



Northern  
Territory  
Government

DEPARTMENT OF LAND RESOURCE MANAGEMENT

Annual Report

2012-13





## Purpose of the Report

This Annual Report provides a record of the Department of Land Resource Management's achievements for the 2012-13 financial year.

Pursuant to Section 28 of the *Public Sector Employment and Management Act*, the report aims to inform Parliament, Territorians, and other stakeholders of:

- the primary functions and responsibilities of the Agency;
- significant activities undertaken during the year highlighting specific achievements against budget outputs; and
- the Agency's fiscal management and performance.

## Target Audience

The Annual Report provides information to numerous target audiences on the Agency's activities and achievements for the 2012-13 financial year. It is tabled in the Northern Territory's Legislative Assembly primarily as an accounting and reporting mechanism for the Agency's respective Minister to the Parliament. The Annual Report is a finalisation of the Agency's achievements, income and financial expenditure from the Northern Territory Mini Budget 2012.

The Agency works in partnership with the Northern Territory community to provide advice and support for the sustainable development of the Northern Territory's land and water, and conservation of its unique native flora and fauna.

This Annual Report provides a summary of the range of Agency services and activities undertaken. This Annual Report also formally acknowledges the achievements carried out by Agency employees. It provides another source of information for Northern Territory Government employees and tax payers about the full scope of the Agency programs that may not be fully appreciated from the perspective of individual workplaces.

This Annual Report provides information for other government agencies and the wider public about the range of activities undertaken by the Agency, the purpose of these activities and how successful they are.

Willem Westra van Holthe  
Minister for Land Resource Management

PO Box 496  
Palmerston NT 0801  
Telephone: 08 8999 3662  
Facsimile: 08 8932 3848

Dear Minister

I am pleased to present you with the Annual Report of the Department of Land Resource Management for the financial year 1 July 2012 to 30 June 2013.

The report describes the performance and key achievements of each of the Department's Output Groups as required by Section 28 of the *Public Sector Employment and Management Act*.

With regard to my duties as Accountable Office, pursuant to Section 13 of the *Financial Management Act*, and Section 131 of the *Information Act*, to the best of my knowledge and belief, the system of internal control and audit provide reasonable assurance that:

- a) proper records of all transactions affecting the Agency are kept and that employees under my control observe the provisions of the *Financial Management Act*, its regulations and applicable 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 *Financial Management Act*;
- c) no indication of fraud, malpractice, major breach of legislation or delegation, major error in omission from the accounts and records exists;
- d) in accordance with Section 15 of the *Financial Management Act*, the results of internal audits have been reported to me and are in accordance with the Treasurer's Directions;
- e) the financial statements included in the Annual Report have been prepared from proper accounts and records and are in accordance with Treasurer's Directions;
- f) all Employment Instructions issued by the Commissioner for Public Employment have been satisfied; and
- g) in respect of my responsibility pursuant to Section 131 of the *Information Act*, I advise that to the best of my knowledge and belief, the Department has implemented processes to achieve compliance with the archives and record management provisions as prescribed in Part 9 of the *Information Act*.

Yours sincerely



**Rod Applegate**  
Chief Executive

7 October 2013

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## SECTION 1: OVERVIEW

### Introduction

The Department of Land Resource Management was formed in September 2012 following a change of Government. The change in Government also produced subsequent changes in the machinery of Government, which dissolved the former Department of Natural Resources, Environment, The Arts and Sport (NRETAS) to form new agencies:

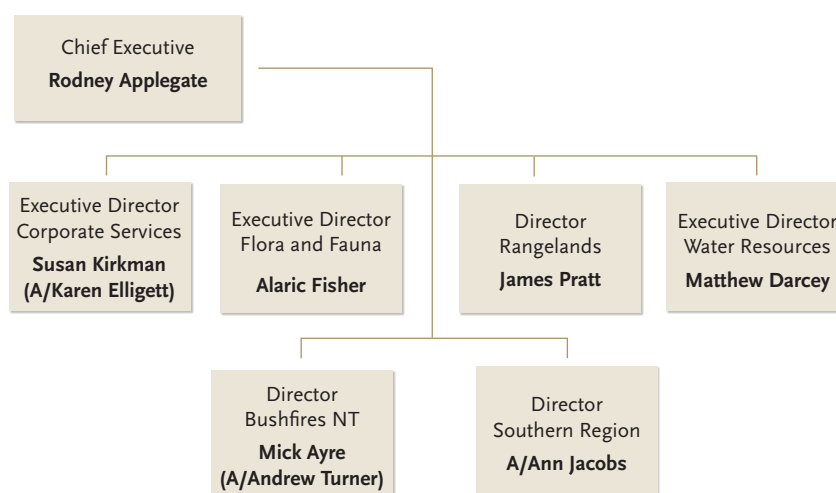
- Department of Land Resource Management;
- Department of Sport and Recreation;
- Department of Arts and Museums;
- Parks and Wildlife Commission of the Northern Territory; and
- Department of Lands, Planning and the Environment (Environment added).

The Corporate Services Division of the former NRETAS was moved into the Department of Land Resource Management and a shared services arrangement was established to support each of the four new agencies including:

- Department of Land Resource Management;
- Department of Sport and Recreation;
- Department of Arts and Museums; and
- Parks and Wildlife Commission of the Northern Territory.

The 2012-13 budget as published in Budget Paper 3 in May 2012, was revised to align with the change in Government and machinery of Government in the form of a mini-budget which was delivered in September 2012. The mini-budget also set out the new Governments' priorities.

### Organisational Chart



## Strategic Objectives

### Our Vision:

The Northern Territory's land and water resources are used appropriately for economic development and the well being of all Territorians.

### Our Purpose:

Provide advice and support for the sustainable development of the Northern Territory's land and water, and conservation of its unique native flora and fauna.

### Strategic Objectives

**Goal 1:** *The capacity and capability of the Northern Territory's natural resource assets are assessed, and outcomes of use and management, monitored.*

#### Strategies:

- Increase the knowledge and understanding of ground and surface water systems, land resources and native flora and fauna.
- Implement robust monitoring systems to track the health of the Territory's biodiversity.
- Address the decline in small mammals.
- Work with Aboriginal elders and custodians to conserve biocultural knowledge of the Territory's flora and fauna, and promote its application in natural resource management.
- Monitor and report on the health of Darwin Harbour and inland waterways as part of their continued or expanded use.
- Monitor condition of the Territory's rangelands.

**Goal 2:** *Enable economic growth through the allocation of natural resource assets for best and sustainable use.*

#### Strategies:

- Develop a Northern Territory strategy to address the use, allocation and management of water.
- Manage competing demands for water and land resources for sustainable development.
- Determine potential for agricultural development through the collection and assessment of land, soil, vegetation and water information.
- Ensure the impacts on the natural resources are within acceptable limits in the allocation and use of land for development purposes.
- Identify and promote economic opportunities through the sustainable use of wildfire.
- Support the pastoral estate through contemporary legislation to drive economic growth.



*“Enable economic growth through the allocation of natural resource assets...”*





**Goal 3:** *Threats to natural resources and regional communities are managed through shared responsibilities and partnerships.*

**Strategies:**

- Provide extension services to assist landholders in the sustainable use of natural resources.
- Manage the impacts of feral animals and weeds on productive and natural systems.
- Facilitate greater industry capacity and action to mitigate impacts at development sites.
- Build community capacity to mitigate the increased risk of bushfire in the rural urban interface caused by the proliferation of grassy weeds.
- Progress a strategic approach to manage the increased risk of bushfire in the rural urban interface caused by the proliferation of weeds.
- Promote partnerships between Government agencies to develop threat management plans.
- Provision of flood advice in consultation with other agencies for major 'at risk' communities.

**Goal 4:** *An organisation with the capacity and capability to deliver effective services.*

**Strategies:**

- Inspire and support a workplace culture that is collaborative, respectful and accountable.
- Build and enhance our strategic leadership across the agency.
- Deliver an effective shared corporate service.
- Provide a safe working environment and use of safe practices in both office and field operations.
- Continue to improve business processes and continue to streamline key internal systems.
- Develop an integrated NT NRM information system that is accessible to internal and external clients.
- Ensure legislation and policy is contemporary and adequate to deal with the challenges of delivering sustainable development.



## Budget Highlights 2012-13

The Agency's services and output deliverables, as a Northern Territory Government Public Sector organisation, are framed each year through the Budget Paper. The 2012-13 budget as published in Budget Paper 3 in May 2012, was revised with a mini-budget to align with the changes in Government. The Mini Budget was delivered in September 2012 and set out the new Government's priorities.

The below are the budget highlights for the Agency throughout the reporting period:

- \$0.1 million for wildfire suppression activities.
- \$0.8 million for monitoring and research activities in Darwin Harbour.
- \$0.65 million to reduce feral camel impacts
- \$0.5 million to support the Pastoral Land Board and rangelands monitoring program.
- \$0.48 million for weed management extension services across regional area of the Territory to assist pastoralists in controlling weed incursions and infestations.

## Agency Achievements in 2012-13

The Agency's key achievements in 2012-13 are detailed below:

- Exceeded target number of 250 for volunteer and stakeholder training in 2012-13 for Bushfires NT. During 2012-13 363 people completing accredited training in fire fighting (258), working safely around aircraft (12) and wildfire awareness (93).
- Updated flood maps for Rapid Creek, based on the recently revised Rapid Creek Flood Study and data obtained during the Cyclone Carlos flood event. The Agency also assisted the Department of Lands, Planning and Environment with the Rapid Creek Flood Mitigation Investigation and Flood Damage Study.
- Re-established the Territory Government's rangeland monitoring program of the pastoral estate by utilising the \$400 000 increase in funding from the December Mini-Budget. This resulted in the recruitment of four new staff and a rigorous assessment of 27 pastoral properties predominantly in the Barkly and Southern Alice Springs district.

Under the Territory's Financial Management Framework each government agency is funded by output groups as stated in the annual budget papers.

A description, key deliverables and achievements for each of the Agency's five Output Groups are detailed below:



## Output group: Flora and Fauna

Scientific assessment and monitoring of the Territory's native flora and fauna, and delivery of policy advice and support relating to their conservation, management and sustainable use.

Key Deliverables	2012-13 Mini budget	2012-13 Estimate	2012-13 Actual	2013-14 Budget
Number of spatial biodiversity records for the Territory	1 675 415	1 675 415	1 675 400	1 859 000
Number of biodiversity information requests met	2 270	2 270	2 250	2 300
Number of active inventory, monitoring and applied research programs	35	35	35	35
Number of management programs in place for sustainable wildlife use	6	6	6	7

### Key Achievements

- Continued the broad-scale control of feral camels across Central Australia, with more than 65000 animals removed by aerial culling since the program commenced in 2010.
- Monitored the health of key biodiversity assets in Darwin Harbour, including a collaborative program with INPEX to intensively monitor dolphin populations using photographic mark-recapture.
- Implemented a major research project under the National Environmental Research Program to understand the impacts of feral cats on native wildlife and work with land managers to reduce these.

## Output group: Rangelands

Scientific assessment and monitoring of the Territory's land and delivery of extension services, policy advice, and regulation of use and threats to land resources.

Key Deliverables	2012-13 Mini budget	2012-13 Estimate	2012-13 Actual	2013-14 Budget
Percentage of pastoral estate monitored in the year	9%	9%	10.78%	12%
Land clearing applications assessed	11	11	13 <sup>1</sup>	11
Area of land receiving weed extensions services (000km <sup>2</sup> )	179	179	184	260
Land development proposals assessed	230	230	249 <sup>2</sup>	270
Percentage of the Territory's land capability and resources assessed in the year	4.9%	4.9%	4.9%	5%

### Explanatory Notes to the Table

1. These are land clearing applications received for unzoned freehold land under the *Planning Act* and land clearing applications on the pastoral estate under the *Pastoral Land Act*. The number of applications assessed is determined by the quantity of applications submitted by proponents and is therefore difficult to accurately predict.
2. Land development proposals assessed include: Development Applications under the *Planning Act*; Mining Extraction Licences under the *Minerals Titles Act*; and Notice of Intent under the *NT Environmental Assessment Act*. The number of development proposals assessed is determined by the quantity of development proposals received and is therefore difficult to accurately predict.

### Key Achievements

- Finalised the amendment of the *Pastoral Land Act* for non-pastoral use provisions, which will allow pastoral lease holders greater opportunity to diversify their income stream outside of cattle production. The legislative amendments are expected to be passed in the Legislative Assembly in October 2013.
- Commenced development of the Agency's new land information management system that will be operational in 2014. This system will capture, in a spatial environment, land capability information used by the Agency in making comment to relevant assessment and consent authorities for specific land use requirements.
- Published the mapping and description of the largest single land resource assessment project undertaken in the Northern Territory, comprising the landscapes, soil, vegetation and pastures of approximately 75 000km<sup>2</sup> of land tenure in the Victoria River District. This mapping information identifies the region is composed of diverse landscapes but to a large extent is composed of grassland basalt plains and alluvial plains essential for grazing native landscapes. It has been provided to 23 pastoral leases and various Aboriginal land trusts and is also publicly available.



*“Working with  
Indigenous elders  
and communities to  
preserve and utilise  
Indigenous biocultural  
knowledge...”*

## Output group: Water Resources

Scientific assessment and monitoring of the Territory's water resources, allocation of this resource for sustainable use and delivery of flood forecasting services.

Key Deliverables	2012-13 Mini budget	2012-13 Estimate	2012-13 Actual	2013-14 Budget
Proportion of the Territory assessed for ground water availability	7%	7%	7%	8.5%
Proportion of the Territory assessed for surface water availability	5.9%	5.9%	5.9%	5.9%
River, coastal regions and communities covered by flood risk mapping	24	24	15 <sup>1</sup>	25
Proportion of licensed groundwater use covered by current water allocation plans	77%	77%	60% <sup>2</sup>	86%
Annual report cards on aquatic health of Darwin published	Yes	Yes	Yes	Yes

### Explanatory notes to the Table

1. Storm surge maps for Gulf Communities were scheduled for completion by end of 2012-13, however, a minor correction was made to storm surge levels which delayed mapping. This impacted the actual figures for the river, coastal regions and communities covered by flood risk mapping.
2. The proportion of licensed groundwater use covered by current water allocation plans varied due to draft allocation plans for Ooloo, Tindall Limestone Aquifer, Mataranka and Alice Springs not being completed as expected within the 2012-2013 reporting period. It is anticipated that these plans, along with the NT Great Artesian Basin Water Allocation Plan, will be declared within the 2013-2014 reporting period.

### Key Achievements

- Continued water allocation planning in the Territory and developed associated assessment and monitoring programs to improve understanding and knowledge of water resources and inland aquatic ecosystems, and to guide their management. In recent months, the Department has progressed the development of the Ooloo Water Allocation Plan to ensure Daly River remains in pristine condition and that development in the region is ecologically sustainable.
- Implemented a high priority monitoring program in Darwin Harbour. This included the release of the Darwin Region 2012 Report Card in February 2013, which highlighted the excellent health of Darwin Harbour.



- Assisted the Department of Lands, Planning and the Environment with:
  1. Review of the Potential Flood Damage Study Report for Rapid Creek
  2. Review of Rapid Creek Flood Mitigation analyses
  3. Provision of technical expertise for Lorikeet Court and Knuckey Lagoon Flood Study
  4. Review of Gulf Storm Surge Analyses

The Department also provided the latest Alice Springs Flood Maps to Police and Emergency Services.

## Output group: Bushfires

**Supporting landholders in the management and mitigation of wildfire and assisting volunteer brigades in fire mitigation and suppression outside the Territory's urban centres.**

Key Deliverables	2012-13 Mini budget	2012-13 Estimate	2012-13 Actual	2013-14 Budget
Number of property inspection conducted annually for firebreak compliance	5000	5000	5494 <sup>1</sup>	5000
Percentage of strategic firebreaks completed across the Territory annually	90%	90%	90%	100%
The number of trained volunteer brigade member firefighters	490	490	505	490
The total area of the Territory affected by wildfire	11%	11%	14.6% <sup>2</sup>	12%

## Explanatory notes to the Table

1. The increased number of property inspections stems from two influences. Firstly, the increased number of land titles in the Darwin peri-urban area due to new residential and rural living subdivisions coming on line. Secondly, there was also an increased emphasis on block inspections in the Katherine area during this period.
2. The total area of the Territory affected by wildfire varies significantly with seasonal conditions. Wildfire in the Top End and Savanna areas tend to remain relatively stable due to the more consistent seasonal conditions and fuel loads. Central Australia experiences much greater fluctuation in fuel loads year to year. In 2012-13, the area affected by wildfire in the Top End was a little above average, while higher than average fuel loads in Central Australia led to a greater divergence from the long term average in area affected by wildfire.

## Key Achievements

- Completed 5,494 property inspections for fire break compliance in accordance with Section 47 of the *Bushfires Act*. 4531 properties (84%) were found to be compliant and a further 617 (11.4%) became compliant after warnings were issued, a total of 95.4% compliance. Action is continuing to achieve compliance amongst the remaining 4.6%.
- Reviewed the Strategic Fire Break Policy and developed a strategic break plan for the 2013 fire season in consultation with landholders and other stakeholders. The outcome of this strategy is a coordinated and effective system of strategic breaks providing improved protection for residential, agricultural and environmental assets across the Territory.
- Provided accredited fire fighting training to a further 135 volunteer bushfire brigade members, more than balancing the number of retiring and departing volunteers and bringing the total number of brigade members trained in fire fighting to over 500. Also provided accredited fire-related training for 228 other stakeholders.

## Output group: Multi-Agency Services

Provide shared corporate services to four agencies and a government business division. Undertake a wide range of functions to serve the agencies' core corporate needs, including financial services, human resource management, information and communication technology, governance and risk services, and communications and media.

Key Deliverables	2012-13 Mini budget	2012-13 Estimate	2012-13 Actual	2013-14 Budget
Corporate systems administered and managed	21	21	21	21
Corporate training and information sessions delivered	418	418	516 <sup>1</sup>	442
Corporate policies and procedures developed and managed	181	181	217 <sup>2</sup>	193

## Explanatory notes to the Table

- The majority of the training delivered is based on user demand. There was additional training held to address TRIM fundamentals.
- With the formation of the Shared Services arrangement there was a higher than anticipated number of corporate policies and procedures to be developed and/or revised.

## Key Achievements

- Successfully restructured the former agency corporate systems to support operational management of the four new agencies.
- Fully implemented the 2012-13 internal audit plans.
- Developed agency governance, risk management and internal audit frameworks.
- Completed the migration of agency business applications from legacy business servers to new equipment. This involved the replacement of 12 existing application servers to 11 new servers and upgrading of supporting operating systems and products for the new environment.



## Future Priorities for 2013-14

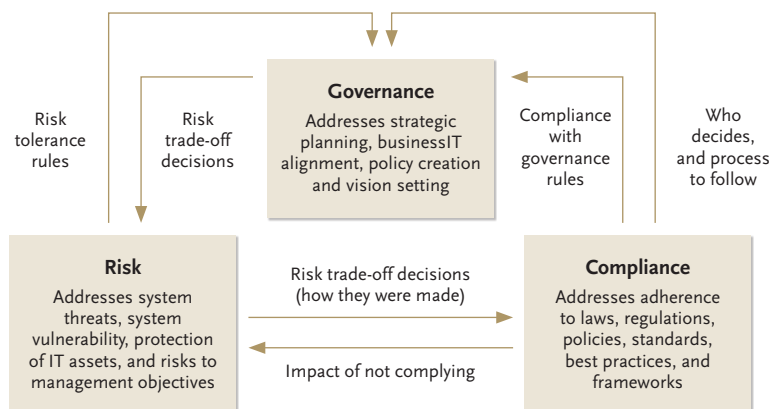
Below are the 2013-14 Agency future priorities as outlined in the 2013-14 Budget Paper 3:

- Identifying opportunities for agricultural expansion through the strategic assessment and identification of land with suitable soils and sufficient water.
- Monitoring key rivers to ensure early warning and notification of flood risk to communities and government assets, and ensuring new developments on floodplains mitigate flood risk.
- Facilitating new land resource development through water allocation planning that is informed by best practice modelling and monitoring and community consultation.
- Ensuring contemporary natural resource management legislation is applied to the allocation and use of the Territory's land, water, fauna and flora resources.
- Developing an appropriate, sustainable and transparent process for rental of the Territory's estate for pastoral purposes.
- Assisting the Pastoral Land Board to meet its statutory obligations under the *Pastoral Land Act*.
- Providing developers and users of the Territory's natural resources with consistent scientific advice that promotes economic development without compromising the overall health of resources.
- Building community resilience to bushfire through increasing community involvement in fire awareness and mitigation programs, and shared responsibility and improved compliance with fire prevention and mitigation legislation by landholders.
- Progressing a strategic approach to managing increased risk of bushfire and bushfire intensity in the rural urban interface as a result of closer subdivision and weed infestation.
- Delivering policy, strategy and management advice relating to the conservation of the Territory's unique wildlife and ecosystems for the ongoing sustainable development of the Territory.
- Working with Indigenous elders and communities to preserve and utilise Indigenous biocultural knowledge for the conservation of the Territory's flora and fauna.
- Increasing our understanding of the Territory's biodiversity assets and assisting landholders and the community to protect threatened species.
- Promoting economic opportunities through the sustainable use of wildfire.

## SECTION 2: CORPORATE GOVERNANCE

### Framework and Model

Corporate governance describes the processes by which an organisation is directed, controlled and held to account for its actions and as a new department is was prudent for the department to establish its governance framework. Accordingly, in 2012-13 the Department's Executive Management Group agreed to use the following model to depict its accountability framework. It clearly demonstrates the linkages between the three key parts of a good governance system: governance, risk and compliance. The Department's governance framework is underpinned by nine principles of governance. These are based on the Australian Stock Exchange principles of corporate governance which have been reworked by the Office of Public Sector Standards Commissioner (OPSSC), Government of Western Australia, for a public sector environment.



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### Principles of the Department's Governance

**Government and public sector relationship:** the Department's relationship with the government is clear.

**Management and Oversight:** the Department's management responsibilities and accountabilities, including its oversight mechanisms, are clearly defined.

**Organisational Structure:** the Department's structure serves its operations.

**Operations:** the Department plans its operations to achieve its goals.

**Ethics and Integrity:** ethics and integrity are embedded in the Department's values and operations.

**People:** the Department's leadership in people management contributes to individual and organisational developments.

**Finance:** the Department safeguards financial integrity and accountability.

**Communication:** the Department communicates with all parties in a way that is accessible, open and responsive.

**Risk Management:** the Department identifies and manages its risks.

In 2012-13 the Department achieved the following key outcomes under its governance framework:

- settling the Department's governance framework and structures;
- implementation and development of its strategic and operational business processes and plans;
- implementation of its risk management framework and commencement of its 2013-14 risk assessment activities;
- implementation of its internal audit framework; and
- approval and full implementation of the Department's risk based annual internal audit plan.

In addition to its internal audit and review activities, as a government department it is subject to external audit by the Northern Territory Auditor-General. In 2012-13 the Auditor-General undertook no external audits.

## Insurable Risk

The Department does not take out commercial insurance against the risk of damage to its physical assets or against the risk of economic or physical injury to a natural person. The Department bears its own risks and meets costs as they emerge.

The categories covered by the Department's self-insurance arrangements, mitigation strategies and processes employed to reduce the risk for each category, and the total number, value and average cost of self insurance claims are detailed as follows:

Insurable Risk Category	Mitigation Strategies	Total Number/Total value of claims 2012-13
Public Liability	<p>Formal risk assessments completed</p> <p>Repairs and maintenance program to reduce risks associated with physical assets</p> <p>On-going review of practices and procedures to ensure public safety</p> <p>Appropriate signage</p> <p>Education campaigns for staff and public</p> <p>Independent reviews.</p>	No claims
Workers Compensation	<p>Formal risk assessments completed</p> <p>Work Health and Safety framework developed and implemented</p> <p>Workplace safety policies and standard operating procedures</p> <p>Work site assessments</p> <p>Job specific training and support</p> <p>Utilisation of Employee Assistance Program</p> <p>Early intervention program</p> <p>Critical incident debriefings</p> <p>Work-life balance strategies.</p>	11 claims totalling \$95 427 (average \$8 675)
Assets and Inventories – All	<p>Formal risk assessments completed</p> <p>On-going review of policies and practices to guide standard operating procedures to protect assets and inventories.</p>	





*‘Assisting in the coordination of the Department’s cyclone plans, monitoring cyclone preparedness and preparations...’*

Insurable Risk Category	Mitigation Strategies	Total Number/Total value of claims 2012-13
Buildings	Building audits e.g. security, maintenance, compliance Appropriate security and testing e.g. fire systems, alarms, patrols, staff Repairs and maintenance and minor new works programs.	No claims
Vehicles (e.g. motor vehicles, quad bikes and boats)	Regular service and maintenance checks Driver training (4 wheel drives, quad bikes, boat handling) Safety equipment and accessories (particularly for off-road vehicles, crocodile capture boats etc).	6 claims from employees totalling \$6 003 (average \$1 000) No claims against the Department
Drilling Rigs	Independent check on rigs to ensure they are set up correctly and conform to Australian standards Employee and operating checklists.	No claims
Inventories	Regular stocktaking performed.	Nil written off
Indemnities	Formal risk assessments completed each year and with each new agreement executed	No claims

The Department’s commercial insurance premium arrangements are detailed as follows:

Commercial Insurance Premium	Number/Total value of claims 2012-13
Department – various (e.g. marine insurance to transport drilling rig by barge, overseas travel insurance, small value one-off travel insurance)	\$1 216 No claims

## Management Environment

The Executive Management Group (EMG) is the Agency’s principal planning and decision making body on corporate governance matters. The Chief Executive has the primary responsibility for providing strategic leadership and systems development for the Agency.

Key responsibilities of the EMG for the Agency are:

- Financial Management
- Information Management
- Employee Management
- Operations
- Work Health and Safety
- Counter Disaster
- Strategy and Planning
- Audit and Risk Management



The EMG comprises of representatives from all Output Groups of the Agency. Other Agency officers attend EMG meetings as required to provide presentations to the EMG.

As at 30 June 2013, the EMG comprised of the following members:

- Rod Applegate, Chief Executive
- James Pratt, Executive Director, Rangelands
- Matt Darcey, Executive Director, Water Resources
- Alaric Fischer, Executive Director, Flora and Fauna
- Mick Ayre, Director, Bushfires NT (A/Andrew Turner)
- A/Ann Jacobs, Regional Director South
- Susan Kirkman, Executive Director, Corporate Services (A/Karen Elligett)
- Joanna Frankenfeld, Chief Financial Officer
- Sandra Butcher, Director, Human Resources
- Laura Cummins, A/Director, Communications and Media

The EMG met on 24 occasions during 2012-13.

The responsibilities of the EMG are supported by committees across the Department.

## Committees

The responsibilities of the EMG and the Agency are supported by committees across the Department. Each of the committees, key responsibilities and membership are detailed below.

### Counter Disaster Sub Committee

The Department's Counter Disaster Sub Committee (CDC) is chaired by the EMG member who is also the Agency Cyclone Coordinator. The Committee is governed by a terms of reference.

The Committee is responsible for:

- leading the agency activities prior to an event, and conducting appropriate reviews and evaluations post event;
- ensuring that the Department meets its legislative responsibilities and obligations as a representative on the Counter Disaster Committee;
- ensuring that the agency has an emergency management plan in place;
- assisting in the coordination of the Department's cyclone plans, and monitoring cyclone preparedness and preparations.

### Committee Membership:

- Director of Rangelands, James Pratt, Chair
- Chief Executive DLRM, Rod Applegate
- Director Land Development Coordination, Luis Da Rocha
- Senior HR Consultant, Denise Mackintosh



## Work Health and Safety (WHS)

The Executive Management Group (EMG) acts as the Department's WHS approving body. The EMG is supported by a WHS Committee in each Division. Each Division Committee is chaired by its respective EMG member who reports to the EMG after each Division WHS Committee meeting. .

The Committee is responsible for:

- providing a strategic focus and input into the development of a Work Health and Safety Management System (WHSMS) for the Department;
- providing guidance in the development and implementation of the WHS framework, and ensuring consistency across the Department;
- reviewing and providing approval of WHS policies, strategies, guidelines and procedures to ensure alignment to the Department's WHS objectives and targets;
- overseeing the implementation of the WHSMS planning cycle and monitoring of the progress of the Divisional WHS Committee;
- monitoring the progress against the division's WHS Risk Management Plans to ensure actions remain aligned to the Department's Objectives and Targets; and
- monitoring strategic, corporate and operational WHS risk management and the adequacy of the controls established to manage identified risks.

Committee Membership:

- Chief Executive DLRM, Rod Applegate
- Executive Director Water Resources, Matt Darcey
- Executive Director Flora and Fauna, Alaric Fisher
- Director Rangelands, James Pratt
- Director Bushfires NT, Mick Ayre / Andrew Turner
- Executive Director Corporate Services, Susan Kirkman / Karen Elligett
- Director, HR Services, Sandra Butcher
- Chief Financial Officer, Joanna Frankenfeld
- A/Director Communications and Media, Laura Cummins
- A/Regional Director Southern, Ann Jacobs

## Information Management Committee

The Department's Information Management Committee (IMC) is a cross-Department group which sets the direction and considers the strategic information technology and communication (ICT) needs of the Department. The Committee provides regular updates to the Executive Management Group (EMG). The Committee is governed by a Terms of Reference

The Committee is responsible for:

- overseeing the ICT Governance Framework;
- providing endorsement to ICT initiatives for the Department;
- developing related policies and procedures;
- overseeing the implementation of the ICT strategic plan, system transition plans and monitoring the status of approved projects.



### Committee Membership:

- Director Rangelands, James Pratt (Chair)
- A/Director IT Services, Paul Manning
- Manager Information Services, Corinne Hunt
- Manager Business Systems, Noe Nugraeni,
- Spatial Data and Mapping, Ross Ocampo,
- Scientific Officer, Damian Milne,

### Human Resources Committee

The Department's Human Resources Committee oversees the management of the Department's human resources and organisational development strategies, including advising on the department's human resource management /HR development resource requirements, reviewing and approval of recruitment action and the monitoring of unattached officers. The Committee is governed by a terms of reference.

The Committee is responsible for:

- providing advice and recommendations to the Executive Management Group(EMG) in relation to human resources management (HRM) and human resource development (HRD) policies, strategies, guidelines and procedures;
- promoting two-way information flow between Divisions and the Executive Management Group in relation to strategic human resource management issues and procedures;
- identifying best practice and recommend strategic initiatives and priorities in HRM and HRD to support the Department's priorities and legislative obligations;
- providing input into the development of human resource information systems (HRIS) and processes for the Department;
- providing guidance in the implementation of the Department's HR Strategic Plan; and
- developing recommendations for EMG regarding major strategies or initiatives by the Office of the Commissioner for Public Employment.

Committee Membership:

- Executive Director Flora and Fauna, Alaric Fisher (Chair)
- Director Wildlife Use, Glenn Edwards
- Manager Land Resource Assessment Unit, Jason Hill
- Hydrographic Supervisor Water Resources, Alan Russ
- Assistant Director Operations Bushfires NT, Andrew Turner
- Director HR Services, Sandra Butcher
- HR Project Officer, Jami Soloman

### Audit and Risk Management Committee

The Department's Audit and Risk Management Committee operates under a terms of reference and its purpose is to provide advice and assistance to the Chief Executive on the effectiveness of the Department's audit, risk management and internal control processes. The Committee is chaired by an Executive Management Group (EMG) member and membership is drawn from across the Department.



*'The Department's policies share strong linkages to work health and safety and provide a flexible framework for the day-to-day management of work health and safety matters...'*

The Committee is responsible for:

- monitoring the Department's strategic, corporate and operational risk management function and activities and the adequacy of the internal controls established to manage the identified risks;
- reviewing financial statements and other public accountability documents (such as annual reports) prior to their approval by the Chief Executive;
- monitoring the internal audit function (including developing and implementing of the annual internal audit program, review and monitoring of terms of references, audit outcomes, managements' responses and implementation of the audit recommendations);
- monitoring the external audit program (including audit outcomes, the Department's responses and implementation of the audit recommendations); and commenting on the state of organisational governance within the scope of the Committee's terms of reference in the areas of the Department's risk management framework, the internal controls framework and external accountability.

Committee Membership:

- Executive Director Water Resources, Matt Darcey (Chair)
- Director Drilling Services, Samantha Fox
- Senior Scientist Wildlife Use, Keith Saalfeld
- Manager Governance, Debra Kenny

## Work, Health and Safety (WHS)

The Department is committed to providing and maintaining safe and healthy workplaces. Following the establishment of the Department, a considerable amount of work has been undertaken to ensure compliance with the *Work Health and Safety (National Uniform Legislation) Act 2011* and the *Workers Rehabilitation and Compensation Act (WRC Act)*.

Activities undertaken to implement the WHS legislation have included:

- a gap analysis undertaken by an independent WHS project officer to identify areas for review or amendments under the *Work Health and Safety Act*;
- awareness discussions conducted with staff to provide guidance on the statutory requirements placed on them. The importance of staff cooperation and compliance in reporting hazards was promoted to reduce the incidence of workplace injury and disease; and
- worker consultation through the Work Health and Safety Committee; Work Health Safety Representatives (where applicable) and information included within regular Chief Executive newsletters.

The Department's policies share strong linkages to WHS and provide a flexible framework for the day-to-day management of work WHS matters, with a focus on continuous improvement and strong governance. The Health and Safety Management System Arrangements from the former department (Department of Natural Resources, Environment, The Arts and Sport) is currently being revised to be applicable for the Department of Land Resources Management.

The Executive Management Group (EMG) acts as the Department's WHS approving body. The EMG is supported by a WHS Committee in each

Division. Each division committee is chaired by its respective EMG member who reports to the EMG after each division WHS committee meeting.

### Health and wellbeing Initiatives

The following health and wellbeing initiative were implemented:

- DLRM flu vaccination program
- All Employee Assistance program

### Hazard and Incident Reporting

During the reporting period of 4 September 2012 – 31 March 2013 there were:

- nil reported hazards
- seven reported incidents

Top injury causes included:

- Body stressing
- Mental stressing
- Chemical exposure



## Governing Legislation

The Department is responsible for administering 11 pieces of legislation, including six acts and five pieces of subordinate legislation, on behalf of the Minister for Land Resource Management.

This legislation provides an overriding direction for many functions that the Department performs and is the foundation to a number of Output Groups. The Department has a process of review aimed at ensuring its legislation remains contemporary and relevant to its functions and incorporates best practice in the area it administers.

Legislation administered:

#### 1. *Bushfires Act*

- (1) Bushfires Regulations
- (2) Bushfires (Volunteer Bushfire Brigades) Regulations

#### 2. *Lake Eyre Basin Intergovernmental Agreement Act*

#### 3. *Pastoral Land Act (except provisions about Aboriginal community living areas)*

- (3) Pastoral Land Regulations

#### 4. *Soil Conservation and Land Utilisation Act*

#### 5. *Water Act*

- (4) Water Regulations

#### 6. *Weeds Management Act*

- (5) Weeds Management Regulations 2006



## Statutory Authorities and Bodies

The Department has a statutory responsibility for certain authorities and bodies.

Statutory authorities and bodies from **1 September 2012 – 30 June 2013** are listed below:

### Alice Springs Water Advisory Committee

The Alice Springs Water Advisory Committee was established under Section 23 of the *Water Act 2008*, to provide advice to the Controller of Water Resources on the effectiveness of the Alice Springs Water Resource Strategy in maximising economic and social benefits of water use, within ecological constraints and other matters.

Members at 30 June 2013 were:

**Chairman:** Mr Steve Shearer

**Members:** Mr James Cocking

Ms Brenda Shields

Mr Rodney Cramer

Mr Richard Hayes

Mr Rodney Randall

Mr Steven Brown

### Bushfires Council of the Northern Territory

To recommend to Minister measures for effective fire management on all Territory lands except those under authority of Northern Territory Fire and Rescue Service (NTFRS).

Members at 30 June 2013 were:

**Chairman:** Mr Paul Blore

**Members:** Mr Shaun Ansell

Mr Andrew Tupper

Mr Bruce Sawyer

Mr Garry Cook

Mrs Dianne Tynan

Mr Ian Bradford

Mr Norman Hooker

Mr Walter Braitling

Mr Djawa Yunupingu

Mr Robert Bright

Mr Chris Whattey

Mr Stephen Rothwell

Mr Len Rule

Ms Elizabeth Bird

Ms Alice Beilby



## Bushfires Committees - Regional

The Northern Territory is divided into six fire control regions that reflect varying land use, population density, climate, soil and vegetation type. A bushfires regional committee represents each region with members selected on the basis of local knowledge, experience or skills in bushfire management. Its main statutory function is the prevention and control of wildfires in its fire control regions. Committees meet two to four times annually or as required. The committees are statutory bodies in their own right and have a high degree of autonomy in establishing operational and administrative policies.

Advise the Bushfires Council on measures to prevent and control bushfires within its gazetted area of responsibility; and to prevent and control bushfires in its Fire Control Region.

*'Advise the Bushfires Council on measures to prevent and control bushfires within its gazetted area of responsibility...'*

### Alice Springs Regional

Members at 30 June 2013 were:

**Chairman:** Mr Walter Braitling

**Members:** Ms Elizabeth Bird

Mr Benjamin Heaslip

Mr Angus McKay

Mr William Hayes

Mr Ashley Severin

### Arafura Regional

Members at 30 June 2013 were:

**Chairman:** Mr Leonard Rule

**Members:** Mr Daniel Thomson

Mr Douglas McKean

Mr Brian Muir

Mr Gordon Coward

### Arnhem Regional

Members at 30 June 2013 were:

**Chairman:** Mr Djawa Yunupingu

**Members:** Mrs Jessie Alderson

Mr Otto Campion

Mr Gibson Farmer

Mr Clarry Rogers

Ms Sybil Ranch

### Barkly Regional

Members at 30 June 2013 were:

**Chairman:** Mr Norman Hooker

**Members:** Mr Michael Johnson

Mr Stephen Peatling

Mr Kenneth Ford

Mr Christopher Towne



### Savannah Regional

Members at 30 June 2013 were:  
 Chairman: Mr Christopher Whatley  
 Members: Mr Gary Riggs  
 Ms Alice Beilby  
 Mr Edward Webber  
 Mr Stuart McKechnie  
 Mr Bradley Walker

### Vernon Regional

Members at 30 June 2013 were:  
**Chairman:** Mr Robert Bright  
**Members:** Mr Raymond Nichols  
 Mr David McLachlan  
 Mr Ian Stewart  
 Mr Colin Deveraux

### Daly River Management Advisory Committee (DRMAC)

To work with relevant Government agencies to develop and present options for sustainable use and conservation of the resources of the Daly River catchment, and to make related recommendations.

Members at 30 June 2013 were:

**Chairman:** Mr John Childs

**Members:** Mr Dick Perry

Ms Kate Peake  
 Mr Bruce Sawyer  
 Mr Dan Thomson  
 Mr Eddie Webber  
 Mr Ian Smith  
 Mr Craig Ingram  
 Mr Phil Howie  
 Ms Mona Liddy  
 Mr Mark Meldrum  
 Ms Bridgette Bellenger  
 Mr Mark White  
 Ms Elizabeth Sullivan  
 Mr Rob Law





### Darwin Harbour Advisory Committee (DHAC)

To provide the Northern Territory Government with advice on land use, planning, development and the use of natural resources within the Darwin Harbour catchment.

Members at 30 June 2013 were:

**Chairman:** Mr Bill Stuchbery

**Members:** Mr Greg Bicknell

Mr Alastair Black

Prof Andrew Campbell

Mr Tom Harris

Dr Greg Leach

Mr Graeme Lewis

Mr Steven McKenzie

Dr Graeme Suckling

Mr Allan McKay

Mr Craig Ingram

Mr David Williams

Ms Shelly Franklin

### Drillers Qualification Advisory Committee

The Drillers Qualification Advisory Committee formed under the *Water Act* 1992 is an advisory group with expertise in the water well drilling industry. The Committee provides advice to the Controller of Water Resources in regard to the granting, renewal and variation of drilling licences under Section 49 the Act.

Members at 30 June 2013 were:

**Chairman:** Mr David George

**Members:** Mr Mark Ballard

Mr Cyrus Edwards

Mr Chris MacHunter

Mr Lance Martin

Ms Mary Walshe

Mr Henry Van Tilburg

Mr Leon Merington

### Mataranka Water Advisory Committee

Advise on the management of water resources within the Tindall Limestone Aquifer in Mataranka.

Members at 30 June 2013 were:

**Chairman:** Vacant

**Members:** Mr Max Gorringe

Mr Mark Joraslafsky

Mr Hamish McFarlane

Mrs Clair O'Brien

Mr Garry Riggs

Mr Eddie Webber

Mr Kane Younghusband



### Northern Territory Weed Advisory Committee

To develop draft weed management plans and advise Minister on the progress of weed management in the region.

Members at 30 June 2013 were:

**Chairman:** Mr Thomas Stockwell

**Members:** Mr Steven Spencer

Ms Jane Dellow

Dr Margaret Friedel

Mr Brian Hill

Ms Sharon Jones

Ms Sarah Kerin

Mr Neil MacDonald

Ms Robyn Maurer

Mr Tony Searle

Mr Robert Bright

Mr Robert Law

Mr Samuel Rando

### Pastoral Land Board

Administration *Pastoral Land Act* as Outlined in S 29 Functions of Board.

Members at 30 June 2013 were:

**Chairman:** Mr Richard Galton

**Members:** Ms Colleen Costello

Mr Steven Craig

Mr Thomas Stockwell

Mr Campbell Miller

### Rapid Creek Catchment Advisory Committee

To advise Minister on the management of Rapid Creek Catchment.

Members at 30 June 2013 were:

**Chairman:** Ms Jane Aagaard

**Members:** Mr Neal Adamson

Ms Lesley Alford

Ms Jill Holdsworth

Mr Geoff Horni

Mr Ian Kew

Ms Zoe Carmichael

Mr Nigel Weston

Mr Owen Dutton

Mr Nik Kleine

Ms Jo Sangster

Ms Julia Schult

## Water Resources Review Panel

Facilitate Ministerial Review of Contentious Issues arising from Operation of the *Water Act*.

Members at 30 June 2013 were:

**Chairman:** Prof Romy Greiner

**Members:** Mr Colin Beard

Mr Robert Fish

Mr David George

Mr Philip Howie

Mr Andrew Macrides

Mr Joseph Morrison

Mr George Roussos

## Information Management

The Northern Territory *Information Act* 2002 came into operation on 1 July 2003. It combines freedom of information (FOI), privacy and records management legislation.

### Access to Information

In compliance with Section 11 of the *Information Act* the Department makes its information available in several ways.

Information is updated regularly and published on the Department's website. It describes the structure and functions of the Department, how these functions affect the public, a comprehensive listing of information that is freely available and how to access other information that is not published on the website.

Part 3 of the *Information Act* formally sets out the process for access to government information and access, to and correction of, personal information held by the Department. Details about how to apply for access to information, with links to relevant legislation and related agencies can be found on the Department's website. Further assistance can be provided by contacting:

FOI Contact Officer

PO BOX 496

Palmerston, NT 0830

Ph: 8999 3479

<http://www.lrm.nt.gov.au/lrm/foi>

### Requests for Access to Information in 2012–13

During the reporting year there were three applications received by the Department for access to government or personal information under the *Information Act*.

Statistical data about formal access applications received by the Department are included in the table below.







## Information Act Requests

2012-13

Applications carried over from previous year	1
Applications to access personal information	0
Applications to access government information	2
Applications to access personal and government information	0
Applications to correct personal information	0
Applications transferred	0
Requests withdrawn	0
Internal reviews	0
Responses completed within 30 day period	2
Responses completed exceeding 30 day period	0
Applications on hand as at 30 June	1

## Records Management

During 2012-13 the Agency continued to improve record management practices, procedures and policies to ensure compliance with Part 9 of the *Information Act*. Part 9 of the *Information Act* and the records Management Standards require that the Agency develop and implement plans and processes to ensure full and accurate records are created, captured, discoverable, secure and where appropriate disposed.

During 2012-13 the Records Training Program continued to provide whole of Agency guidance, support and training on information management best practices and use of the whole-of-government recordkeeping system, TRIM with a particular focus on electronic records capture.

## Ombudsman Enquiries

During the reporting year there were no Ombudsman Enquiries received by the Department.

## Strategic Partnerships

The Department has continued to foster strategic partnerships throughout the 2012-13 reporting period, which includes:

- Facilitated the transfer of scientists from Bushfires NT to Charles Darwin University under an ongoing Partnership Agreement between the Department and the University, to further support research on fire, carbon and climate change.

## Community Engagement

The Department undertook a range of community engagement activities during 2012-13 which included the following:

- Continued to implement the Gamba Grass Assistance Program by providing members of the public assistance with weed management planning advice, free herbicide and spray equipment loans. A review of the Weed Management Plan for *Andropogon gayanus* (Gamba Grass) was commended, to consult with and gain feedback from the Territory community on the current plan of management.
- Released the draft Water Allocation Plan for the Great Artesian Basin for community feedback and undertook a review of the Alice Springs Water Allocation Plan to consult with and encourage community comment.
- Established a new website for the Department to enable communication and community engagement with the broader community on issues relating to land resource management for the Northern Territory.
- Re-established the Rangeland Monitoring program of the pastoral estate, resulting in a rigorous assessment of 27 pastoral properties predominantly in the Barkly and Southern Alice Springs District. Weeds Officers throughout the Territory also visited pastoral properties providing extension services to landholders.
- Sponsored the Northern Territory Cattlemen's Association Annual General Meeting and Industry Conference, from March 21-22 in Alice Springs. An information booth for the Department was set-up at the event to engage with association members and industry professionals. Staff maintained a presence at the booth to provide information on integrated ground and satellite based monitoring, weed management, land assessment and development, and rangelands monitoring.
- Launched the Water Data Portal, providing information to the public collected by the Department on flood monitoring, water allocation planning and aquatic health monitoring.
- Participated in the annual Farm and Garden Day on 6 April in Katherine by delivering talks to attendees throughout the event program. The Department also held an information tent to engage with and provide regional information to the community on the work and services of the Department. This included practical displays such as the aquifer interaction model, and information on weed management, water licensing and drilling, rangelands monitoring and land assessment.

## Grants Programs

The Department of Land Resource Management is responsible for administering the Central Australia Waterwise Rebate Scheme grant program to Central Australians, as well as one-off special purpose grants. All grants, regardless of their type, are distributed under a grant agreement which includes the grant purpose and the reporting process for confirming that the objective of the grant has been achieved.

A full list of the grants administered by the Department can be found below.

### Allocated Grants

Grant	Recipient	Amount
Slater's Skink research collaboration agreement grant	Flinders University	10,000
Indigenous Scholarship	Charles Darwin University	70,000
Grants under Caring for our Country appropriation	Territory Natural Resource Management Board	3,767,000
Belly Ache Bush Management	Territory Natural Resource Management Board	200,000
Protect Ecosystems in the Daly River Catchment	Territory Natural Resource Management Board	363,600
West Arnhem Fire Management Agreement grant	Northern Land Council	1,430,249
Volunteer Bushfire Brigade Grants	Northern Territory Volunteer Bushfire Brigades	1,141,358
National Soil, research and development strategy	Department of Agriculture, Fisheries & Forestry	5,000
Northern Territory Collaborative Agreement for Rangelands	Department of Science Information & Technology	112,380
National Weed eradication contributions	Various service providers	153,935



## Applied Grants

Name of Grant	Grant Purpose	Who can apply	Funding limit	Closing date
Central Australian Waterwise Rebate Scheme	To assist households improve their water efficiency and reduce overall residential demand on the water supply in Central Australia.	Alice Springs and Tennant Creek residents	Rebates of up to \$400 for certain water saving products and up to \$100 for eligible water saving plumbing services in Alice Springs and Tennant Creek	On-going – assessed annually.

A full list of the grants distributed on behalf of the Department for the 2012-13 reporting period, are detailed below:

Grant	Recipient	Amount
Slater's Skink research collaboration agreement grant	Flinders University	10,000
Indigenous Scholarship	Charles Darwin University	70,000
Grants under Caring for our Country appropriation	Territory Natural Resource Management Board	3,767,000
Belly Ache Bush Management	Territory Natural Resource Management Board	200,000
Protect Ecosystems in the Daly River Catchment	Territory Natural Resource Management Board	363,600
Waterwise Rebate Grants	Various Northern Territory service providers	932,735
West Arnhem Fire Management Agreement grant	Northern Land Council	1,430,249
Volunteer Bushfire Brigade Grants	Northern Territory Volunteer Bushfire Brigades	1,141,358
National Soil, research and development strategy	Department of Agriculture, Fisheries & Forestry	5,000
Northern Territory Collaborative Agreement for Rangelands	Department of Science Information & Technology	112,380
National Weed eradication contributions	Various service providers	153,935
<b>Grand Total</b>		<b>8,186,257</b>

## SECTION 3: OUR PEOPLE

### Overview

Human Resource Services works with senior managers to maintain a positive work culture through providing a consistent advisory service in best practice human resource management, developing policies and frameworks to ensure compliance with employment Legislative requirements.

### Staff snapshot as at 30 June 2013

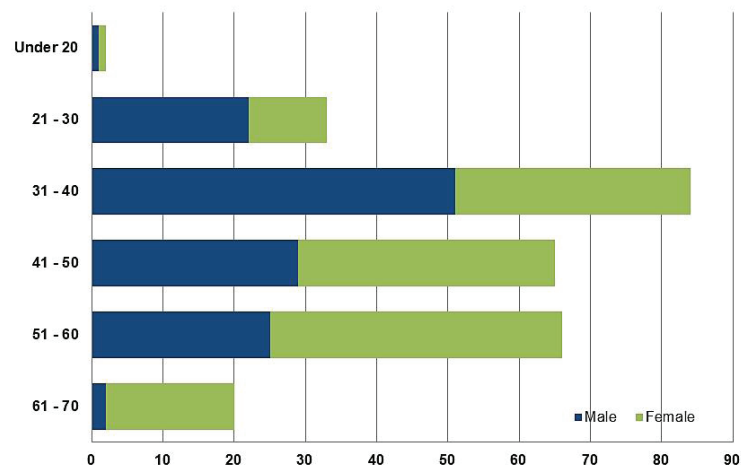
STAFF NUMBERS DLRM	Headcount
Full-time equivalent staff	249
Headcount	271
<b>Part-time staff</b>	
Permanent part-time	20
Temporary part-time	6
Casual	1
Graduates, apprentices and cadets	1

Source: Personnel Information Payroll System

### Employee profile

The following graphs detail the employee profile of the Agency:

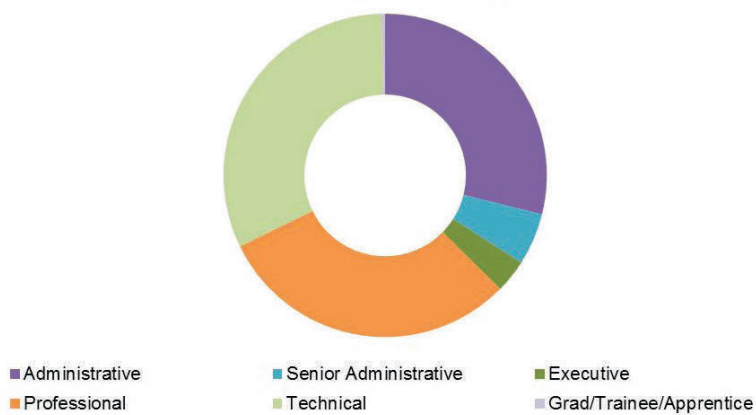
#### Employees by Age



## Employees by Classification

Employee Classification	Number of Staff
Executive Contract Officer 5	1
Executive Contract Officer 2	4
Executive Contract Officer 1	4
Senior Administrative 2	8
Senior Administrative 1	6
Administrative Officer 7	13
Administrative Officer 6	16
Administrative Officer 5	14
Administrative Officer 4	20
Administrative Officer 3	8
Administrative Officer 2	7
Professional 3	29
Professional 2	29
Professional 1	24
Technical 6	1
Technical 5	8
Technical 4	18
Technical 3	41
Technical 2	18
Technical 1	1
Apprentice/Graduate/Trainee	1
<b>Total</b>	<b>271</b>

## Employees by Stream Profile





## Learning and professional development

The purpose of learning and development activities is to ensure the Agency has the organisational capability to respond to current and future business challenges and to build a culture of high performance and capability. The Agency actively encourages the professional development of its employees to ensure they are adequately equipped to carry out their responsibilities.

The Agency has a two-pronged approach for learning and development, where business units are responsible for facilitating employee access to operational training and development focused on core business needs, and Human Resource Services facilitates corporate training activities aimed at strengthening corporate capabilities to build a more efficient and effective workforce.

### Corporate training

Ongoing learning, development and education opportunities were offered to all employees and the Agency established continued support processes to promote a range of learning and development activities covering areas such as:

- Corporate Induction
- Code of Conduct
- Cross Cultural Awareness
- Recruitment & Selection Training
- Appropriate Workplace Behaviours
- Developing Personal Resilience
- Machinery of Government

The Agency also strongly supported the Office of the Commissioner for Public Employment with representation on their leadership programs including:

- Kigaruk Indigenous Mens Program

### Study assistance

The Agency supports employees gaining relevant professional and technical skills through higher education studies. Five employees accessed Study Assistance during 2012-13 to undertake studies ranging from certificates to masters programs.

Areas of study supported by the Agency in 2012-13 included:

- Bachelor of Commerce
- CPA Program
- Preparation for Tertiary Success 1
- Masters of Tropical Environmental Management
- Masters of GIS and Remote Sensing



## Development programs

### Apprenticeship Program

The Agency supported one apprentice in 2012-13 to undertake study in the area of Conservation and Land Management.

This initiative is a nationally recognised trade level qualification through structured training combined with practical experience. The employee is expected to complete these studies during 2013-2014.

### Graduate Development Program

One graduate was engaged by the agency to participate in a Graduate Development Program.

The program offers a two year placement to recent tertiary graduates equipping them to become future leaders and managers.

### Public Sector Management Program

In 2012-13 the Agency sponsored two employees to participate in the PSM Program.

The PSM Program is a joint venture between Commonwealth, State and Territory Governments and equips middle to senior managers to meet challenges by providing them with the knowledge and abilities required to become effective public sector leaders.

## Legislative Compliance

Reporting against Employment Instructions

### Number 1 – Filling Vacancies

- Recruitment and establishment procedures are available on the staff intranet.
- Human Resources Services continue to provide advice to managers on recruitment and selection processes.

Recruitment and Selection training was reviewed as a result of the changes to the *Public Sector Employment and Management Act*. The training, which was provided by the Office of the Commissioner for Public Employment, Grievances and Appeals Unit, was available to 67 employees across the agency.

### Number 2 – Probation

- A revised Probationary policy and procedures have been approved and are available to staff on the intranet.
- Human Resource Services provided regular advice to senior management on the status of employee probations.

### Number 3 – Natural Justice

- The department endeavours to observe the principles of natural justice in all dealings with employees.
- The Agency code of conduct program includes reference to natural justice principles.





#### **Number 4 – Employee Performance Management and Development Systems**

- The Personnel Evaluation System is in place for all employees and managers to utilise and have performance and development discussions with their staff.
- The electronic Personnel Evaluation System is currently being rolled out to the Agency with the inclusion of the NTPS Capability and Leadership Framework to commence use in the 2013-2014 financial year.

#### **Number 5 – Medical Examinations**

- Advice is provided to Managers on a case by case basis by Human Resource Services.
- In 2012 - 13 one medical incapacity case was commenced; with one being finalised.

#### **Number 6 – Performance and Inability**

- There were no inability cases during 2012-13.
- Advice is provided to Managers on a case by case basis by Human Resource Services.

#### **Number 7 – Discipline**

- The discipline policy and procedures are available for staff on the Agency intranet.
- Two Section 49 disciplinary actions were undertaken in 2012-13; with one being carried forward from 2011-2012. One has been finalised and one will be carried forward to 2013-14.

#### **Number 8 – Internal Agency Complaints and Section 59 Grievance Reviews**

- The grievance policy and procedures are available for staff on the Agency intranet.
- There have been five complaints lodged during 2012-13; of which four were internal grievances and dealt with in-house. One s59 Grievance was referred from the Commissioner's Office
- One of the grievances have been finalised in 2012-13 and four will be carried forward in 2013-14.

#### **Number 9 – Employee Records**

- All personnel files are securely maintained by the Department of Business and Employment on behalf of the Agency.
- Access to personnel files and the Personnel Integrated Pay System database is restricted to an 'in-confidence' level.
- Any requests made by employees to access their employee records are made through the Director Human Resource Services.

#### **Number 10 – Equality of Employment Opportunity Programs**

- Equal Opportunity policies are available on the Agency's Intranet.
- New employees of are reminded of the importance of ensuring that their personal details are correct in the Personal Integrated Pay System.

## Number 11 – Occupational Health and Safety Standards Programs

- The Agency consulted with all staff on a revised Work Health and Safety Management System Framework.
- Regular communication on the suggested changes was provided to employees through the CE's updates and the Agency intranet.
- Health and Safety programs and associated policy and procedure have been revised to reflect New Agency and Legislative requirements.
- An Online WHS Induction training package was trialled and is expected to be rolled out during the 2013 – 2014 induction period, this is in addition to the face to face induction program.

## Number 12 – Code of Conduct

- The Code of Conduct is available to all staff on the intranet and is reinforced through our HR Consultants' activities.
- The code is also an integral component in the Corporate Induction that is mandatory for all new staff.

## Corporate induction and code of conduct

Human Resource Services held four Corporate Induction and Code of Conduct programs during 2012-13 for 30 employees in the Darwin Region.

The Corporate Induction program aims to provide an overview of the Agency's responsibilities and strategic objectives, as well as an introduction of key contacts such as payroll and records management. Employees are also provided information on their accountability and responsibilities under the *Public Sector Employment and Management Act* and the *Work Health and Safety Act* (2011).

New employees are provided a 'Welcome Pack' at induction that contains information relating to conditions of service, key contacts and a checklist for supervisors to ensure appropriate site specific workplace inductions are conducted.

The Code of Conduct program is combined with the Corporate Induction. It is designed to enhance employees' knowledge of ethical business practices and to provide practical strategies for dealing with situations that arise at and draws on the Northern Territory Public Sector Principles and Code of Conduct, as set out in Regulations under *Public Sector Employment and Management Act*. The Code of Conduct document sets out the conduct expected of all Northern Territory Public Service employees and the values they are obliged to uphold.



# DEPARTMENT OF LAND RESOURCE MANAGEMENT FINANCIAL REPORT

For the year ended  
30 June 2013

## The Financial Statement Overview

This section of the report provides an analysis of the financial outcome of the Department of Land Resource Management for the year ended 30 June 2013.

The Department was formed in September 2012 following a government restructure in which the former Department of Natural Resources, Environment, The Arts and Sport was split into the following new Agencies:-

- Department of Land Resource Management;
- Department of Sport and Recreation;
- Department of Arts and Museums;
- Parks and Wildlife Commission of the Northern Territory; and
- Department of Lands, Planning and the Environment (Environment added).

The comparative data in the financial section is that of the former Department of Natural Resources, Environment, the Arts and Sport however, as the Department was significantly restructured to form the new Department of Land Resource Management only the current year results have been compared to the budget.

## Financial Performance

In 2012-13, the Department made a net profit of \$1.1 million against a budgeted loss of \$1.1 million.

Major factors contributing to the budget savings of \$2.2 million include:-

- \$0.8 million due to project timing resulting in the budget not being fully utilised in 2012-13. These projects are predominately funded by external grants and the unutilised funding will be spent in 2013-14;
- \$1.4 million saving in employee expenses due to the Department having vacant positions and the establishment of a new staffing structure, aligned to output deliverables, in preparation for the required employee budget saving from 1 July 2013; and
- \$0.2 million under-spend in the repairs and maintenance program managed by the Department of Infrastructure (DOI). This was due to reporting issues associated with the new asset management system and DOI staff vacancies.



## Income – Where the dollars came from

The Department received income of \$56.2 million in 2012-13, an increase of \$2.1 million compared to budget.

This increase is predominately due to notional non cash revenue for corporate services provided by the Department of Corporate and Information Services (DCIS).

The Department is funded primarily through Northern Territory Parliamentary appropriation. The next major income source is Australian Government grants and appropriation, and grants from other external funding bodies. Charges for our goods and services also generate income for the Department. Notional revenue for corporate services provided by DCIS is also recognised.

### Output Revenue

In 2012-13 output revenue of \$35.5 million was received as budgeted. This included new additional funding for wildfire suppression of \$1 million and \$0.5 million for rangelands monitoring and operation of the Pastoral Land Board.

Output revenue funds the following Department outputs:-

- Flora and Fauna;
- Rangelands;
- Water Resources;
- Bushfires; and
- Multi-Agency services.

### Grants and Commonwealth Appropriation

The Department attracts 16.7 percent of its revenue from external sources. In 2012-13, \$9.3 million was received compared to a budget of \$9 million, including \$5.4 million from the Australian Government. There are a number of externally funded projects with the top five being:-

- Caring for our Country \$4.1 million;
- West Arnhem Fire Management \$1.5 million;
- Community water-wise grant rebates \$0.8 million;
- Long Term Ecological Research Network project \$0.5 million; and
- Protection Ecosystem Daly Catchment \$0.5 million.

### Sale of Goods and Services

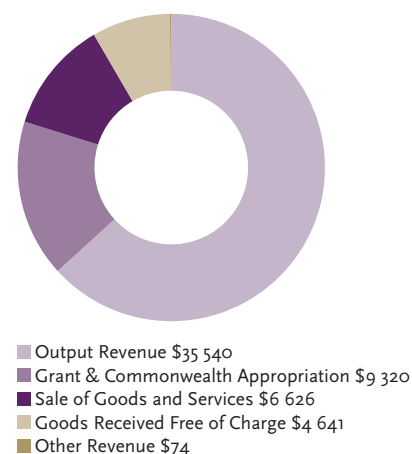
In 2012-13, income from the sale of goods and services totalled \$6.6 million in accordance with budget. The most significant income streams are for the provision of corporate services to three other departments and a Government Business Division totalling \$4.1 million, and the provision of drilling and water services valued at \$1 million.

### Goods and Services Received Free of Charge

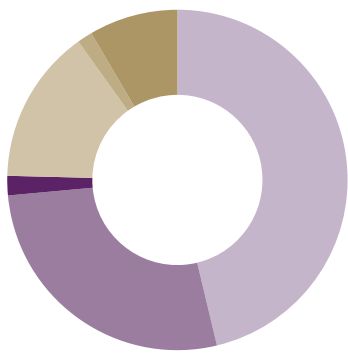
In 2012-13, notional goods and services received free of charge from DCIS totalled \$4.6 million, \$1.7 million higher than budget.

This income is offset by a matching notional expense item to allow the Department to bring to account the full cost of corporate services it requires to operate so does not affect the net loss.

## 2012-13 Income by Source \$'000's



## 2012-13 Expenses by Source \$'000's



Employee Expenses	\$25 483
Purchase of Goods and Services	\$15 023
Repairs and Maintenance	\$1 017
Grants and Subsidies	\$8 107
Depreciation and Amortisation	\$795
Other including DCIS Services received Free of Charge	\$4 652

## Expenses – Where the dollars were spent

The Department incurred \$55.3 million in expenses during 2012-13 in the delivery of its programs and services. This was \$0.2 million less than budget.

Payments to employees and purchase of goods and services account for 74 percent of the Department's outlays. Payments of grants and subsidies and repairs and maintenance are the other major Departmental expenses, with depreciation and corporate charges levied by DCIS representing non-cash transactions.

### Employee Expenses

Staffing costs represent 46.2 percent or \$25.5 million of total expenditure.

In 2012-13 the Department established a new staffing structure in preparation for the employee budget savings required for the new financial year. This restructure, and delays in filling vacant positions, resulted in a budget saving of \$1.4 million.

### Goods and Services Expenses

Actual spend on the purchase of goods and services in 2012-13 was \$15 million. The saving of \$1 million compared to budget was primarily as a result of timing delays experienced on external funded and specific projects where the costs will now be incurred in 2013-14.

### Grants and Subsidies

In 2012-13 the Department distributed \$8.1 million in grants and subsidies against a \$7.4 million budget.

The increase was mainly due to externally funded grant payments of \$0.4 million relating to additional grant revenue received in 2012-13 and \$0.2 million of contributions to national eradication programs for weeds.

Grant payments of \$8.1 million relate to externally funded projects \$5.6 million, grants to support bushfire volunteer brigades \$1.1 million, community water-wise rebates \$0.9 million and \$0.5 million to support natural resource management outcomes.

### Repairs and Maintenance

Actual repairs and maintenance expenditure was \$1 million against

a budget of \$1.2 million. The underspend of \$0.2 million relates to implementation problems associated with the introduction of a new asset management system.

### Goods and Services Received Free of Charge (Notional)

In 2012-13, notional goods and services received free of charge totalled \$4.6 million, an increase of \$1.7 million compared with budget.

## Balance Sheet

The balance sheet provides a summary of the Department's balances at the end of the financial year for assets, liabilities and equity.

### Assets – What We Control

The Department's assets at 30 June 2013 totalled \$15.7 million.

The \$15.7 million balance of assets consists of the following main groups:-

- Physical property, plant and equipment of \$8.7 million;
- Cash balances \$5.0 million; and
- Receivables of \$1.7 million representing the amount owed from debtors for goods and services provided.

### Liabilities – What We Owe

The Department's liabilities total \$8.5 million as at 30 June 2013.

The \$8.5 million balance of liabilities consists of:-

- Deposits held of \$0.5 million to recognise the liability for Natural Heritage Trust Single Holding Account held on behalf of the Australian Government;
- Payables of \$2.4 million representing the amount owed to creditors for goods and services purchased and received;
- Provisions for employee entitlements of \$4.7 million, such as recreation leave, leave loading and leave fares to reflect the cost in present day dollars of employee entitlements that are to be paid in the future; and
- Unearned revenue of \$0.9 million representing the amount received for services not yet provided.

### Our Equity – What We Are Worth

Equity reflects the Department's net assets (what we own or control) less the liabilities that we are accountable for (what we owe). Equity as at 30 June 2013 was \$7.2 million. The categories of movement in Equity are explained in the Statement of Changes in Equity.

## Statement of Changes in Equity

This statement expands on the equity movements in the categories of capital, reserves and accumulated funds.

Movements in capital of \$257.3 million relate to:-

- \$259 million from the transfer out of the Department of assets and liabilities relating to the Government restructure.

Offset by:-

- \$0.3 million for capital works;
- \$0.9 million cash equity injection to replenish cash balances; and
- \$ 0.5 million from the transfer in of completed work in progress property, plant and equipment.

The Department's revaluation reserves total \$1.9 million at 30 June 2013. The reduction of \$142.6 million is a result of the transfer out of the Department of re-valued land, buildings and infrastructure following the government restructure.

Accumulated funds move each year by the profit or loss of the Department. In 2012-13 accumulated funds increased by \$1.1 million representing the 2012-13 reported profit.

## Cash Flow Statement

The cash flow statement provides information on how cash was received and spent during the year.

The Department's cash balances were \$5 million at 30 June 2013.

The cash flows are summarised as follows:

	2013
	\$'000
Cash received	67 994
Less Cash spent	(65 025)
Net increase in Cash Held	2 969
Cash at Beginning of Financial Year	2 020
Cash at End of Financial Year	4 989



## Certification of the financial statements

We certify that the attached financial statements for the Department of Land Resource Management have been prepared from proper accounts and records in accordance with the prescribed format, the Financial Management Act and Treasurer's Directions.

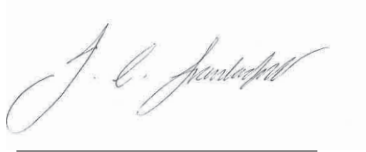
We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2013 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.



**Rod Applegate**  
*Chief Executive Officer*

30 August 2013



**Joanna Frankenfeld**  
*Chief Financial Officer*

30 August 2013

**Department of Land Resource Management**  
**Comprehensive Operating Statement**  
For the year ended 30 June 2013

		2013	2012
INCOME	Note	\$'000	\$'000
Grants and subsidies revenue			
Current		5 184	13 937
Capital		-	86
Appropriation			
Output		35 540	144 775
Commonwealth		4 136	4 795
Sales of goods and services		6 626	5 344
Interest revenue		14	94
Goods and services received free of charge <sup>(1)</sup>	4	4 656	10 188
Assets acquired at nil consideration		-	5
Other income		60	470
<b>TOTAL INCOME</b>	<b>3</b>	<b>56 201</b>	<b>179 694</b>
EXPENSES			
Employee expenses		25 483	66 902
Administrative expenses			
Purchases of goods and services	6	15 023	49 286
Repairs and maintenance		1 017	12 069
Depreciation and amortisation	10, 11a, b	795	11 345
Other administrative expenses (1)		4 638	10 251
Grants and subsidies expenses			
Current		8 107	33 869
Capital		-	2 394
Community service obligations		-	9 418
Interest expenses	17	14	94
Loss on disposal of assets	5	-	228
<b>TOTAL EXPENSES</b>	<b>3</b>	<b>55 077</b>	<b>195 856</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>15</b>	<b>1 124</b>	<b>(16 162)</b>
<b>Other Comprehensive Income</b>			
Asset revaluation reserve		(142 561)	61 608
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>(142 561)</b>	<b>61 608</b>
<b>COMPREHENSIVE RESULT</b>		<b>(141 437)</b>	<b>45</b>

<sup>1</sup> Includes DCIS service charges.

The Comprehensive Operating Statement is to be read in conjunction with the notes to the financial statements.

# Department Land Resource Management

## Balance Sheet

As at 30 June 2013

		2013	2012
ASSETS	Note	\$'000	\$'000
<b>Current Assets</b>			
Cash and deposits	7	4 989	2 020
Receivables	8	1 135	1 751
Accrued revenue		561	43
Inventories	9	109	416
Prepayments		116	685
<b>Total Current Assets</b>		<b>6 910</b>	<b>4 915</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	10	8 736	357 108
Intangible assets	11a	47	88
Heritage & cultural assets	11b	-	61 636
<b>Total Non-Current Assets</b>		<b>8 783</b>	<b>418 832</b>
<b>TOTAL ASSETS</b>		<b>15 693</b>	<b>423 747</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits held	14	457	898
Payables	12	2 396	5 005
Provisions	13	3 026	7 937
Other liabilities	14	948	180
<b>Total Current Liabilities</b>		<b>6 827</b>	<b>14 020</b>
<b>Non-Current Liabilities</b>			
Provisions	13	1 637	3 768
<b>Total Non-Current Liabilities</b>		<b>1 637</b>	<b>3 768</b>
<b>TOTAL LIABILITIES</b>		<b>8 464</b>	<b>17 788</b>
<b>NET ASSETS</b>		<b>7 229</b>	<b>405 959</b>
<b>EQUITY</b>	15		
Capital		78 686	335 979
Reserves		1 850	144 411
Accumulated funds		(73 307)	(74 431)
<b>TOTAL EQUITY</b>		<b>7 229</b>	<b>405 959</b>

The Balance Sheet is to be read in conjunction with the notes to the financial statements.

**Department of Land Resource Management**  
**Statement Of Changes In Equity**  
For the year ended 30 June 2013

2012-13		Equity at 1 July	Comprehensive Result	Transactions with owners in their capacity as owners	Equity at 30 June
	Note	\$'000	\$'000	\$'000	\$'000
<b>Accumulated Funds</b>		(74 431)	1 124	-	(73 307)
<b>Reserves</b>					
Asset Revaluation Reserve	15	144 411	(142 561)	-	1 850
<b>Capital –Transactions with Owners</b>		335 979	-	-	335 979
Equity Injections					
Capital Appropriation					
Capital Appropriation		-	-	345	345
Equity Transfers In		-	-	464	464
Other equity injections		-	-	10 611	10 611
Equity Withdrawals					
Equity Transfer Out		-	-	(268 713)	(268 713)
		335 979	-	(257 293)	78 686
<b>TOTAL EQUITY AT 30 JUNE</b>		405 959	(141 437)	(257 293)	7 229

2011-12		Equity at 1 July	Comprehensive Result	Transactions with owners in their capacity as owners	Equity at 30 June
	Note	\$'000	\$'000	\$'000	\$'000
<b>Accumulated Funds</b>		(58 269)	(16 162)	-	(74 431)
<b>Reserves</b>					
Asset Revaluation Reserve	15	82 803	61 608	-	144 411
<b>Capital –Transactions with Owners</b>		261 449	-	-	261 449
Equity Injections					
Capital Appropriation					
Capital Appropriation		-	-	770	770
Equity Transfers In		-	-	66 437	66 437
Other equity injections		-	-	7 421	7 421
Equity Withdrawals					
Equity Transfer Out		-	-	(98)	(98)
		261 449	-	74 530	335 979
<b>TOTAL EQUITY AT 30 JUNE</b>		285 983	45 446	74 530	405 959



**Department of Land Resource Management**  
**Cashflow Statements**  
For the year ended 30 June 2013

	Note	2013 \$'000	2012 \$'000
		(Outflows) / Inflows	(Outflows) / Inflows
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current		5 184	13 937
Capital		-	86
Appropriation			
Output		35 540	144 775
Commonwealth		4 136	4 795
Receipts from sales of goods and services		12 164	15 251
Interest received		14	106
<b>Total Operating Receipts</b>		<b>57 038</b>	<b>178 950</b>
<b>Operating Payments</b>			
Payments to employees		(33 318)	(66 627)
Payments for goods and services		(21 974)	(71 126)
Grants and subsidies paid			
Current		(8 106)	(33 869)
Capital		-	(2 394)
Community service obligations		-	(9 418)
Interest paid		(14)	(106)
<b>Total Operating Payments</b>		<b>(63 412)</b>	<b>(183 540)</b>
<b>Net Cash (Used In) Operating Activities</b>	<b>16</b>	<b>(6 374)</b>	<b>(4 590)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing Receipts</b>			
Proceeds from asset sales	5	-	11
<b>Total Investing Receipts</b>		<b>-</b>	<b>11</b>
<b>Investing Payments</b>			
Purchases of assets	10	(186)	(619)
<b>Total Investing Payments</b>		<b>(186)</b>	<b>(619)</b>
<b>Net Cash (Used In) Investing Activities</b>		<b>(186)</b>	<b>(608)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Equity injections			
Capital appropriations	15	345	770
Other equity injections		10 611	7 421
<b>Total Financing Receipts</b>		<b>10 956</b>	<b>8 191</b>
<b>Financing Payments</b>			
Deposits paid		(441)	(3 408)
Equity withdrawals		(986)	(90)
<b>Total Financing Payments</b>		<b>(1 427)</b>	<b>(3 498)</b>
<b>Net Cash From Financing Activities</b>		<b>9 529</b>	<b>4 693</b>
Net Increase/(Decrease) in cash held		2 969	(505)
Cash at beginning of financial year	7	2 020	2 525
<b>CASH AT END OF FINANCIAL YEAR</b>		<b>4 989</b>	<b>2 020</b>

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

# Department of Land Resource Management Notes to the Financial Statements

## For the year ended 30 June 2013

### Index of notes to the Financial Statements

1. Objectives and Funding
2. Statement of Significant Accounting Policies
3. Comprehensive Operating Statement by Output Group

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4. Goods and Services Received Free of Charge
5. Loss on Disposal of Assets

### EXPENSES

6. Purchases of Goods and Services

### ASSETS

7. Cash and Deposits
8. Receivables
9. Inventories
10. Property, Plant and Equipment
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- 11b. Heritage and Cultural Assets

### LIABILITIES

12. Payables
13. Provisions
14. Other Liabilities

### EQUITY

15. Equity

### OTHER DISCLOSURES

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17. Financial Instruments
18. Commitments
19. Contingent Liabilities and Contingent Assets
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21. Accountable Officer's Trust Account
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23. Schedule of Territory Items

## 1. Objectives and Funding

The Department of Land Resource Management's purpose is to provide advice and support for the sustainable development of the Northern Territory's land and water, and conservation of its unique native flora and fauna. The Department of Land Resource Management's goals are as follows:-

1. The capacity and capability of the Northern Territory's natural resource assets are assessed, and outcomes of use and management, monitored.
2. Enable economic growth through the allocation of natural resource assets for best and sustainable use.
3. Threats to natural resources and regional communities are managed through shared responsibilities and partnerships.
4. An organisation with the capacity and capability to deliver effective services.

Additional information in relation to the Department and its principal activities may be found in section one and two of the Annual Report.

The Department is predominantly funded by, and dependent on, the receipt of Parliamentary appropriation. 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 five Output Groups as follows:

- Flora and Fauna
- Rangelands
- Water Resources
- Bushfires
- Multi Agency Services

Note 3 provides summary financial information in the form of a Comprehensive Operating Statement by Output Group.

## 2. Statement of Significant Accounting Policies

### (a) Basis of Accounting

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions. The *Financial Management Act* requires the Department of Land Resource Management to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The Department financial statements are to include:

- (i) a Certification of the Financial Statements;
- (ii) a Comprehensive Operating Statement;
- (iii) a Balance Sheet;

- (iv) a Statement of Changes in Equity;
- (v) a Cash Flow Statement; and
- (vi) applicable explanatory notes to the financial statements.

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

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

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

### (b) Australian Accounting Standards and Interpretations Issued but not yet Effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

**AASB 9 Financial Instruments (Dec 2010), AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (Dec 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] AASB 2012-16 Amendments to Australian Accounting Standards-Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]**

AASB 9 incorporates revised requirements for the classification and measurement of financial instruments resulting from the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement). Effective for annual reporting periods beginning on or after 1 Jan 2015.

**AASB 13 Fair Value Measurement, AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010 7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]**

Replaces the guidance on fair value measurement in existing AASB accounting literature with a single standard. The Standard defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. Effective for annual reporting periods beginning on or after 1 Jan 2013.

**AASB 119 Employee Benefits (2011), AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14].**

Changes the definition of short-term employee benefits and the measurement and recognition of defined benefit superannuation obligations. Effective for annual reporting periods beginning on or after 1 Jan 2013.

**AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, 101, 116, 132 & 134 and Interpretation 2]**

Amends a number of pronouncements as a result of the 2009-2011 annual improvements cycle. Amendments include clarification of the requirements for comparative information in AASB 101 *Presentation of Financial Statements* and clarification of servicing equipment in AASB 116 *Property, Plant and Equipment*. Effective for annual reporting periods beginning on or after 1 Jan 2013.

The Standards will not have a financial impact on the financial statements but will require a number of changes in disclosures.

**(c) Department and Territory Items**

The financial statements of the Department of Land Resource Management include income, expenses, assets, liabilities and equity over which the Department has control (Department items). Certain items, while managed by the Department, are controlled and recorded by the Territory rather than the Department (Territory items). Territory items are recognised and recorded by the Central Holding Authority as discussed below.

**Central Holding Authority**

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

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the Government and managed by agencies

on behalf of the Government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as 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 23 – Schedule of Territory Items.

**(d) Comparatives**

Where necessary, comparative information for the 2011-12 financial year has been reclassified to provide consistency with current year disclosures. The comparatives are that of the former agency; Natural Resources, Environment, the Arts, and Sport.

**(e) Presentation and Rounding of Amounts**

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of \$500 or less being rounded down to zero.

**(f) Changes in Accounting Policies**

There have been no changes to accounting policies adopted in 2012-13 as a result of management decisions.

**(g) Accounting Judgements and Estimates**

The preparation of the financial report requires the making of judgements and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements and estimates that have significant effects on the financial statements are disclosed in the relevant

notes to the financial statements. Notes that include significant judgements and estimates are:

- Employee Benefits – Note 2(t) and Note 13: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service.
- Contingent Liabilities – Note 19: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year Government bond rate.
- Doubtful Debts – Note 2(o) & Note 8: Receivables; and
- Depreciation and Amortisation – Note 2(k), Note 10: Property, Plant and Equipment and Note 11(a) and 11(b).

#### **(h) Goods and Services Tax**

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

#### **(i) Income Recognition**

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

#### **Grants and Other Contributions**

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Department obtains control over the assets comprising the contributions. Control is normally obtained upon receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair

value can be reliably determined and the services would be purchased if not donated.

#### **Appropriation**

Output Appropriation is the operating payment to each agency for the outputs they provide and is calculated as the net cost of agency outputs after taking into account funding from agency income. It does not include any allowance for major non-cash costs such as depreciation.

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations, resulting in Special Purpose Payments (SPPs) and National Partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by Treasury on behalf of the Central Holding Authority and then on passed to the relevant agencies as Commonwealth appropriation.

Revenue in respect of appropriations is recognised in the period in which the Department gains control of the funds.

#### **Sale of Goods**

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer;
- the Department retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be reliably measured;
- it is probable that the economic benefits associated with the transaction will flow to the Department; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Rendering of Services**

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

#### **Interest Revenue**

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.



## Goods and Services Received Free of Charge

Goods and services received free of charge are recognised as revenue when a fair value can be reliably determined and the resource would have been purchased if it had not been donated. Use of the resource is recognised as an expense.

## Disposal of Assets

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. Refer also to Note 5.

## Contributions of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined by Government, as gains when the Department obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

### (j) Repairs and Maintenance Expense

Funding is received for repairs and maintenance works associated with Department assets as part of output revenue. Costs associated with repairs and maintenance works on Department assets are expensed as incurred.

### (k) 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.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

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

	2013	2012
Buildings	50 Years	50 Years
Infrastructure Assets	8-50 Years	8-50 Years
Plant and Equipment	10 Years	10 Years
Leased Plant and Equipment	3-5 Years	3-5 Years
Transport Equipment	10 Years	10 Years
Computer Hardware	3-6 Years	3-6 Years
Heritage and Cultural Assets	100 Years	100 Years
Intangibles – Computer Software	3-6 Years	3-6 Years

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

### (l) Interest Expense

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

### (m) Cash and Deposits

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account that are ultimately payable to the beneficial owner – refer also to Note 21.

### (n) Inventories

Inventories include assets held either for sale (general inventories) or for distribution at no or nominal consideration in the ordinary course of business operations.

General inventories are valued at the lower of cost and net realisable value, while those held for distribution are carried at the lower of cost and current replacement cost. Cost of inventories include all costs associated with bringing the inventories to their present location and condition. When inventories are acquired at no or nominal consideration, the cost will be the current replacement cost at date of acquisition.

The cost of inventories are assigned using a mixture of first-in, first out or weighted average cost formula or using specific identification of their individual costs.

Inventory held for distribution are regularly assessed for obsolescence and loss.

### (o) Receivables

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables the Department estimates are likely to be uncollectible and are considered doubtful. Analysis of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule under credit risk in Note 17 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

Accounts receivable are generally settled within 30 days.

### **(p) Property, Plant and Equipment Acquisitions**

All 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.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

### **Complex Assets**

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

### **Subsequent Additional Costs**

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Department in future years. Where these costs represent separate components of a complex asset they are accounted for as separate assets and are separately depreciated over their expected useful lives.

### **Construction (Work in Progress)**

As part of the financial management framework, the Department of Infrastructure is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for the Department's capital works is provided directly to the Department of Infrastructure and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to this Department.

### **(q) Revaluations and Impairment**

#### **Revaluation of Assets**

Subsequent to initial recognition, assets belonging to the following classes of non-current 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;
- heritage and cultural assets; and
- intangibles.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable,

willing parties in an arms-length transaction.

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

The unique nature of some of the heritage and cultural assets may preclude reliable measurement.

### **Impairment of Assets**

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

Non-current physical and intangible Department assets are assessed for indicators of impairment on an annual basis. If an 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 depreciated replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Comprehensive Operating Statement unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the Asset Revaluation Reserve for that class of asset to the extent that an available balance exists in the Asset Revaluation Reserve.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Comprehensive Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation reserve. Note 15 provides additional information in relation to the asset revaluation reserve.

### **(r) Leased Assets**

Leases under which the Department assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

#### **Finance Leases**

Finance leases are capitalised. A leased asset and a lease liability equal to the present value of the minimum lease payments are recognised at the inception of the lease.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

## **Operating Leases**

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

## **(s) Payables**

Liabilities for accounts payable and other amounts payable are carried at 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 30 days.

## **(t) Employee Benefits**

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within twelve months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after twelve months of the reporting date are measured at present value, calculated using the Government long term bond rate.

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:

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

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of Government agencies, including the Department of Land Resource Management, and as such no long service leave liability is recognised in the Department financial statements.

## **(u) Superannuation**

Employees' superannuation entitlements are provided through the:

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

The 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 held by the Central Holding Authority and as such are not recognised in Department financial statements.

## **(v) 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 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 provide additional information in relation to contributions by, and distributions to, Government.

## **(w) Commitments**

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 18.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

### 3. Comprehensive Operating Statement by Output Group 2013 only

	Flora and Fauna	Rangelands	Water Resources	Bushfires	Multi Agency Services	Total
	2013	2013	2013	2013	2013	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Grants and Subsidies Revenue						
Current	1 044	685	1 362	2 093	-	5 184
Appropriation						
Output	6 900	8 959	10 839	6 139	2 703	35 540
Commonwealth	-	-	4 136	-	-	4 136
Sales of Goods and Services	144	105	1 212	1 102	4 063	6 626
Interest Revenue	-	-	14	-	-	14
Goods & Services Received Free of Charge	835	975	2 135	696	-	4 641
Other Income	-	-	1	-	59	60
<b>Total Income</b>	<b>8 923</b>	<b>10 724</b>	<b>19 699</b>	<b>10 030</b>	<b>6 825</b>	<b>56 201</b>
Expenses						
Employee Expenses	4 028	4 967	8 665	3 034	4 789	25 483
Administration Expenses						
Purchase of Goods and Services	3 718	2 160	4 389	3 469	1 287	15 023
Repairs and Maintenance	63	359	280	315	-	1 017
Depreciation and Amortisation	47	43	476	168	61	795
Other Administration Expenses	835	975	2 132	696	-	4 638
Grants and Subsidies Expenses						
Current	80	755	4 701	2 571	-	8 107
Interest Expense	-	-	14	-	-	14
<b>Total Expenses</b>	<b>8 771</b>	<b>9 259</b>	<b>20 657</b>	<b>10 253</b>	<b>6 137</b>	<b>55 077</b>
<b>Net Surplus/(Deficit)</b>	<b>152</b>	<b>1 465</b>	<b>(958)</b>	<b>(223)</b>	<b>688</b>	<b>1 124</b>

	2013	2012
	\$'000	\$'000
4. Goods and services received free of charge		
Corporate and information services	4 656	10 188
5. Loss on disposal of assets		
Net proceeds from the disposal of non-current assets	-	11
Less: Carrying value of non-current assets disposed	-	239
(Loss) on the disposal of non-current assets	-	(228)
6. Purchases of goods and services		
The net surplus/(deficit) has been arrived at after charging the following expenses:		
<b>Goods and services expenses:</b>		
Consultants <sup>(1)</sup>	261	2 353
Advertising <sup>(2)</sup>	128	1 055
Marketing and promotion <sup>(3)</sup>	99	1 463
Legal expenses <sup>(4)</sup>	96	528

	2013	2012
	\$'000	\$'000
Recruitment <sup>(5)</sup>	64	186
Training and study	297	1 026
Official duty fares	1 913	2 656
Travelling allowance	375	884
(1) Includes marketing, promotion and IT consultants.		
(2) Does not include recruitment advertising		
(3) excludes advertising for marketing and promotion and marketing and promotion consultants' expenses, which are incorporated in the consultants' category.		
(4) Includes legal fees, claim and settlement costs.		
(5) Includes recruitment related advertising costs.		
7. Cash and deposits		
Cash on hand	4	19
Cash at bank	4 985	2 001
	4 989	2 020
8. Receivables		
<b>Current</b>		
Accounts receivable	839	557
Less: Allowance for impairment losses	(3)	(37)
	836	520
Interest receivables	1	1
GST receivables	298	1 230
<b>Total Receivables</b>	<b>1 135</b>	<b>1 751</b>
9. Inventories		
<b>General Inventories</b>		
At cost	109	416
<b>Total Inventories</b>	<b>109</b>	<b>416</b>
10. Property, plant and equipment		
	2013	2012
	\$'000	\$'000
<b>Land</b>		
At Fair Value	2 045	44 097
<b>Buildings</b>		
At Fair Value	8 009	503 059
Less: Accumulated Depreciation	(3 656)	(209 196)
	4 353	293 863
<b>Infrastructure</b>		
At Fair Value	169	30 375
Less: Accumulated Depreciation	(20)	(15 891)
	149	14 484
<b>Plant and Equipment</b>		
At Fair Value	9 727	13 766
Less: Accumulated Depreciation	(8 193)	(10 408)
	1 534	3 358
<b>Leased Plant and Equipment</b>		



	2013	2012
	\$'000	\$'000
At capitalised cost	8	30
Less: Accumulated Depreciation	(8)	(30)
	-	-
<b>Computer Equipment</b>		
At Fair Value	548	819
Less: Accumulated Depreciation	(481)	(737)
	67	82
<b>Transport Equipment Assets</b>		
At Fair Value	1 769	3 009
Less: Accumulated Depreciation	(1 181)	(1 785)
	588	1 224
<b>Total Property, Plant and Equipment</b>	<b>8 736</b>	<b>357 108</b>

### Property, Plant and Equipment Valuations

The latest revaluation was undertaken by the Australian Valuation Office in June 2011. The revaluation included land and buildings as part of the Northern Territory Government three year rolling program.

### Impairment of Property, Plant and Equipment

Department property, plant and equipment assets were assessed for impairment as at 30 June 2013. No impairment adjustments were required as a result of this review.

### Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2012-13 and 2011-12 is set out below:

2012-13	Land	Buildings	Infrastructure	Plant & Equipment	Transport Equipment	Computer Equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2012</b>	<b>44 097</b>	<b>293 863</b>	<b>14 484</b>	<b>3 358</b>	<b>1 224</b>	<b>82</b>	<b>357 108</b>
Additions	-	-	-	143	15	28	186
Depreciation and amortisation	-	(227)	(4)	(405)	(108)	(32)	(776)
Additions/ (Disposals) from asset transfers	(42 052)	(289 283)	(14 331)	(1 562)	(543)	(11)	(347 782)
<b>Carrying Amount as at 30 June 2013</b>	<b>2 045</b>	<b>4 353</b>	<b>149</b>	<b>1 534</b>	<b>588</b>	<b>67</b>	<b>8 736</b>

2011-12	Land	Buildings	Infrastructure	Plant & Equipment	Transport Equipment	Computer Equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2011</b>	<b>43 007</b>	<b>238 414</b>	<b>15 108</b>	<b>4 238</b>	<b>1 123</b>	<b>102</b>	<b>301 992</b>
Additions	-	-	-	137	459	23	619
Disposals	-	-	-	( 12)	( 227)	-	( 239)
Depreciation and amortisation	-	(9 780)	( 624)	( 633)	( 218)	( 43)	(11 298)
Additions/ (Disposals) from asset transfers	1 090	65 229	-	( 372)	162	-	66 109
Revaluation increments	-	-	-	-	-	-	0
Gifts	-	-	-	-	( 75)	-	( 75)
<b>Carrying Amount as at 30 June 2012</b>	<b>44 097</b>	<b>293 863</b>	<b>14 484</b>	<b>3 358</b>	<b>1 224</b>	<b>82</b>	<b>357 108</b>

	2013	2012
	\$'000	\$'000
11a. Intangibles		
<b>Carrying Amounts</b>		
<b>Intangibles with a finite useful life</b>		
<b>Intangibles – Computer Software</b>		
At Valuation	150	254
Less: Accumulated Amortisation	(103)	( 166)
Written down value – 30 June	47	88
<b>Total Intangibles</b>		
Department intangible assets were assessed for impairment as at 30 June 2013. No impairment adjustments were required as a result of this review.		
<b>Reconciliation of movements</b>		
<b>Intangibles with a finite useful life</b>		
Carrying Amount at 1 July	88	134
Asset Transfer	(22)	-
Depreciation and Amortisation	(19)	(46)
<b>Carrying Amount as at 30 June</b>	<b>47</b>	<b>88</b>
11b. Heritage and cultural assets		
<b>Carrying Amount</b>		
At Valuation	-	39
Less: Accumulated Depreciation	-	( 11)
Written down value – 30 June	-	28
<b>Intangibles with an infinite useful life</b>		
<b>Other intangibles</b>		
Other intangibles	-	61 608
<b>Total Intangibles</b>	<b>-</b>	<b>61 636</b>

#### Impairment of Intangibles

Department heritage and cultural assets were assessed for impairment as at 30 June 2013. No impairment adjustments were required as a result of this review.

	2013	2012
	\$'000	\$'000
<b>Reconciliation of movements</b>		
<b>Intangibles with a finite useful life</b>		
<b>Other intangibles</b>		
Carrying Amount at 1 July	28	29
Depreciation and Amortisation	-	(1)
Asset transfer	(28)	-
<b>Carrying Amount as at 30 June</b>	-	28
<b>Intangibles with an infinite useful life</b>		
<b>Other intangibles</b>		
Carrying amount 1 July	61 608	-
Revaluation Increments	-	61 608
Asset transfer	(61 608)	-
<b>Carrying Amount as at 30 June</b>	-	61 608
<b>12. Payables</b>		
Accounts payable	1 167	1 209
Accrued expenses	1 229	3 796
	2 396	5 005
<b>13. Provisions</b>		
<b>Current</b>		
Employee benefits		
Recreation leave	2 052	5 446
Leave loading	360	1 025
Other employee benefits	56	172
<b>Other Current Provisions</b>		
Other provisions (fringe benefits, payroll tax and superannuation)	558	1 294
	3 026	7 937
<b>Non-Current</b>		
<b>Employee Benefits</b>		
Recreation leave	1 637	3 768
<b>Total Provisions</b>	4 663	11 705
<b>Balance as at 1 July</b>	11 705	11 401
Additional provisions recognised	416	7 385
Reductions arising from payments	(1 050)	(7 081)
Transfer of employee provision (restructure)	(6 408)	
<b>Balance as at 30 June</b>	4 663	11 705

The Department has 271 employees as at 30 June 2013 (966 employees as at 30 June 2012).

	2013	2012
	\$'000	\$'000
14. Other liabilities		
<b>Current</b>		
Deposits held for natural heritage trust	456	522
Other liabilities – accountable officers trust account and clearing accounts	1	376
Unearned revenue	948	180
<b>Total Other Liabilities</b>	<b>1 405</b>	<b>1 078</b>
15. Equity		
Equity represents the residual interest in the net assets of the Department. The Government's ownership interest in Department is held in the Central Holding Authority as described in note 2(b).		
<b>Capital</b>		
<b>Balance as at 1 July</b>	<b>335 979</b>	<b>261 449</b>
Capital Appropriation	345	770
Equity Transfer In – completed assets	464	66 437
Equity Injection	1 025	-
Equity Withdrawal	(150)	(98)
Equity Transfer out – Agency Restructure	(258 977)	7 421
<b>Balance as at 30 June</b>	<b>78 686</b>	<b>335 979</b>
<b>Reserves</b>		
<b>Asset Revaluation Reserve - Land</b>		
The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the Asset Revaluation Reserve.		
<b>Balance as at 1 July</b>	<b>144 411</b>	<b>82 803</b>
Decrement – land asset transfer	(58 169)	-
Decrement - buildings asset transfer	(22 784)	-
Decrement - heritage and cultural assets asset transfer	(61 608)	61 608
<b>Balance as at 30 June</b>	<b>1 850</b>	<b>144 411</b>
<b>Accumulated Funds</b>		
<b>Balance as at 1 July</b>	<b>(74 431)</b>	<b>(58 269)</b>
Surplus/(Deficit) for the period	1 124	(16 162)
<b>Balance as at 30 June</b>	<b>(73 307)</b>	<b>(74 431)</b>
16. Notes to the cash flow statement		
<b>Reconciliation of Cash</b>		
The total of Department Cash and Deposits of \$4.99 million recorded in the Balance Sheet is consistent with that recorded as 'cash' in the Cash Flow Statement.		
<b>Reconciliation of Net (Deficit) to Net Cash From Operating Activities</b>		
<b>Net Surplus/(Deficit)</b>	<b>1 124</b>	<b>(16 162)</b>
Non-Cash Items:		
Depreciation and amortisation	795	11 345
Asset write-offs/write-downs	-	1
Repairs & maintenance non cash	8	321
Loss on disposal of assets	-	228
Assets acquired at nil value	-	(5)
Assets donations/gifts	-	79

	2013	2012
	\$'000	\$'000
Changes in assets and liabilities:		
Decrease in receivables	98	740
(Increase) in Inventories	(86)	(41)
Decrease in prepayments	569	2 185
(Decrease) in payables	(2 609)	(3 534)
(Decrease)/increase in employment benefits	(7 041)	304
Increase/(decrease) in other liabilities	768	(51)
<b>Net Cash (Used In) Operating Activities</b>	<b>(6 374)</b>	<b>(4 590)</b>

## 17 .Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments held by the Department include cash and deposits, receivables, payables and finance leases. The Department has limited exposure to financial risks as discussed below.

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

### (a) Categorisation of Financial Instruments

	2013	2012
	\$'000	\$'000
<b>Financial Assets</b>		
Cash and deposits	4 989	2 020
Loans and receivables	1 514	1 249
	6 503	3 269
<b>Liabilities</b>		
Fair value through profit and loss (FVTPL) designated	2 740	5 779

### (b) Credit Risk

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.

Additionally, the nature of the Department's revenue is such that if the debtor was to default on the debt it would cause them to suffer a business impact through the Department's ability to discontinue licences etc. until financial obligations are met. Primarily the Department's credit risk comes from the regulatory work performed on behalf of landholders (i.e. fire breaks under Section 47 of the Bushfires Act). In these instances if a debt is not settled the Department has the ability, and does, take a lien over the property whereby the debt will be settled on sale of the property.

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.



## Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and ageing analysis of receivables is presented below.

	2013	2012
	\$'000	\$'000
<b>Internal Receivables</b>		
<b>Ageing of Receivables</b>		
Not Overdue	115	31
Overdue for less than 30 Days	-	-
Overdue for 30 to 60 Days	-	-
Overdue for more than 60 Days (includes S47 Firebreaks)	-	-
<b>Total Gross Receivables</b>	<b>115</b>	<b>31</b>
<b>Ageing of Impaired Receivables</b>		
Impaired Receivables for more than 60 Days	-	-
<b>Total Impaired Receivables</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>		
Allowance for Impairment Losses at the Beginning of the Reporting Period	-	-
Transfer due to Agency Restructure	-	-
(Decrease)/Increase in allowance recognised in profit or loss	-	-
<b>Allowance for Impairment Losses at the End of the Reporting Period</b>	<b>-</b>	<b>-</b>
<b>External Receivables</b>		
<b>Ageing of Receivables</b>		
Not Overdue	937	1 481
Overdue for less than 30 Days	23	102
Overdue for 30 to 60 Days	-	10
Overdue for more than 60 Days (includes S47 Firebreaks)	63	164
<b>Total Gross Receivables</b>	<b>1 023</b>	<b>1 759</b>
<b>Ageing of Impaired Receivables</b>		
Impaired Receivables for more than 60 Days	(3)	( 37)
<b>Total Impaired Receivables</b>	<b>(3)</b>	<b>( 37)</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>		
Allowance for Impairment Losses at the Beginning of the Reporting Period	37	68
Transfer due to Agency Restructure	(31)	-
(Decrease) in allowance recognised in profit or loss	(3)	(31)
<b>Allowance for Impairment Losses at the End of the Reporting Period</b>	<b>3</b>	<b>37</b>

### (c) Liquidity Risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due.

The Department's liquidity risk includes credit cards with a potential monthly exposure of \$0.857 million representing 19 days of administrative expenditure capacity. This risk is managed by tight control on issuing credit cards and maintenance of credit cards through regular review and reporting.

The following tables detail the undiscounted cash flows payable by the Department by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted and totals may not reconcile to carrying amounts presented in the Balance Sheet.

#### Maturity analysis for financial assets and liabilities

	Variable Interest	Non Interest Bearing		
2013		1 Year	2 Year	Carrying Amount
	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>				
Cash and deposits	456	4 533	-	4 989
Receivables	-	1 135	-	1 135
<b>Total Financial Assets</b>	<b>456</b>	<b>5 668</b>	<b>-</b>	<b>6 124</b>
<b>Liabilities</b>				
Deposits Held (National Heritage Trust)	456	-	-	456
Payables	-	1 167	-	1 167
Provisions	-	3 026	1 637	4 663
Other Liabilities	-	948	-	948
<b>Total Financial Liabilities:</b>	<b>456</b>	<b>5 141</b>	<b>1 637</b>	<b>7 234</b>
<b>2012</b>				
<b>Assets</b>				
Cash and deposits	522	1 498	-	2 020
Receivables	-	1 751	-	1 751
<b>Total Financial Assets</b>	<b>522</b>	<b>3 249</b>	<b>-</b>	<b>3 771</b>
<b>Liabilities</b>				
Deposits Held (National Heritage Trust)	522	-	-	522
Payables	-	1 209	-	1 209
Provisions	-	7 937	3 768	11 705
Other Liabilities	-	180	-	180
<b>Total Financial Liabilities:</b>	<b>522</b>	<b>9 326</b>	<b>3 768</b>	<b>13 616</b>

#### (d) Market Risk

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

##### i. Interest Rate Risk

The Department has limited exposure to interest rate risk as all financial assets and financial liabilities, with the exception of the Single Holding Account deposits held, are non-interest bearing. The exposure to interest rate risk on financial assets and financial liabilities is set out in the following tables. Changes to the variable rates of 100 basis points (1%) at reporting date would have had no effect on the Department's profit or loss and equity as interest earned on the Single Holding Account is accounted for as both as an asset and a liability.

	2013	2012
	\$'000	\$'000
<b>Variable Rate Instruments</b>		
Financial Assets	456	522
Financial Liabilities	(456)	(522)
<b>Net Sensitivity</b>	-	-

##### ii. Price Risk

The Department is not exposed to price risk as the Department does not hold units in unit trusts.

##### iii. Currency Risk

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

#### (e) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates to their respective net fair values. Where differences exist, these are not material.

	2013		2012	
	Internal	External	Internal	External
	\$'000	\$'000	\$'000	\$'000
18. Commitments				
(i) Other Expenditure Commitments				
Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:				
Within one year	-	823	-	5 579
(ii) Operating Lease Commitments				
The Department leases property under non-cancellable operating leases expiring from 1 to 5 years. Leases generally provide the Department with a right of renewal at which time all lease terms are renegotiated. The Department also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:				
Within one year	-	46	-	163
Later than one year and not later than five years	-	18	-	169
	-	64	-	332
(iii) Finance Lease Commitments				
Within one year	-	-	-	-
<b>Total Finance Lease liabilities</b>	-	-	-	-

## 19. Contingent liabilities and contingent assets

### a) Contingent liabilities

The Department is currently involved in two claims but due to the uncertainty of any potential liability no value can be attributed to these claims.

### b) Contingent assets

The Department had no contingent assets as at 30 June 2013 or 30 June 2012.

## 20. Events subsequent to balance sheet date

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

## 21. Accountable officer's trust account

In accordance with section 7 of the Financial Management Act, an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust. A summary of activity is shown below:

Nature of Trust Money	Opening Balance 1 July 2012	Transfers on Restructure	Closing Balance 30 June 2013
Bond money	7	7	-
Security deposits	56	56	-
Other Money	51	61	-
	124	124	-

## 22. Write-offs, postponement, waivers gifts and ex gratia payments

	Department / Group		Department /Group		Territory Items		Territory Items	
	2013 \$'000	No. of Trans.	2012 \$'000	No. of Trans.	2013 \$'000	No. of Trans.	2012 \$'000	No. of Trans.
<b>Write-offs, Postponements and Waivers Under the Financial Management Act</b>								
Represented by:								
<i>Amounts written off, waived and postponed by Delegates</i>								
Irrecoverable amounts payable to the Territory or an Agency written off	-	-	4	5	-	-	-	-
Losses or deficiencies of money written off	-	-	-	-	-	-	-	-
Public property written off	-	3	-	167	-	-	-	-
<b>Total written off, waived and postponed by Delegates</b>	-	3	4	172	-	-	-	-
<i>Amounts written off, waived and postponed by the Treasurer</i>								
Irrecoverable amounts payable to the Territory or a Department written off	-	-	10	1	-	-	-	-
Wavier or postponement of right to receive or recover money or property	-	-	-	-	-	-	822	260
<b>Total written off, waived and postponed by the Treasurer</b>	-	-	10	1	-	-	822	260
<b>Gifts Under the Financial Management Act</b>	-	-	79	2	-	-	-	-
<b>Ex Gratia Payments Under the Financial Management Act</b>	-	-	379	2	-	-	-	-



### 23. Schedule of territory items

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)).

	2013	2012
	\$'000	\$'000
<b>TERRITORY INCOME AND EXPENSES</b>		
<b>Income</b>		
Grants and subsidies revenue		
Capital	-	100
Fees from regulatory services	30	47
Royalties and rents	3 702	3 008
Fines	-	4
<b>Total Income</b>	<b>3 732</b>	<b>3 159</b>
<b>Expenses</b>		
Central Holding Authority income transferred	3 732	3 159
<b>Total Expenses</b>	<b>3 732</b>	<b>3 159</b>
<b>Territory Income less Expenses</b>	<b>-</b>	<b>-</b>
<b>TERRITORY ASSETS AND LIABILITIES</b>		
<b>Assets</b>		
Royalties and rent receivable	1 260	839
<b>Total Assets</b>	<b>1 260</b>	<b>839</b>
<b>Liabilities</b>		
Central Holding Authority income payable	1 260	839
<b>Total Liabilities</b>	<b>1 260</b>	<b>839</b>
<b>Net Assets</b>	<b>-</b>	<b>-</b>

Rangelands  
Alice Springs ph: 8951 9248  
Katherine ph: 8973 8842  
Darwin ph: 8999 4478  
Email: [rangelands@nt.gov.au](mailto:rangelands@nt.gov.au)

Weed Management Branch  
Alice Springs ph: 8951 9210  
Katherine ph: 8973 8857  
Darwin ph: 8999 4414  
Email: [weedinfo@nt.gov.au](mailto:weedinfo@nt.gov.au)

Soil Conservation  
Alice Springs ph: 8951 9208  
Katherine ph: 8973 8838  
Darwin ph: 8999 4443  
Email: [rangelands@nt.gov.au](mailto:rangelands@nt.gov.au)

Pastoral Lease Admin  
Ph: 8999 4474  
Email: [rangelands@nt.gov.au](mailto:rangelands@nt.gov.au)

Water Resources  
Ph: 8999 4455  
Email: [waterresources@nt.gov.au](mailto:waterresources@nt.gov.au)

Flora and Fauna  
Ph: 8995 5001

Bushfires NT  
Ph: 8922 0844

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