(increase) in prepayments	1 265
Decrease/(increase) in other assets	(4 687)
(Decrease)/increase in payables	(575)
(Decrease)/increase in provision for employee benefits	(2 726)
(Decrease)/increase in other provisions	133 084
(Decrease)/increase in other liabilities	29 201
Net cash from/(used in) operating activities	(41 277)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

13. Cash flow reconciliation (continued)

b) Reconciliation of liabilities arising from financing activities

2024-25	1 July	Deposits received	Lease liability repayments	Appropriation	Equity injections/withdrawals	Total cash flows	Lease acquisitions and other movements	Other liability related changes	Other equity related changes ¹	Total non cash	Total 30 June
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Deposits held	36 662	(14 333)				(14 333)					22 330
Lease liabilities	22 386		(5 419)			(5 419)	4 766			4 766	21 733
Provisions	19 502			1 045 607	123 418	1 169 025		(3 061)	(990 752)	(3 061)	16 441
Other											178 273
Total	78 550	(14 333)	(5 419)	1 045 607	123 418	1 149 273	4 766	(3 061)	(990 752)	(989 047)	238 777

¹ Predominantly relates to machinery of government changes and transfers of completed capital works assets to Northern Territory Government departments.

c) Non-cash financing and investing activities

Lease transactions

During the financial year, the department recorded right-of-use asset(s) for the lease of transport, property and land with an aggregate value of \$20.64 million.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

14. Receivables

	2024-25
	\$000
Current	
Accounts receivable	2 451
Less: loss allowance	(500)
	1 951
GST receivables	15 040
Accrued revenue	105 152
Prepaid expenses	489
Total current	122 632
Non-current	
Prepaid expenses	66
Total non-current	66
Total receivables	122 698

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

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

Accounts receivables are generally settled within 30 days. The loss allowance reflects lifetime expected credit losses and represents the amount of accounts receivables the department estimates are likely to be uncollectible and are considered doubtful.

Accrued revenue

Accrued revenue relates to the department's right to consideration in exchange for works completed but not invoiced at the reporting date in respect of Commonwealth funded construction works for Territory roads and public housing.

Prepayments

Prepayments represent payments made in advance of receipt of goods and services. Prepayments are recognised on an accrual basis and amortised over the period in which the economic benefits from these assets are received.

Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The department 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. 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. Further macroeconomic trends were not applied to the expected credit loss as these factors were inherently included through the decrease in the observed collection rate.

In accordance with the provisions of the *Financial Management Act 1995*, receivables are written off when based on demonstrated actions to collect, there is no reasonable expectation of recovery for reasons beyond the department's control.

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

14. Receivables (continued)

2024-25	Gross receivables	Loss rate	Expected credit losses	Net receivables
	\$000	%	\$000	\$000
External receivables				
Not overdue	1 548	0.6%	(10)	1 538
Overdue for less than 30 days				
Overdue for 30 to 60 days				
Overdue for more than 60 days	520	94.3%	(490)	30
Total external receivables	2 068		(500)	1 568

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

Reconciliation of loss allowance for external receivables

	2024-25
	\$000
Opening balance	(657)
Recovered during the year	18
(Increase)/decrease in allowance recognised in operating statement	139
Total loss allowance for external receivables	(500)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

15. Other financial assets

	2024-25
	\$000
Current	
Lease receivables	7 773
Non-current	
Lease receivables	76 802
Total other financial assets	84 575

a) Finance leases

Leases where the department transfers substantially all the risks and rewards of ownership of an asset are classified as finance leases. Income arising from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

The net investment in leases is measured at amortised cost and equals the lease payments receivable by the department and unguaranteed residual, plus initial direct costs, discounted using the interest rate implicit in the lease.

Darwin Port lease

In 2015, the Territory Government entered into a 99-year lease agreement to lease land assets and interest in the Port of Darwin.

A lease premium amounting to \$391 million was received in advance. The lease also provides for the receipt of incremental contingent rentals where a revenue-based threshold is exceeded. No contingent rental was received during the reporting period.

Any leasehold improvements over and above those already anticipated in the leased assets' residual value will be accounted for at the end of the 99 years when the assets return to the Territory. The lease terms provide the Territory the option to buy back identified port assets for a nominal amount, and to buy or lease, for nominal consideration, additional port land purchased or leased by the lessee during the 99-year term and used for port purposes.

As the lease premium has been prepaid, the balance of the finance lease receivable represents the unguaranteed residual for the Port of Darwin land related assets accruing to the benefit of the Territory.

Defence Accommodation Precinct Darwin lease

In 2023, the department entered into a five-year lease agreement to lease the Manigurr-Ma (Howard Springs) accommodation village.

The agreement has a non-cancellable period of five years with two five-year extension options, and a holdover clause that allows an ongoing six-monthly tenancy. Rentals are payable monthly, adjusted annually for CPI increases.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

15. Other financial assets (continued)

The following table sets out a maturity analysis of finance leases receivable, showing the undiscounted lease payments to be received after reporting date.

	2024-25
	\$000
Not later than one year	7 773
Later than one year and not later than five years	32 664
Later than five years	13 226 746
Total	13 267 183

Reconciliation of the net investment in finance leases receivable at reporting date is as follows:

	2024-25
	\$000
Future rental receivable - undiscounted	73 842
Unguaranteed residual amounts - undiscounted	13 223 223
Less: Unearned finance income	(13 212 490)
Net investment in finance lease	84 575

As of 30 June 2025, no impairment losses have been recorded.

b) Operating leases

An operating lease is a lease other than a finance lease. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the comprehensive operating statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The department owns land and buildings that are leased to tenants under operating lease arrangements with rentals payable monthly. Lease payments for some contracts include CPI increases, however, there are no other variable lease payments that depend on an index or rate.

Some leased buildings are inter-agency arrangements, whilst others are leased to the private sector. Lease terms range from 5 to 25 years.

Future undiscounted minimum rentals receivable from non-cancellable operating leases at reporting date are as follows:

	2024-25
	\$000
Not later than one year	1 190
Later than one year and not later than five years	4 760
Later than five years	1 190
Total	7 140

c) Interest in Port of Darwin group

As part of the finance lease arrangements, the department (on behalf of the Territory) holds 20% equity interest in the Port of Darwin. Under the terms of the shareholding, the Territory does not have any right to participate in the distributions of capital or income of the Port of Darwin group trusts, as such no value has been attributed to the equity interest.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

16. Property, plant and equipment

a) Total property, plant and equipment

	2024-25
	\$000
Land	
At fair value	64 692
Buildings	
At fair value	109 974
Less: accumulated depreciation	(68 590)
	41 384
Infrastructure	
At fair value	14 237 535
Less: accumulated depreciation	(4 989 284)
	9 248 251
Construction (Work in Progress)	
At capitalised cost	730 894
Plant and equipment	
At fair value	7 513
Less: accumulated depreciation	(6 858)
	655
Computer hardware	
At fair value	566
Less: accumulated depreciation	(550)
	16
Land leases	
At capitalised cost	823
Less: accumulated depreciation	(226)
	597
Building leases	
At capitalised cost	546
Less: accumulated depreciation	(498)
	48
Transport equipment leases	
At capitalised cost	35 610
Less: accumulated depreciation	(15 615)
	19 995
Total property, plant and equipment	10 106 532

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

16. Property, plant and equipment (continued)

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 of year is set out below:

2024-25	Land	Buildings	Infrastructure	Construction (work in progress)	Plant and equipment	Computer hardware	Land leases	Building leases	Transport equipment leases	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amount at 1 July	893 796	47 759	9 227 568	775 643	1 678	209	648	188	20 692	10 968 181
Additions	1 700	98		1 076 056					4 685	1 082 539
Disposals	(1 700)								(1 700)	(1 700)
Depreciation/amortisation expense		(3 063)	(137 617)		(208)	(20)	(36)	(143)	(5 474)	(146 561)
Additions/(disposals) from asset transfers	(810 652)	(4 854)	(11 425 040)	(1 120 805)	(815)	(173)	(34)			(13 362 373)
Revaluation increments/(decrements)	1 656	1 444	11 583 340				19	3	92	11 586 554
Transfer to/(from) assets for sale	(20 108)									(20 108)
Carrying amount at 30 June	64 692	41 384	9 248 251	730 894	655	16	597	48	19 995	10 106 532

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

16. Property, plant and equipment (continued)

b) Reconciliation of property, plant and equipment held and used by the department

A reconciliation of the carrying amount of property, plant and equipment held and used by the department to deliver its outputs and services to the public is set out below:

2024-25	Land	Buildings	Total
	\$000	\$000	\$000
Carrying amount at 1 July	46 679	6 019	52 698
Depreciation expense		(411)	(411)
Additions/(disposals) from asset transfers	(45 779)	1 970	(43 809)
Revaluation increments/(decrements)		(1 743)	(1 743)
Carrying amount at 30 June	900	5 835	6 735

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.

Land under roads

Land under roads is land roadways and road reserves including land under footpaths, nature strips and median strips. The department has elected to recognise all land under roads in accordance with AASB 116 where all the asset recognition criteria have been met.

Construction (work in progress)

As part of the financial management framework, the department is responsible for managing general government capital works projects on a whole of government basis. Therefore appropriation for capital works is provided directly to the department and the cost of construction work in progress is recognised as an asset. Once completed, capital works assets are transferred to the relevant Northern Territory Government agency.

Revaluation of assets

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

- land
- buildings
- infrastructure assets.

The above classes of property, plant and equipment include certain new assets initially recognised at cost. Such new assets will continue to be measured at cost, which is deemed to equate to fair value, until the next revaluation for that asset class occurs.

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

The latest revaluations as at 30 June 2025 were independently conducted. The valuer was Frontier Valuation. Refer to Note 23: Fair value for additional disclosures.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

16. Property, plant and equipment (continued)

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 or whenever there is indication of impairment. If any indicator of impairment exists, the department determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's 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.

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2025. 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 or amortised 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:

Buildings	20 - 50 years
Infrastructure assets	
Bridges	70 years
Sealed pavement	40 years
Unsealed pavement	8 years
Road formation	Infinite - not depreciated
Street lights and traffic control systems	15 - 20 years
Transport assets	15 - 50 years
Plant and equipment	2 - 10 years
Computer hardware	3 - 6 years
Leased land	n/a
Right-of-use assets	1 - 40 years
Intangibles	2 - 10 years

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

16. Property, plant and equipment (continued)

Right-of-use assets

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

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

The department recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use).

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

Right-of-use assets are subsequently measured at fair value which approximates costs less accumulated amortisation and accumulated impairment losses.

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

Intergovernmental leases

The department applies the intergovernmental leases recognition exemption as per the Treasurer's Direction – Leases and recognise 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 the Department of Corporate and Digital Development (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.

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the agency to further its objectives, are measured at cost and depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. These right-of-use assets are subject to impairment testing but are not subject to revaluation.

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

	2024-25
	\$000
Amortisation expense of right-of-use assets	5 653
Interest expense on lease liabilities	932
Expense relating to short-term leases	48
Expense relating to leases of low-value assets	10
Intergovernmental leases	2 078
Total amount recognised in the comprehensive operating statement	8 721

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

17. Deposits held

	2024-25
	\$000
Recoverable works	18 405
Clearing money	3 797
Accountable Officer Trust Account	128
Total deposits held	22 330

The department contract manages a number of capital works projects on behalf of other non-government entities. These projects are deemed recoverable works where the department recovers costs in full.

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

The Accountable Officer Trust Account reflects trust monies held by the department on behalf of others for a specific purpose and not for use in the operations of the department. These include Motor Vehicle Registry 'return to sender' deposits and bicycle fob customer deposits for temporary bicycle storage arrangements at bus interchanges.

18. Payables

	2024-25
	\$000
Accounts payable	6 607
Accrued salaries and wages	2 623
Accrued expenses - work in progress	32 214
Other accrued expenses	14 461
Total payables	55 905

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

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

19. Lease liabilities

	2024-25
	\$000
Current lease liabilities	5 110
Non-current lease liabilities	16 623
Total lease liabilities	21 733

All leases are accounted for by recognising a right-of-use asset and a lease liability, except for leases of low-value assets and leases with a duration of 12 months or less. Lease payments associated with these leases are recognised as an expense in the comprehensive operating statement over the lease term (refer to Note 16 Property, plant and equipment for more information).

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

Variable lease payments which depend on an index or a rate are included in the lease liabilities, otherwise, are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

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

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

The following table presents a reconciliation of lease liabilities:

	2024-25
	\$000
Balance at 1 July	22 386
Additions/remeasurements	4 765
Interest expenses	932
Payments	(6 350)
Balance at 30 June	21 733

The department had total cash outflows for leases of \$8.49 million in 2024-25, comprising lease liability payments of \$6.35 million and \$2.14 million relating to short-term, low value and intergovernmental leases expensed directly in the comprehensive operating statement.

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

	2024-25
	\$000
Internal leases	
Not later than one year	1 460
Later than one year and not later than five years	2 801
Later than five years	nil
Total	4 261

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

20. Provisions

	2024-25
	\$000
CURRENT	
Employee benefits	
Recreation leave	12 123
Leave loading	1 519
Other employee benefits	24
Total employee benefits	13 666
Other provisions	
Fringe benefits tax	95
Payroll tax	896
Superannuation	1 784
Total provisions	2 775
TOTAL CURRENT PROVISIONS	16 441
NON-CURRENT	
Other provisions	
Capital grants	133 419
Total other provisions	133 419
TOTAL NON-CURRENT PROVISIONS	133 419
TOTAL PROVISIONS	149 860
Reconciliation of non current provisions	
Balance at 1 July	nil
Additions	133 419
Balance at 30 June	133 419

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

20. Provisions (continued)

Employee benefits

Provision for employee benefits include recreation leave and other benefits accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid.

All recreation leave is classified as a current liability.

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

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

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

As part of the financial management framework, the Central Holding Authority assumes long service leave liabilities of government agencies, including the Department of Logistics and Infrastructure, and as such no long service leave liability is recognised in the department's financial statements.

Superannuation

Employees' superannuation entitlements are provided through the:

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

The department makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee nominated schemes.

Superannuation liabilities related to government superannuation schemes are recognised by the Central Holding Authority and are therefore not reported in the department's financial statements.

For non-government employee-nominated superannuation schemes, the department's liability is limited to the amount of employer contributions due but unpaid at the reporting date.

Capital grants

In 2024-25, the department recognised a new provision for estimated capital grants expenses arising from revised timing and reclassification of Darwin ship lift project expenditure in accordance with the requirements of Australian accounting standards. The provision will be progressively reduced as the associated works are completed.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

21. Other liabilities

	2024-25
	\$000
Current	
Unearned contract revenue liability	22 251
Unearned capital grants liability	189 925
Other liabilities	12 370
Total current other liabilities	224 546
Non-current	
Unearned capital grants liability	14 701
Total non-current other liabilities	14 701
Total other liabilities	239 247

Unearned contract revenue liability

Unearned contract revenue liability largely relates to consideration received in advance from the Commonwealth for infrastructure grant programs and projects, mainly payable to government owned corporations and other external parties, including local councils and Aboriginal corporations.

Unearned capital grants liability

Unearned capital grants liability reflects contributions to acquire or construct non financial assets to be controlled by the department, received in advance of the department satisfying the performance obligations. This balance is predominantly made up of contributions from the Commonwealth, other Northern Territory Government agencies, schools and local councils.

The following table provides a reconciliation of total unearned capital grants liability:

	2024-25
	\$000
Carrying amount at 1 July	209 931
add: cash received during the reporting period for capital grants	192 298
less: income recognised during the financial year	(197 603)
Carrying amount at 30 June	204 626

The department anticipates to recognise capital appropriation for unearned capital grants liability in accordance with the time bands below:

	2024-25
	\$000
Not later than one year	189 925
Later than one year and not later than five years	14 701
Later than five years	nil
Total	204 626

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

22. Capital commitments

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

Commitments may extend over multiple reporting periods and may result in payment of compensation or return of funds if obligations are breached. These contracts are expected to be payable as follows:

Capital expenditure commitments¹

	2024-25
	\$000
External	
Not later than one year ²	614 902
Later than one year and not later than five years ²	156 529
Later than five years	nil
Total capital expenditure commitments (exclusive of GST)	771 431
Plus: GST recoverable	77 092
Total capital expenditure commitments (inclusive of GST)	848 523

¹ Excludes amounts recognised as unearned revenue in the department's financial records.

² Predominantly relates to Darwin ship lift, housing and roads capital works.

23. 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 to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the department 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/liabilities being valued. Such inputs include internal department adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/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 2025

23. Fair value measurement (continued)

a) Fair value hierarchy

The department does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.

The table below presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	2024-25			
	Level 1	Level 2	Level 3	Total fair value
	\$000	\$000	\$000	\$000
Non-financial assets				
Land (note 16)		65 289		65 289
Buildings (note 16)			41 432	41 432
Infrastructure (note 16)			9 248 251	9 248 251
Plant and equipment ¹ (note 16)			20 666	20 666
Intangibles			366	366
Total non-financial assets		65 289	9 310 715	9 376 004

¹ Includes computer hardware and transport equipment.

There were no transfers between Level 1 and Levels 2 or 3 during 2024-25.

b) Valuation techniques and inputs

Valuation techniques and significant unobservable inputs used to measure fair value in 2024-25 are:

Asset classes	Level	Techniques	Significant unobservable inputs
Land	2	Market	
Specialised Land – with no active markets and/or significant restrictions	3	Market	Valuer assessment on restrictions
Buildings	3	Current replacement cost	1. Construction costs or cost per square metre 2. Age and condition of asset 3. Remaining useful life
Specialised buildings	3	Current replacement cost	1. Construction costs or cost per square metre 2. Age and condition of asset 3. Remaining useful life
Infrastructure	3	Current replacement cost	1. Labour and material costs to replace 2. Useful life of components
Plant and equipment	3	Cost	1. Cost per unit 2. Useful life
Intangible assets	3	Cost	1. Labour costs 2. Useful life

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

23. Fair value measurement (continued)

Level 2 fair values of land were based on market evidence of sales price per square metre of comparable land.

Level 3 fair values of specialised buildings and infrastructure were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

Buildings and land under buildings were revalued at 30 June 2025 based on market value. The valuer was Frontier Valuation.

Plant and equipment, computer hardware and transport equipment assets are based on depreciated cost and assessed for impairment on an annual basis.

Intangible assets consists of computer software stated at amortised cost.

c) Additional information for level 3 fair value measurements

(i) Reconciliation of recurring level 3 fair value measurements of non-financial assets

2024-25	Buildings	Infrastructure	Plant and equipment	Intangible assets	Total
	\$000	\$000	\$000	\$000	\$000
Fair value at 1 July	47 947	9 227 568	22 579	772	9 298 866
Additions	4 777	316 729	4 925		326 431
Transfers in/out	(9 534)	(158 430)	(1 228)	(255)	(169 447)
Depreciation/amortisation	(3 205)	(137 616)	(5 702)	(151)	(146 674)
Remeasurement of leases	3		92		95
Gains/losses recognised in net surplus/deficit	1 444				1 444
Fair value at 30 June	41 432	9 248 251	20 666	366	9 310 715

(ii) Sensitivity analysis

Given the large number of department assets, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost would generally result in a higher fair value and greater consumption of economic benefit lowers fair value.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

24. Financial instruments

The department's financial instruments arise directly from the department's operations or are required to finance the department's operations.

The department's main risks arising from financial instruments are outlined below, together with the department's objectives and material policies for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout the financial statements.

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

The department has limited exposure to financial risks. There have been no changes to the department's exposure to credit, liquidity, market and interest rate risk or objectives or policies for managing risks associated with financial instruments.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The Territory Government's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

a) Categories of financial instruments

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

	Note	Category	2024-25
			\$000
Cash and deposits		Other	149 517
Receivables ¹	14	Amortised cost	1 951
Other - finance lease assets	15	Amortised cost	84 575
Total financial assets			236 043
Deposits held ¹	17	Amortised cost	23 112
Payables ¹	18	Amortised cost	6 607
Lease liabilities	19	Amortised cost	21 733
Total financial liabilities			51 452

¹Total amounts disclosed exclude statutory amounts, prepaid expenses and accrued contract revenue.

Financial assets at amortised cost

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

The department's financial assets categorised at amortised cost include cash, receivables and leases receivables.

Financial liabilities at amortised cost

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

24. Financial instruments (continued)

b) Credit risk

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

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

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

Credit risk relating to receivables is disclosed in Note 14.

c) Liquidity risk

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

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

Maturity analysis for financial liabilities

	Less than a year	1 to 5 years	More than 5 years	Total
Deposits held ¹	\$000	\$000	\$000	\$000
Payables ¹	23 112			23 112
Lease liabilities	6 607			6 607
	5 893	14 751	3 809	24 453
Total financial liabilities	35 612	14 751	3 809	54 172

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

24. Financial instruments (continued)

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 that the department is likely to be exposed to is interest rate risk.

(i) Interest rate risk

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

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

Interest rate risk for financial assets and liabilities

	Fixed interest	Non-interest bearing	Total	Weighted average
	\$000	\$000	\$000	%
Assets				
Cash and deposits		149 517	149 517	
Receivables ¹		1 951	1 951	
Other assets - finance leases	84 575		84 575	5.63%
Total financial assets	84 575	151 468	236 043	
Liabilities				
Deposits held ¹		23 112	23 112	
Payables ¹		6 607	6 607	
Lease liabilities - land	673		673	4.62%
Lease liabilities - transport equipment	21 010		21 010	3.26%
Lease liabilities - buildings	50		50	3.26%
Total financial liabilities	21 733	29 719	51 452	

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

25. Related parties

i) Related parties

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

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

ii) Key management personnel (KMP)

Key management personnel of the department are those persons having authority and responsibility for planning, directing and controlling the activities of the department. These include the minister for Department of Logistics and Infrastructure, the Chief Executive Officer and members of the executive management board.

Due to machinery of government changes affecting the department, the department's KMP changed during the reporting period. Accordingly, declarations from the former minister, former chief executive and former members of the executive management board prior to 9 September 2024 were not available and have not been included in related-party transaction disclosures.

iii) Remuneration of key management personnel

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

The aggregate compensation of key management personnel of the department is set out below:

	2024-25
	\$000
Short-term benefits	3 204
Post-employment benefits	318
Total remuneration of key management personnel	3 522

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

25. Related parties (continued)

iv) Related party transactions

Transactions with Northern Territory Government-controlled entities

The department's primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation and on-passed Commonwealth national partnership and specific-purpose payments.

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

2024-25

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$000	\$000	\$000	\$000
All NT Government departments	23 808	200 443	407	5 378

Majority of the department's transactions with other government entities are not individually significant. Transactions which were significant with other government entities are listed as follows:

- \$22.65 million in notional revenue and expenditure related services received free of charge from Department of Corporate and Digital Development
- \$111 million capital grant payment to Power and Water Corporation for the Manton Dam Return to Service project funded by the Commonwealth Government through the National Water Grid Fund
- \$44.04 million non cash capital grant for land servicing infrastructure owned by Power and Water Corporation for its not-for-profit subsidiary Indigenous Essential Services.

Other related party transactions are as follows:

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 to disclose.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

26. Contingent liabilities and contingent assets

a) Contingent liabilities and contingent assets

Indemnities

The department is party to a number of contracts and agreements that include indemnity provisions. These indemnities may give rise to contingent liabilities, the occurrence and magnitude of which depend on uncertain future events that are not wholly within the control of the department. Due to the nature of these indemnities, any potential financial effect is not quantifiable at reporting date. Most indemnities are assessed as low risk based on current information and past experience.

The department manages its exposure to contingent liabilities through robust risk management strategies, including legal review, contract management procedures, and insurance where appropriate.

Legal proceedings

Legal proceedings in which the department is involved may result in contingent liabilities or contingent assets depending on the outcome. Where a favourable outcome is probable but not virtually certain, a contingent asset is disclosed. Conversely, where an unfavourable outcome is possible but not probable, a contingent liability is disclosed. In both cases, the department is unable to reliably estimate any financial impact until the matters are resolved. Additionally, disclosure of specific amounts or further details may prejudice the outcome of ongoing proceedings and is therefore not provided.

b) Contingent assets

The department had no contingent assets as at 30 June 2025.

27. 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 or disclosure to these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

28. Schedule of administered Territory items

In addition to operating activities as included in the financial statements, the department also acts on behalf of the Territory Government in the management of administered items. These include the collection of motor vehicle registration fees, other licence fees, rent and capital grants for a number of specific purposes with the majority related to road infrastructure projects. The department is unable to use administered items to further its own objectives without authorisation.

Administered items are transferred to and reported by the Central Holding Authority, as the parent entity of government. Administered income and expenses are not recognised in the department's operating statement but are reported separately in accordance with Australian accounting standards.

The following Territory items are managed by the department on behalf of the government and are recorded in the Central Holding Authority (refer Note 2(b)).

	2024-25
	\$000
TERRITORY INCOME AND EXPENSES	
Income	
Taxation revenue	71 912
Grants and subsidies revenue	
Capital	18 435
Fees from regulatory services	5 865
Royalties and rents	1 229
Other income	3 398
Total income	100 839
Expenses	
Central Holding Authority income transferred	100 839
Total expenses	100 839
TERRITORY INCOME LESS EXPENSES	nil
TERRITORY ASSETS AND LIABILITIES	
Assets	
Accounts receivable	444
Other receivables	23 644
Total assets	24 088
Liabilities	
Other payables and accruals	5 449
Other liabilities	18 639
Total liabilities	24 088
NET ASSETS	nil

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

29. Budgetary information

The following tables present variations between the department's 2024-25 budget (as per the November 2024 Mid-Year Report), and the 2024-25 actual amounts reported in the financial statements, together with explanations for significant variations.

The mid-year budget reflects the initial effects of machinery of government changes that occurred in September 2024. Accordingly, the department, within its discretion, chose this budget as the point of comparison as it affords more meaningful evaluation of end of year results. The variations within these tables do not include changes to budgeted appropriations. Refer to Note 5a for more information.

a) Comprehensive operating statement

	2024-25 Actual outcome	2024-25 Mid-Year Budget	Variance	Note
	\$000	\$000	\$000	
INCOME				
Grants and subsidies revenue				
Current	26	1 404	(1 378)	
Capital	581	581		
Appropriation				
Output	415 454	381 171	34 283	1
Commonwealth	150 089	181 250	(31 161)	2
Sales of goods and services	14 844	13 447	1 397	
Goods and services received free of charge	22 654	23 118	(464)	
Other income	15 709	4 660	11 049	3
TOTAL INCOME	619 357	605 631	13 726	
EXPENSES				
Employee benefits expense	106 649	109 958	(3 309)	
Administrative expenses				
Purchases of goods and services ¹	95 007	103 465	(8 458)	4
Repairs and maintenance	254 437	210 428	44 009	5
Depreciation and amortisation	146 712	82 809	63 903	6
Goods and services received free of charge	22 654	23 118	(464)	
Other administrative expenses	33 893		33 893	7
Grants and subsidies expenses				
Current	8 708	6 661	2 047	
Capital	404 613	151 735	252 878	8
Interest expenses	932	767	165	
TOTAL EXPENSES	1 073 605	688 941	384 664	
NET SURPLUS / (DEFICIT)	(454 248)	(83 310)	(370 938)	
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to net surplus/(deficit)				
Changes in asset revaluation surplus	(716 751)		(716 751)	9
TOTAL OTHER COMPREHENSIVE INCOME	(716 751)		(716 751)	
COMPREHENSIVE RESULT	(1 170 999)	(83 310)	(1 087 689)	

¹ Includes property management

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

29. Budgetary information (continued)

Notes:

The following note descriptions relate to variances greater than \$5 million, or where multiple significant variances have occurred.

1. Output appropriation variance primarily relates to additional funding provided through a Treasurer's Advance for expenditure outside of the department's control primarily relating to repairs and maintenance for natural disasters, partially offset by reallocation of funding to support planning of capital works expenditure.
2. Commonwealth appropriation variance largely relates to meeting performance obligations for Commonwealth agreements due to timing of delivery for the Darwin Region Water Supply Program. This revenue will be recorded in future as delivery obligations are met.
3. Other income variation primarily relates to refund of GST related to disability housing as determined in a GST ruling.
4. Purchase of goods and services variation primarily relates to timing of consultancy work related to major projects such as Darwin Region Water Supply program.
5. Repairs and maintenance variation primarily relates to natural disaster damages across the road network.
6. Depreciation and amortisation variance primarily relates to higher depreciation following infrastructure revaluation and changes to remaining useful lives. This will be adjusted in future budgets.
7. Other Administrative expenses variation primarily relates to the reclassification of capital works that could not be recorded as an asset and were expensed in accordance with accounting standard requirements. Examples include council roads and Power and Water infrastructure constructed by the department.
8. Capital grants variance primarily relates to the revised timing and reclassification of Darwin ship lift project expenditure in accordance with the requirements of Australian accounting standards.
9. Changes in asset revaluation surplus reflects the transfer of reserves out of the department as a result of machinery of government changes.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

29. Budgetary information (continued)

b) Balance sheet

	2024-25 Actual outcome	2024-25 Mid-Year Budget	Variance	Note
	\$000	\$000	\$000	
ASSETS				
Current assets				
Cash and deposits	149 517	123 990	25 527	1
Receivables	122 632	18 742	103 890	2
Other financial assets	7 773		7 773	3
Total current assets	279 922	142 732	137 190	
Non-current assets				
Receivables	66	27	39	
Property, plant and equipment	10 106 532	11 523 443	(1 416 911)	4
Intangibles	366		366	
Other financial assets	76 802	83 356	(6 554)	5
Total non-current assets	10 183 766	11 606 826	(1 423 060)	
TOTAL ASSETS	10 463 688	11 749 558	(1 285 870)	
LIABILITIES				
Current liabilities				
Deposits held	22 330	36 540	(14 210)	6
Payables	55 905	65 721	(9 816)	7
Lease liabilities	5 110	4 536	574	
Provisions	16 441	16 711	(270)	
Other liabilities	224 546	66 795	157 751	8
Total current liabilities	324 332	190 303	134 029	
Non-current liabilities				
Lease liabilities	16 623	13 436	3 187	
Provisions	133 419		133 419	9
Other liabilities	14 701	15 515	(814)	
Total non-current liabilities	164 743	28 951	135 792	
TOTAL LIABILITIES	489 075	219 254	269 821	
NET ASSETS	9 974 613	11 530 304	(1 555 691)	
EQUITY				
Capital	6 122 315	7 362 352	(1 240 037)	10
Reserves	6 229 478	6 174 194	55 284	11
Accumulated funds	(2 377 180)	(2 006 242)	(370 938)	12
TOTAL EQUITY	9 974 613	11 530 304	(1 555 691)	

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

29. Budgetary information (continued)

Notes:

The following note descriptions relate to variances greater than \$5 million, or where multiple significant variances have occurred.

1. Cash at bank variance mainly relates to timing of payments for Commonwealth funded expenditure.
2. Current receivables variance primarily relates to revenue owed by the Commonwealth for capital works programs where the performance obligations have been met. Examples include the remote housing program and land infrastructure agreement.
3. Current other financial assets variance primarily relates to the Defence Accommodation Precinct Darwin and Darwin Port lease. The budget is recognised in non-current other financial assets (refer Note 5).
4. Property, plant and equipment variance primarily relates to lower than anticipated transfer out of completed capital works projects for housing and other government agencies, combined with the transfer of completed works to capital grants expense, in accordance with accounting standards.
5. Non-current other financial assets variance primarily relates to the transfer of lease receivable for the Defence Accommodation Precinct Darwin and Darwin Port lease expected to be recognised within 12-months to current other financial assets (refer Note 3).
6. Deposits held variance primarily relates to funds held in a recoverable works trust account, for non-government capital works projects yet to be completed.
7. Payables variance primarily relates to creditors and accruals resulting from capital, and repairs and maintenance in line with significant major projects on the capital works program.
8. Other current liabilities variance primarily relates to advanced milestone payments from the Commonwealth in relation to the Alice Springs Hospital - New Ambulatory Care Centre, Social Housing Accelerator and Housing Support - Priority Work Stream programs, for which the performance obligations have not yet been met.
9. Non-current provisions primarily relates to the accounting treatment of Darwin ship lift project expenditure in line with contractual obligations, recognising expenditure up-front.
10. Variation primarily reflects the transfer out of completed capital works projects for housing and other government agencies.
11. Revaluations including land, roads, bridges, culverts, streetlights and the Defence Accommodation Precinct Darwin.
12. As per notes provided on the operating statement.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

29. Budgetary information (continued)

c) Cash flow statement

	2024-25 Actual outcome	2024-25 Mid-Year Budget	Variance	Note
	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Grants and subsidies received				
Current	26	1 404	(1 378)	
Appropriation				
Output	415 454	381 171	34 283	1
Commonwealth (excluding capital appropriation)	169 272	178 182	(8 910)	2
Receipts from sales of goods and services	174 621	14 730	159 891	3
Total operating receipts	759 372	575 487	183 886	
Operating payments				
Payments to employees	(109 821)	(113 201)	3 380	
Payments for goods and services	(485 888)	(313 741)	(172 147)	4
Grants and subsidies paid				
Current	(8 708)	(6 661)	(2 047)	
Capital	(195 300)	(151 735)	(43 565)	5
Interest paid	(932)	(767)	(165)	
Total operating payments	(800 649)	(586 105)	(214 544)	
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(41 277)	(10 618)	(30 658)	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Proceeds from sales of non-financial assets	1 700		1 700	
Repayment of advances	10 367	7 456	2 911	
Total investing receipts	12 067	7 456	4 611	
Investing payments				
Purchase of non-financial assets	(1 078 980)	(1 641 495)	562 515	6
Advances and investing payments	(4 687)	(1 956)	(2 731)	
Total investing payments	(1 083 667)	(1 643 451)	559 784	
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(1 071 600)	(1 635 995)	564 395	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Deposits received	(14 333)	(123)	(14 210)	
Equity injections				
Capital appropriation	835 172	1 007 505	(172 333)	7
Commonwealth appropriation	210 435	537 666	(327 231)	8
Other equity injections	135 329	130 000	5 329	9
Total financing receipts	1 166 603	1 675 048	(508 445)	
Financing payments				
Lease liabilities payments	(5 419)	(4 379)	(1 040)	
Equity withdrawals	(11 911)	(13 186)	1 275	10
Total financing payments	(17 330)	(17 565)	235	
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	1 149 273	1 657 483	(508 210)	
Net increase/(decrease) in cash held	36 396	10 870	25 526	
Cash at beginning of financial year	113 121	113 121		
CASH AT END OF FINANCIAL YEAR	149 517	123 991	25 526	

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

29. Budgetary information (continued)

Notes:

The following note descriptions relate to variances greater than \$5 million, or where multiple significant variances have occurred.

- Output appropriation variance primarily relates to additional funding provided through a Treasurer's Advance for expenditure outside of the department's control primarily relating to repairs and maintenance for natural disasters, partially offset by reallocation of funding to support planning of capital works expenditure.
- Commonwealth appropriation variance primarily relates to transfer of funding between financial years, in line with expected milestone payments for the National Water Grid Fund.
- Receipts from sales of goods and services variance is primarily due to GST receipts which are not budgeted. Excluding GST receipts, variance is primarily due to higher than anticipated revenue received from the Motor Vehicle Registry.
- Payments for goods and services variance is primarily due to GST payments which are not budgeted for. Excluding GST payments, variance is primarily due to timing of expenditure for the Darwin Region Water Supply program.
- Capital grants variance primarily relates to the revised timing and reclassification of Darwin ship lift project expenditure in accordance with the requirements of Australian accounting standards.
- Purchases of non-financial assets variance primarily relates to timing of Commonwealth expenditure in the housing and roads capital works program.
- Capital appropriation was adjusted through the budget process and further at the end of the financial year. Adjustments were made to align budget with projected expenditure for major capital works projects. In addition, capital appropriation was transferred to the Department of Education and Training for school facilities.
- Commonwealth appropriation variance primarily relates to revised milestones for Commonwealth funded projects, in particular the Northern Territory Remote Housing and National Land Transport Infrastructure National Partnership Agreements; combined with revenue from the Commonwealth not yet received.
- Other equity injections variance primarily relates to the transfer of cash from other government agencies transferring employee liabilities as part of machinery of government changes.
- Equity withdrawals variance primarily relates to the transfer of cash to other government agencies transferring opening balances as part of machinery of government changes.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

30. Budgetary information: Administered Territory items

The following table presents variations between the 2024-25 budget (as per the November 2024 Mid-Year Report) and the 2024-25 actual amounts disclosed in Note 28 of these financial statements together with explanations for significant variations.

	2024-25 Actual outcome	2024-25 Mid-Year Budget	Variance	Note
	\$000	\$000	\$000	
TERRITORY INCOME AND EXPENSES				
Income				
Taxation revenue	71 912	73 751	(1 839)	
Grants and subsidies revenue				
Capital	18 435	82 905	(64 470)	1
Fees from regulatory services	5 865	5 715	150	
Royalties and rents	1 229	1 183	46	
Other income	3 398	3 334	64	
Total income	100 839	166 888	(66 049)	
Expenses				
Other administrative expenses	100 839	166 888	(66 049)	2
Total expenses	100 839	166 888	(66 049)	
TERRITORY INCOME LESS EXPENSES	nil	nil	nil	
TERRITORY ASSETS AND LIABILITIES				
Assets				
Accounts receivable	444	394	50	
Other receivables	23 644	25 470	(1 826)	
Total assets	24 088	25 864	(1 776)	
Liabilities				
Other payables and accruals	5 449	940	4 509	
Other liabilities	18 639	24 924	(6 285)	3
Total liabilities	24 088	25 864	(1 776)	
NET ASSETS	nil	nil	nil	

Notes:

The following note descriptions relate to variances greater than \$5 million, or where there is a significant offset resulting in net changes under \$5 million.

1. Capital grants variance primarily relates to the timing of milestone payments from the Commonwealth for the National Aboriginal Art Gallery in Mparntwe – Alice Springs.
2. Other administrative expenses represents the transfer of collected funds to the Central Holding Authority; variance is due to revenue explanation above.
3. Unearned income variance is due to the recognition of unearned revenue in line with expenditure milestones which are collected through the Central Holding Authority.



**NORTHERN
TERRITORY**
GOVERNMENT

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