

Northern Territory Department of
Community Development, Sport & Cultural Affairs

Annual Report 2004-05



Northern Territory Government

Department of Community Development, Sport and Cultural Affairs

Annual Report 2004-2005

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Ministers

In accordance with the provisions of section 28 of the *Public Sector Employment and Management Act*, I am pleased to submit the Annual Report on the activities and achievements of the Department of Community Development, Sport and Cultural Affairs (which includes Territory Housing, a Government Business Division) for the year ending 30 June 2005.

To the best of my knowledge and belief, the system of internal control provides assurance that:

- (a) proper records of all transactions by the Department of Community Development, Sport and Cultural Affairs are maintained and employees of the Department observe the provisions of the *Financial Management Act*, the Financial Management Regulations and Treasurer's Directions;
- (b) procedures within the Department of Community Development, Sport and Cultural Affairs 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) there were no other indications of fraud, major breach of legislation or delegation, nor major error in or omission from the accounts and records.
- (d) in accordance with the requirements of section 15 of the *Financial Management Act*, the internal audit capacity available to the Department of Community Development, Sport and Cultural Affairs was adequate and the results of internal audits were reported to me through the Agency's two Audit Committees;
- (e) financial statements included in the report were prepared from proper accounts and records and were in accordance with Part 2, section 5 of the Treasurer's Directions. All financial statements prepared by the Department of Corporate and Information Services on behalf of the Department of Community Development, Sport and Cultural Affairs were prepared from proper accounts and records; and
- (f) all employment instructions issued by the Commissioner for Public Employment have been substantively satisfied.

The Department has made a conscious effort to meet the spirit as well as the letter of relevant laws and regulations. The Department's aim is to align its activities with Government policy and to provide the best possible service to the Northern Territory community.

Yours sincerely



M C Dillon
Chief Executive

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How To Contact Us

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Aboriginal Interpreter Service

Darwin Regional Office
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83-85 Smith Street Darwin
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DARWIN NT 0801
Telephone: (08) 8999 8353

Alice Springs Regional Office
Leichhardt Building, Ground Floor
21 Gregory Terrace Alice Springs
PO Box 1596
ALICE SPRINGS NT 0870
Telephone: (08) 8951 5576

Responsibilities and functions transferring to other agencies in 2005-06 can be contacted on the following websites:

Arts and Museums

www.nt.gov.au/museums
www.nt.gov.au/arts
www.nt.gov.au/ascp

Indigenous Essential Services

www.nt.gov.au/nreta

Introduction and Overview

Chief Executive's Foreword

The Northern Territory is a unique and diverse part of Australia where people of many cultures and ethnic backgrounds are working together to build a better future for all Territorians. The challenges facing the Northern Territory community are significant, but so too are the opportunities, notwithstanding our relatively small and dispersed population.

The Agency's primary role is one of nurturing and providing assistance to all the Territory's citizens, whether in urban or remote areas, to enable them to develop strong, self reliant, vibrant and creative communities.

During the 2004-05 year milestones for the Agency included the launching of the Home Territory 2010 Strategy and the Indigenous Economic Development Strategy, the launching of the new HomeNorth Scheme, the staging of the Central Australian Masters Games and the Arafura Games, and the provision of establishment grants for three regional authorities: Thamarrurr Community Government Council, Nyirranggulung Mardruk Ngadberre Regional Council and the Tiwi Islands Local Government.

The Agency has continued its strong commitment to responsible financial management, and strengthening corporate governance. This reflects our determination to ensure the Northern Territory community benefits to the maximum extent possible from the resources made available to the Agency.

This is the last report for the Department of Community Development, Sport and Cultural Affairs, as new administrative arrangements, put in place from July 2005, will see its functions transfer to a number of new and existing Agencies.

Further information is available on our web site (www.dlghs.nt.gov.au).

I would like to acknowledge the hard work and commitment of the Agency's senior management team, and most importantly, all our staff. Their commitment, energy and professionalism is itself a significant contribution to the Territory community.



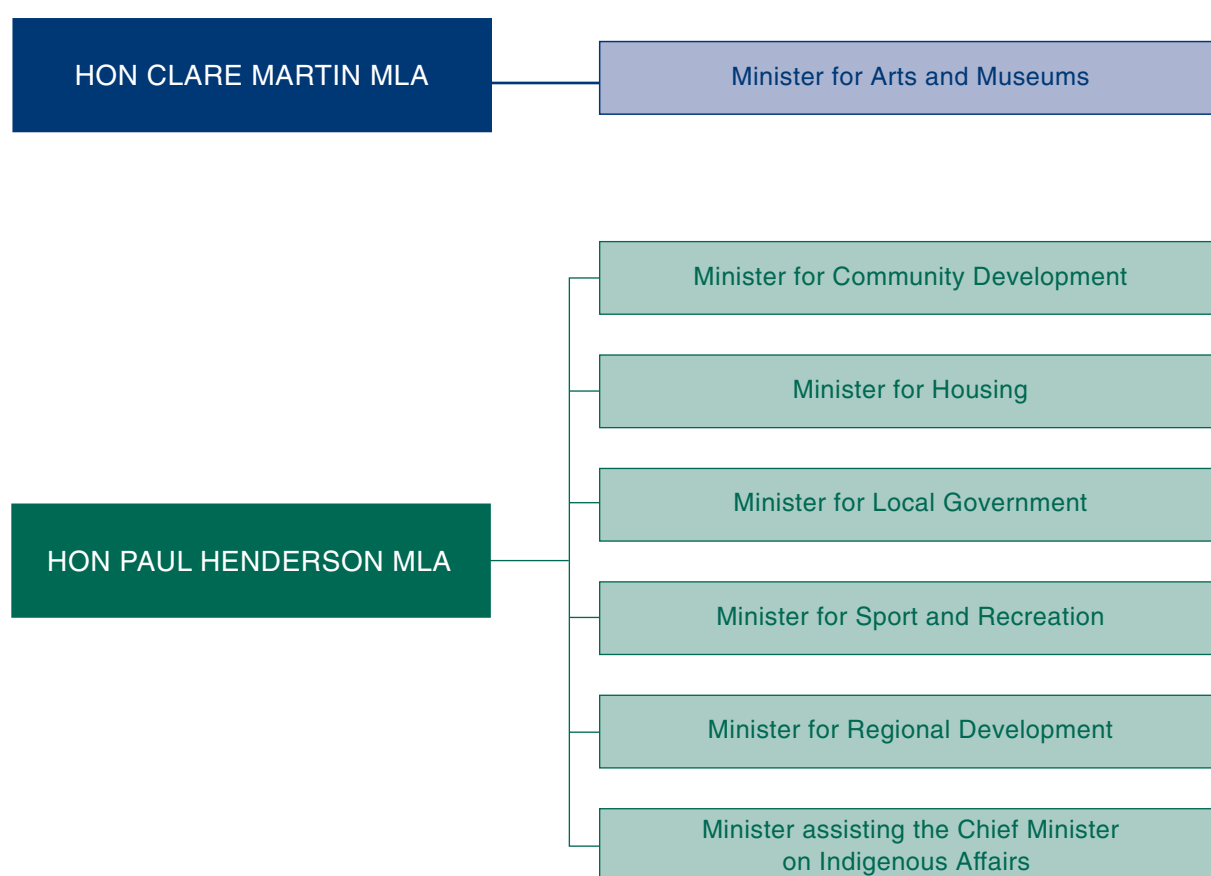
M C Dillon
Chief Executive

Purpose of the Report

The Annual Report highlights the Agency's key achievements against outcomes and assesses performance against outputs.

It also provides the Northern Territory Legislative Assembly with an account of performance against the approved budget published in the 2004-05 Budget Paper No.3.

Ministerial responsibility for the Agency, in 2004-05, was shared between the Chief Minister, in her capacity as Minister for Arts and Museums, and the Minister for Community Development. Mr John Ah Kit MLA was the Minister for Community Development from 1 July 2004 until he retired on 17 June 2005. The diagram below depicts responsibilities and Ministers as at 30 June 2005.



For an electronic version of this report, or for further information about the Agency, visit our website at www.dlghs.nt.gov.au

About the Agency

The Department of Community Development, Sport and Cultural Affairs was established in November 2001 through the amalgamation of the Department of Housing and Local Government, Department of Sport and Recreation, Department of Arts and Museums, Strehlow Research Centre and NT Library and Information Services (a division of the Department of Corporate and Information Services).

Throughout this report, the term 'Agency' is used when referring to the Chief Executive's complete area of responsibility, which includes the Department of Community Development, Sport and Cultural Affairs and Territory Housing. The term 'Department' is used when referring only to the Department of Community Development, Sport and Cultural Affairs.

Our Vision

Strong, creative communities.

What We Do

The Agency provides a diverse range of services to promote and develop the community:

- Social housing in urban and remote communities;
- Governance support for local communities;
- Aboriginal interpreter services;
- Sport and recreation opportunities;
- Arts, museums and library services;
- Essential infrastructure for remote communities; and
- Regional development and regional partnership agreements.

At an organisational level the Agency consists of six key divisions that deliver services to the community:

- Local Government and Regional Development;
- Housing and Infrastructure;
- Arts, Museums and Library Services;
- Sport and Recreation;
- Territory Housing (a Government Business Division); and
- Corporate Services.

Services or outputs are delivered to the community through these six divisions.

Our Values

In our business we strive to foster:

- Innovation, initiative and continuous learning;
- A culture in which leadership thrives;
- Professionalism and integrity;
- High quality services to all clients, internal and external; and
- Working in partnership to achieve better outcomes.

The Agency is committed to delivering outcomes to Territorians through whole of government initiatives such as the *Economic Development Strategy*; *NT Government Remote Workforce Development Strategy*; *Aboriginal Employment and Career Development Strategy*, and *Building Safer Communities*.

Achievements and Challenges

Since its formation in November 2001, the Agency has made significant inroads into the improvement of the delivery of services to Northern Territory Communities.

Of particular note is the:

- Convening of the first and second Indigenous Economic Development forums and launching of the Indigenous Economic Development Strategy;
- Implementation of the Community Harmony Strategy, which has seen a comprehensive collaborative approach to addressing itinerant anti-social behaviour through whole of government and whole of community engagement. As well as reducing antisocial incidents around Darwin, Community Harmony has created links across the Top End. The Larrakia are working with Bawinanga Resource Centre at Maningrida and elders from Galiwinku, Gunbalanya, the Daly River Region, the Tiwi Islands and Ngukurr on projects that benefit a wide group of people;
- Development and implementation of the *Building Stronger Regions, Stronger Futures* strategy. The strategy centres on the development of sustainable regional economies through the identification of opportunities; negotiation of governance arrangements which support regional social and economic development; establishment of Regional Development Boards to facilitate and progress Regional Development Plans and the provision of physical infrastructure that fosters sustainable development;
- Development and implementation of the *Building Strong Arts Business* Strategy has improved the delivery of arts development and support through the establishment of appropriate Government infrastructure and brokerage of partnerships. It has improved and strengthened the Indigenous arts industry through increased resourcing, increased creative and cultural development with training and employment outcomes and scoping of support needs for underdeveloped art form areas;
- Implementation of *Home Territory 2010* which provides the essence of the government's social housing approach. Its primary goal is to provide safe secure and affordable housing for all Territorians and uses a whole of systems approach to look at issues such as poverty, access to support services, education, transport, jobs, training and cultural issues; and
- Introduction of the Water Safety Plan in June 2002 to protect the safety of young children within the Northern Territory. Water safety encompasses more than just pool fencing and required a comprehensive and coordinated approach, which included education and awareness. The Plan has seen the introduction of a Water Safety Awareness program, the establishment of a Northern Territory Water Safety Advisory Council and the implementation of swimming pool fencing legislation.

Key Agency Achievements 2004-05

Regional Authority Implementation

Establishment grants for the three Regional Authorities (Thamarrurr, Nyirranggulung Mardruk Ngadberre, and Tiwi Islands) have been successfully negotiated. These grants are subject to outcomes based agreements signed by the Minister for Local Government and the President of the respective council.

State of the Regions Conference

Convened the inaugural State of the Regions Conference. The Government committed to convening the conference biennially to discuss achieved outcomes from the *Building Stronger Regions - Stronger Futures* strategy. The conference took place from 3 to 4 September 2004 in Alice Springs.

Indigenous Economic Development

The Northern Territory Indigenous Economic Development Strategy was launched at the second Indigenous Economic Development Forum on 25-26 May 2005 in Darwin by the Chief Minister.

Library and Knowledge Centres

Phase One of the Library and Knowledge Centres program resulted in the implementation of the new model in eight communities across three regions: Wadeye/Daly River, Groote Eylandt and East Arnhem.

Alice Springs Masters Games and Arafura Games

Successfully conducted the Alice Springs Masters Games and Arafura Games with both events attracting record participation of over 4500 and 5000 respectively.

HomeNorth

Since the introduction of new schemes on 1 July 2004, HomeNorth (through TIO) has approved over \$100 million worth of home purchase assistance lines and shared equity investments.

Home Territory 2010

Home Territory 2010 was launched in August 2004. The strategy establishes the guiding principles, objectives and key focus areas that will address the current challenges of the shortage of public housing and the poor standard of housing stock.

More detailed information about these and other achievements in 2004-05 can be found in the performance reporting section.

Key Challenges for 2004-05

Aboriginal Interpreter Service

The current funding agreement with the Australian Government was to cease in June 2005. Ensuring that the Agency was able to secure funding from the Australian Government to continue operations was fundamental to the Services' ongoing existence. Funding from the Australian Government has now been secured for a further year.

Museum and Art Gallery of the Northern Territory

An infestation of carpet beetle in Gallery one, the Aboriginal Art gallery, required that gallery works be de-installed and major refurbishment work carried out, at a time leading up to peak visitor season. Whilst this opportunity was taken for redevelopment of the gallery, it resulted in increased pressure on an already tightly scheduled program.

Sports Club Development Program

Sport and recreation organisations within the Territory are predominantly run by volunteers who do not necessarily possess all of the skills required to effectively manage their organisations. To equip organisations with the required level of knowledge and expertise to maintain the growth and sustainability of the organisation, training courses have been provided in areas such as club planning, committee management, how to conduct meetings, financial management, legal issues and risk management and volunteer management. The introduction of Sportsbiz has further supported this mechanism by providing strategic level assistance relating to building an organisation's capacity for the future.

Regional Highlights 2004-05

Darwin Region

- Facilitated a service level agreement between Tiwi Islands Local Government and Bathurst Island Housing Association for the future management and maintenance of housing on Bathurst Island.
- Provided ongoing support to the Tiwi Islands Local Government including funding of \$1 million Regional Establishment Grant for negotiated purposes.
- Conducted the first Aboriginal Interpreter Services conference at Batchelor, bringing together interpreters from throughout the Territory and representatives from Commonwealth and NT Justice.
- The Museum and Art Galleries of the Northern Territory enjoyed its most successful year in its 36 year history, with record attendances for all combined venues of 315,326 people.
- Ensured work commenced on the \$9.5 million Palmerston Recreation Centre and the \$5.8 million Darwin Soccer Stadium.
- Successfully conducted the Arafura Games with a total of 5,089 participants from 26 countries.
- Provided funding and/or management for the successful staging of Test Cricket (Australia v Sri Lanka), three AFL fixtures, national basketball and netball games at Marrara Indoor Stadium and international hockey at the Vodafone Hockey Centre.

Katherine Region

- Provided ongoing support to the Nyirranggulung Mardruk Ngadberre Regional Council (NMNRC) including funding of \$1 million Regional Authority Establishment Grant that will be used toward establishing their regional civil works capacity. Assisted negotiations for NMNRC to receive \$1 million *Fixing Houses for Better Health* funding.
- The Katherine Elders Strategy has been developed through the Community Harmony Strategy as a priority for community safety in the Katherine region. As part of this strategy the Department has funded the Wardaman Aboriginal Corporation \$25,980 for the purpose of facilitating several Elders meetings.
- The establishment of the Kalano Community Patrol in Katherine.
- Never-Never Cricket Carnival held May 2005 at Mataranka.
- Dingo Cup Cricket Carnival held October 2004 at Timber Creek, with a record number of teams participating.
- Facilitated ARMtour visit in April 2005 to Barunga, Manyallaluk, Wugularr and Kalano, providing opportunities to participate in sport and deliver healthy lifestyle messages.

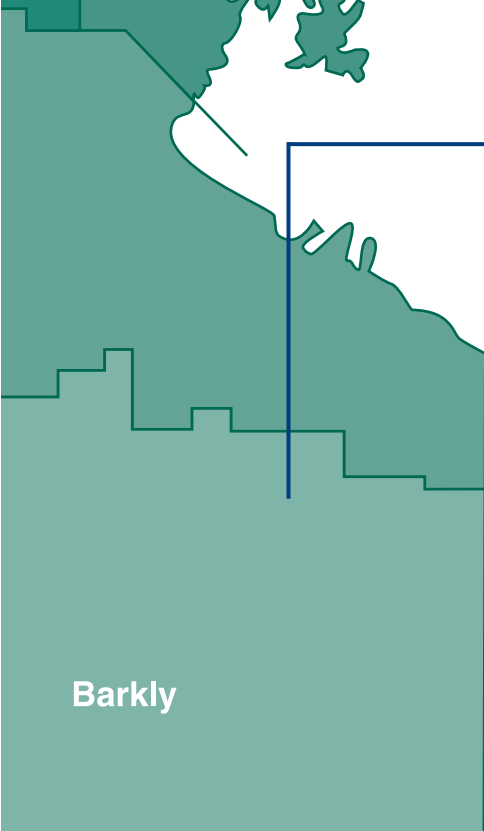




East Arnhem

East Arnhem Region

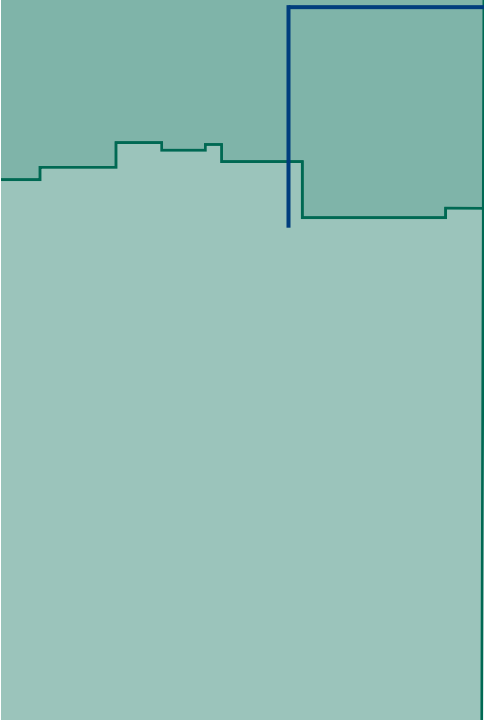
- Provided \$1 million for the sealing of the Gapuwiyak aerodrome.
- Facilitated funding for the Nhulunbuy Special Care Centre.
- Supported the social development activities of the East Arnhem Harmony Group.
- Supported Library Knowledge Centres in Umbakumba, Angurugu, Alyangula, Ramingining, Milingimbi and Galiwinku.
- 'Respect the Official' (sport) campaign conducted in Nhulunbuy in September 2004.
- 'Fun, Safe and Fair' course to educate communities in harassment free sport was trialed in Milingimbi in February 2005.



Barkly

Barkly Region

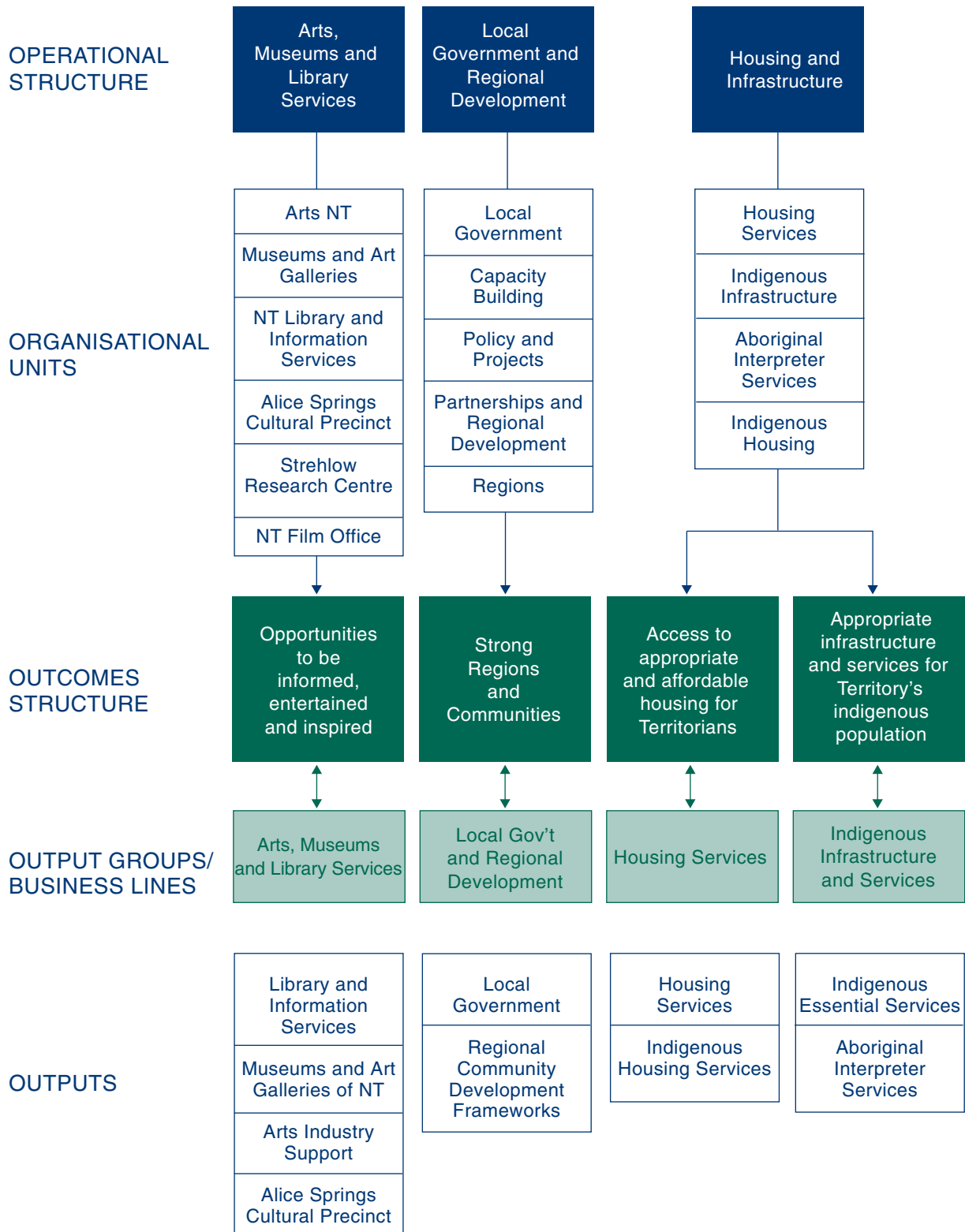
- Facilitated discussions between Elliott District Community Government Council and Gurungu Council Aboriginal Corporation for collaborative resource sharing arrangements and the investigation into a proposed regional authority in the North Barkly region.
- Facilitated successful negotiations between Imangara community, Julalikari Council Aboriginal Corporation and Ali Curung Council Inc for the change in service provider arrangements to the Imangara community.
- Facilitated negotiations between Mungalawurru community and the Department of Employment, Education and Training for a housing repairs and maintenance training program.
- Funding provided for the employment of Community Sport and Recreation Officers and resources through Elliott District Community Government Council, Alpururulam Community Government Council, Ali Curung Council Inc and Anyinginyi Health Aboriginal Corporation.
- The Barkly Regional Development Board had a display at the 2004 Sustainable Economic Growth for Regional Australia and the State of the Regions Conferences, where they also gave a presentation.
- Provided funding through the Regional Museums Grant Support Program of \$40,000 to the Battery Hill Mining Centre, Tennant Creek.

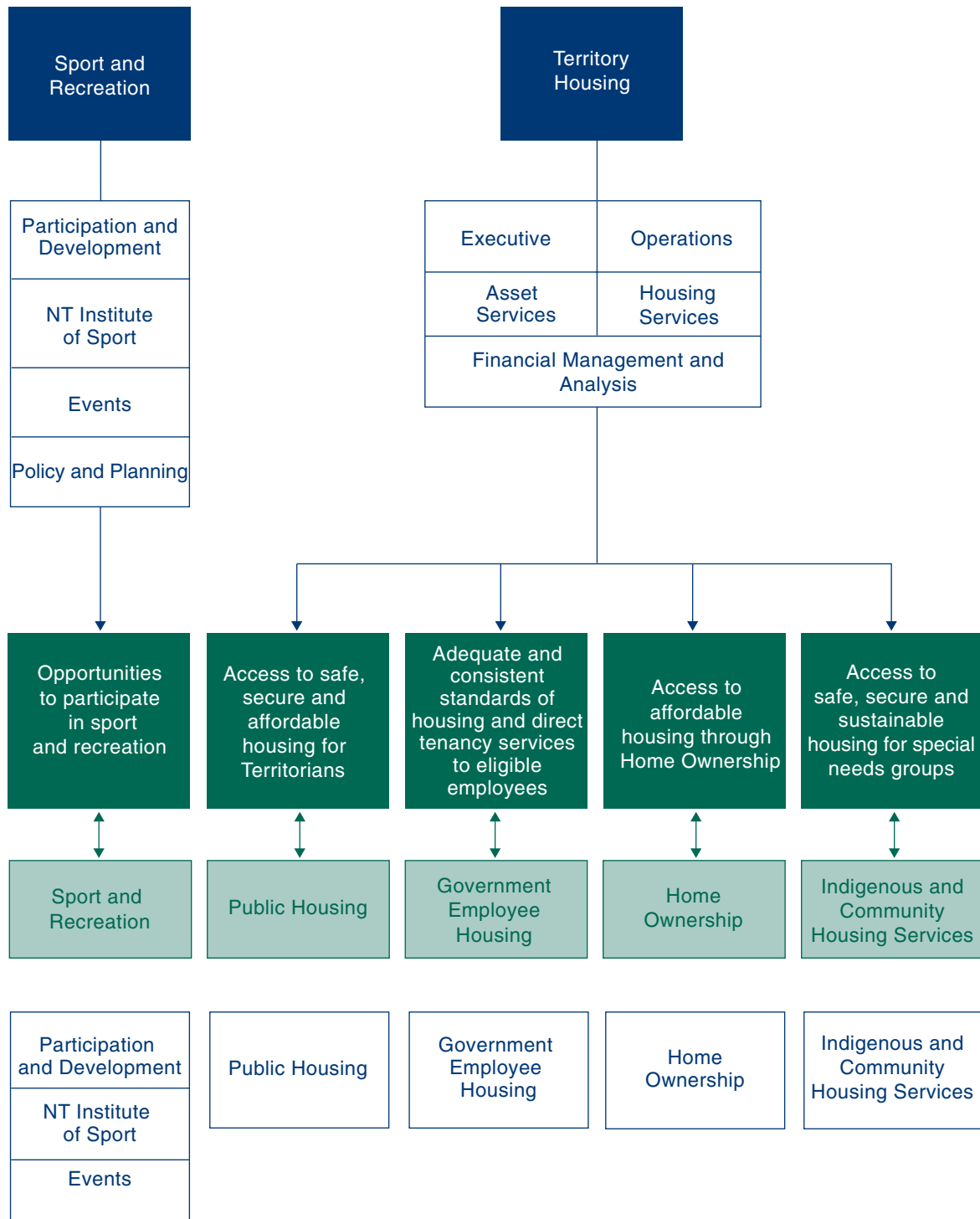


Southern Region

- Initiated the Central Australian Car Crusher project which resulted in the crushing and removal of approximately 3,000 derelict car bodies from Indigenous communities.
- Continued to support Indigenous employment initiatives in conjunction with Territory Table Grapes (Ti Tree).
- Community Harmony Life Skills model successfully completed.
- Commenced Aboriginal Interpreter Service community based awareness programs aimed at highlighting services provided to Centralian communities.
- Facilitated apprentices from the Amoonguna Construction Team in the construction of two community houses.
- The 2004 Desert Mob Indigenous art exhibition, at the Araluen Centre, Alice Springs Cultural Precinct, exceeded all previous records. A total of \$281,894 worth of work, amounting to 50.6% of the 387 works on display, was sold in the six weeks of the exhibition, with nearly \$185,000 worth of work sold on the opening day.
- Working with Museum Victoria facilitated the return of 150 sacred Indigenous objects to Central Australia, half of which are now stored at the Strehlow Research Centre at the request of Traditional Aboriginal Custodians.
- Successfully conducted the 10th Alice Springs Masters Games with a record number of participants, representing a growth of 29% over the previous games.

The Agency's operations (operational structure) and delivery of services (outputs for the Department and business lines for Territory Housing) contribute to the achievement of planned outcomes as indicated below. The operational structure includes Corporate Services and Regional Services that service all areas in the Agency.







Working for strong, creative communities...

Indigenous Economic Development Strategy

The Northern Territory Government's Indigenous Economic Development Strategy was launched by the Chief Minister in May 2005 at the second Indigenous Economic Development Forum, which was conducted in Darwin on 25-26 May 2005.

The Strategy represents an important milestone in Government's determination to fully involve Indigenous Territorians in the future growth and prosperity of the Territory. It provides a framework for government and the private sector to work in partnership with Indigenous people for the achievement of an increasing independence from welfare through new, flexible and cooperative ways of creating jobs and businesses, particularly in the bush.

The vision of the strategy is to improve the quality of life through dramatic advances in the economic status of Indigenous Territorians with the desired outcome of parity between the economic indicators for Indigenous and non-Indigenous Territorians by 2020. Its objective is to foster long-term economic growth and prosperity through a significant increase in Indigenous wealth, employment and business ownership.

The Strategy is a living document that will continue to evolve over time as Indigenous people make informed choices about their contribution to economic development in the Northern Territory.

This strategy is based on identifying opportunities for economic development in thirteen industry sectors:

- Aquaculture and Fisheries;
- Arts;
- Community Services;
- Construction;
- Forestry and Agribusiness;
- Government;
- Horticulture;
- Knowledge and Culture;
- Mining and Production;
- Natural Resource Management;
- Pastoral;
- Retail and Services; and
- Tourism.

Further information regarding the Strategy is available on the website www.ied.nt.gov.au

*Darwin-born Indigenous graphic artist, **James Carter**, has designed this header. The use of the five hands portrays the diverse and multi-textured nature of the Strategy and symbolises many hands working together to achieve greater results.*

Corporate Governance

Corporate Governance

Good corporate governance helps an organisation to achieve its outcomes and obligations through sound planning, decision-making and risk management.

The corporate governance framework in the Agency is geared towards ensuring and improving the efficient use of resources, compliance with statutory and other external requirements and achieving sound administrative and financial management practice.

The main components of the Agency's governance practices are:

- Identifying and planning strategies for delivering the Agency's outputs and across Government responsibilities;
- Monitoring the delivery of outputs and across Government responsibilities, and
- Monitoring the effectiveness of the Agency's use of resources, based on budgeting, financial and other reporting mechanisms.

Primary responsibility for the management and strategic leadership of the Agency rests with the Agency's Management Boards.

Management Environment

Organisational Structure

The diagram below shows the high-level management and operational structure of the Agency at 30 June 2005. Further information about the Agency's operational structure is provided in the Introduction and Overview section of this report.

Management Boards

The Agency comprises two entities, the Department of Community Development, Sport and Cultural Affairs and Territory Housing (a Government Business Division). Two separate Management Boards have been established, comprising twelve senior staff as detailed below. The Management Boards are the Agency's key strategic planning and decision-making bodies.

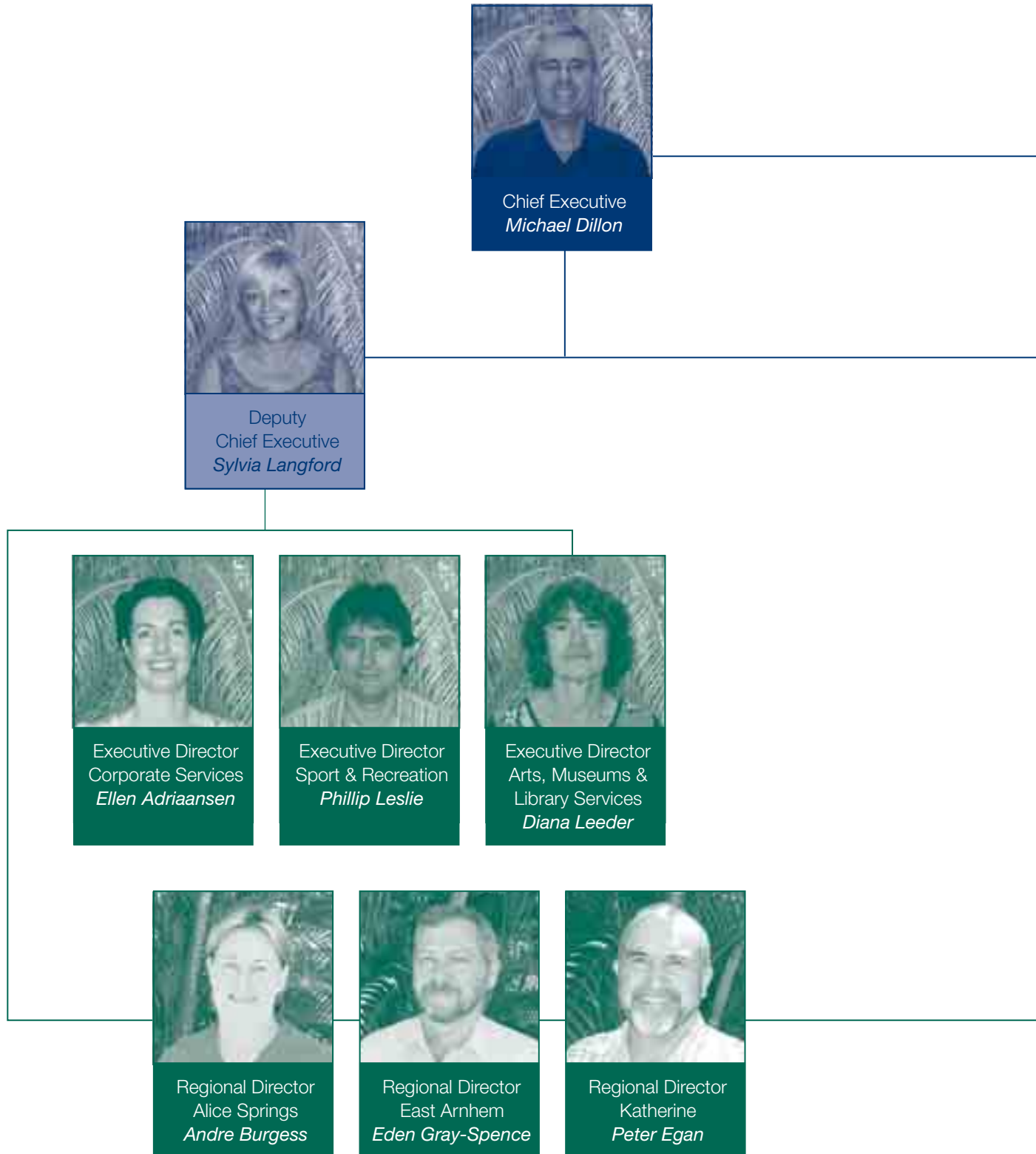
Specialists from other agencies or bodies and associated industry and community groups are invited to address the Boards as necessary. Management Boards meet monthly.

Board members are responsible for ensuring divisional staff are appropriately briefed about Management Board decisions and business.

The Department Board of Management meets face-to-face on a quarterly basis with Regional Directors.

Divisional meetings are also held regularly and are attended by Branch heads. These meetings are a key component of the Agency's planning and decision-making framework and feed directly back into Management Boards.

Organisational Chart





Director,
Across Agency
Coordination
Karen Elligett



Deputy
Chief Executive
Dennis Bree



A/Executive Director
Governance
Nick Scarvelis



Executive Director
Housing &
Infrastructure
Trish Angus



A/Executive Director
Sustainable
Communities
Bill Stuchbery



General Manager
Territory Housing
Fiona Chamberlain



Regional Director
Barkly
Michael Dougall



Regional Director
Darwin
Mike Press

Management Environment

Sub-committees

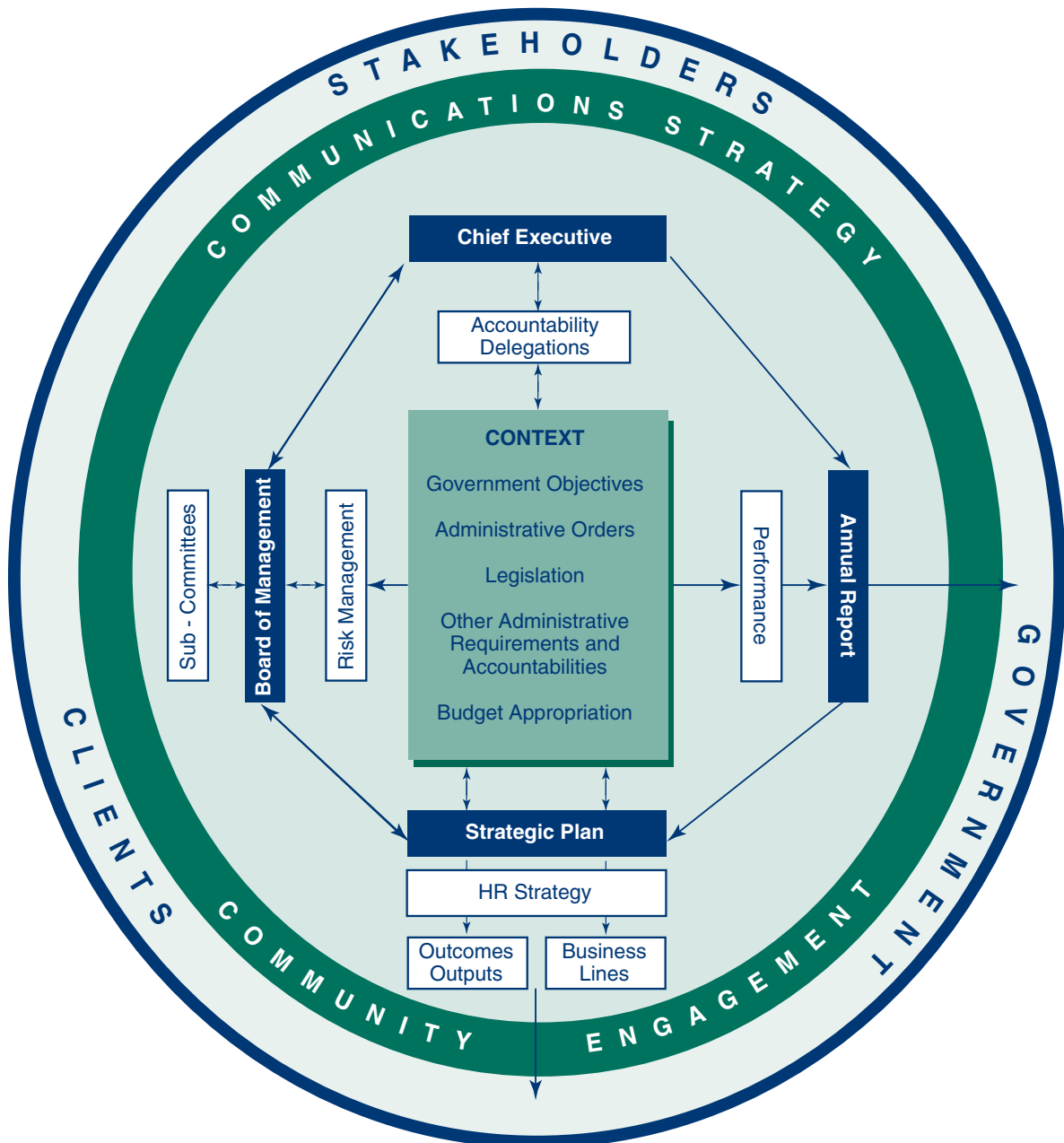
The Management Board has established a number of sub-committees to assume responsibility for specialist functions or specific outcome areas of the Agency. The committees assist with problem-solving, coordinate activities, support the Board's decision-making and report quarterly to Management Board.

The following table lists the Agency's sub-committees and their objectives.

Sub-committee	Number of Meetings Scheduled	Number of Meetings Held	Sub-committee Objective
Information Management Committee	4	4	To provide a coordinated and strategically focused approach to information management.
Indigenous Employees Reference Group	4	3	To provide advice to the Board on strategies for improving Indigenous employment within the Department.
HR Committee	4	5	Overview the HR Framework and identification and implementation of associated strategies.
Grants Administration Committee	3	5	To implement the recommendations of the Grant Review.
Department Audit Committee	4	3	To assist the Chief Executive and Management Board achieve their corporate objectives and fulfil responsibilities relating to Departmental internal control arrangements, including corporate governance and financial performance.
Housing Audit Committee	4	4	To assist the Chief Executive and Territory Housing Management Board achieve their corporate objectives and fulfil responsibilities relating to internal control arrangements, including corporate governance and financial performance.

Governance Framework

The Agency's governance framework, shown below, describes the Agency's governance activities in the context of its external environmental imperatives and Government objectives. It describes the interrelationship between various aspects of governance such as the organisational context, objectives, management structure, accountability, risk management and performance.



Planning

Planning is a critical element of good governance. The planning phase comprises the Agency's corporate and business planning, the budget planning cycle and staff development.

Staff participation and input into the planning process was a key factor in establishing the Agency's strategic direction for 2002-03 and beyond. The Corporate Plan 2002-2005 was reviewed during the financial year and a new plan will be implemented commencing 2005-06.

All divisions in the Agency, including Territory Housing and Corporate Services, implemented business plans in 2004-05. Executive Directors, in consultation with staff, are responsible for developing, implementing and reporting on the achievement of strategies designed to progress corporate objectives and policies. Progress against proposed strategies is reported on and reviewed biannually. Good progress was made against all business plans in 2004-05.

Performance

Financial and non-financial performance is monitored monthly through Management Board and regularly at divisional meetings. Divisions regularly report to Management Board outlining the status and progress of projects. Ad hoc reports on performance and 'hot issues' are also regularly tabled for Management Board endorsement.

A reinvigorated personal performance system was implemented in 2004-05. Refer to the 'Our People' section for more information.

Review

The review phase is continuous, informed by social and economic trends and Government policies and strategies, including Management Board planning.

Corporate Communication

There has been a great deal of new initiatives and development for the Agency's communications in 2004-05 to ensure staff have:

- The opportunity to be informed of current and upcoming policy directions;
- Access to relevant management decisions;
- The opportunity to engage in debate and decision-making on current and emerging policies; and
- The opportunity to contribute in the communication and marketing of the Agency internally and externally.

During 2004-05, corporate communication was enhanced through the following initiatives:

Staff Engagement

Senior Staff forums are conducted to:

- Foster a better understanding of the overall objectives and strategic direction of the organisation;
- Engage senior staff involvement on strategic, corporate and emerging issues;
- Provide the Chief Executive and Board of Management the opportunity to outline the strategic issues facing the Agency; and
- Create an informal and two-way mechanism for feedback on Agency performance.

Staff Workshops

There have been series of staff workshops conducted by the Corporate Services area to engage staff on the Agency's internal business and to gauge feedback on what we are doing well and the areas in which staff feel need improvement.

Following the workshops, the Corporate Communications team is working to design a framework for internal communications and to provide a comprehensive and extensive internal communications strategy to the Board of Management.

Internet and Intranet

The Department of Community Development, Sport and Cultural Affairs aims to maintain an informative Internet and Intranet web presence that presents Agency information and services in a coherent, accessible, accurate and user-friendly manner.

A number of new initiatives for staff have been launched on the Intranet including the 'Hot Topics' section which is aimed at highlighting an important announcement, event or new policy initiative for the Agency.

We have also developed a 'Staff Profile' section, which features a photograph and some personal but informative information on staff members within our Agency.

This provides an opportunity for staff across the diverse divisions of this Agency to get to know others who may be working within another area or indeed another region to them.

Another initiative for the Intranet has been the 'Staff News' section, which features social club postings, staff classifieds and staff notices.

The Internet and Intranet have had a strong focus in regards to content management in 2004-05 and this has been met with positive feedback from a number of areas.

Not only has this provided an ideal platform for staff engagement, it also allows staff and community to develop a stronger sense of 'ownership' and involvement with our Department.

The Agency is continually striving to enhance our online services by conducting regular content reviews and staff surveys in conjunction with a program of technical and design improvements.

Corporate Newsletter

A quarterly newsletter introduced in 2003-04 was further enhanced and rebranded with a stronger focus on good news and promotion for staff efforts and became a mechanism in which major Agency achievements are highlighted.

The newsletter is distributed throughout the organisation to all staff, thus enhancing our internal communication.

Information Sharing

The Management Board actively investigated the ways in which to disseminate information more broadly throughout the Agency.

Management Board minutes, financial information and actions are available to all staff on the Agency's Intranet.

This ensures that decisions and outcomes made and negotiated by Management Board are accessible and transparent to all staff.

Legislation and Policies

Under the Administrative Arrangements Order 23, Acts and associated subordinate legislation are allocated to this portfolio.

See [Appendix 1](#).

During the year *Publications (Legal Deposit) Act 2004* was introduced. The object of this Act is to assist in the preservation of the Territory's published documentary heritage.

Additionally, the Housing Act was amended to allow the Chief Executive to administer the Home Purchase Assistance Scheme, with the consent of the Minister.

The Agency also has a statutory responsibility for certain statutory authorities and bodies as listed in [Appendix 2](#).

Risk Management

Audits are essential to promote transparent and accountable business practices. The Agency's risk management practices involve identifying factors that may impact upon the Agency's ability to meet its objectives and identifying strategies that help to mitigate risk.

The Agency has two Audit Committees, the Department of Community Development, Sport and Cultural Affairs Audit Committee and Territory Housing Audit Committee. The primary objective of the Audit Committees is to assist the Chief Executive and Management Boards achieve their corporate objectives and fulfil responsibilities relating to internal control arrangements, including corporate governance and overseeing responsibilities.

A strategic business risk assessment and a risk management plan were endorsed by Management Board and implemented throughout 2004-05. The purpose of the risk management plan was to translate the assessment and risks into actions with the aim of improving control and mitigating risks.

The risk management plan provided an extensive program of internal audits, reviews and administrative reviews to be undertaken in 2004-05. These are listed in [Appendix 3](#).

Risk Management Services within the Department of Chief Minister have performed internal audits. Internal administrative reviews were also undertaken by Corporate Services, encompassing all regions and a broad range of issues.

During the year, a number of matters of employees operating inconsistently with the Code of Conduct were also identified. Three matters were investigated, with the outcomes including the demotion of two employees.

The Department has sought legal advice in relation to commencing civil proceedings against a former Departmental employee who was employed as a Swimming Pool Fencing Inspector. The Department is seeking to recover damages in relation to the alleged actions of the former employee. Following a letter of demand served on the former employee in February 2005, the Department is intending to commence civil proceedings in the Supreme Court of the Northern Territory.

Implementing the risk management plan has substantially diminished the level of exposure relating to the risks identified in the 2003 assessment as well as improving administrative processes and internal control. Senior management has a greater understanding of factors that contribute to risks and are better able to make decisions to address underlying contributors.

External Relationships

To effectively advance the Government's priorities in community development, the Agency maintains a large number of external relationships with stakeholders, clients, other agencies and associated bodies and organisations. Community partnerships have been built to ensure the community perspective is taken into account when progressing the Agency's community development agenda.

Agreements

The Agency is committed to achieving outcomes under a number of inter-government, local, national and international agreements. A complete listing of agreements the Agency entered into during the 2004-05 financial year is outlined in the [Appendix 4](#).

Boards and Committees

In support of its core business, the Agency is represented on a large number of national and Territory boards and committees, a full list of which can be found in [Appendix 5](#).

Community Consultations

The Agency engages with the community sector through a number of agreements, boards and committees on a regular and ongoing basis. However on an 'as needs' basis, the Agency also convenes consultative forums with the community in relation to particular issues. Details of consultations conducted during 2004-05 are listed in [Appendix 6](#).

Ombudsman Enquiries

There has been one Ombudsman enquiry during the 2004-05 financial year. Details of this enquiry are reported in [Appendix 7](#).

Building Safer Communities Framework

The Agency actively contributes to the provision of a safer and more secure Territory Society. Achievements against the Building Safer Communities framework are detailed in [Appendix 8](#).

Auditor-General Reports

The Agency was referred to in three reports prepared by the Northern Territory Auditor-General's Office for the Legislative Assembly. Details of these reports are included in [Appendix 9](#).

Information Management

The Information Management Strategy 2004-2007 continues to be a focus of the Agency and provides a broad direction to develop and organise strategies in the Information Technology area.

Key advances in information management during 2004-05 included:

- Development of a Business Intelligence Framework to address the strategic and operational Business Intelligence requirements of the Agency.
- Completed upgrades of several large business infrastructure projects including upgrade of desktop platform to Active Directory, Windows XP and a review and cleanup of small databases.
- Expansion of the Bush Telegraph site. The presentation and depth of data, for and about Territory communities, has been greatly enhanced. The site uses an Oracle Portal architecture that links into various other databases within the NT Government network. The new Bush Telegraph is fast becoming a one-stop shop for information about Territory communities and those organisations that are active in them.
- Expanded the user base for the Community Information Access System (CIAS) and the Grants and Assessment Database (GRAD). All grants management areas within the Agency are now using CIAS and it is planned that, where applicable, all areas will be using GRAD in the near future. There are two external entities currently using CIAS. These changes in grants administration have produced significant improvement in grants management in the Agency.
- Finalised planning for a Project Management Reporting system to track and monitor Agency projects.
- Identified requirements for replacement of the Territory Housing's Tenancy Management System.

Building on the *Information Management Strategy 2004-2007*, a substantial program of activity is scheduled for 2005-06. The Agency is actively involved with the Northern Territory Government strategic directions and promoting across-government coordination. This includes eGovernment, Remote Areas Telecommunications and Remote Workforce Developments.

This is further supported with the move to Telstra for the supply of Wide Area Communications to the Agency. Extra bandwidth will be available in the Darwin area and remote regions and a focus on communication and use of business systems will become more available.

Information Act

In response to the implementation of the *Information Act* in July 2003 the Department of Community Development, Sport and Cultural Affairs developed a range of policies and procedures that enable interested people to access information held by the Agency.

The Agency responded to 20 information access requests in 2004/05. Of these requests 14 were for personnel information and 6 were for government information. No application for information was refused in full and all requests were completed within the timeframes specified by the *Information Act*.

The Agency has also published a listing of the information it holds and the most expedient methods of accessing that information. This information listing and the Agency's Information Access Policy are available on our website (www.dlghs.nt.gov.au) or by contacting the Department on 08 89 999490.

Personal Information

The Agency undertakes to protect the personal information it holds by collecting only what information is necessary for the performance of its functions, to hold the information for only the period of time required by business, legislative or historical reasons, and to protect such information from unauthorised disclosure or access.

All personal information is handled in accordance with the Information Privacy Principles set out in a Schedule to the *Information Act*.

The Agency's privacy policy is also available on the website (www.dlghs.nt.gov.au) or by request from the Agency.

No privacy breach notifications were recorded in 2004-05.

Financial Management

Financial management of a diverse and complex organisation such as this Agency presents a range of challenges in terms of budgeting, monthly financial reporting and taxation compliance.

During 2004-05 a new financial reporting format was introduced to further build on the enhancements made to the financial reports during 2003-04. These new reports provided Executive Directors, Board of Management and Ministers with more in-depth analysis of financial performance facilitating further improvements in the ability of the Agency's decision-makers to make informed financial decisions. The Agency's ongoing focus is on continuous improvements in its financial management

The enhanced financial reporting has been one of the key strategies that has enabled the Agency to again deliver an expenditure outcome within 1.8% of the annual budget in 2004-05. This strong financial performance was reflected across all divisions of the organisation, with minimal over-expenditure relating to additional approved projects for which no additional funding was provided.

The Department's corporate administration includes a small Financial Analysis Branch that undertakes a range of financial management activities. These include budget preparation, financial analysis, maintaining and enhancing budget bids and liaising with Northern Territory Treasury on funding issues. Quality budget development and the preparation of appropriate budget bids are essential to the continued effective delivery of services and programs across the Department.

In 2005-06, with the advent of new administrative arrangements, the new Agency will be placing an added emphasis on better identifying further administrative rationalisations to enable the delivery of required corporate support from a reduced resource base.

Because of its commercial focus, Territory Housing has its own Finance Branch to manage operational related finance issues and liaise with Northern Territory Treasury.

Infrastructure Management

The Agency, and Government as a whole, is committed to building strong regions where economic and social outcomes are sustainable and cultural diversity is respected. Infrastructure is a key component.

The Agency's main infrastructure strategy, which aligns with the Government's *Economic Development Strategy* of June 2002, has been to create community assets rather than Government assets.

A robust monitoring of works programming during 2004-05 has resulted in improved completion rates on repairs and maintenance projects with 99% of proposed programs completed in 2004-05 compared to 88% in 2003-04. This result does not include extraordinary expenditure resulting from repairs relating to damage caused by Cyclone Ingrid.

Territory Housing manages over \$1 billion in assets on behalf of Government and is committed to improving the provision of housing services through an ongoing program of upgrading, replacing and constructing additional dwellings. The 2004-05 financial year saw a particular focus on urban renewal projects across the Territory, including the redevelopment of high-density accommodation to encourage community harmony.

The profile of housing stock is continuously monitored and reviewed on a regional basis to ensure that the current and emerging needs of target clients are addressed.

More detail on the outcome of the Department and Territory Housing's 2004-05 Capital Works Program is located at [Appendix 10](#).

Working for strong, creative communities...

A Lifetime of Participation



The Northern Territory offers a unique opportunity for people to participate in sport, at a national and international level, throughout their lives.

The Arafura Games are now legitimately recognised by member countries (Asia Pacific region) as the breeding ground for their elite athletes. The focus on high quality international sporting competition which provides meaningful opportunities for both international and Territory athletes is the driving force behind the Games.

For the first time in the Games history the Oceania Junior Weightlifting Championship was combined with the weightlifting tournament - which was a new sport to the Games' line-up in 2005. This competition attracted new nations from the member region participants including Nauru, Nieu Island, Cook Islands and Samoa. The Games also had first-time participation from England, Scotland, Italy and India further highlighting the international focus of this Territory event.

Complementing the focus on developing athletes is the Territory's commitment to mature-age athletes through the on-going success of the Alice Springs Masters Games. In fact, you don't have to be that mature at all. Participants as young as 25 can compete at the Masters. Whilst the younger end of the age scale is capped there is certainly no capping at the other end. The oldest participant at the 2004 Alice Springs Masters Games was Margo Bates O.A.M., who at 94 years was competing, and winning medals, in freestyle and backstroke swimming - a sport she only took up recently! Margo is certainly the ambassador for sport as a lifelong activity.

Notwithstanding the lifestyle benefits to participants who compete in both the Arafura Games and Alice Springs Masters Games, the influx of visitors, to either participate in or watch events in Darwin and Alice Springs, has a substantial positive impact on the local economies.



For further information on the Arafura Games or the Alice Springs Masters Games, visit our websites:

www.arafuragames.nt.gov.au

www.alicespringsmasters.nt.gov.au

Our People

Our People

A range of initiatives were introduced in 2004-05 to further strengthen the human resource (HR) management of the Agency. These included:

- The development and implementation of a Line Managers' HR Accountabilities Matrix to provide greater clarity of the role of managers and HR practitioners in the management of staff issues. This Matrix is supported by improved decision implementation guidelines;
- The introduction of a "Building Stronger Managers" Program. Whilst it is recognised that managers are well equipped to manage their core business responsibilities, it is also understood that corporate responsibilities such as performance management, governance, financial management and working within a cross cultural environment require constant professional development. This program has been aimed at continual improvement of managers' capacity in this field;
- The elevation of HR issues within the Boards of Management through the establishment of a HR Sub Committee reporting direct to the Board;
- Establishment of an Indigenous Employees Reference Group to report to the HR Sub Committee on specific Indigenous employment issues;
- The HR Consultancy framework has resulted in increased support being provided to the regions which, in turn, has improved the ability to case manage issues together with line managers; and
- Development and introduction of key HR policies. In particular, a performance management system was rolled out during the reporting period. The system is comprised of a toolkit, policy training and flow charts for ready reference. Five hundred and fifty employees undertook performance management training.

Key Achievements in 2004-05

The Agency reviewed the framework for the delivery of human resource management services to the Agency's line divisions. As a consequence, the Agency has implemented a range of strategies for improving human resource service delivery, including building a more robust Human Resource Branch.

These strategies included:

- The implementation of a Senior Managers Human Resource Accountability Matrix and Decision Implementation Guidelines;
- The implementation of an HR Strategic Plan;
- The implementation of a development program for Senior managers – Building Stronger Managers;
- The introduction of a census day to increase the accuracy in recording EEO information; and
- Performance management information and training sessions were run throughout the Northern Territory.

The Human Resource Branch also continued to participate actively on whole of government strategic working parties, including Remote Workforce Development; Northern Territory Public Sector Workforce Development; Willing and Able; Indigenous Employment and Career Development, and Work-Life Balance.

Demographics

A snapshot

	Department	Territory Housing	Total
Number of full time equivalent	495(1)	154	649
Number of staff employed – excluding Interpreters	571(1)	164	735
Female staff	63%	67%	64%
Average age of staff	42	39	41
Number of Indigenous staff	50	21	71
Indigenous staff	13%	14%	13%
Separation – permanent staff	8%	8.7%	8%
Separation – permanent and temporary staff	28%	23%	27%
Sick leave (average days per person)	8	9	8
Sick leave with certificate	73%	78%	74%

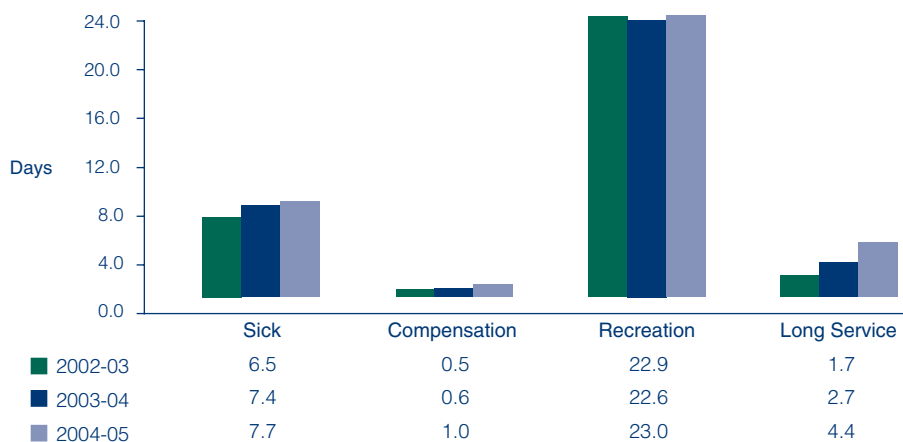
Note 1. Includes all casual staff with the exception of 197 Aboriginal Interpreters representing 15 full time equivalents.

At 30 June 2005 the Department of Community Development, Sport and Cultural Affairs, including Territory Housing, comprised the equivalent of 649 full time positions.

Number of Staff - Trend

	2001-02	2002-03	2003-04	2004-05
Department	341	376	483	495
Territory Housing	141	158	131	154
Agency Total	482	534	614	649

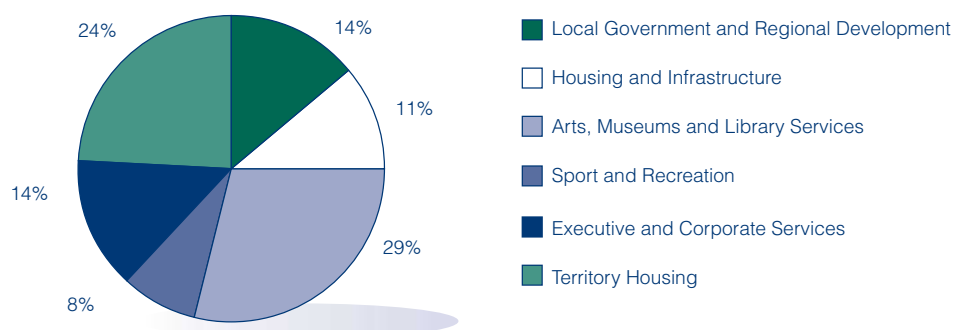
Average Leave Days Per Staff Member



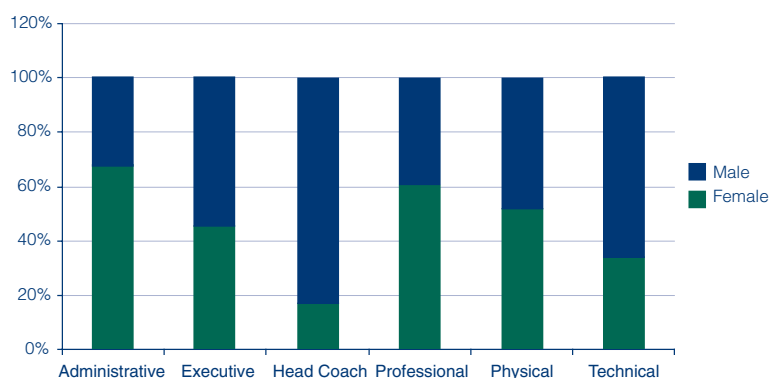
Positions per division

Division	2003-04	2004-05	Variation
Local Government and Regional Development	95	90	-5
Housing and Infrastructure	58	71	13
Arts, Museums and Library Services	193	191	-2
Sport and Recreation	66	55	-11
Executive and Corporate Services	80	88	8
Territory Housing	131	154	23
Agency Total	623	649	26

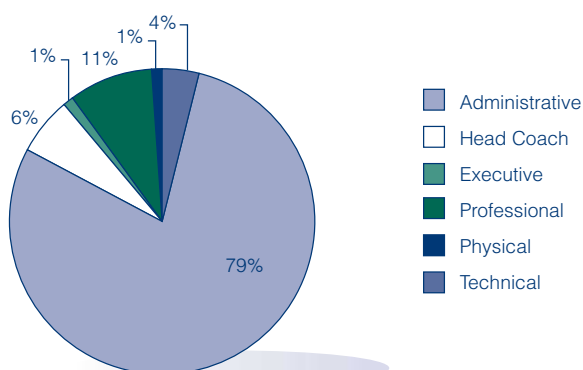
2004-05 Position Allocation Across Divisions



Gender Percentages by Stream



Staffing Streams as at 30 June 2005



Organisational Restructures and Changes

The Department underwent the following restructuring during the reporting period:

- Local Government and Regional Development Division restructured as Governance Division and Sustainable Communities Division to give greater focus and priority to issues central to the *Building Stronger Regions – Building Stronger Futures* strategy. The creation of a new division gives greater emphasis to improving governance issues in community councils and to the Government's regional authority agenda, while drawing together key functions relating to community and regional development;
- Northern Territory Institute of Sport restructured to cater for the new tiering approach to sporting squads and to ensure resources are prioritised towards athlete development; and
- The Human Resource Management function was staffed to the level required to deliver on the recommendations of the Agency's 2003/04 HR review.

Strategic Human Resource Management

Human Resource Review

The governance arrangements for the human resource function were improved with Management Board deciding to establish a Human Resource sub-committee which commenced in July 2004. It was supported by an Indigenous Employees Reference Group to provide a particular emphasis on Indigenous employment. A full time Indigenous Employment Officer was also recruited.

Strategic Human Resource Framework

A Human Resource Strategic Framework was developed in 2004-2005 to align with the Agency corporate values. Strategies were identified and implemented to assist Agency staff to embrace these corporate values. These strategies included:

- creating a corporate climate that embraces opportunity and diversity;
- improving the departmental communication;
- applying policy and procedures consistently across the Agency;
- maintaining strong working relationships across the Department; and
- establishing an internal culture that embraces mentoring and coaching as part of good management practice.

Indigenous Employment and Career Development Strategy

An Indigenous Employment and Career Development Strategy was implemented in July 2004.

The Agency currently has the highest level of Indigenous employment in the Northern Territory Public Sector with Indigenous staff representing 13% of all staff.

Equity and Diversity (Equal Employment Opportunities)

During the reporting period the Agency continued to support flexible working practices as part of its standard operations. Some examples include:

- Compressed working week of five days into four days;
- Job sharing;
- Part time work at all levels;
- Working from home - long and short term;
- Commissioner of Public Employment determination to vary family leave conditions;
- Working while on non-compulsory maternity leave;
- Compulsory maternity leave taken at half pay for an extended period;
- The use of vocational rehabilitation providers to assist employees with their return to work; and
- The use of project work to help employees continue working.

The Agency has continued to employ people with disabilities.

A draft Equity and Diversity Strategy was developed.

Learning and Development

Staff Induction

The Agency continued to support sector-wide induction programs where possible and use the online orientation program developed in the last reporting period.

Under the Human Resource Accountabilities Framework workplace induction has been identified as a continuing responsibility of line managers. Human Resource Branch's responsibility has been defined as establishing the parameters for inclusion in the induction process and formulating a consistent standard.

The identification of essential, prerequisite and core training for senior managers, graduates and employees has been enhanced during the reporting period.

Public Sector Management Program (PSMP)

The Public Sector Management Program middle management course is run by the Office of the Commissioner for Public Employment in conjunction with Flinders University.

The Agency sponsored eleven employees to undertake this program. One has since resigned from government and withdrawn from the program.

Graduate Program

The Commissioner for Public Employment reviewed the Northern Territory Public Service Graduate Program and revised his determination during the reporting period. Highlights were the creation of a graduate trainee designation, improvements in the progression from the program to permanent employment and varying progressive salary levels.

The Agency supported six graduates, including four Indigenous graduates, in its 2004 and 2005 programs. The program is based on a calendar year and started in March 2004 and 2005 in line with the tertiary education calendar. These graduates have been offered temporary employment in order to take on more entry-level trainees.

The Graduate Program runs over two years and includes a series of three to six month project placements through which the graduates rotate across the Agency.

The 2004 program started with an Agency orientation, program outline and allocation of the first project. Each project has a workplace supervisor, a plan with development outcomes for the graduate and a review process. Graduates are performance managed, attend a graduate forum at least quarterly and undertake mandatory core training. Each graduate is assigned a mentor for the duration of the program.

National Indigenous Cadetship Program (NICP)

The Agency had six cadets in the reporting period.

The program is funded by the Northern Territory and Commonwealth Government on an approximate one to three basis and is aimed at improving the professional employment prospects of Indigenous people.

The program contracts Indigenous students to undertake full time TAFE or university study, vacation employment and offers permanent employment on successful completion of their studies. The cadets receive a study allowance, book and course fee and are mentored and supported through the program.

Apprenticeship Program

The Agency's Apprenticeship Program had one intake in the reporting period with eight new apprentices taken on in 2005. Ten apprentices continued and completed apprenticeship from the 2004 calendar year. Study is at certificate level, predominantly Certificate III in Office or Business Studies, and combines employment and block release training with a registered training provider.

The apprentices are based across the Agency, including in the regions, with six current apprentices in Darwin, one each in Katherine and Tennant Creek and two in Alice Springs.

All apprentices are supported by supervisors, who attend training in preparation for the program.

The Library Services Branch continued to employ a trainee librarian during the reporting period. This traineeship includes support for HECS fee reimbursement, study leave, and rotations through all aspects of library work.

Certificate IV in Public Housing Management (Tenancy and Property)

Seven employees from Nhulunbuy, Katherine and Alice Springs graduated in May 2005. There are currently eleven employees enrolled in this course, with one employee expected to graduate in October 2005 and the remainder expected to graduate in 2006.

Graduate Certificate in Community Development Practice

This course commenced during the reporting period. It has been designed especially for practitioners in the craft of community development, in the context of the Northern Territory, and is particularly aimed at the Community Development Officers working with remote communities in the regional development program.

Five employees were enrolled during 2004-05.

Diploma in Frontline Management

Four employees received their diplomas in May 2005. There are currently five employees enrolled in this course, with one employee expected to graduate in October 2005.

Study Assistance

Study Assistance is one of the learning and development choices available to employees wishing to enhance their career potential through formal education. Priority is given to development relevant to achieving the Agency's goals and objectives.

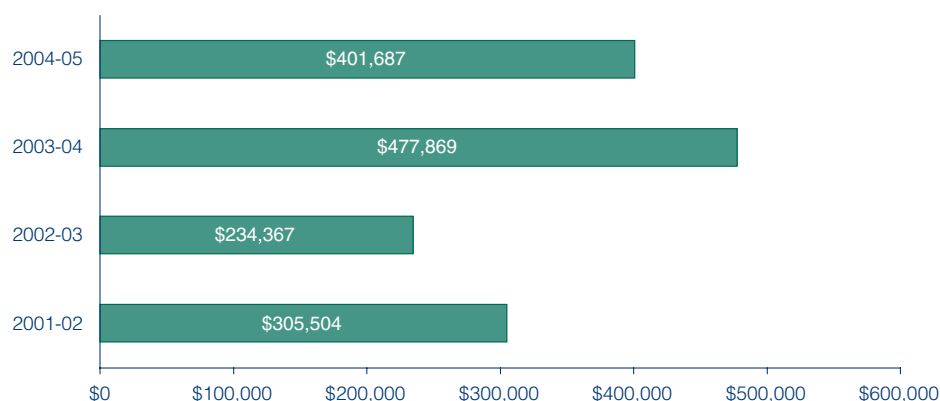
The commitment to learning and development is underpinned by Equal Employment Opportunity (EEO) principles and is reinforced through personal learning and development plans.

All staff are eligible to apply to undertake or continue an approved course of study.

The level of support is assessed on merit and based on the needs of the work area and learning outcomes identified through the personal learning and development plans.

During the reporting period twelve employees availed themselves of study assistance in the latter half of 2004 at a cost of \$12,067. Twenty six employees availed themselves of study assistance at a cost of \$ 20,430 in 2005.

Staff Development Funding



Performance Management

The corporate Performance Management Framework, with its consistent corporate methodology, was developed and approved in 2003-04. The framework was rolled out during the 2004-05 reporting period.

The framework has been driven by the need for an effective and flexible performance management system that aligns the duties, capabilities and performance of employees with the Agency's corporate objectives.

Our Performance Management Framework includes:

- Formal documented six monthly discussions at March and September, in line with budget frameworks, that are conducted to set mutually reviewed and agreed goals between employee and supervisor;
- Identification of learning and development needs, to be approved by a director or higher, to enable the employee's functional capacity to meet the agreed outcomes; and
- A clear link between the Corporate Plan, the job description and the role to be taken by the employee undergoing the review.

Occupational Health and Safety

An Occupational Health and Safety Risk Management System was developed and piloted in 2004-05.

Agency workers compensation costs are significantly lower than the previous year with a decrease of some 39%, from \$352 000 to \$217 000. All major claims were finalised during the reporting period. Some residual medical bills are expected in the next reporting period but it is expected that, in the main, workers' compensation costs should significantly reduce.

Divisional Occupational Health and Safety management committees continued to operate in 2004-05

The following table shows the number of workers' compensation claims received in 2003-04 and 2004-05.

Workers compensation claims

	2003-04	2004-05	Variation
Number of claims at start of financial year	13	13	0
Number of new claims	11	12	1
Number of resolved claims	11	7	-4
Number of staff with current open claims	13	9	-4
Number of staff currently receiving workers' compensation payments	2	4	2

Incident reports

	2003-04	2004-05	Variation
Nature of injury			
Sprains and strains	13	9	-4
Foreign body on ear, eye, nose	0	1	1
Contusion and crushing injury	0	2	2
Fractures	2	1	-1
Mental disorders	3	0	-3
Superficial injury	3	9	6
Open wound no amputation	0	1	1
No injury involved	1	1	0
Other (multiple and unspecified)	3	2	-1
Reported incidents during reporting period	25	26	1
Agency costs \$'000	\$352	\$217	-\$135
% Change between Financial Years			-38.35%

Source: Report supplied by DCIS

2004-2005 Reporting against Employment Instructions

Employment Instruction	Key Features
No 1 <i>Advertising, selection, appointment, transfer and promotion</i>	Recruitment and establishment policies were ratified and posted on the Intranet. Staff selection training uptake commenced in the reporting period. A formalised information session (policy and procedures) for use in the HR Consultancy process has been developed for roll out. HR consultants continue to provide a HR check on recruitment practices on selection processes.
No 2 <i>Probation</i>	A probation policy has been developed and approved in principle by the HR Sub Committee. Extensive work with DCIS has been carried out during the reporting period to ensure timeliness of probationary reporting. In house systems have been further developed to track and inform on the status quo of individual probationary reporting.
No 3 <i>Natural Justice</i>	The policy is available on the staff Intranet.
No 4 <i>Performance Management</i>	A Performance Management Policy is available on the Intranet. Extensive training and information sessions were carried out during the reporting period. 550 staff attended training. The first round of PPP sessions under the new policy was completed across the department by 31 March 2005.
No 5 <i>Medical Incapacity</i>	No cases during the reporting period.
No 6 <i>Inability to Discharge Duties</i>	No cases during the reporting period. Departmental policy remains available through the staff Intranet.
No 7 <i>Discipline</i>	Human Resource Consultants provide advice and assistance to managers dealing with disciplinary issues. Access to information is available on the Intranet site plus direct links to the OCPE site.
No 8 <i>Management of Grievances</i>	An interim policy is on the Intranet. Human Resource Consultants worked closely with managers to promote sound practices in the workplace. There have been some grievances during the reporting period; in the main relating to significant change in the way the Agency does business.
No 9	This employment instruction is now incorporated in No 1.
No 10 <i>Employee Records</i>	The Employee Record policy follows whole-of-government guidelines, covering the range of documents specified. The policy is on the Intranet. All personal files are securely maintained by DCIS on behalf of the Agency and access to personal files and the PIPS database is restricted to an "in-confidence" level.
No 11 <i>Equal Opportunity Management Plan</i>	The Equity and Diversity Framework developed in the previous reporting period remains subject to further development and final BOM approval. A presentation on flexible working practices was made to the HR sub committee generating discussion to facilitate Agency direction. Flexible working practices are encouraged with a number of arrangements eg part time, working from home, compressed working weeks in place.

Employment Instruction	Key Features
<p>No 12 <i>Occupational Health & Safety Programs</i></p>	<p>The OH&S Management System developed during the reporting period is being simplified. The Agency sought assistance from DCIS to establish a less complex model, incorporating existing corporate management structures in DCDSCA. This aims to facilitate a corporate OH&S plan which overarches divisional plans and committees. A risk analysis database was trialed during the reporting period. Focus was on urban and remote fieldwork common to all divisions. AMLS piloted the system specifically in the Museum and Art Gallery of the Northern Territory in Darwin.</p>
<p>No 13 <i>Code of Conduct</i></p>	<p>The Code of Conduct is available to all employees through the Agency's on-line orientation course. All staff can access the electronic version of the Code of Conduct through the staff intranet.</p>
<p>No 14 <i>Part time Employment</i></p>	<p>Access to part-time employment continued to be available to any employee. Flexible working practices are encouraged and covered in the Agency's on-line orientation program.</p>

Future priorities

The Human Resource Branch and senior management will give the following priority in 2005-06:

- Worklife balance education for managers and staff;
- Workforce Development Initiatives;
- Preparing AO4–AO6 level staff to move into Management/supervisor roles;
- Face to face corporate Induction; and
- Ensuring the current Indigenous Employment Career Development Strategy drills down through the organisation to become routine core business rather than an extraordinary measure.

Working for strong, creative communities...



Affordable Housing - Making dreams a reality

Housing underpins economic growth, sustainable development and plays a vital role in building and maintaining strong communities.

Home Territory 2010 was developed in recognition that a whole of government and whole of community approach is needed to influence the effectiveness of the overall housing system and to expand the provision of affordable housing for Territorians.

Through Home Territory 2010, Territory Housing has developed a number of initiatives to expand the affordable housing sector of the Northern Territory. A suite of flexible home loan packages have provided Territorians with a unique opportunity to purchase their own home - this affordable housing strategy has helped to encourage people out of the rental market or public housing into home ownership.

Through HomeNorth, Trepina Douglas and her partner have been able to purchase their first home.

The couple purchased a three bedroom home with a pool in Palmerston for \$214,000. The house is close to a school, public transport and the local shops. "It's a great location", said Trepina. "We couldn't be happier, now we can provide our son with a stable environment he can call home".

"We found the loan process daunting at first, but once we were a bit more familiar with it we actually found it really speedy".

"A particularly appealing feature of the scheme was the ability to purchase a share of our home with the Government. Meaning we could purchase the home we wanted".

Trepina also applied for the fee assistance loan for part of their deposit and to help out with fees. "What a bonus", she says.

"With the left over money from the interest free Assistance Loan we bought some paint to add our personal touches to the property".

"We would encourage anyone to apply for a HomeNorth Loan".

Assisting people into home ownership through products like the HomeNorth Shared Equity Loan significantly minimises the financial risk for low income earners to own their own home. It is the ultimate form of housing tenure and offers stability, a base from which health and education services are easier to access and which employment opportunities are possible.

Trepina enjoying the tranquil settings of her home.

Performance Reporting

Department of
Community Development, Sport
and Cultural Affairs

Performance Reporting

Working for Outcomes provides Government and the agency with the tools necessary to effectively monitor, evaluate and improve performance in the delivery of outputs to the Territory community.

In 2004-05, the Department delivered 13 very diverse outputs linked to five Government outcomes. Approved expenditure of these outputs ranged from \$2 million to \$60 million, also reflecting considerable difference in the scale of the services provided. The diversity in function and scale of the outputs creates complexities when reporting on performance.

As part of the ongoing enhancement process, measures of quantity, quality, timeliness and unit cost reported in previous budgets were reviewed during the 2004-05 year. The quantity, quality and timeliness measures align with efficiency and effectiveness and have been retained. However, it was identified that there are inherent limitations on unit cost measures due to significant levels of fixed costs, short-term fluctuations in activity and the aggregation of sub-outputs into output measures.

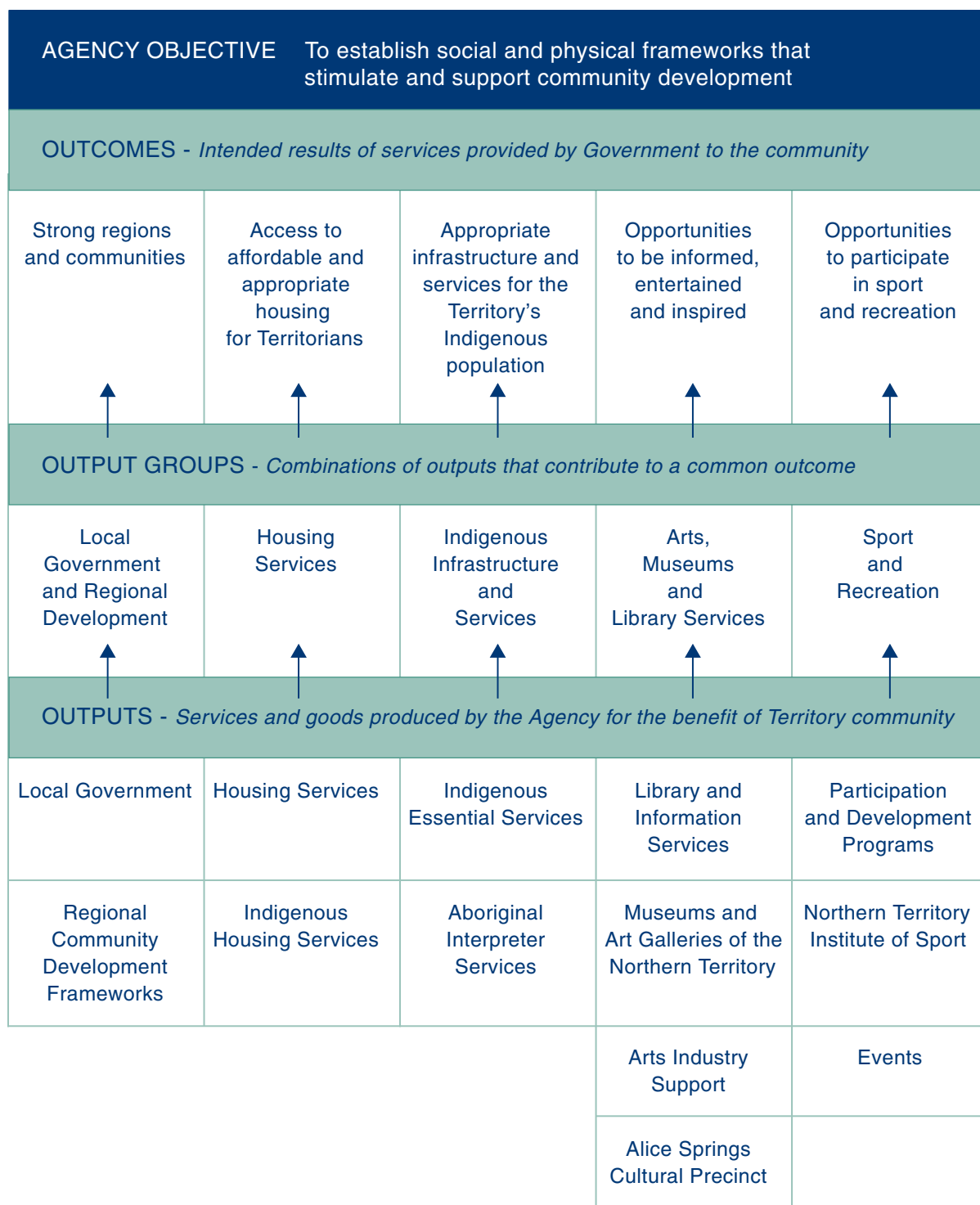
Whole of Government reporting in 2005-06 will no longer require unit costs as a performance measure. Agency unit cost performance measures have not been included in this report as, in the majority of cases, they do not add value and in many cases detract or confuse users of the performance information.

Some activities lend themselves more readily to performance reporting than do others. The number of visitors to the Museum and Art Galleries of the Northern Territory, for instance, is a sound measure of performance, while the number of grant applications processed by grants administration units measures the effort required to distribute grants but not the output achieved.

It is also important to note that the Agency is largely a funding organisation, with 68% of expenditure in 2004-05 distributed as grants, community service obligations or other such payments.

With the advent of new Administrative Arrangements Orders, commencing July 2005, a major review of the organisational structure and performance measures will be undertaken during the 2005-06 year.

All quantity, quality and timeliness measures are included in this report with selected measures reported with detailed trend analysis. Total Output Costs have been provided, on an accrual basis, to recognise the full cost of producing the output, taking into account all resources that have been consumed.





Outcome 1:

Strong regions and communities



Output Group:

Local Government and Regional Development



This output group delivers Territory wide policy development and program management relating to local government and regional development, as well as whole of government, whole of community regional agreements and Indigenous framework agreements.

Achieving the outcome of strong regions and communities requires considerable work sustained over a long period. The *Building Stronger Regions – Stronger Futures* strategy aims to develop the capacity of regions and communities to implement service initiatives that are appropriate and effective in dealing with local and regional issues. In many regions the establishment of an effective structure of governance is a prerequisite to facilitate this process.

One of the biggest challenges facing the Northern Territory is that of designing and exercising broadly representative, culturally legitimate and practical governance arrangements in Indigenous communities and regions. The Regional Authorities Implementation Group was established at the end of 2004 to focus on the establishment of Regional Authorities. The Group also facilitates and provides transitional support to existing Regional Authorities. Establishment of a Regional Authority is based on voluntary participation by community councils.

This output group is responsible for the administration of the *Local Government Act* and its subordinate legislation, as well as the development of operational policies, procedures and the accounting code. The administration and management of local government funding programs is a significant element of the output group, as is monitoring and compliance.

Local Government and Regional Development is also responsible for water safety, animal welfare, regional development boards and regional development. A network of Community Development Officers and Development Coordinators operate from regional offices and in strategic communities to assist in the delivery of these outputs.

Further information relating to this output group is available at our website www.dlghs.nt.gov.au.

West Central Arnhem Regional Authority Development – Oenpelli open day displaying progress and development and the Interim Regional Council Meeting.

Local Government

This output is responsible for building and supporting a strong regional service delivery framework governed by legitimate and effective local governing bodies.

It provides funding and support to municipal councils, community government councils and declared local governing bodies, as well as to three public reserves and Aboriginal urban living areas.

It also monitors the performance of local governing bodies against service delivery and financial accountability standards.

The output includes the Water Safety Unit responsible for the *Swimming Pool Safety Act* and oversees the *Animal Welfare Act*.

Key Achievements in 2004-05

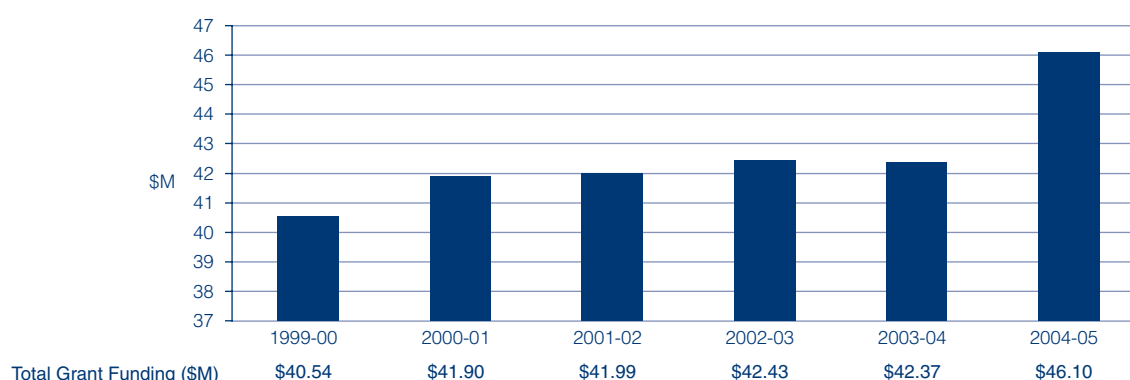
- Inspectors of local government issued the former Chief Executive Officer of the Anmatjere Community Government Council with a notice of surcharge amounting to \$28,349.80 for excessive and unauthorised travel and expenditure.
- First successful prosecution under the Animal Welfare Act. Magistrate Wallace convicted a Wanguri resident who appeared for one count of cruelty to a dog.
- Establishment grants for the three Regional Authorities (Thamarrurr, Nyirranggulung and Tiwi Islands) have been successfully negotiated. These grants are subject to outcome based agreements signed by the Minister for Local Government and the President of the respective council.
- Completion of the Review of the Local Government Operational Subsidy and the introduction of improvements to the financial assistance grants distribution methodology.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Grants distributed ¹	\$45.00M	\$42.31M	\$48.51M ¹	\$43.35M
Councils subjected to formal investigation	5	10	5 ²	6
Existing pool declarations audited	4 327	2 700	257 ³	300
Quality				
Independent assessment of local government standards achieved	⁴	80%	81%	n/a ⁵
Councils achieving minimum performance	⁴	80%	75%	80%
Timeliness				
Approved grants released by due dates	100%	100%	100%	100%
Pool fences inspected within 3 weeks of application	94%	80%	85%	80%
Output Cost \$000	52 128	49 255	56 208 ⁶	47 194

Notes

1. Grants higher than original projections due to: \$3m establishment grants to regional authorities; pool fencing grants of \$2.4m, operational subsidy \$0.5m ;additional funding received from the Commonwealth \$444k
2. Only five formal investigations have been required in the 2004-05 financial year
3. This is the first year of new pool fencing legislation - original estimates were projections only
4. Measure introduced in 2004-05. Information for 2003-04 is not available.
5. This measure has been deleted in 2005-06.
6. Total output costs high due to increases in grant funding, additional support for Regional Development Boards, restructure of corporate costs and increases in services provided by DCIS.

Local Government Grant Funding



The 2004-05 grant figures include \$3m one-off establishment grants for regional authorities.

Regional Community Development Frameworks

This output is responsible for the development of whole of government and whole of community partnerships for effective service delivery.

It achieves this by facilitating community and regional development through:

- Negotiating strong whole of government and whole of community regional agreements for effective service delivery with key Indigenous and representative organisations,
- Facilitating regional development plans, including the management of the Regional Development Fund; and
- Community capacity building, including the management of the Capacity Development Fund (also known as the Community and Economic Development Fund).

Key Achievements in 2004-05

- Convened the inaugural State of the Regions Conference. The Government committed to convening the conference biennially to discuss achieved outcomes from the *Building Stronger Regions - Stronger Futures* strategy. The conference took place from 3 to 4 September 2004 in Alice Springs.
- The *Northern Territory Indigenous Economic Development Strategy* was launched at the second Indigenous Economic Development Forum on 25-26 May 2005 in Darwin by the Chief Minister. The Strategy identifies opportunities for economic development in 13 industry sectors: Aquaculture and Fisheries; Arts; Community Services; Construction; Forestry and Agri-business; Government; Horticulture; Knowledge and Culture; Mining and Production; Natural Resource Management; Pastoral; Retail and Services; and Tourism.
- Significant progress has been made towards the development of Regional Development Plans in the Barkly and East Arnhem regions.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Grants distributed ¹	\$1.10M	\$1.10M	\$1.10M	\$1.10M
Regional development plans agreed	2	4	0 ²	
Quality				
Stakeholder satisfaction	55%	>75%	> 80% ³	> 60%
Grants acquitted successfully	>75%	>75%	> 80%	>75%
Timeliness				
Achievement of agreed targets for development plans	50%	70%	0 ²	n/a ⁴
Output Cost \$000	6 611	6 392	7 934⁵	8 703⁶

Notes

1. Total grants made available under the Regional Development Fund and Capacity Building Fund.
2. Regional development plans have been progressed but none were agreed or settled during 2004-05.
3. Survey conducted with stakeholders on satisfaction with Regional Development Fund grants process.
4. This target has been deleted in 2005-06.
5. Expenditure higher than original budget estimates as a result of the transfer in of Indigenous Economic Development responsibilities, hosting of the Indigenous Economic Development Forum and additional support to the delivery of Indigenous outcomes.
6. Target figures for 2005-06 reflect new structure.

Future Priorities

- Review the *Local Government Act* to address identified issues and provide recommendations on possible changes to the system of local government in rural and remote areas.
- Continue to improve local governing bodies capacity to comply with the provisions of the *Local Government Act*.
- Negotiate the establishment of new regional authorities in priority areas, including the placement of Development Coordinators in priority regions as negotiated with the Australian Government.
- Facilitate capacity development for communities with either grant funding or directly by development officers. Development officers have been allocated to work with communities and regions to facilitate the development of capacity over time. The capacity to make, implement and be accountable for decisions about matters of common interest and concern is a vital pre-requisite for the negotiating and implementing a strategy for development in a region.

As a result of new administrative arrangements, the future priorities for the Regional Development and Indigenous Economic Development functions will be set by the new administering agency, DBERD.



Outcome 2:

Access to affordable and appropriate housing for Territorians



Output Group: Housing Services



Housing Services provides a flexible and responsive approach to housing through the purchase of services from Territory Housing and grants to the Indigenous Housing Authority of the Northern Territory.

The Housing Policy Branch manages and coordinates the development of strategic social housing policy directions for the Department, provides expert advice on current policy issues,

emerging housing trends and formulates and evaluates major policy initiatives. It is responsible for implementing, monitoring and reporting for the Commonwealth State Housing Agreement, which articulates the principles and objectives to be pursued in delivering housing assistance.

The Community Harmony Strategy recognised that a partnership approach between government, Aboriginal organisations and the wider community would be required to effectively deal with community concerns over itinerant issues in urban centres.

Government needed to adopt an innovative approach because of the complexity of the issues involved, including the number of agencies involved or impacted upon by itinerants and the level of community concern.

Defining principles include a pro-active rather than punitive approach and a consensual approach to decision making. A whole of government, whole of community approach has been taken. This has included the formation of regional harmony groups with government, non-government organisations, Indigenous groups and community organisations; the convening of stakeholder forums including working parties and sub-committees, community workshops and forums for workers.

The Darwin approach has now been extended to all regions in the Northern Territory, recognising that local issues and concerns require local responses. A common rationale runs through all strategies; to find pathways out of the 'itinerant' lifestyle towards a return to home or towards appropriate services and interventions to allow people to live more productive lifestyles in town.

The Indigenous Housing output is the program manager for all the Indigenous Housing Authority of the Northern Territory (IHANT) housing and related infrastructure programs. It works in a multi-disciplinary environment to ensure that a whole of government approach is benefiting Indigenous Territorians.

Funding is provided to Indigenous community housing organisations in the form of capital, maintenance and management grants to improve Indigenous housing throughout the Territory.

A new housing management program is helping housing organisations to work with residents to improve the overall quality of life of Indigenous people through better management of housing and related services. Some communities are combining their resources to achieve better outcomes and make their limited dollars go further.

For further information relating to this outcome, visit our website www.dlghs.nt.gov.au.

IHANT apprentices are involved in all aspects of the construction of homes on Indigenous Communities and contribute significantly to the development of Indigenous participation in the broader construction industry.

Housing Services

This output provides a flexible and responsive approach to the purchase of services from Territory Housing.

It develops and monitors strategic housing policy for the Northern Territory. Housing Services also coordinates and manages for the Agency the Northern Territory's obligations under the Commonwealth State Housing Agreement and is responsible for implementing the Community Harmony Strategy.

The *Home Territory 2010* Strategy sets the direction and establishes the guiding principles, objectives and key focus areas for the coming years. The strategy aims to harness the effectiveness of the overall housing system in expanding the provision of affordable housing for Territorians.

The Community Harmony Strategy, by focusing on the development and implementation of strategies to address issues associated with itinerants and anti-social behaviour, is having a positive impact, improving the quality of life for the whole Northern Territory community.

Key Achievements in 2004-05

- All 2004-05 performance and core target reporting requirements under the Commonwealth State Housing Agreement have been completed within nominated timelines
- The establishment of the Housing Round Table to assist in the improvement of coordination and communication between housing tenures "to improve the way we do business". This forum brings together social and economic interests across the Territory and provides :
 - an opportunity for all housing stakeholders to gain input into the direction of housing;
 - a platform to develop private/public partnerships; and
 - a significant opportunity to link housing outcomes to economic and regional development.
- Progress is occurring on the development of a Northern Territory Homelessness Strategy, which is a joint venture between this agency and the Department of Health and Community Services. A Homelessness Taskforce has been established, comprising of government agencies and key stakeholders from the community sector, to seek public input into the development of a Homelessness Framework.
- Improved reporting in the Darwin and Palmerston Region under the Community Harmony Strategy that provides more accurate information on the urban drift of Aboriginal people from remote communities across the region.
- Assisted 2,036 people to return to their home communities under the 'Return to Home' program in 52 localities.
- The planned Stuart Lodge upgrade in Alice Springs will provide 68 new beds for people needing short-term accommodation.
- Established the Kalano Community Patrol in Katherine. The Patrol service consists of both mobile and foot patrols that work closely with other agencies to assist members of the community who are at risk.
- Recruitment of six participants in the Day Activity Program managed by the Larrakia Aboriginal Corporation, who were once itinerants, to undertake activity programs such as arts and crafts, gardening and skills training

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Community service obligation payments to Territory Housing	\$13.67M	\$13.80M	\$15.73M	\$20.56M
Commonwealth State Housing Agreement payments to Territory Housing	\$14.11M	\$14.11M	\$14.18M	\$14.18M
Community Harmony appropriate services delivered ¹ .	5	6	6	6
Quality				
Stakeholder satisfaction with:				
- advice on, and management of, Commonwealth State Housing Agreement	85%	>85%	90% ²	>85%
- management of housing policy	85%	>85%	³	>85%
Public satisfaction with reduction in anti-social behaviour	48%	50%	50%	50%
Timeliness				
Payments processed within agreed timeframes	100%	100%	100%	100%
Total Output Cost \$000 ⁴.	30 793	32 753	34 202	39 051

Notes

1. Includes information and referral, day patrols, Larrakia hosts, day activities, education and accommodation services.
2. Positive feedback received from the Commonwealth on timeliness of NT reporting on the Commonwealth State Housing Agreement.
3. Client satisfaction survey undertaken on a biennial basis - next survey to be undertaken in 2005-06.
4. Output cost higher in 2004-05 as a result of increases in Community Service Obligation payments to Territory Housing relating primarily to adjustments to the rental rebate subsidy.

Indigenous Housing Services

This output provides funding, administrative support and policy advice for the construction, maintenance and management of Indigenous housing in the Northern Territory on behalf of the Indigenous Housing Authority of the Northern Territory (IHANT).

The Indigenous Housing Authority of the Northern Territory is responsible for building, maintaining and managing community housing and advocates for Indigenous access to mainstream housing services. As the Program Manager for the Indigenous Housing Authority of the Northern Territory, Indigenous Housing Services coordinates policy development and the delivery of Indigenous housing services in the Northern Territory, in consultation with Indigenous leaders.

The two primary responsibilities as the Program Manager are to develop a solid policy framework for providing Indigenous housing in the Northern Territory and managing the Construction, Housing Management and Land Servicing Programs.

The program management area comprises four key programs:

1. **Construction Program** supports the development of Indigenous participation in the broader construction industry and is therefore integral to the Northern Territory Government's *Indigenous Economic Development Strategy*;
2. **Housing Management Program** provides Indigenous community housing organisations an allocation to manage and maintain dwellings;
3. **Repairs and Maintenance Program** provides financial assistance to Indigenous community housing organisations to assist them with the maintenance of housing stock; and
4. **Land Servicing Program** provides for the servicing of sites for the Indigenous Housing Authority of the Northern Territory funded community housing.

Key Achievements in 2004-05

- Introduction of a revised Indigenous Housing of the Northern Territory maintenance program, including financial incentives for implementing responsible rent collection policies has achieved:
 - increased rent collections; and
 - full expenditure of maintenance grants.
- An Indigenous Community Housing Survey was developed to provide information on housing condition which assists Indigenous Community Housing Organisations to make informed management decisions relating to their housing stock.
- The employment of 73 Indigenous Housing officers across the Territory and 75 community-based Housing Management Plans developed and implemented by Indigenous Community Housing Organisations.
- The development of a construction capacity by the Thamarrurr Community Government Council at Wadeye. Key outcomes are to be efficiencies gained through the standardisation of house designs, the engagement of a project manager, on-site construction of pre-cast wall panels and accredited training of up to 16 people in the first year of operation.
- In the Central Remote Training and Employment Strategy there are 11 apprentices at various stages of Certificate 111 and 6 at various stages of Certificate 11 in General Construction.
- A total of 63 housing organisations receiving Indigenous Housing Authority of the Northern Territory management funding with several working in collaboration with other communities to improve the effective delivery of housing services.

For further information about the Indigenous Housing Authority of the Northern Territory (IHANT), visit their website www.ihant.org.au

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Grants distributed by IHANT ¹	192	241	218	232
Grants distributed to IHANT by Agency	\$30.14M ²	\$24.16M	\$29.12M ²	\$24.23M
Quality				
Technical audits completed (relative to total construction) ³	47%	>30%	20%	> 40%
Stakeholder satisfaction with management of Indigenous housing policy ⁴	Nil	>85%	n/a	> 88%
Housing management plans developed by Indigenous community housing organisations		> 60%	100%	> 70%
Timeliness				
Target expenditure achieved ⁵		> 90%	100%	> 90%
Grants distributed by IHANT acquitted within required timeframes	90%	>90%	90%	> 90%
Output Cost \$000²	32 946²	27,437	32,147²	26,794

Notes

1. Number of grants released to housing organisations.
2. Additional ARHP funding received from Commonwealth in 2003-04 and 2004-05, which was on-passed to IHANT
3. Consultant engaged in April 2005 to undertake audits of Indigenous Housing IHANT construction projects. Audits have not yet been completed and funding has been allocated in 2005-06 to complete.
4. Survey form provided to members at Meeting 36. Only 20% of the survey forms issued were returned, therefore insufficient sample received to gauge stakeholder satisfaction.
5. This measure was introduced in 2004-05.

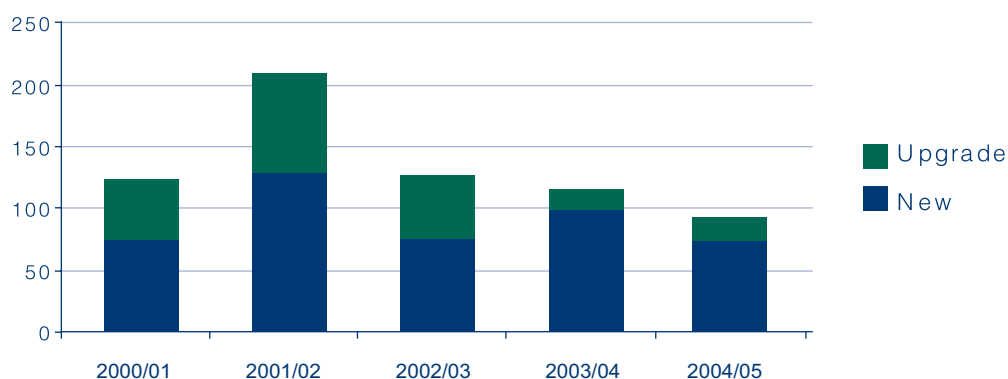
Construction Program

The Construction Program deals with the outcomes, outputs, performance criteria and resources applicable to the construction of houses. It also includes the resources applied to major upgrades and renovations.

This program has always been a major expenditure item in the Indigenous Housing Authority of the Northern Territory's program. The program is managed to ensure that maximum value is obtained from available funds and the delivery process is continually reviewed to achieve this.

This program is being increasingly acknowledged as an effective vehicle for supporting the development of Indigenous participation in the broader construction industry and is therefore integral to be Northern Territory Government's Indigenous Economic Development Strategy.

New Houses and Renovations: 2000-01 - 2004-05



There has been a decrease in the number of new houses and renovations as a result of increasing costs of building materials and construction in remote areas together with a reduction in the availability of contractors willing to work in remote areas. Notwithstanding these factors, the increases in new house construction, that meet environmental health standards, during the last three years has resulted in fewer house upgrades being required.

Since the creation of the Indigenous Housing Authority of the Northern Territory, the Construction Program has been delivered through a series of grants which are provided to Indigenous Community Housing Organisations (ICHO's), on the basis that the ICHO's agree to abide by certain conditions. The major condition is the engaging of a suitably qualified consultant to assist the ICHO's in managing the project.

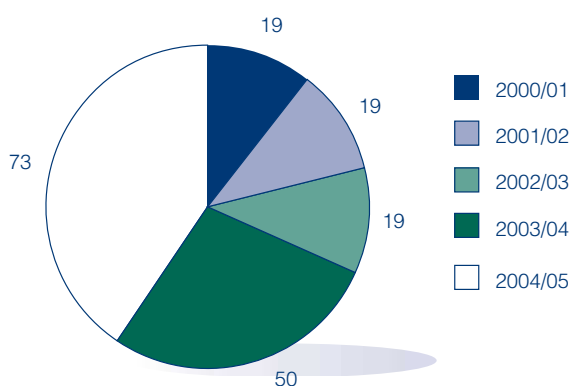
This involves developing a Scope of work for the grant and then the calling of tenders, management of the contract and then acquittal of the grant funds. Under this process ICHO's are able to participate in the design of their own houses.

Housing Management Program

The Housing Management Program provides financial assistance to eligible Indigenous Community Housing Organisations to administer their housing management activities, to improve tenancy and asset management, and to create Indigenous employment and training opportunities. The Indigenous Community Housing Organisations are encouraged to share resources with others in their regions, engage with their communities, improve maintenance and environmental health outcomes and build capacity of local people to participate in the delivery of housing services.

Indigenous Community Housing Organisations managing a minimum of 15 dwellings are eligible to receive an allocation of \$500 per house

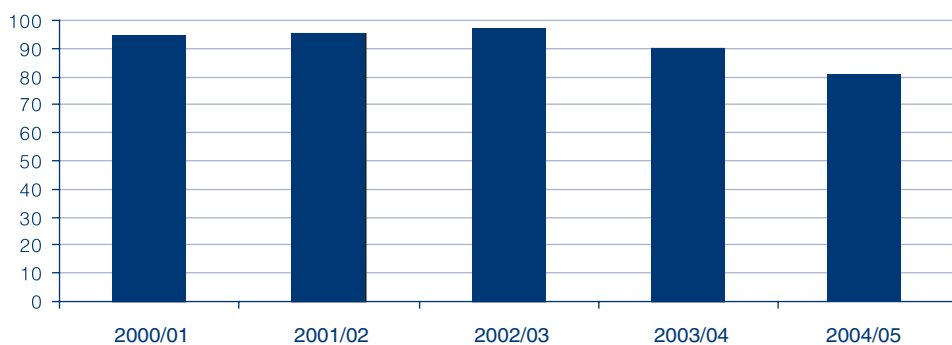
Number of Organisations Funded



Maintenance

The Maintenance Program has been a major initiative of the Indigenous Housing Authority of the Northern Territory (IHANT) since 1998-99. 84 Community Housing Organisations received maintenance funds during the 2004-05 financial year. Total expenditure was \$10.4 million, which represents a \$700,000 increase over the original budget allocation of 9.7 million.

Number of Maintenance Grants



The actual number of funded organisations has decreased in 2004-05 as ICHO's are combining.

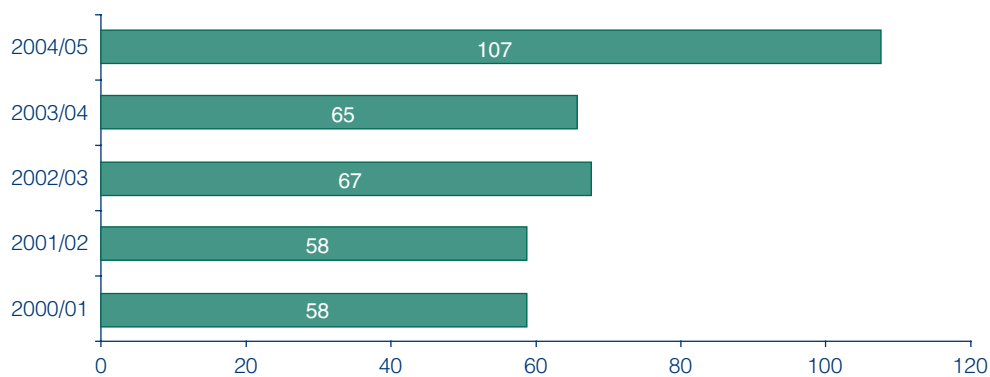
Introduction of a revised Indigenous Housing Authority of the Northern Territory Maintenance Program, including financial incentives for implementing responsible rent collection policies, has achieved increased rent collections (\$10.7M in 2004-05) and full expenditure of maintenance grants (\$10.5M).

There are 73 Indigenous housing officers employed across Northern Territory Indigenous Community Housing Organisations and 75 community based Housing Management Plans developed and implemented by Indigenous Community Housing Organisations.

Land Servicing Program

The Land Servicing Program manages the Indigenous Housing Authority of the Northern Territory's Serviced Land Availability Program. This includes providing aerial photography services, mapping requirements and subdivision layout plans for the Indigenous Housing construction program. The Aboriginal communities and homelands that benefit from this program endorse all of these land servicing outcomes.

Number of Serviced Sites



The significant increase in the number of serviced sites bears a direct relationship to the improvements in the management of the land servicing area within the Department.

Future Priorities

- Continue, through the Community Harmony Strategy, to take a whole of government, whole of community approach through networking, coordination and consensus decision making.
- Target information and education campaigns at a range of groups in urban and regional centres including residents, Aboriginal and non-Aboriginal visitors, and home communities.
- Organise education programs in home communities to explain the Community Harmony Strategy initiatives by the promotion of cultural protocols, targeted messages and the promotion of the responsibilities and dangers of urban living.
- *Home Territory 2010* acknowledges that in order for the public housing system to provide a safety net targeted to those most in need, viable and appropriate, affordable options must be developed. The review and alignment of policies and procedures (eligibility and rent) is identified as a future priority, to ensure that public Housing remained well targeted.
- Review the *Housing Act* as a priority, to ensure that the objectives of the Act provide for current policy outcomes and business practices and reflects the future direction for housing as identified in the *Home Territory 2010* Strategy.
- Provide coordination and direction for a whole of government and community based response to homelessness in the Northern Territory and continue, through the Homelessness Taskforce, to seek community input into the development of a Homelessness Framework.
- Improve the delivery of mainstream housing programs to Indigenous people, continue to seek sustainable Housing outcomes at a jurisdictional level and present cogent arguments for increased funding for Indigenous Housing to the Australian Government.
- Continue the focus on Indigenous housing maintenance programs, including financial incentives for implementing responsible rent collection policies, to achieved increased rent collections in remote communities and full expenditure of maintenance grants.
- Accelerate forward land use planning and the integration of the planning system with adequate survey control to enable future leases in remote communities to be adequately defined.



Outcome 3:

Appropriate infrastructure and services for the Territory's Indigenous population



Output Group:

Indigenous Infrastructure and Services



The Indigenous Infrastructure and Services output group comprises the Indigenous Essential Service Branch and the Aboriginal Interpreter Services.

The group's focus is on the equitable delivery of services to the Territory's Indigenous population. Equity is achieved through ensuring access to adequate remote air and sea transport infrastructure, the provision of power, water and sewerage services at a comparable level to similar sized open communities and by alleviating the language barriers faced by many Aboriginal people in the Territory.

The output group supports the delivery of key initiatives by Government and non-Government agencies such as legal and health services and regional development and well-being outcomes. Indigenous Essential Services operates and maintains a large infrastructure asset base, while the Aboriginal Interpreter Services operates and maintains a large number of interpreters to cover the major Aboriginal languages in the Territory.

The output group delivers services through a Territory-wide network of providers. For Indigenous Essential Services this means working with the Australian Government, Power and Water Corporation and the Department of Infrastructure, Planning and Environment across 72 remote and 41 urban Indigenous communities. The Aboriginal Interpreter Services works with over 260 interpreters across all urban, remote and outstation Indigenous communities.

By providing infrastructure in remote Indigenous communities, the output group supports the cultural diversity of the Territory. Indigenous people can access services in their own area without the need to move to urban areas. The availability of interpreters in the major Aboriginal languages keeps these languages alive and strong.

For further information relating to this outcome, visit our website www.dlghs.nt.gov.au.

The inaugural Aboriginal Interpreter Services conference was conducted at the Batchelor Institute in June 2005, bringing together interpreters from all regions and representatives from the NT and Australian Governments.

Indigenous Essential Services

Indigenous Essential Services provides policy advice and funding to facilitate the delivery of essential services including power, water, sewerage, barge landings and airstrips for remote Aboriginal communities.

It purchases the provision of power, water and sewerage services to remote Northern Territory funded Indigenous communities through the Power and Water Corporation, and the maintenance and upgrade of aerodromes and barge landings through the Department of Infrastructure, Planning and Environment.

Indigenous Essential Services also facilitates land servicing subdivisions to provide serviced allotments for remote community housing on behalf of the Indigenous Housing Authority of the Northern Territory, and coordinates the delivery of joint land servicing projects with the National Aboriginal Health Strategy Program.

The major challenges faced by Indigenous Essential Services are to develop strategies for the more sustainable use of energy and water resources and to provide increased opportunities for Indigenous employment and training through Indigenous Utility Services, Remote Air and Sea Transport Infrastructure and Land Servicing programs.

This output is committed to increasing employment and enterprise outcomes for Indigenous people through the provision of essential services. With accredited training available, opportunities exist for the employment of Indigenous Territorians as Essential Service Officers in remote communities through PowerWater contracts with Community Government Councils. Additional opportunities are available for the employment of Indigenous Territorians as Aerodrome Reporting Officers. In the future, potential exists for the inclusion of Indigenous employment and training components within infrastructure and maintenance projects.

Key Achievements in 2004-05

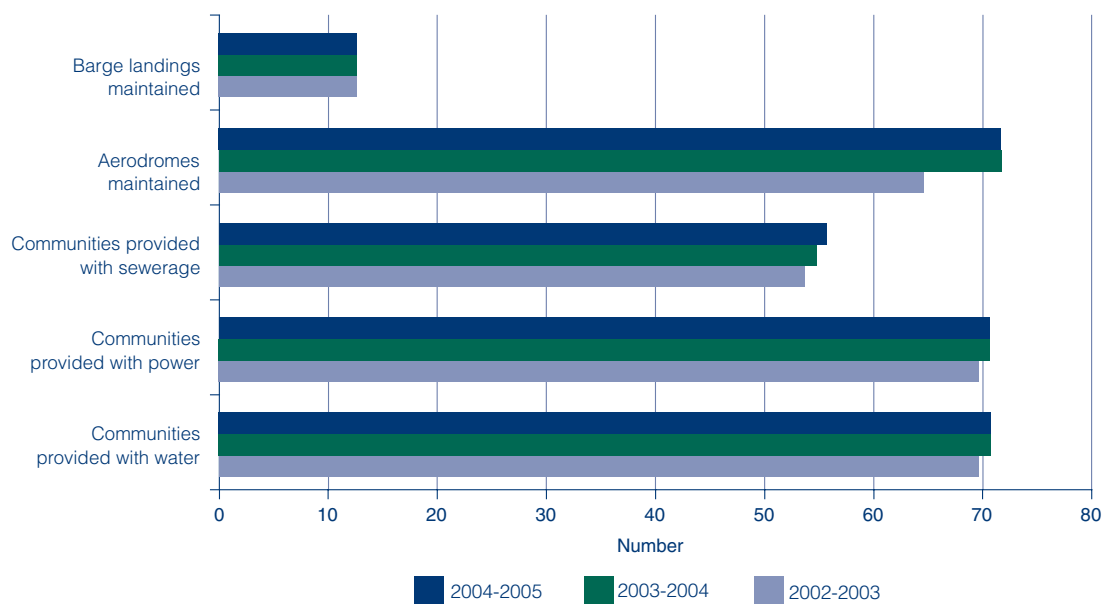
- Through service providers, Indigenous Essential Services facilitated a capital and minor works program that delivered improved levels of essential services to Indigenous Territorians in communities including the following projects:
 - Sealed and upgraded Gapuwiyak and Minyerri aerodromes to improve all-weather capability
 - Official opening of the Daly River Power Station in April 2004. The new power station was constructed as a flood mitigation measure for Nauiyu community.
 - Improvements to community water supplies were completed at Numbulwar, Yirrkala, Palumpa, Gapuwiyak, Gunbalanya and Lajamanu.
 - 13 serviced lots at Ali Curung and 3 at Laramba were completed for community housing use. The National Aboriginal Health Strategy and Indigenous Essential Services collaborative land servicing projects completed 16 serviced lots for community housing at Hermannsburg.
 - Development of 88 serviced allotments across the Northern Territory for Indigenous Housing. In addition, 45 serviced lots were developed for Government Employee Housing.
 - At Daly River, in conjunction with PowerWater, provision of a high-voltage power line for reticulated electrical services along Woolianna Road in the Daly Region commenced

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Communities serviced with water	72	72	72	72
Communities serviced with power	72	72	72	72
Communities serviced with sewerage ¹	56	64	57	57
Outstations receiving power from NT funded grid	19	19	19	19
Outstations receiving water from NT funded grid	5	5	5	5
Airstrips maintained	73	73	73	73
Barge landings maintained	14	14	14	14
Quality				
Client satisfaction with services ²	82% ²	50%	78%	60%
Timeliness				
Client satisfaction with response time for repairs ²	79% ³	45%	73%	60%
Output Cost³. \$000	52 824	49 134	54 130	50 789

Notes

1. Figures revised during the 2005-06 Budget process. Basis of the target figure was incorrect.
2. First year of undertaking customer satisfaction surveys, therefore budget targets were estimated without established base. Notwithstanding this, PowerWater have performed well in the field this year, despite having to deal with a cyclone
3. Increased expenditure as a result of additional funding for power generation of \$4 million and unforeseen repair costs relating to Cyclone Ingrid.

Services



Aboriginal Interpreter Services

The Aboriginal Interpreter Services, which commenced in April 2000, provides Aboriginal language interpreter services for government and non-government agencies that require on-site Aboriginal language interpreters. It assists in alleviating language barriers faced by Indigenous people and provides equality and equity of services that are enjoyed by non-Indigenous people.

The Service also maintains and uses a register of Aboriginal languages and interpreters in the Northern Territory. Maintaining contact with these registered interpreters is a major challenge. Often they have no telephone contact and do not notify their change of address.

The Aboriginal Interpreter Services has established a weekly roster system to ensure interpreters are available at Royal Darwin, Alice Springs, Tennant Creek and Katherine hospitals to assist the Indigenous community.

The Service also has interpreters based at the Darwin Magistrates and Alice Springs Courts and at the Katherine Court on bail days. Interpreters are available at all bush courts.

Consultation with communities is imperative in developing and operating community based and driven diversionary programs. Visits to remote communities throughout the Territory are regularly undertaken to recruit and retain interpreters, discuss the role of interpreters with the communities and monitor bush court proceedings.

In 2004-05 the Aboriginal Interpreter Service developed an information and training package to promote the service of Aboriginal interpreters in Community Health Centres. Funding was also secured to develop resources to facilitate better understanding of medical procedures and terminology by Aboriginal language interpreters. A series of advertisements were also produced and aired, outlining the role of the interpreter and the availability of Aboriginal interpreters.

In addition, a series of educational DVDs have been produced to clarify the role of the interpreter, in general, and the specific role of the interpreter at the Magistrates Court and at the Supreme Court.

Key Achievements in 2004-05

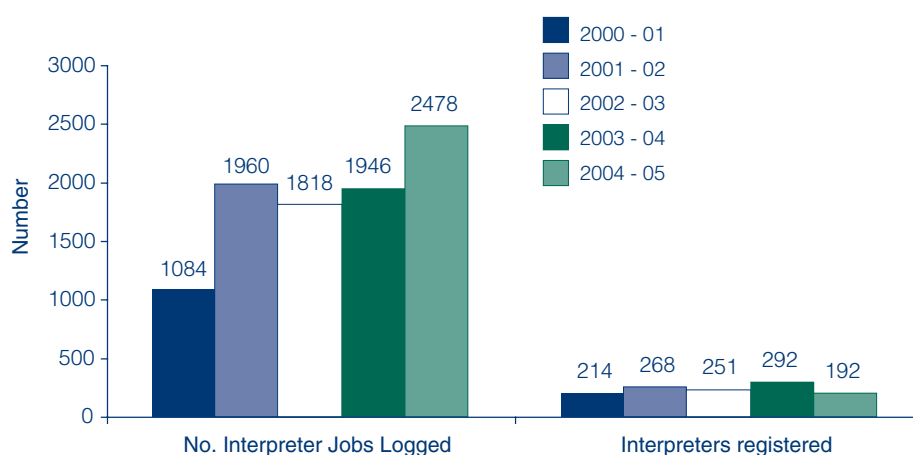
- 183 interpreters are currently registered, with 103 (56%) of these interpreters being accredited.
- Training of inmates in the Darwin Prison, over a seven-month period, has resulted in 4 inmates graduating with a Diploma of Interpreting and Translating from Batchelor Institute of Indigenous Treasury Education.
- Since its establishment, services have been provided to 246 organisations in the Northern Territory.
- The development of Service Level Agreements between the Aboriginal Language Centres and the Aboriginal Interpreter Service; and
- Conducted successful Community Awareness Workshops and Interpreter Training Seminars.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Interpreters registered with the Service	296	256	192	265
Bookings received ¹	1 579	1 800	2 478	2 000
Languages and dialects covered by the Service	104	104	104	104
Quality				
Client satisfaction with the Service	95%	95%	95%	95%
Timeliness				
Bookings attended	95%	95%	95%	95%
Output Cost \$000	2 055	1 695	2 572²	2 009

Notes

1. Original target based on bookings of longer duration. Bookings, in the main, of shorter duration and therefore interpreters were able to attend more bookings.
2. Output cost is higher due to funding carried forward from 2003-04 into 2004-05 and additional Commonwealth funding received for increased training of interpreters.

Interpreter Statistics



A higher number of bookings in 2004-05 due to more bookings being of a shorter duration and therefore enabling interpreters to attend more jobs.

A review of interpreters registered with the service was undertaken during 2004-05 with only those interpreters that have been active within the last six months being included as registered with the service.

Future Priorities

- Develop resources to facilitate better understanding of medical procedures and terminology by Aboriginal language interpreters.
- Continue to develop strategies to make people from remote communities aware of the Aboriginal Interpreter Service. This will ensure that Indigenous consumers have the opportunity to make genuinely informed choices about their health care, through improved institutional and individual communication practices; and
- Through negotiation with the Australian Government, secure funding on a 50/50 basis for the next five years, to continue to provide Aboriginal language interpreter Services for government and non-government agencies that require on-site Aboriginal language interpreters.

As a result of new administrative arrangements, the future priorities for the Indigenous Essential Services portfolio will be set by the new administrating agency, DPI.



Outcome 4:

Opportunities to be informed, entertained and inspired



Output Group:

Arts, Museums and Library Services

Arts, Museums and Library Services preserves and provides access to the Northern Territory's natural and social heritage through its facilities and programs, supports artistic development and provides a link to information and culture nationally and internationally.

The vision that underpins Arts, Museums and Library Services is: 'Leaders in growing a strong and diverse arts and culture identity for the Territory.'



Strategies to achieve this vision are supporting, developing and showcasing a vibrant and sustainable arts, culture and knowledge industry; facilitating innovative platforms for service delivery internally and externally; maximising opportunities for strategic partnerships and collaborative ventures; investing in our people to achieve a diverse and vibrant workplace; and maintaining strong arts, library and research activities.

This output group is delivered through the Arts Museums and Library Services Division, which comprises:

- Alice Springs Cultural Precinct
- Arts NT, the arts funding and development branch, including the Indigenous Arts Development Unit
- Museums and Art Galleries of the Northern Territory
- Northern Territory Library and Information Service
- Strehlow Research Centre, and
- Northern Territory Film Office.

For further information relating to this outcome, visit the website www.nt.gov.au/nreta

Indigenous performances as part of the Darwin Festival.

Library and Information Services

Northern Territory Library and Information Service (NTLIS) develops communities through the delivery of appropriate library services for all Territorians by connecting people to information, preserving Northern Territory documentary and cultural heritage and helping people learn.

The branch provides leadership in the delivery of library services in the Northern Territory in partnership with the Department of Employment, Education and Training, community and local government. It provides library services to Parliament and services that enable access by Territorians to recorded global knowledge. Northern Territory Library and Information Services also preserves and provides information on the Northern Territory's cultural heritage.

Northern Territory Library and Information Services are delivered through four main areas:

- Northern Territory Library at Parliament House (Reference, Heritage and Parliamentary Services);
- Joint-use libraries at Taminmin and Nhulunbuy;
- Support for public libraries, including the implementation of Library and Knowledge Centres; and
- Centralised technical services for all public libraries and management of the shared library catalogue.

Key Achievements in 2004-05

- Finalisation of the 2005-2008 Public Libraries Agreement.
- Commencement of Phase 1 of the Library and Knowledge Centres program resulted in the implementation of the new model in eight communities across three regions;
 - Wadeye/Daly River;
 - Groote Eylandt; and
 - East Arnhem.
- Implementation of the *Publications (Legal Deposit) Act 2004* in March 2005.
- The inaugural Chief Minister's Northern Territory History Book Award was presented for the best historical book published in the previous year. The winning entry was David Bridgman for *Acclimatisation: Architecture at the Top End of Australia*. Canberra: Royal Australian Institute of Architects, 2003.
- The total number of visitors to the Library at Parliament House increased by 16%.
- Launched the newly designed website on 30 June, incorporating functional and structural changes and new areas of content, and
- Displayed the "Beautiful China" photographic exhibition in the Library's mezzanine area, on loan from the Embassy of the People's Republic of China in Australia.

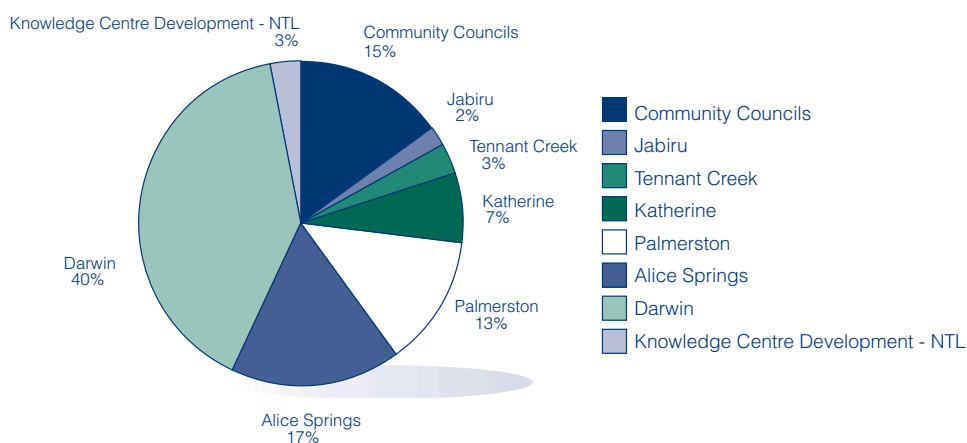
For further information relating to this output group, visit the website www.territoryimages.nt.gov.au

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Client interactions ¹ :	380 000	400 000	381 833	400 000
Grants distributed	\$3.35M	\$3.1M	\$2.97M ²	\$3.17M
Quality				
Client satisfaction rate ² :	80%	80%	75%	80%
Timeliness				
Reference enquiries satisfied within specified timeframes	98%	80%	97%	80%
Grants paid within agreed timeframes	100%	100%	100%	100%
Output Cost \$000	12 407	11 589	11 824	11 347

Notes

1. Includes document delivery transactions, reference and directional enquiries, loans, visitors, event participants, people trained and grants client contacts.
2. One-off transfer to operational for Libraries and Knowledge Centres in 2004-05 has resulted in lower grants figure in that year.
3. Survey conducted of Virtua participants. Original budget figures anticipated conducting client surveys across other areas of the service, which did not eventuate.

Operational Grants 2004-05



Museums and Art Galleries of the Northern Territory

The Museums and Art Galleries of the Northern Territory (MAGNT) is committed to the acquisition, research, development and conservation of scientific, art and material culture collections.

It is the Territory's premier scientific and cultural institution and is internationally renowned for its cultural and scientific excellence. Curatorial and research staff were involved in numerous research projects through 2004-05. The results of this research were disseminated in research papers and other published articles (refer [Appendix 11](#)).

The Museums and Art Galleries of the Northern Territory collections place the region's art, history and culture in an Australian and international context through research, interpretation and collection development. These collections encompass Aboriginal art and material culture, visual arts, crafts, South-East Asian and Oceanic art and material culture, maritime archaeology, Northern Territory history and natural sciences.

The responsibility for holding the Collection on behalf of the Territory is held by the Museums and Art Galleries Board of the Northern Territory (refer [Appendix 2](#)).

Key Achievements in 2004-05

- Enjoyed its most successful year in its 36-year history, surpassing record attendances for all combined venues achieved during 2003-04. In particular, the Bullocky Point facility maintained strong attendance figures for the year, with a total of 210,244 visitors recorded for the 2004-05 year as compared with the record 210,787 (refer to MAGNT Visitation)
- Delivered an exciting and diverse program of exhibitions and events during 2004-05. Highlights included:
 - *Space: Reaching Out*
 - *Windows on Australian Art: Focus: Kids on Track*
 - *21st Telstra National Aboriginal and Torres Strait Islander Art Award*
 - *Windows on Australian Art: Focus: Landscape in Me*
 - *Exit Art: Contemporary youth art of Northern Territory Year 12 students*
 - *After Image: Screenprints of Andy Warhol*. A National Gallery of Australia Travelling Exhibition
 - *The Sojourners*. A site specific sculptural installation by Greg Leong
 - *Arafura Craft Exchange*
- Continued to develop, manage and provide access to the Collection. Highlights included the acquisition of an important collection of Southeast Asian ceramics from the National Gallery of Australia, acquisition is through the Telstra Collection Fund and the Museums and Art Galleries of the Northern Territory Foundation Limited, and considerable donations through the Cultural Gifts Program.
- Ensured access to the Collection and its intellectual capital through a comprehensive publication program that focused on all disciplinary areas.

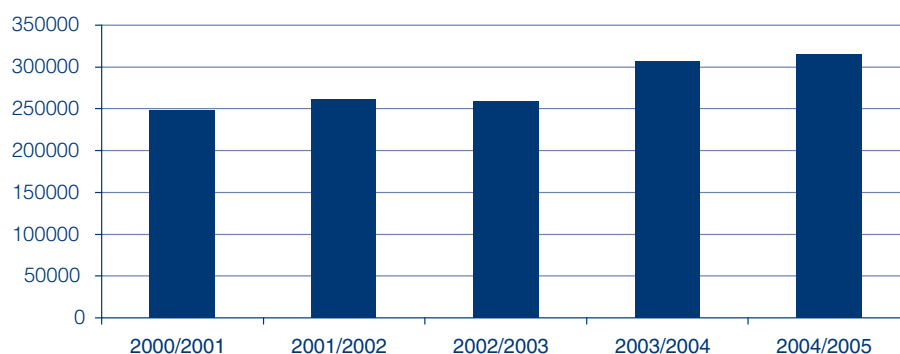
For further information relating to this output group, visit the website www.nt.gov.au/museums.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Visitors ¹	327 000 ²	230 000	294 146	230 000
Major Exhibitions ³	7 ⁴	5	4	5
External Grants received and managed ⁵	8	5	3	6
Grants distributed	\$200 000	\$200 000	\$200 000	\$210 000
Quality				
Visitor satisfaction rating	97%	95%	98%	95%
Acquisitions that meet collection policy	100%	100%	100%	100%
Collections accessible to the public ⁶	14%	10%	11%	10%
Timeliness				
Grants paid within agreed timeframes	96%	100%	93% ⁷	100%
Output Cost \$000	24 617⁸	11 081	12 826⁹	10 659

Notes

1. Based on total visitation figures across all Museum and Art Galleries of the Northern Territory venues.
2. Museums and Arts Galleries of the Northern Territory achieved record visitation for the 2003-04 year.
3. Based on 'new' exhibitions staged at the Bullocky Point facility.
4. Includes touring exhibition Celebrating 20 Years which opened in Canberra April 2004
5. Refers to external grant funding such as, Commonwealth Grants etc.
6. Exhibition space at MAGNT facilities is limited and a large percentage of the collection is not always on public view. Additionally items from the collection are loaned to other national and international institutions.
7. Delay in one grant recipient acceptance resulting in grant not being paid in the first quarter.
8. Increased expenditure in 2003-04 due to asset revaluations of \$13.3M
9. Increased expenditure due to carry-over of revenue related expenditure into 2004-05; additional revenue related programs during the year, and unforeseen repairs and maintenance costs relating to carpet beetle infestation at the Bullocky Point Museum.

MAGNT Visitation Table



Arts Industry Support

The Arts Industry Support program's primary role is to support and develop the artistic and cultural potential of the Territory through policy development, operational and financial support and advice to the arts sector and to the Minister. It aims to ensure all Territory residents have access to a variety of arts and cultural activities.

The Arts Industry Support program services and facilitates a diverse range of arts and cultural activities across the Territory through :

- Support to key arts organisations
- Policy development
- Physical infrastructure for arts and cultural activity
- Regional arts development
- Industry and audience development, and
- Managing the Northern Territory's *Indigenous Arts Strategy, Building Strong Arts Business*.

The Northern Territory Film Office is responsible for government assistance to the film, television and digital media industries of the Northern Territory, and for providing timely and accurate advice to government on all aspects of the screen industry

Key Achievements in 2004-05

- Supported and progressed the development of five-year business plans for the Darwin Festival and Alice Springs Festival.
- Supported business planning processes for seven key arts organisations.
- Re-negotiated funding agreements and performance indicators for all key arts organisations.
- Negotiated Tripartite triennial funding arrangements for three Northern Territory visual arts organisations under the National Visual Arts and Crafts Strategy.
- Facilitated Board governance workshops in the Darwin and Katherine regions.
- Finalised four-year Australian Government agreement to support the Regional Arts Fund program in the Northern Territory under a new Strategic Framework to strengthen and sustain regional arts organisations.
- Implementation of key initiatives under *Building Strong Arts Business, the Northern Territory's Indigenous Arts Strategy* including:
 - Grants expenditure in excess of \$727,000 comprised of recurrent funding to Desert and the Association of Northern, Kimberley and Arnhem Aboriginal Artists (ANKAAA), support for the Garma Festival, arts projects, contemporary music development and touring, skills development for Indigenous dancers, business development, literature, export, film and National showcasing.
 - Presentation of the inaugural Indigenous Music Awards in Darwin and Alice Springs managed through Music NT.
 - Development of an Export Action Plan, Arts Centre Infrastructure and Employment Plan and Indigenous Intellectual Property Strategy for the Indigenous Arts Sector.
 - Establishment and support of the Indigenous Arts Reference Group (IARG).
- Held the first meeting held in May 2005 between Arts, Museums and Library Services representing the Northern Territory Government and the Australian Government Department of Communications, Information Technology and the Arts programs Schedule 2.2 to the Overarching Bilateral Agreement on Indigenous Affairs - Strengthening and Sustaining the Indigenous Arts Sector.
- Conducted a Territory-wide screen industry survey, and the establishment of a database of the Northern Territory screen industry, by the Northern Territory Film Office.

- The Northern Territory Film Office facilitated courses in Alice Springs and Darwin in screenwriting, documentary development, and in pitching ideas to investors.
- Promotion of the Northern Territory and the Territory industry at a range of screen industry events including the Australian International Documentary Conference, and in a range of industry publications by the Northern Territory Film Office.
- Engagement of the Northern Territory Film Office in ongoing discussions with ScreenWest (the Western Australian state screen agency) and the South Australian Film Corporation (the South Australian state screen agency) regarding cross-border collaborations.

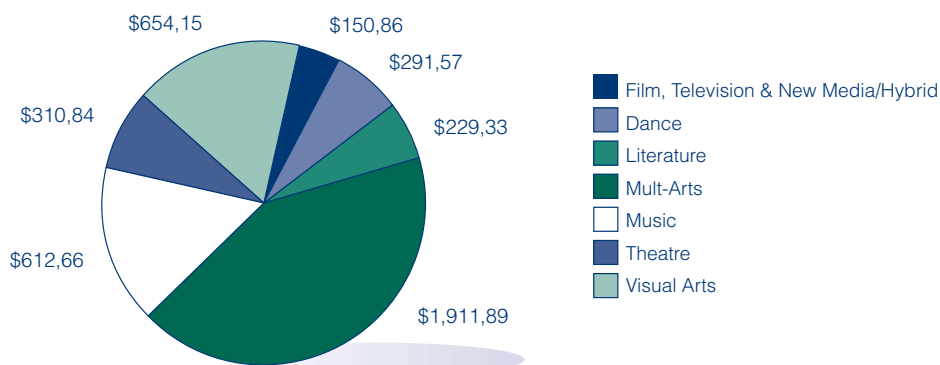
For further information relating to this output group, visit the website www.nt.gov.au/arts.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Grant applications processed ¹	395	300	405 ²	320
Grants managed ³	230 ²	150	324 ²	500
Grants distributed	\$3.99M ²	\$3.4M	\$4.2M ⁴	\$4.89M ⁵
Quality				
Arts Grants Board satisfaction	88%	90%	90%	90%
Customer satisfaction ⁶	96%	85%	85%	85%
Timeliness				
Grant payments processed within agreed timeframes	96%	95%	95%	95%
Output Cost \$000	5 790	5 845	6 611⁷	7,736⁵

Notes

1. Includes applications received under all programs – annuals, project rounds and quick response scholarships.
2. Higher number of Quick Response applications received
3. Includes number of successful applications in all categories
4. Additional grants funding in 2004-05 relating to: transfer of festival funding; increase in Commonwealth funding; and Treasurer's Advance.
5. Grants higher in 2005-06 due to various measures including additional funding for festivals and the NT Film Office.
6. Feedback through sector Working Party on Program Management
7. Increased expenditure as a result of funds carried forward from 2003-04 and increases in grant funding from the Commonwealth.

Arts Grants Program - Artform 2004-2005



Alice Springs Cultural Precinct

The Alice Springs Cultural Precinct delivers, facilitates and promotes performing arts, cinema, visual arts and tourism programs and attractions for residents and visitors to Alice Springs.

The Precinct is home to eight of Alice Springs' premier cultural and historical attractions in Alice Springs, encompassing performing and visual arts, the natural history of the region, Aboriginal culture and the more recent European settlement.

The Araluen Collection, housed at the Araluen Centre within the Alice Springs Cultural Precinct, concentrates on contemporary Indigenous and non-Indigenous art from the Central Australian region.

The Strehlow Research Centre cares for, and facilitates appropriate access to, the Strehlow Collection of Central Australian ethnographic objects, historic film and a sound recordings and other archival materials. The Strehlow Collection represents one of the world's most significant collections of material relating to Indigenous ceremonial life.

Key Achievements in 2004-05

- The 2004 Desert Mob Indigenous art exhibition again exceeded all previous records. A total of \$281,894 worth of work, amounting to 50.6% of the 387 works on display, were sold in the six weeks of the exhibition, with nearly \$185,000 sold on the opening day.
- The inaugural Desert Mob MarketPlace produced an income for the 15 participating Indigenous arts centres of around \$43,000. All works sold were under \$200. An enthusiastic crowd of around 800 people attended, with many art centres showcasing artists working.
- The annual Beanie Exhibition and Festival generated somewhere in the order of 6-7000 attendances, taking all events into account. This vibrant, colourful and quirky event is rapidly becoming a Central Australian landmark on the Festival calendar.
- The *Clifford Possum Retrospective Exhibition* on tour from the Art Gallery of South Australia attracted more than 3500 visitors, at a time when there is traditionally very poor visitor numbers. One unexpected outcome was the greatly increased number of Indigenous visitors to the exhibition, many of them identified themselves as relatives of the artist.
- More than 3260 students and their families took part in Science Week 2004, with many of the evening events proving highly popular with people of all ages. *Sleek Geek*, in particular, was sold out well before the event.
- The \$167,000 unexpected windfall from the Ruth Spencer Komon Bequest saw a number of important additions to the Araluen Collection. It was decided to concentrate on filling perceived gaps in the Indigenous Collection.
- The Araluen ArtHouse Cinema Program continued to attract strong audiences throughout the year. Film festivals once again proved popular, along with several fundraisers for local organisations.
- The Warlukurlungu Collection: Sites and Ceremonies - the 20th Anniversary Exhibition from the Warlukurlungu Art Centre at Yuendumu.
- The Araluen Theatre Season, both in 2004 and 2005 generated considerable interest and some sellout performances. The Australian Ballet Dancers Company's *Nutcracker* was a major success, incorporating the Dancers Company's celebration of their 25 years. Bell Shakespeare's *Midsummer Night's Dream* attracted nearly 800 people, while OzOpera's *La Boheme* was totally sold out. *Fiddler's Festival* and *Pirates of Penzance* from the 2005 Theatre Season also attracted good audiences.
- The Alice Springs Festival utilised the Alice Springs Cultural Precinct for several events during the 2004 Festival, including the sell-out Wearable Art Award.
- Published the book *Strehlow Research Centre Occasional Paper 4: Collaboration and Language*.

- Worked with Museum Victoria to facilitate the return of 150 sacred Indigenous objects to Central Australia, half of which are now stored at Strehlow Research Centre at the request of Traditional Aboriginal Custodians.
- Completed a major refit of storage facilities in the Strehlow Research Centre sacred object vault, improving security, our ability to respond to disaster situations and increasing storage capacity by approximately 25%.

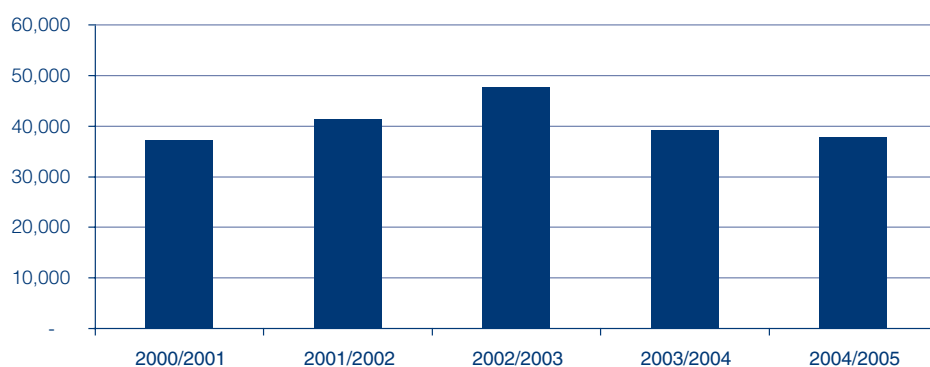
For further information relating to this output group, visit the website www.ascp.com.au

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Total visitor numbers	77 285	90 000	81 719 ¹	90 000
Exhibitions	21	18	17	16
Local activities supported:				
- exhibitions	6	5	9 ²	5
- performances	3	2	4 ²	2
Quality				
Visitor satisfaction with performing arts events and cinema product	95%	90%	92%	90%
Visitor satisfaction with Precinct experience	91%	90%	92%	90%
Output Cost \$000	6 204	3 860	4 541³	4 693

Notes

1. The variation between projections and actual visitor numbers can be attributed to a general downturn in the tourism industry in Central Australia.
2. Additional local activities supported.
3. Increased in 2004-05 as a result of additional revenue related expenditure and additional corporate overheads.

Visitors to Alice Springs Cultural Precinct



The reduction in visitors since 2002-03 is attributed to a general downturn in the tourism industry in Central Australia.

Future Priorities

- Roll-out of Phase 2 of the Library Knowledge Centre model.
- Implementation of the 2005-08 Public Library Agreement.
- Implementation of tender for purchase of shelf-ready library materials.
- Review of Heritage Services.
- Maximising the use of Northern Territory Library and Information Services collections and services, particularly through facilitating access to remote clients.
- Development of Memorandum of Understanding with the Department of Employment, Education and Training.
- Review of Service Level Agreement for Parliamentary Library Services with the Legislated Assembly.
- Development of cooperative relationship with Charles Darwin University.

As a result of new administrative arrangements, the future priorities of the Arts and Museums portfolio will be set by the new administrating agency, NRETA.



Outcome 5:

Opportunities to participate in sport and recreation



Output Group:

Sport and Recreation

Sport and recreation is a critical element of the Northern Territory lifestyle, bringing lifelong social, emotional and health benefits to individuals and the community.

The overriding objective of the Sport and Recreation Division is to ensure that all Territorians have access to sport and recreation opportunities at a level commensurate with each person's skills and desire.

To achieve this, the division supports a broad range of initiatives, including recreation, junior sport, sporting clubs at the grass roots level, peak sporting bodies, elite athlete development and national and international sporting competition.

Grant funding is fundamental to ensuring the provision of appropriate, affordable and accessible sport and recreation opportunities in the Territory, however the Sport and Recreation Division also helps the sporting sector by providing advice and sporting facilities.

In recent years, the Northern Territory has developed a reputation as a place of sporting excellence and player development. This perception is strengthened through the staging of national and international sporting competitions and the achievements of Territory athletes in the international arena.

A number of national sporting competitions are held each year, not only to inspire and entertain Territorians, but also to allow national sporting bodies to use the Territory for regional sporting development and recruitment.



The staging of other major sporting events such as the Arafura Games and Alice Springs Masters Games provides significant opportunities for sports administrators and coaches. It also allows sportspeople from throughout Australia and overseas to compete against their peers. Importantly, these events also bring significant economic benefit to the Territory and further advance our valuable links with our neighbours in the Asia-Pacific region.

While sport is for everyone, it is also important to cultivate an environment that encourages talented athletes to strive to achieve the highest success in their chosen sport. The Northern Territory Institute of Sport provides opportunities for talented young Territorians to pursue their sporting ambitions to the highest level.

For further information about this outcome, visit our website www.sportandrecreation.nt.gov.au

Competitors in the October 2004 Alice Springs Masters Games.

Participation and Development Program

The Participation and Development Program provides opportunities to increase participation in sport and recreation throughout the Northern Territory. The program supports and assists the delivery of quality sport and recreation programs, administers grants and manages sport and recreation facilities across the Territory.

To assist in the delivery of these opportunities the Office of Sport and Recreation has entered into an agreement with the Australian Sports Commission to take a major role in developing, facilitating, coordinating and delivering programs to sport and recreation organisations. This is achieved through specific sport services programs undertaken by our Sport and Recreation Consultants to ensure:

- good practice management and governance of sport within and through national sporting organisations;
- greater grass-roots specific participation, particularly by youth, Indigenous Australians and people with disabilities;
- increased adoption of values of fair play, self-improvement and achievement;
- increased sports participation, particularly in rural, remote and regional communities;
- increased membership and community involvement of local sporting clubs; and
- recruitment, retention, and where appropriate, accreditation of people within the sports sector.

These programs are often implemented in partnership with peak sport and recreation organisations and local government bodies, as well as other government and non-government agencies.

Consultants are located throughout the Territory to assist in the implementation of these programs. Sport and Recreation Consultants are responsible for specific portfolios to achieve these outcomes, for example:

Club development program specifically designed to provide support and advice to sport and recreation organisations so they may effectively manage their business and implement business practices to maintain growth and sustainability of their organisation. Training courses, based on the Australian Sports Commission's guidelines, are available in areas such as club planning, committee management, how to conduct meetings, financial management, legal issues and risk management and volunteer management.

Sportsbiz is a further support mechanism for sport and recreation organisations in the Northern Territory. Essentially, Sportsbiz provides a strategic level of assistance relating to building an organisation's capacity for the future. This service includes advice in relation to governance, financial management, facilities, business and strategic planning and operational issues.

Coaching and Officiating Program which facilitates training in areas such as general principles of coaching, presenter training courses, official/coach mentor programs, assessor training and officiating general principles.

Disability Education Program, a national initiative, which provides education and training, resources and support for people who are interested or involved in providing sport and physical activities for people with disabilities. The aims of this program are to promote disability awareness and acceptance; provide practical strategies to assist with the inclusion of people with disabilities and assist sport organisations to develop sport-specific initiatives for the inclusion of people with disabilities.

Harassment Free Sport program provides information on national trends and resources to assist organisations in the implementation of policies and procedures to ensure participants act within the rules and spirit of the game; respect officials and coaches decisions and to reduce the level of bad behaviour that brings disrepute to sport.

Junior Sport initiatives work to ensure a safe, quality and contemporary approach to junior sport; focusing on sustainable initiatives encouraging juniors to be involved in sport in their adult years and encourages organisations to build collaborative and cooperative relationships and partnerships with other key stakeholders.

Indigenous Sport Program, a national initiative, provides assistance and professional development opportunities to community based sport and recreation officers and provides a link between Northern Territory sporting organisations and communities. Indigenous Sport Consultants are located in all major regional centres. The program's role is to encourage active participation and skill development of Indigenous people in sport and recreation activities by identifying and responding to community needs, improving collaboration between the Australian sporting industry and Indigenous communities, and building capacity in Indigenous communities to organise and conduct sport activities and programs.

All Participation and Development consultants are assigned a client portfolio and work closely with these organisations to improve their capacity. This is supported by the Sport and Recreation Grants program, which provides financial assistance to Northern Territory sport and recreation and local government organisations to assist in the development and delivery of sport and physical activity recreation services to the community.

Facilities

The Office of Sport and Recreation plays a major role in the provision of sporting facilities throughout the Northern Territory through the capital works program, capital grants and the facility grants program.

The works include everything from the construction and maintenance of major state-level venues to assistance for local and community councils, sporting peak bodies and clubs.

Key Achievements in 2004-05

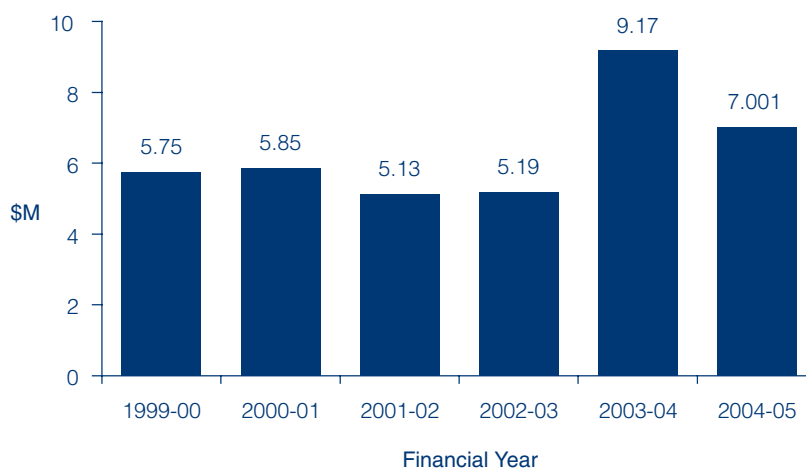
- Internally restructured the Participation and Development branch, moving to a consultancy based model to enhance client services.
- Launched the inaugural 'Club Guru' leadership program on 13 April 2005. This program will develop youth leaders in sport by equipping them with the necessary skills to be sound contributors at club and association level.
- Indigenous Sport Program Consultants delivered a Sport and Recreation development program in conjunction with NT Correctional Services in Alice Springs Correctional Centre for 15 inmates.
- Sportsbiz service implemented and was active in assisting several sport and recreation organisations in building stronger foundations towards future sustainability.
- Commenced work on the \$9.5 million Palmerston Recreation Centre.
- Completion of \$2.2 million upgrade of lighting and commencement of grandstand for Traeger Park.
- Commencement of \$0.6 million headworks for the Darwin Football Stadium at Marrara.
- \$300,000 for new turf at Vodafone Hockey Centre.
- \$120,000 to NT Rugby Union to improve lighting at optus park.
- \$200,000 to Alice Springs Town Council to deepen Alice Springs swimming pool.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Grant applications processed	445 ¹	350	295	350
Grants distributed	\$9.17M ²	\$7.28M	\$7.0M	\$11.69M ³
Development activities delivered ⁴	298	238	232	250
Quality				
Stakeholder satisfaction	88%	85%	⁵	90%
Timeliness				
Specified timeframes met	100%	100%	100%	100%
Output Cost \$000	16 754⁶	12 798⁸	16 815⁷	16 314

Notes

- Higher than usual number of grants released.
- Additional capital grants approved during 2003-04.
- Includes one-off capital grant of \$5M for Palmerston Recreation Centre
- Development activity is defined as a formal activity of development programs outside general duties.
- Stakeholder survey to be conducted early 2005-06 to assess the level of satisfaction with triennial grant funding
- Increased output cost in 2003-04 resulted from depreciation costs being higher than originally projected and devaluation of assets (Sports House and Marrara Sporting Complex).
- Increased output costs relating to additional grant funding approved during 2004-05 and the gifting of assets to communities and councils of sporting facilities constructed by Government.

Sport and Recreation Grant Funding



Increased grant funding in 2003-04 is attributed to additional one-off capital grants to sporting organisations. Similarly, 2004-05 includes funding over the base grants pool for one-off capital grant sporting infrastructure projects.

Northern Territory Institute of Sport

The NTIS was developed by the Northern Territory Government to assist NT sport organisations provide greater opportunities to the Territory's most talented young athletes. It operates as a centre of excellence in a similar manner to other Australian sport institutes and provides a range of professional expertise, services and resources focused on the delivery of programs designed to enhance athlete and coach performance.

The NTIS also has a research arm, the National Heat Training and Acclimatisation Centre (NHTAC), that runs in partnership with the Charles Darwin University. The NHTAC undertakes research and development into sport and athlete performance in tropical conditions.

The NTIS is unique compared to other state and territory based sport institutes in that it has a focus on young athletes with 90% under 19 years of age. It is considered that these athletes have the greatest potential to advance toward representation of their community and the Territory at the national level.

The Institute's programs include:

- Athlete scholarship programs
- Sport science and medicine support services
- Athlete career and education support
- High performance coaching
- Research and development
- Advice to sports in high performance development
- Education and training relating to coaching and athlete preparation, and
- Support of regional athletes.

A recent survey of the general and sport community highlighted a high level of awareness and the positive profile of the NTIS. In particular, the NTIS is highly valued by the sport community who have become increasingly interested in ensuring its talented athletes compete and perform well at both national and international events. Sports want to access the NTIS' resources to assist their athletes realise their sporting dreams. In 2004, 18 sports applied for the Institute's squad programs with 10 selected for the period 2005 - 2009.

The on-going success of scholarship recipients continues to be of interest to the local media and demonstrates the support of government for talented athletes and the NTIS' partner sport organisations.

Key Achievements in 2004-05

- Maintained the number of NTIS athletes progressing to a high level in sport, with 29 scholarship holders attaining national squad and national league representation. This number was achieved in spite of the NTIS setting more stringent criteria for this key performance indicator.
- Increased transition of talented juniors into higher level Australian squads. In all, there were five athletes who moved up to this next level compared to the previous maximum of two in any one year. The establishment of the Junior Elite Development scholarship program has assisted this result greatly.
- Enhanced the use of technology, particularly digital video and performance analysis software, which ensures the athletes receive contemporary services and advice.
- The research arm, the National Heat Training and Acclimatisation Centre, although small, has completed and published a number of research projects.
- Improved systems for the evaluation and management of athlete performance to the extent that they are as good as, or better than, other state or territory based sport institutes. In particular, individual case management and an athlete 'report card' provide optimal feedback to keep the athlete on track.
- Established a tiered sport program framework as a basis for new sport programs and evaluation of existing programs at the Northern Territory Institute of Sport.
- Continued to provide the in-house workshop and education program equipping the NTIS' coaches and service providers with the cutting edge knowledge and skills required for the staff to provide the best possible training environment to athletes.
- Implementation of an application process for squad programs. Eighteen NT Sport Organisations applied with ten sports successful for the period 2005-2009. Two new sports were successful - cycling and Olympic weightlifting.
- Development of a new sport agreement document to provide superior reporting, review and accountability of all partners involved in the NTIS squad program.
- Re-establishment of the NTIS newsletter that has greatly increased communication to the affiliated sports, athletes and their parents.
- Enhancement of administrative systems to ensure effective underpinning operation of the NTIS sport programs. These include the total reorganisation of electronic file management and the development of NTIS specific financial reporting.

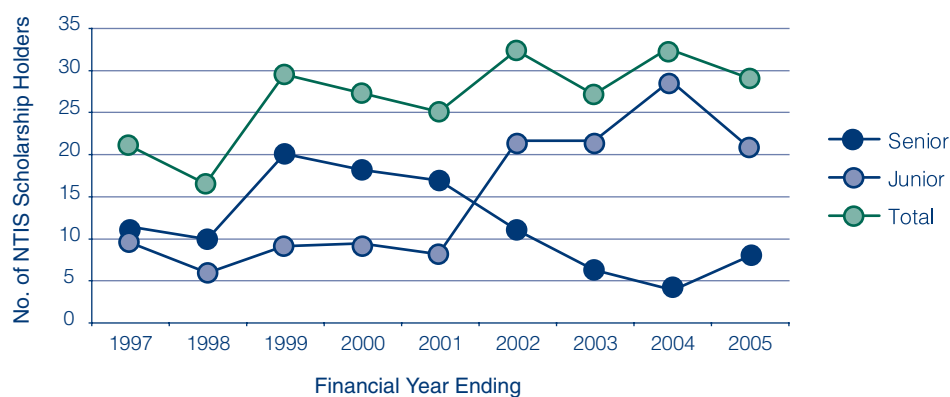
For further information relating to the Northern Territory Institute of Sport, visit our website www.ntis.nt.gov.au.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
NTIS athlete scholarship holders ¹	134	149	148	90
Squad programs ²	9	9	9	11
Major athlete and coach service programs ³	7	7	7	7
Quality				
Athletes at significant level on elite pathway (Stage 4 of 7)	32	30	29	25
Client satisfaction with NTIS services and facilities	NA	85%	NA	85%
Timeliness				
NTIS programs and services reviewed within agreed timeframes	100%	90%	86%	90%
Output Cost \$000	2 912	2 852	3 220 ⁴	3 301

Notes

1. Does not include associate scholarship holders.
2. Squad programs include the individual athlete program as a squad.
3. Includes athlete and career education, sport psychology, sport physiology, sports medicine, strength and conditioning, sport nutrition and high performance management.
4. Increased output costs can be primarily attributed to the provision of additional athlete travel and participation support funding.

National Squad and National League Club Representation



Events

The Events Branch manages sporting events in the Northern Territory including the biennial Arafura Games and Alice Springs Masters Games and the annual Northern Territory Sports Awards, in addition to managing sponsorship for the whole of the Sport and Recreation Division.

The Events Branch has also supplied event management support to Cricket Australia, the National Basketball League, the Australian Football League, the Australian Netball Association and Hockey Australia for the successful delivery of their sporting events in the Territory.

Key Achievements for 2004-05

- Successful conduct of the 10th Alice Springs Masters Games
 - The 2004 Alice Springs Masters Games was successfully staged from 16-23 October and were rated the “Best Ever” in banner headlines in the Centralian Advocate newspaper.
 - Total registrations were 4,559, including 3,438 visitors, which represents a growth of 29% when compared to the 2002 Alice Springs Masters Games.
- Successful conduct of the 8th Arafura Games
 - Widely reported in the media as the ‘best Arafura Games yet’.
 - Total participants = 5089, 1% increase from AG2001
 - Breakdown: 2126 from NT, 1180 interstate, 1783 international.
 - Total competitors: 3094
 - 26 countries competed, 3 more than AG01. The 2001 difference is in actual terms greater as Hong Kong, Macau and Chinese Taipei are no longer counted as countries but as regions of the Peoples Republic of China.
 - 9 media from Brunei, 1 Philippines, 7 Macau.
- Provided event management support for the Australia v Sri Lanka Test Match at Marrara Oval.
- Successfully conducted the prestigious 2005 Northern Territory Sports Awards at the Holiday Inn Esplanade with 82 nominations received in 29 sports.
- Successfully staged the 2004 TIO Northern Territory Institute of Sport Athlete Awards at Parliament House.
- Provided funding and/or event management to ensure the following events were successfully held in the Northern Territory:
 - International Hockey at Vodaphone Hockey Centre - Men’s: South Korea and Australia, Women’s: Japan, New Zealand, Australia and Australian Institute of Sport
 - Australian Football League Wizard Cup game at Marrara Oval between Collingwood and West Coast Eagles
 - Australian Football League Wizard Challenge game at Traeger Park between Fremantle and Richmond
 - Australian Football League game at Marrara Oval between the Aboriginal All-Stars and the Western Bulldogs
 - Australian Football League game at Marrara Oval between the Western Bulldogs and Carlton
 - National Basketball League game at Marrara Indoor Stadium between the Perth Wildcats and Sydney Kings
 - Rugby Union game at Optus Park between the NT Mosquitoes and the Samoan national team
 - Commonwealth Bank Trophy Netball game at Marrara Indoor Stadium between the Australian Institute of Sport Darters and the Queensland Firebirds.

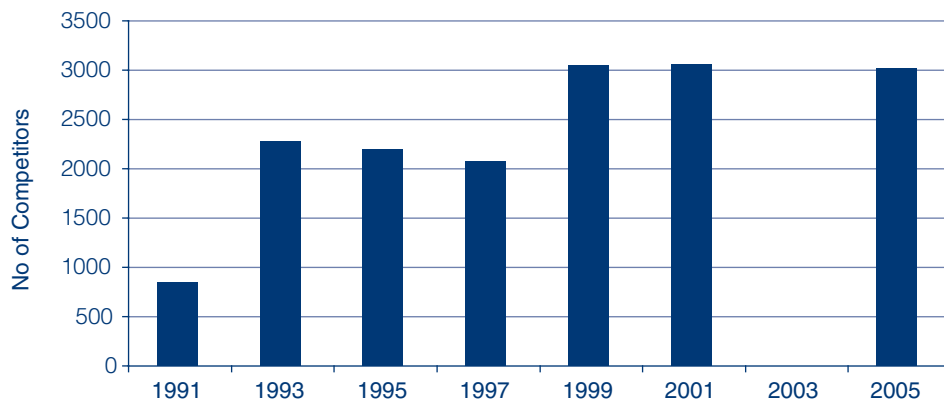
For further information relating to the Arafura Games or Alice Springs Masters Games, visit our websites:
www.arafuragames.nt.gov.au www.alicespringsmasters.nt.gov.au.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Athletes and officials attending Alice Springs Masters Games	NA	3 500	4 559 ¹	NA
Athletes and officials attending Arafura Games	NA	5 000	5 089 ¹	NA
Quality				
Stakeholder satisfaction	75%	75%	91%	75%
Timeliness				
Specified timeframes are met	100%	100%	100%	100%
Output Cost \$000	2 623	3 419	6 189 ²	2 976

Notes

1. Higher than projected participation rates for both Alice Springs Masters and Arafura Games
2. Increased output costs attributed to increased costs associated with preparation and staging of the Arafura and Alice Springs Masters Games and the first recognition of 'in kind' sponsorship relating to both events.

Arafura Games Participation



Future Priorities

- Implement a 'Walking School Bus' program aimed at getting young Territorians active.
- Development of a junior sport website 'Sport Linkup'.
- Build upon the sport and recreation development program within the Alice Springs prison to deliver further training.
- Development of a comprehensive database to derive profiles of sport and recreation within the NT.
- Development of a framework through Sportsbiz services to cultivate an optimal "whole of sport" approach for the NT, inclusive of national sport organisations down to club level.
- Complete the construction of Palmerston Recreation Centre.
- Construction of \$800,000 Drag Strip in Alice Springs.
- Completion of \$5.8 million Darwin Football Stadium.
- Investigate the potential for the establishment of a Northern Territory talented coach development program that improves opportunities and pathways for coaches at both the high performance and junior sport level.
- Investigate the potential role of regional sport academies.
- Develop the means of capitalising on the NTIS' positive profile in NT through improved marketing and sponsorship.
- Resurrect the Northern Territory Hall of Champions selection and induction process.
- Renegotiation of contracts for Northern Territory sporting events.
- Planning for future Arafura Games based on feedback and priorities from visiting countries as well as a comprehensive assessment of current strategies.

Performance Reporting

Territory Housing

Performance Reporting

Territory Housing, formerly known as Housing Business Services, is a Government Business Division within the Department of Community Development, Sport and Cultural Affairs. Its key function is to deliver safe, secure and affordable housing to Territorians, ensuring that all Territorians have the opportunity to establish a home.

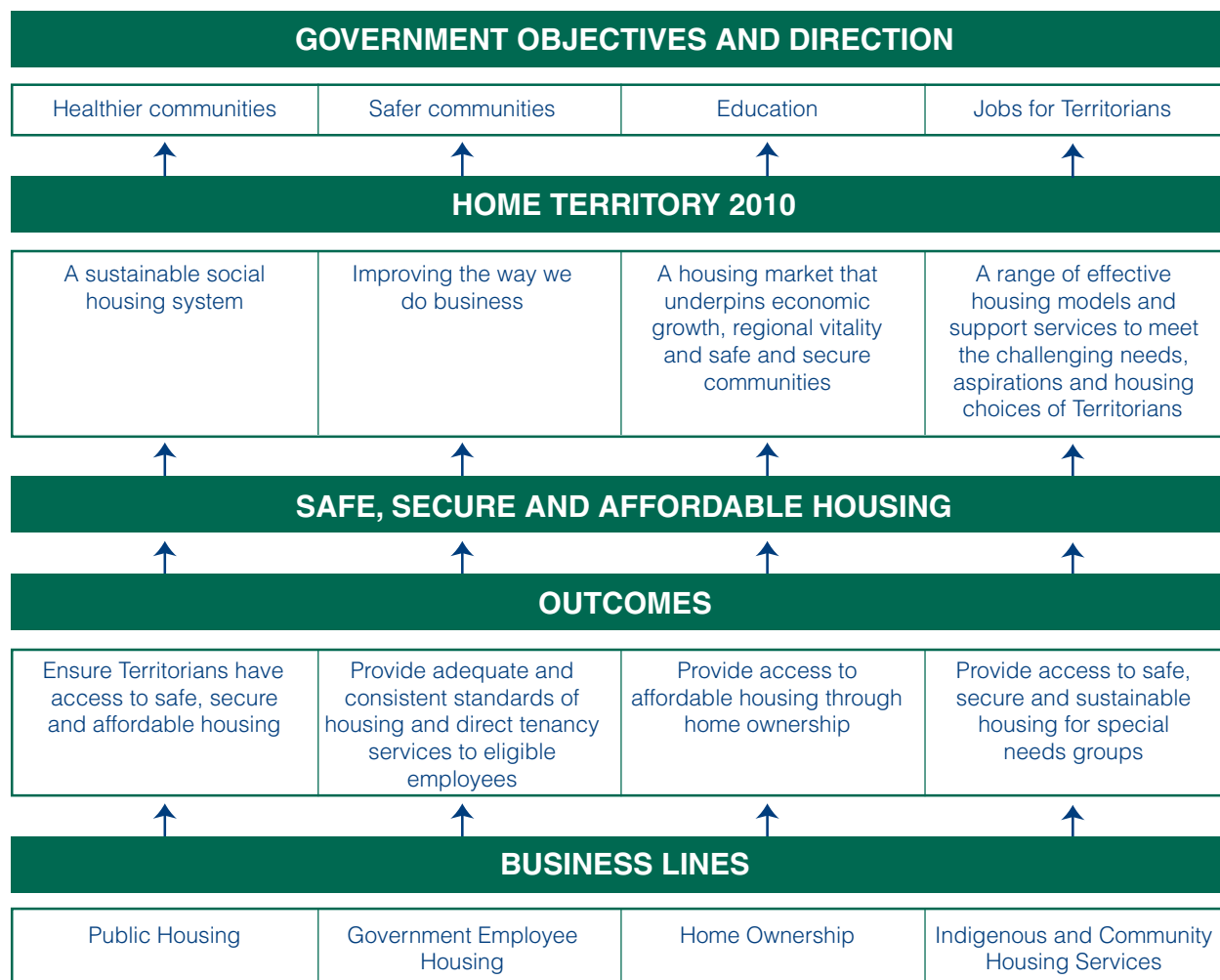
This is achieved through a network of partnerships and strong relationships with community organisations and other Northern Territory Government agencies, together targeting housing assistance to those most in need.

Territory Housing provides access to safe, secure and affordable housing for those Territorians most in need, and for Government employees who have entitlement to housing. In order to achieve this overall outcome, Territory Housing delivers four separate business lines:

- Public Housing
- Government Employee Housing
- Home Ownership
- Indigenous and Community Housing Services

Throughout the year, Territory Housing constructed forty new units at Kurringal Flats in Fannie Bay, forty one new Government Employee houses and completed the fitting of security screens to all public housing rental properties. The new Home Ownership scheme that was introduced on 1 July 2004 was a runaway success, assisting 471 Territorians to purchase their own home.

For further information visit our website www.territoryhousing.nt.gov.au.



Key Achievements in 2004-05

Key achievements for Territory Housing under Home Territory 2010.

1. A sustainable social housing system.

- Development of the Good Neighbour Policy. The Good Neighbour Policy was introduced in 2004, as a tool to promote the message that “everyone is entitled to the quiet enjoyment of their home”. The policy also provides appropriate contacts and advice should noise and nuisance problems arise.
- Completion of condition based assessments on all Territory Housing assets.
- Construction of 34 new government employee dwellings in remote localities at a cost of \$10.6M.
- Expenditure of \$14.6M on the replacement and construction of 40 government employee dwellings and \$5.3M on upgrading 53 dwellings.

2. Improving the way we do business.

- Made an operating loss of \$10.8M – a \$2M improvement on the 2003-04 result. As a result of the improved performance, Territory Housing’s Cost Recovery Ratio improved by some 2 percentage points to 91%.
- Continued to implement the Quality Landlord Strategy.
- Reviewed and redeveloped the Public Housing Administrative Appeals Mechanism.
- Redrafted the Housing Policy Manual to make it clearer and accessible by all members of the public, including availability on the internet.
- Reviewed housing stock requirements in Pine Creek and Katherine.
- Increased in-house support for Indigenous clients with the establishment of 3 Indigenous Client Liaison Officer positions across the Northern Territory.

3. A range of effective housing models and support services that meet the challenging needs, aspirations and housing choices of Territorians.

- Following completion of the review of HomeNorth loan products, introduced new schemes on 1 July 2004.
- Assisted 471 households to enter home ownership with \$82.7M in loans and shared equity purchases.
- Constructed a purpose built Seniors Village at Fannie Bay, comprising 40 two-bedroom units.
- Commenced construction of a seniors village at Kenna Court in Alice Springs comprising 6 two-bedroom units.

- 4. A housing market that underpins economic growth, regional vitality and safe and secure communities.**
- Upgraded security at public housing complexes, including security screening and increased security patrols.
 - Completed the Territory wide security screening program to all Territory Housing houses and units.
 - Spent \$68M on infrastructure across the Northern Territory.
 - Commenced a Renovation Program to raise the standard of public housing dwellings. Work includes painting internally and externally, replacing floor coverings, refurbishing kitchens and bathrooms, replacing linen cupboards and solar hot water systems. 116 dwellings have been upgraded under this program with \$8.8M spent.
 - Joint funded a consultant with IHANT at a cost of \$57,000 to develop an Urban Life Skills framework in partnership with government, community organisations and individuals in Alice Springs.
 - Provided \$0.47M in grants to community organisations to construct, purchase, upgrade and repair buildings under the Community Housing Program and the Crisis Accommodation Program.
 - Near completion of stages 1 and 2 of the Bernard Street complex redevelopment creating more open and safe environments.



Outcome 1:

Access to safe, secure and affordable housing



Business Line:

Public Housing



This business line encompasses the delivery of tenancy management services for public housing clients across the Territory in urban areas.

The range of products and services offered include:

- Rental housing;
- Rebated rents;
- Bond assistance;
- Tenant support services and referrals;
- Client relations; and
- Complaint Management system.

Underpinning these services, the asset management function is responsible for planning and delivering the construction, maintenance, renewal and disposal of properties to align with current and future business needs.

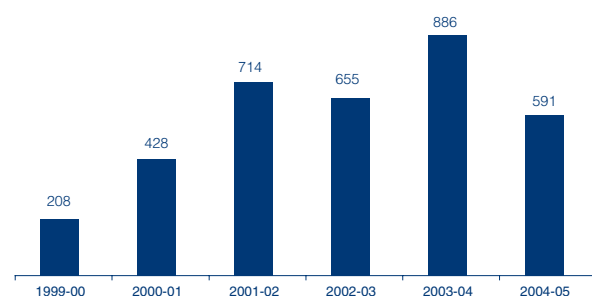
Territory Housing office in Nhulunbuy, Gillen Seniors Village Alice Springs and seniors promoting good neighbour relationships at the Leanyer Seniors Village.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Public housing dwellings	5 616	5 667	5 531	5 436
Number of dwellings used for industry housing	n/a	284	306 ¹	310
Proportion of public housing tenants on rental rebates	84%	88%	87%	90%
Households assisted through public housing provision	5 988	6 521	6 390	²
Territorians assisted through Bond Assistance Scheme	886	759	591 ³	621
Territorians assisted through public housing rental rebates	n/a	5 165	4 541	⁴
Quality				
Client satisfaction with provision of public housing assistance	-	68%	68%	68%
Occupancy rates	n/a	95%	95%	95%
Timeliness				
Response time for unforeseen maintenance:				
- immediate – requests completed in 4 hours	95%	100%	98%	100%
- routine – requests completed within 10 working days	93%	95%	97%	97%
Average weighted wait times for public housing				
1 bedroom	28 mths	20 mths	22 mths ⁵	⁴
3 bedroom	22 mths	18 mths	26 mths ⁵	⁴
Output Cost \$000	74 108⁶	68 114	64 223	68 254

Notes

1. Number of industry housing dwellings is higher than anticipated due to a higher approval rate by the Minister.
2. Measure changed in 2005-06 to count only new households.
3. Bond loans are below target primarily due to the success of HomeNorth products - more Territorians are entering home ownership rather than accessing the private rental market.
4. These will be reported differently in 2005-06.
5. Actual wait times are higher than targets as a result of an increase in transfers of tenancies due to renovation/redevelopment programs.
6. Includes Indigenous Community Housing Services as this output was not created until 2005-06.

Territorians Assisted Through Bond Assistance Scheme



The reduction in the number of Territorians assisted through the Bond Assistance Scheme can be predominantly attributed to the success of the new home ownership products. More Territorians are now buying their own homes through the scheme rather than accessing the private rental market.



Outcome 2:

Adequate and consistent standards of housing and direct tenancy services to eligible employees

Business Line:

Government Employee Housing

The Government Employee Housing business line provides rental housing and manages leasing arrangements and direct tenancy services for employees of Government agencies in remote locations where there is no viable private market and liaises with client agencies to develop construction, upgrade and replacement programs.

Businesses and non-government organisations are able to access Government Employee Housing in areas where there is no viable private rental market.

Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Tenancies in urban localities	514	519	376	375
Tenancies in remote localities	607	655	814	833
Number of private head-leasing arrangements ¹	n/a	302	366 ¹	347
Quality				
Client satisfaction with services	n/a ²	80%	n/a ²	80%
Remote and urban dwellings at core amenity standard		123	105	
Occupancy Rates		98%	96%	98%
Output Cost \$000	\$14 674	\$13 761	\$21 139	\$19 741

Notes

1. Number of private head-leasing arrangements is higher than anticipated due to the transfer to Territory Housing of Police head leasing in Alice Springs and Darwin.
2. No survey was conducted in 2004 and survey for 2005 has not yet been completed.

Government Employee tenants from the Alice Springs and Nhulunbuy regions.

Government Employee housing Tenancies (urban & remote)



The increase in the number of Government Employee Housing tenancies can be attributed to an increase in the number of private head-leasing arrangements for Police in Alice Springs and Darwin.



Outcome 3:

Access to affordable housing through home ownership



Business Line:

Home Ownership

Through the Home Ownership business line, Territory Housing creates and markets the home ownership assistance HomeNorth loans with an aim to increase opportunities for low to moderate income earners to purchase their own home. This business line also manages the contract and relationship with Territory Insurance Office who delivers and manages the loans on behalf of Territory Housing.



Public Awareness campaign promoting the HomeNorth Loan Scheme to Indigenous and non-Indigenous people.

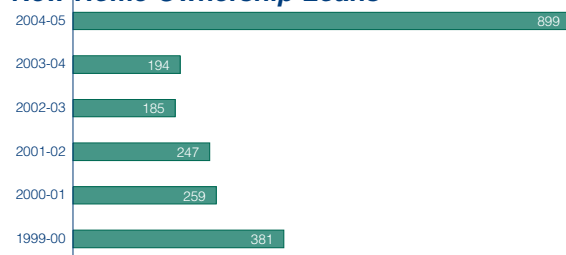
Performance Measures

	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Number of new home ownership loans	194	250	899 ¹	400
Value of new home ownership loans	\$20.4M	\$28M	\$66M	\$60M
Value of new shared equity purchases	\$4.5M	\$6M	\$16M	\$14M
Number of home ownership loan subsidies	505	545	389	n/a ²
Quality				
Home ownership loan accounts in arrears greater than 30 days	1.8%	1.8%	1.9%	1.8%
Output Cost \$000	13 278	13 543	10 561	11 660

Notes

1. Home Ownership uptake has increased due to the new home ownership schemes introduced on 1 July 2004.
2. This measure is no longer applicable as loan subsidies are no longer offered.

New Home Ownership Loans



Home Ownership uptake has increased due to the new home ownership schemes introduced on 1 July 2004



Outcome 4:

Access to safe, secure and sustainable housing for special needs groups



Business Line:

Indigenous & Community Housing Services



The Indigenous and Community Housing Services business line supports community organisations through grants, to deliver crisis accommodation services, transitional supported accommodation services and alternative housing options for people with complex

and special needs. Indigenous organisations receive grants to enable the delivery of tenancy support services for Indigenous people to access and maintain public housing.

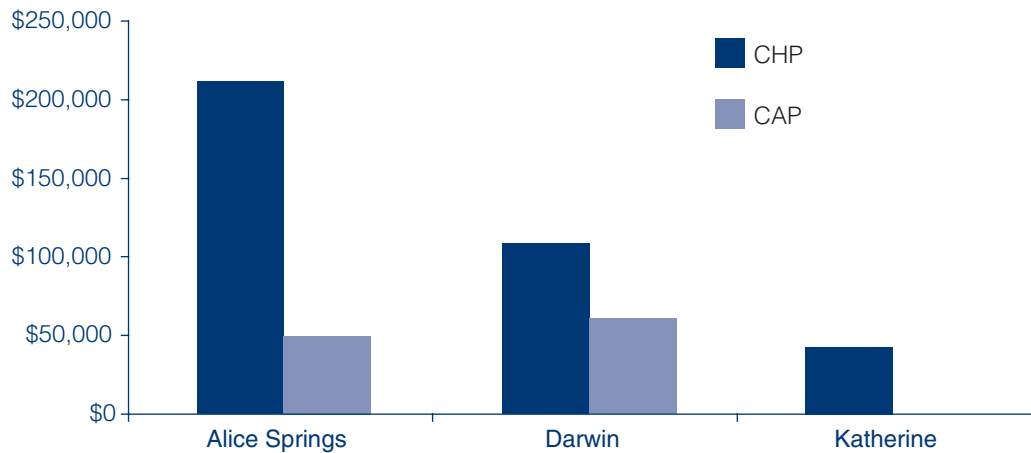
Performance Measures	Actual 2003-04	Target 2004-05	Actual 2004-05	Target 2005-06
Quantity				
Number of Indigenous people assisted through Indigenous housing assistance service contracts	n/a	1 000	3217 ¹	2350
Community Housing program grants	\$0.68M	\$0.64M	\$0.36M ²	\$0.64M
Crisis Accommodation program grants	\$0.34M	\$0.40M	\$0.11M ²	\$0.40M
Quality				
Community satisfaction with assistance provided ¹³	³	68%	n/a ³	⁴
Community Housing program and Crisis Accommodation program grants successfully acquitted.		90%	n/a	100%
Timeliness				
Community Housing program and crisis accommodation grants processed in agreed timeframes	n/a	100%	100%	100%
Output Cost \$000	⁵	\$1 795	\$2 026	\$2 468

Notes

- Higher than originally projected as this was the first year of collecting and reporting this information
- Additional grants totalling \$482,910 have been approved in 2004-05 but not paid until 2005-06
- No survey conducted in 2003-04 and 2004-05.
- This measure will be reported differently in 2005-06.
- Included in Public Housing output in 2003-04.

Public Awareness campaign promoting the HomeNorth Loan Scheme to Indigenous and non-Indigenous people.

Crisis Accommodation Program (CAP) and Community Housing Program (CHP) Expenditure



Future Priorities

The strategic priorities for the coming year for Territory Housing will include:

- Implement financial strategy to achieve a breakeven position in two to four years.
- Develop a detailed strategic asset management plan to ensure that public housing stock is aligned to existing and future needs.
- Review the Employment Incentive Scheme.
- Support the implementation of a Life Skills Framework in conjunction with the Indigenous Housing Association of the Northern Territory.
- Implement Anti-Social Behaviour reforms with a continued focus on managing noise and nuisance, and potential amendments to the Residential Tenancies Act in liaison with Department of Justice.
- Implement HomeNorth Extra new initiatives that include Regional HomeNorth, Community HomeNorth and Industry HomeNorth.
- Investigate options to vary the HomeNorth scheme to attract more Indigenous Territorians into home ownership.
- Review the Government Employee Housing Business Model in line with the Enterprise Bargaining Agreement.
- Review Industry Housing policy.
- Complete implementation of the new Public Housing Administrative Appeals Mechanism.
- Continue the Renovation Program to raise the standard of public housing dwellings.
- Investigate options and commence a replacement project for the housing information system.

Financial Statements

Department of
Community Development, Sport
and Cultural Affairs

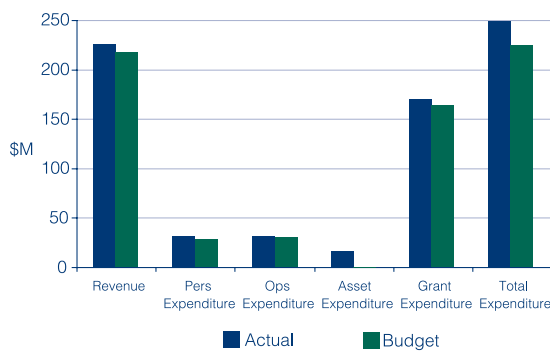
Financial Analysis

The total approved budget for the Agency for the 2004-05 financial year, as detailed in Budget Paper 3 of 2003-04, was \$218 million, which increased during 2004-05 due to the approved introduction of a number of new initiatives, to \$245 million as detailed in Budget Paper 3 of 2004-05. Variations during the budget year included an additional Commonwealth Government investment in Indigenous Housing of \$4.7 million, increased NT investment in remote power generation of \$3.5 million due to rising fuel costs, increased investment of \$3 million in the establishment of three Regional Authorities and capital grants for sporting facilities of almost \$3 million.

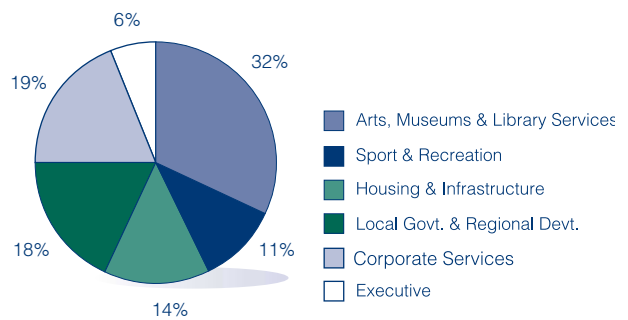
The Agency reported an operating surplus of \$5.6 million for 2004-05, exceeding the forecast loss by \$13.7 million. The principal cause of the increase in operating result was the \$16 million first time valuation of barge landings and aerodromes. Agency cash balances were reduced by \$2.7 million during 2004-05, \$1.4 million more than forecast, due to expenditure on additional initiatives approved during the year for which no additional output appropriation was provided.

The Arts, Museums and Library Services Division accounted for the largest slice of the Agency's expenditure, with 32% of personnel and operational costs.

Actual Vs Budget 2004-05

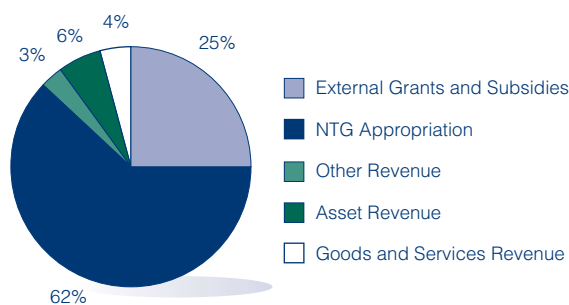


Divisional Personnel & Operational Expenditure

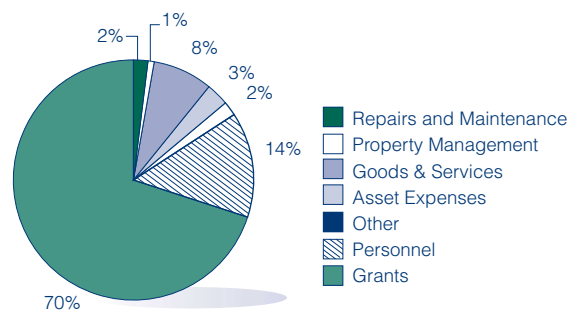


The Agency's activities are principally funded by the NT Government and to a lesser extent through specific purpose payments from the Commonwealth Government. Agency generated revenue represents 6% of total revenue, with small amounts of revenue generated by activities including the Museum shops, sporting event gate takings and sponsorship deals.

Department Revenue

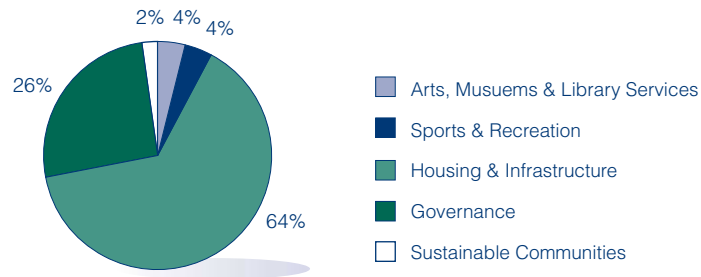


Department Expenditure



Grants distributed by the Agency represented 70% of the Agency's expenditure in 2004-05, with grant recipients as diverse as local government councils, arts industry organisations, sporting associations and peak bodies, community organisations delivering Community Harmony services and Power Water Corporation for the supply of remote community essential services.

Grants Expenditure by Division



The announcement, post balance date, of the creation of two new NTG Agencies and the restructure of this Department, will be the principal financial management challenge for 2005/06. A new strategic plan will be delivered in early 2005/06, with new or revised outputs considered, new performance measures introduced where required and the budget reassessed to meet the goals of the new Agency. The creation of the new Agency provides the impetus to better focus on key business drivers and reflect this focus in output statements and performance measures.

Statement of Financial Performance

The Agency's revenue exceeded budget by \$18.4 million. This has been significantly influenced by the recognition as revenue of previously unrecognised assets, which is reported as assets acquired at nil value. In addition, the Agency has received grants and subsidies revenue late in the 2004-05 financial year, for which there is no budget, and has also recognised the value of in-kind sponsorships for the Arafura and Alice Springs Masters Games for the first time.

Similarly, the Agency exceeded its budgeted expenditure by \$4.62 million. Operational expenses were inflated in 2004-05 through the gifting and donating of assets, namely barge landings to communities, which is recognised as an expense. In addition the recognition of the cost of in-kind sponsorships for the Arafura and Alice Springs Masters Games, as well as the unforeseen expenses associated with Cyclone Ingrid, have further contributed to the variance.

Statement of Financial Position

DCDSCA finished the year with an increase in net assets (equity) of \$19.8 million. This increase is mostly attributable to the recognition of assets not previously recognised in the Agency accounts.

Statement of Cash Flows

Operating payments exceeded operating receipts during 2004-05, resulting in a decrease in cash balances by \$2.7 million, \$1.4 million in excess of the forecast cash reduction of \$1.3 million.

Certification of the Financial Statements

We certify that the attached financial statements for the Department of Community Development, Sport and Cultural Affairs 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 Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to and forming part of the financial statements, presents fairly the financial performance for the year ended 30 June 2005 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.



SYLVIA LANGFORD

**A/Chief Executive
September 2005**



D R ALEXANDER

**Chief Financial Officer
September 2005**

Statement of Financial Performance

for the year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
OPERATING REVENUE			
Taxation Revenue			
<i>Grants and Subsidies</i>			
Current		24 816	22 966
Capital		38 600	38 325
<i>Sales of Goods and Services</i>			
Output Revenue		159 165	149 927
Other Agency Revenue		9 686	5 954
Interest Revenue			
Miscellaneous Revenue		1 073	1 234
Services Received Free of Charge	13	5 619	4 815
Assets acquired for nil consideration		16 232	1 956
Profit/Loss on Disposal of Assets	3	2	(10)
TOTAL OPERATING REVENUE	2	255 193	225 167
OPERATING EXPENSES			
Employee Expenses		34 575	31 639
<i>Administrative Expenses</i>			
Purchases of Goods and Services	4	22 596	18 157
Repairs and Maintenance		4 618	4 771
Depreciation and Amortisation	7	2 981	2 711
Asset revaluation expense		4 352	15 320
Other Administrative Expenses		5 619	5 179
<i>Grants and Subsidies</i>			
Current		118 728	108 687
Capital		40 371	48 535
Community Service Obligations		15 730	13 666
Interest Expense	15		
TOTAL OPERATING EXPENSES	2	249 570	248 665
NET OPERATING SURPLUS/(DEFICIT)	2	5 623	(23 498)
Net Increase/(Decrease) in Asset Revaluation Reserve	11	6 353	
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS RECOGNISED DIRECTLY IN ACCUMULATED FUNDS			
TOTAL CHANGES IN ACCUMULATED FUNDS FROM NON-OWNER RELATED TRANSACTIONS			
		11 976	(23 498)

The Statement of Financial Performance is to be read in conjunction with the notes to the financial statements.

Statement of Financial Position

as at 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
ASSETS			
Current Assets			
Cash and Deposits	5	2 994	4 385
Receivables	6	1 163	1 950
Prepayments		11	13
Inventories		57	74
Advances and Investments		32	73
Other Assets			
Total Current Assets		4 258	6 495
Non Current Assets			
Receivables	6		
Prepayments			
Advances and Investments			
Property, Plant and Equipment	7	116 235	94 123
Other Assets			
Total Non Current Assets		116 235	94 123
TOTAL ASSETS		120 493	100 618
LIABILITIES			
Current Liabilities			
Deposits Held		4 213	3 929
Payables	8	1 069	1 903
Provisions	9	5 088	4 894
Other Liabilities	10	450	
Total Current Liabilities		10 820	10 726
Non Current Liabilities			
Provisions	9		
Other Liabilities	10		
Total Non Current Liabilities			
TOTAL LIABILITIES		10 820	10 726
NET ASSETS		109 673	89 892
EQUITY			
Capital	11	118 951	111 146
Reserves	11	6 353	
Accumulated Funds	11	(15 631)	(21 254)
TOTAL EQUITY		109 673	89 892

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

for the year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
		(Outflows)/ Inflows	(Outflows)/ Inflows
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Taxes Received			
<i>Grants and Subsidies Received</i>			
Current		24 816	22 967
Capital		38 600	38 325
<i>Receipts From Sales of Goods And Services</i>			
Output Revenue Received		159 165	149 927
Other Agency Receipts		20 990	6 366
Total Operating Receipts		243 571	217 585
Operating Payments			
<i>Grants and Subsidies Paid</i>			
Current		(118 728)	(108 686)
Capital		(40 371)	(48 535)
Community Service Obligations		(15 730)	(13 666)
Payments to Employees		(34 276)	(30 818)
Payments for Goods and Services		(37 123)	(22 987)
Total Operating Payments		(246 228)	(224 692)
Net Cash From/(Used In) Operating Activities	12	(2 657)	(7 107)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Receipts			
Proceeds from Asset Sales			
Repayment of Advances			182
Sale of Investments			
Total Investing Receipts			182
Investing Payments			
Purchase of Assets	7	(22)	(137)
Advances and Investing Payments		41	(237)
Total Investing Payments		19	(374)
Net Cash From/(Used In) Investing Activities		19	(192)
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing Receipts			
Deposits Received		285	(57)
Capital Appropriation		45	
Equity Injection		917	405
Total Financing Receipts		1 247	348
Financing Payments			
Finance Lease Payments			
Equity Withdrawals			
Total Financing Payments			
Net Cash From/(Used In) Financing Activities		1 247	348
Net Increase/(Decrease) in Cash Held		(1 391)	(6 952)
Cash at Beginning of Financial Year		4 385	11 337
CASH AT END OF FINANCIAL YEAR	5	2 994	4 385

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

Notes to Financial Statements

for the year ended 30 June 2005

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Objectives and funding

The primary role of the Department of Community Development, Sport and Cultural Affairs is to establish social and physical frameworks that stimulate and support community development. In undertaking this role, the Department plays an essential coordination and facilitation function across Government and within the wider community.

The Department is predominantly funded by Parliamentary appropriations. The financial statements duly include all funding received and paid by the Department in meeting its outcomes.

In the process of reporting on the Department as a single Agency, all intra Agency transactions and balances have been eliminated.

(b) 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. Territory items are revenues, expenses, assets and liabilities controlled by the Government and managed by Agencies on behalf of the Government. The main Territory item is Territory revenue, 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.

Territory items

The Central Holding Authority recognises all Territory items, therefore the Territory items managed by the Agency on behalf of Government are not included in the Agency financial statements.

(c) Basis of accounting

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and Treasurer's Directions.

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

These financial statements do not comply with Australian Equivalents to International Financial Reporting Standards, as Australia is not adopting these requirements until reporting periods commencing on or after 1 January 2005. However the potential impact on accounting policies that will arise from the transition to the new standards is disclosed in Note 19.

The following is a summary of the material accounting policies, which have been adopted in the preparation of the financial statements.

(d) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous year.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(e) Revenue recognition

Revenue is recognised at the fair value of the consideration received net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Output revenue

Output revenue represents Government funding for Agency operations and is calculated as the net cost of Agency outputs after taking into account funding from Agency revenue.

The net cost of Agency outputs for output appropriation purposes does not include any allowance for major non-cash costs such as depreciation.

Revenue in respect of this funding is recognised in the period in which the Agency gains control of the funds.

Grants and other contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Agency 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.

Sale of goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when control of the goods passes to the customer.

Rendering of services

Revenue from rendering services is recognised in proportion to the stage of completion of the contract.

Interest revenue

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

Sale of non-current assets

The profit or loss on disposal of non-current asset sales is included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The profit 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.

Contribution 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 revenue at the fair value of the asset received when the entity gains control of the asset or contribution.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(f) Goods and services tax

Revenues, 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 an item 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 Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which is 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 from, or payable to, the ATO.

(g) Interest expenses

Interest expenses include interest and finance lease charges and are expensed as incurred.

(h) Cash and cash equivalents

For the purpose of the Statement of Financial Position and the Statement of Cash Flows, cash includes cash on hand, cash at bank and cash equivalent assets controlled by the Agency. Cash equivalents are highly liquid short-term investments that are readily convertible to cash.

Bank overdrafts are carried at the principal amount.

(i) Inventories

Inventories are carried at the lower of cost and net realisable value. Costs have been assigned to different classifications of inventories as follows:

- *Raw Materials* are valued at average cost.
- *Work in Progress* is valued using absorption costing with raw materials incorporated at the average cost at time of issue, and the labour and overhead costs are valued using standard costs.

(j) Receivables

The collectibility of debtors or receivables is assessed at balance date and specific provision is made for any doubtful accounts.

Trade debtors and other debtors to be settled within 30 days, are carried at amounts due.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(k) Property, plant and equipment

Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$5,000 are recognised in the year of acquisition and depreciated as outlined below. Property, plant and equipment below the \$5,000 threshold are expensed in the year of acquisition.

The cost of property, plant and equipment constructed by the Agency 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 Agency 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 useful lives.

Construction work in progress

As part of Stage 1 of *Working for Outcomes*, the Department of Infrastructure, Planning and Environment is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for most capital works is provided directly to the Department of Infrastructure, Planning and Environment and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to the Agency.

Revaluations

Assets belonging to the following classes of non-current assets are progressively revalued on a rolling basis with sufficient regularity to ensure that an asset's carrying amount does not differ materially from its fair value at reporting date:

- Land;
- Buildings;
- Infrastructure assets;
- Cultural assets; and
- Self generating and regenerating assets.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arms length transaction.

Other classes of non-current assets are not subject to revaluation and are measured on a cost basis.

The unique nature of some of the heritage and cultural assets may preclude reliable measurement. Such assets have not been recognised in the financial statements. Such assets for this Department include works of art, some of the historical cemeteries as well as other cultural assets.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

Depreciation and amortisation

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, for the current year, are in accordance with the Treasurer's Directions and are provided as follows:

	2005	2004
Buildings	50 Years	50 Years
Infrastructure assets	50 Years	50 Years
Plant and equipment	10 Years	10 Years
Cultural assets	100 Years	100 Years

Assets are depreciated or amortised from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

(l) Leased assets

Leases under which the Agency assumes substantially all the risks and benefits of ownership 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 recorded 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 lease property.

(m) Payables

Liabilities for trade creditors 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 Agency. Trade creditors are normally settled within 30 days.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(n) 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 and recreation leave expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken indicates that accumulated sick leave is unlikely to be paid.

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

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

As part of the introduction of Working for Outcomes, the Central Holding Authority assumed the long service leave liabilities of Government Agencies, including the Department of Community Development, Sport and Cultural Affairs.

(o) Superannuation

Employees' Superannuation entitlements are provided through the NT Government and Public Authorities Superannuation Scheme (NTGPASS), Commonwealth Superannuation Scheme (CSS) and non-government employee nominated schemes for those employees commencing on or after 10 August 1999.

The Agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or the non-government employee nominated schemes. Any liability for government superannuation is met directly by the Central Holding Authority and the Agency has and will continue to have no direct superannuation liability.

(p) Rounding of amounts

Amounts in the financial statements and notes to the financial statements have been rounded to the nearest thousand dollars.

(q) Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

2. STATEMENT OF FINANCIAL PERFORMANCE BY OUTPUT GROUPS

	Governance and Sustainable Communities		Housing Services		Indigenous Infrastructure and Services		Arts, Museums and Library Services		Sport and Recreation		Total	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
OPERATING REVENUE												
Taxation Revenue												
Grants and Subsidies												
Current	22 486	21 442			692	774	1 022	276	616	474	24 816	22 966
Capital		5	38 600	38 304		1	11			4	38 600	38 325
Sales of Goods and Services		283		3 083		378	2 085			125		5 954
Output Revenue	36 282	30 447	11 227	19 345	6 870	52 498	79 342	30 108	25 444	17 528	159 165	149 926
Other Agency Revenue	1 034		3 193		1 020		2 491		1 949		9 687	
Goods and services received free of charge	1 281	1 098	396	340	243	208	2 801	2 399	898	770	5 619	4 815
Miscellaneous Revenue	39	76	497		2		89	429	444	729	1 071	1 234
Assets acquired at Nil consideration	1	6			16 214		2	1 950	14		16 231	1 956
Profit/Loss on Disposal of Assets							2	(10)			2	(10)
TOTAL OPERATING REVENUE	61 123	53 357	53 913	61 072	25 041	53 859	85 749	37 248	29 365	19 630	255 191	225 166
OPERATING EXPENSES												
Employee Expenses	9 239	7 543	3 242	2 556	2 547	1 968	14 031	14 366	5 516	5 206	34 575	31 639
Administrative Expenses												
Purchases of Goods and Services	4 377	3 678	837	831	1 298	741	9 012	9 020	7 072	3 887	22 596	18 157
Repairs and Maintenance	55	6	3	2	1 834	1 825	2 052	1 681	673	1 257	4 617	4 771
Depreciation and Amortisation	37	1 344	3	406	73	251	1 568	13 040	5 653	2 988	7 334	18 029
Other Administrative Expenses	825	1 104	2 255	332	156	203	1 804	2 350	579	1 190	5 619	5 179
Grants and Subsidies												
Current	49 610	45 476	15 244	14 929	40 805	35 743	7 334	7 535	5 735	5 004	118 728	108 687
Capital			29 120	30 144	9 985	14 227			1 266	4 165	40 371	48 536
Community Service Obligations			15 730	13 666							15 730	13 666
Interest Expense												
TOTAL OPERATING EXPENSES	64 143	59 151	66 434	62 866	56 698	54 958	35 801	47 992	26 494	23 697	249 570	248 664
NET OPERATING SURPLUS/(DEFICIT)	(3 020)	(5 794)	(12 521)	(1 795)	(31 657)	(1 098)	49 948	(10 744)	2 871	(4 067)	5 621	(23 498)

Notes to Financial Statements for the year ended 30 June 2005 (continued)

	2005 \$'000	2004 \$'000
3. PROFIT/LOSS ON DISPOSAL OF NON-CURRENT ASSETS		
Assets acquired nil consideration	16 232	1 956
Proceeds from the disposal of non-current assets	2	(10)
Less: Written down value of non-current assets disposed	()	()
Profit/(Loss) on the disposal of non-current assets	16 324	1 946

4. OPERATING EXPENSES

The net operating surplus/(deficit) has been arrived at after charging the following expenses:

Administrative Expenses:

Consultants (1)	1 125	749
Advertising (2)	151	88
Marketing and Promotion (3)	1 691	752
Document Production	392	367
Legal Expenses (4)	188	443
Recruitment (5)	167	227
Training and Study	402	334
Official Duty Fares	1 024	842
Travelling Allowance	409	336

NOTES

(1) Includes marketing, promotion and IT consultants.

(2) Does not include recruitment advertising or marketing and promotion advertising.

(3) Includes advertising for marketing and promotion but excludes 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.

5. CASH AND DEPOSITS

Cash on Hand	16	22
Cash at Bank	2 978	4 363
	2 994	4 385

6. RECEIVABLES

Current

Trade Debtors	663	782
Less: Provision for Doubtful Trade Debtors	(442)	(467)
	221	315
Sundry Debtors	943	1 635
Other Receivables	1 164	1 950

Non Current

Other Receivables		
Total Receivables	1 164	1 950

Notes to Financial Statements for the year ended 30 June 2005 (continued)

	2005 \$'000	2004 \$'000
7. PROPERTY, PLANT AND EQUIPMENT		
Land		
At Cost (assets not revalued at fair value yet)		2 819
At Fair Value	13 264	10 445
	13 264	13 264
Buildings		
At Fair Value	111 515	108 109
Less: Accumulated Depreciation	(36 711)	(33 993)
	74 803	74 116
Infrastructure		
At Fair Value	39 108	
Less: Accumulated Depreciation	(11 877)	
	27 231	
Capital (Works in Progress)		
At Capitalised Cost	0	5 857
	0	5 857
Plant and Equipment		
At fair value	1 987	2 008
Less: Accumulated Depreciation	(1 111)	(1 132)
	876	876
Computer Software		
At Cost	24	
Less: Accumulated depreciation	(8)	
	16	
Computer Hardware		
At Cost	208	
Less: Accumulated depreciation	(183)	
	25	
Transport Equipment		
At Cost	20	
Less: Accumulated depreciation	(10)	
	10	
Cultural Assets		
At Fair Value	13	13
Less: Accumulated Depreciation	(4)	(3)
	9	10
Total property, plant and equipment	116 235	94 123

A valuation of Airstrips and Barge Landings was undertaken by the Australian Valuation Office (AVO) as at 30 June 2005 based on fair value.

7. PROPERTY, PLANT AND EQUIPMENT (Continued)**Reconciliations**

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below:

30 June 2005	Note	Land	Buildings	Infra-structure	Construction (Works in Progress)	Plant & Equipment	Computer Software	Computer Hardware	Transport Equipment	Cultural Assets	Total
Cost/Valuation											
Balance at the beginning of the year		13 264	108 108		5 857	1 773	24	191	20	13	129 250
Additions								22			22
Disposals											
Transfers (net)	11(a)		3 404	29 204	(5 857)	192		18			26 961
Revaluation (net)	11 (b)		2	9 904							9 906
Balance at the end of the year		13 264	111 514	39 108		1 987	24	209	20	13	166 139
Accumulated depreciation											
Balance at the beginning of the year			(33 993)			(979)	(4)	(141)	(8)	(3)	(35 128)
Depreciation and amortisation			(2 719)	(11 877)		(132)	(4)	(42)	(2)	(1)	(14 777)
Disposals											
Transfers (net)	11(a)										
Revaluation (net)	11(b)		1								1
Balance at the end of the year			(36 711)	(11 877)		(1 111)	(8)	(183)	(10)	(4)	(49 904)
Written down value											
Balance at the beginning of the year		13 264	74 116		5 857	876		10			94 123
Balance at the end of the year		13 264	74 803	27 231		876	16	26	10	9	116 235

7. PROPERTY, PLANT AND EQUIPMENT (Continued)**Reconciliations**

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below:

30 June 2004	Note	Land	Buildings	Infra-structure	Construction (Works in Progress)	Plant & Equipment	Computer Software	Computer Hardware	Transport Equipment	Cultural Assets	Total
Cost/Valuation											
Balance at the beginning of the year		17 050	119 562	Nil	1 843	1 542	Nil	13	Nil	Nil	140 010
Additions					(9)	146					137
Disposals					(26)						(26)
Transfers (net)	11(a)	1 950	3 963		4 023	346					10 282
Revaluation (net)	11(b)	(5 736)	(15 417)								(21 153)
Balance at the end of the year		13 264	108 108		5 857	1 773		13			129 250
Accumulated depreciation											
Balance at the beginning of the year		Nil	(37 294)	Nil	Nil	(962)	Nil	(3)	Nil	Nil	(38 259)
Depreciation and amortisation			(2 532)			(178)					(2 710)
Disposals						16					16
Transfers (net)	11(a)		5 833			(8)					5 825
Revaluation (net)	11(b)										
Balance at the end of the year			(33 993)			(1 132)		(3)			(35 128)
Written down value											
Balance at the beginning of the year		17 050	82 269	0	1 843	580	0	10	0	0	101 752
Balance at the end of the year		13 264	74 116	0	5 857	876	0	10	0	0	94 123

Notes to Financial Statements for the year ended 30 June 2005 (continued)

	2005 \$'000	2004 \$'000
7. PROPERTY, PLANT AND EQUIPMENT (Continued)		
Purchase of non current assets		
Payments for capital works in progress		9
Payments for Acquisition of Plant and Equipment	(22)	(466)
	(22)	(457)
8. PAYABLES		
Trade Creditors	(497)	(1 743)
Other Creditors	(572)	(161)
	(1 069)	(1 903)
9. PROVISIONS		
Current		
<i>Employee Benefits</i>		
Annual Leave	(3 915)	(3 699)
Leave Loading	(432)	(489)
Recreation leave fares	(211)	(176)
<i>Other Current Provisions</i>		
Other Provisions		
Fringe Benefits Tax	(50)	(46)
Payroll tax	(480)	(484)
Non Current		
Other Provisions		
Total Provisions	(5 088)	(4 894)
a) Reconciliations		
<i>Employee Provisions</i>		
Balance as at 30 June 2004	(4 364)	(3 300)
Reductions arising from payments/other sacrifices of future economic benefits		
Additional provisions recognised	(194)	(1 064)
Balance as at 30 June 2005	(4 558)	(4 364)
<i>Other Provision</i>		
Balance as at 30 June 2004	(530)	(173)
Reductions arising from payments/other sacrifices of future economic benefits		
Additional provisions recognised		(357)
Balance as at 30 June 2005	(530)	(530)

The Agency employed 495 employees as at 30 June 2005 compared to 464 employees as at 30 June 2004

Notes to Financial Statements for the year ended 30 June 2005 (continued)

	2005 \$'000	2004 \$'000
10. OTHER LIABILITIES		
Current		
Deposits Held	(4 213)	(3 928)
Unearned Revenue	(450)	
Non current		
	(4 663)	(3 928)
11. EQUITY		
(a) Capital		
Balance at the Beginning of Year	(111 146)	(102 398)
Equity Injections	(962)	(8 748)
Equity Transfers in	(6 843)	
Equity Withdrawals		
Balance at the End of Year	(118 951)	(111 146)
(b) Reserves		
	Nil	Nil
Asset Revaluation Reserve		
<i>Movements in Reserve</i>		
Balance at the Beginning of Year		
Revaluation increment/(Decrement) on Buildings	(6 353)	
Balance at the End of Year	(6 353)	
(c) Accumulated funds		
Balance at the Beginning of Year	21 254	(2 244)
Current Year Operating Surplus /(Deficit)	(5 623)	23 498
Balance at the End of Year	15 631	21 254

Notes to Financial Statements for the year ended 30 June 2005 (continued)

	2005 \$'000	2004 \$'000
12. NOTES TO THE STATEMENT OF CASH FLOWS		
<i>Reconciliation of net operating surplus / (deficit) to net cash used in operating activities.</i>		
Net operating surplus/(deficit)	5 623	(23 498)
Assets written down		15 320
Assets acquired nil consideration	(16 232)	(1 956)
(Profit)/loss on disposal of non-current assets		10
<i>Non Cash Items</i>		
Depreciation	2 981	2 711
Amortisation		
Repairs & maintenance – minor new works – non cash	5	25
(Profit)/Loss on Disposal of Non Current Assets		
Assets Donated and Gifted		4 352
<i>Changes in Assets and Liabilities</i>		
Decrease/(Increase) in Receivables	787	(457)
Decrease/(Increase) in Prepayments	2	
Decrease/(Increase) in inventory	17	(1)
Decrease/(Increase) in Other Assets		
(Decrease)/Increase in Accounts Payable	(835)	(682)
(Decrease)/Increase in Provision for Employee Benefits	194	1 064
(Decrease)/Increase in Other Provisions		357
(Decrease)/Increase in Unearned Revenue	450	
Net Cash Flows From/(Used In) Operating Activities	(2 656)	(7 107)
Non Cash Financing and Investing Activities		
<i>Finance Lease Transactions</i>		
During the financial year the Agency did not acquire any plant and equipment or computer equipment by means of finance leases.		
13. SERVICES RECEIVED FREE OF CHARGE		
Corporate and information services	5 619	4 815
Internal audits and reviews	176	108
Note: Internal audits are not included in the financial statements as they are inter-Agency services and there is no requirement to pay and no corresponding funding.		
	5 596	4 923

Notes to Financial Statements for the year ended 30 June 2005 (continued)

	2005 \$'000	2004 \$'000
14. COMMITMENTS		
(i) Capital Expenditure Commitments		
Estimated capital expenditure contracted for at balance date but not provided for and payable:		
Within one year		
One year or no later than five years		
Greater than five years		
	NIL	NIL
(ii) Non Cancellable Operating Lease Expense Commitments		
Future operating lease commitments not provided for in the financial statements and payable:		
Within one year	5	
One year and no later than five years	14	
Greater than five years		
	19	NIL

The Agency leases property under non-cancellable operating leases expiring from 1 to 5 years. Leases generally provide the Agency with a right of renewal at which time all terms are negotiated.

There are no identified operating leases held by the Department that are non-cancellable or with a contingent liability.

15 . FINANCIAL INSTRUMENTS

A financial instrument is any contract resulting in a financial asset of one Agency and a financial liability of another Agency.

	Weighted Average interest rate	Variable interest	Fixed Interest Maturity			Non Interest Bearing	Total
			Under 1 year	1 to 5 years	Over 5 years		
2005 Financial Asset	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash assets						2 994	2 994
Receivables						1 163	1 163
Advances						32	32
						4 189	4 189
2005 Financial Liabilities							
Accounts payable						479	479
Lease liabilities							
						479	479
Net Financial Asset/(Liabilities)						3 710	3 710

Notes to Financial Statements for the year ended 30 June 2005 (continued)

	Fixed Interest Maturity						Total
	Weighted Average interest rate	Variable interest	Under 1 year	1 to 5 years	Over 5 years	Non Interest Bearing	
2004 Financial Asset	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash assets					4 385		4 385
Receivables					1 950		1 950
Advances					73		73
					6 408		6 408
2004 Financial Liabilities							
Accounts payable					1 743		1 743
Lease liabilities							
					1 743		1 743
Net Financial Asset/(Liabilities)					4 665		4 665

Credit risk

The credit risk associated with provision of credit for trading purposes to external organisations is generally considered relatively low.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Agency's maximum exposure to credit risk.

Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values. Receivables include accounts receivable and GST receivable but exclude accrued revenue. Accounts Payable include trade creditors but excludes accrued expenses and unearned revenue.

16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Contingent liabilities

Contingent Liabilities on record are not quantifiable and none are considered material. Litigation matters are not separately reported on the basis of the significant potential for such reporting to adversely prejudice the outcome of the litigation.

b) Contingent assets

There are no contingent assets on record.

17. EVENTS SUBSEQUENT TO BALANCE DATE

The Department of Community Development, Sport and Cultural Affairs was disbanded after balance date through a Government restructure and the successor Agency, Department of Local Government, Housing and Sport no longer has responsibility for the Arts, Museums or Indigenous Essential Services functions, not the delivery of the Indigenous Housing infrastructure program.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

18. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the Financial Management Act, an Accountable Officers 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 01/07/04	Receipts	Payments	Closing Balance 30/06/05
	\$'000	\$'000	\$'000	\$'000
AMLS Directorate	(1)		2	1
Museums	(1)			(1)
Alice Springs Cultural Precinct	(166)	(720)	754	(132)
Jabiru Town Development Authority	(3 760)	(194)		(3 954)
Unclaimed Moneys		(126)		(126)
	(3 928)	(1 040)	756	(4 212)

19. WRITE OFFS, POSTPONEMENTS AND WAIVERS

	2005 \$'000	No. of Trans.	2004 \$'000	No. of Trans.
Write offs, waivers and postponements under the <i>Financial Management Act</i>	1	2	2	2
Represented by:				
<i>Amounts written off, waived and postponed by Delegates</i>				
Irrecoverable amounts payable to the Territory or an Agency written off	1	1	1	1
Losses or deficiencies of money written off	1	1	1	
Public property written off				
Waiver or postponement of right to receive or recover money or property				
Total	1	2	2	2

Amounts written off, waived and postponed by the Treasurer

Irrecoverable amounts payable to the Territory or an Agency written off				
Losses or deficiencies of money written off				
Public property written off				
Waiver or postponement of right to receive or recover money or property				

Total

Write offs, postponements and waivers authorised under other legislation

Notes to Financial Statements for the year ended 30 June 2005 (continued)

20. DISCLOSING THE IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Department of Community Development, Sport and Cultural Affairs is managing the transition through attendance at seminars, workshops and whole of government information sessions. Northern Territory Treasury, through its accounting policy branch will assist with identifying and communicating changes required to Treasurer's Directions and future Agency reporting requirements.

The following known or reliably estimable information is provided in relation to expected impacts resulting from the adoption of Australian Equivalents to International Financial Reporting Standards (IFRS):

Impairment Testing

Under the Australian equivalent of IAS36 *Impairment of Assets* the recoverable amount of an asset is determined as the higher of net selling price and value in use. This will result in a change in the Department's current accounting policy as currently under AAS10 the recoverable amounts test does not apply to not-for-profit entities.

Revenue

Rules governing grants provided to entities to be altered from a reciprocal/non-reciprocal approach to encompass in substance agreements whereby income in certain circumstances can be matched over the period the service is provided rather than treated as revenue in the year of receipt.

The future financial effects of the above changes in accounting policy cannot be reliably estimated at this stage.

Financial Statements

Territory Housing

Financial Statement Overview

FOR YEAR ENDED 30 JUNE 2005

Introduction

The business operations of Territory Housing are based on over \$1 billion in assets, with a staff of 153 and an annual budget in excess of \$100 million.

A number of reviews and feasibility projects are underway seeking to inform management on the realignment of commercial operations and business objectives. During 2004-05, for example, an external consultant was engaged to review Territory Housing's current operational status, capacity, processes, financing, risks and impediments relating to the successful implementation of Home Territory 2010. Territory Housing management is presently considering the recommendations of the consultant's report.

A review of frontline operations is also currently being undertaken. Another current priority for Territory Housing involves exploring initiatives to strengthen the response to anti-social behaviour in and around Public Housing dwellings throughout the Territory.

Additionally, Territory Housing is striving to improve the delivery of Government-stated outcomes and housing services to private clients (Quality Landlord Strategy) and government agencies.

In addition to improving staff induction, training and development, and implementing a new complaints-handling model, Territory Housing is exploring options for the replacement of business and information systems. Through a collaborative approach, Territory Housing is developing options for the provision of a range of supported residential facilities for renal patients.

Operationally, Territory Housing is continuing implementation of:

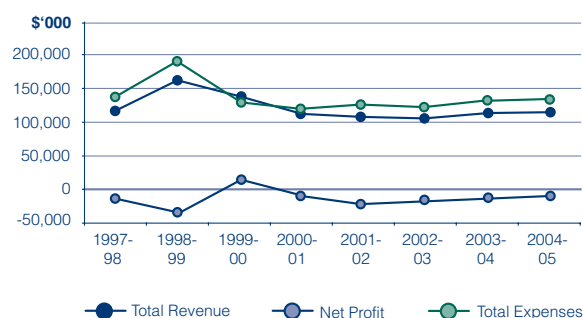
- Public Housing arena - Community Renewal redevelopment of large unit complexes; renovation of dwellings to overcome a backlog of maintenance and upgrading of dwellings to current amenity standards. A 'Turnaround Time' strategy is also being pursued to minimise the time taken to reallocate vacant properties after they have been vacated, acquired or newly constructed;
- Government Employee Housing - upgrading of dwellings to the approved Core Amenity and Design standard; and implementation of the new direct tenancy model to ensure improved effectiveness and program delivery; and
- Efforts to lift home ownership within the Territory community, while developing a focus on Indigenous homebuyers. HomeNorth Extra, with increased income and property market value thresholds, was introduced as of 1 July 2005. Development of Regional HomeNorth Extra, Industry HomeNorth and Community HomeNorth will be undertaken in 2005/06.

Operating Performance

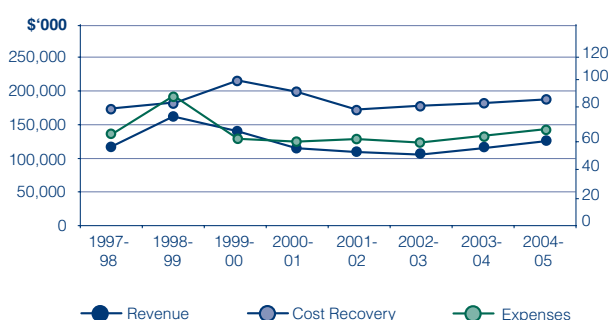
Territory Housing continues to focus on improving its operating performance while still delivering Government's desired social outcomes. In this regard Territory Housing's operating performance has improved for the fourth consecutive year.

In 2004-05, Territory Housing made an operating loss of \$10.8 million - a \$2.0 million improvement on the 2003-04 result. Further, as a result of the improved performance, Territory Housing's Cost Recovery Ratio improved by some 2 percentage points to 91% in 2004-05.

Total Revenue, Total Expenses and Net Profit



Cost Recovery Ratios



Increased rental income of \$1.7 million, community service obligations of \$2.1 million, helped to partially offset a reduction of \$5.7 million in Capital Grants and Subsidies and Other income. Overall, income was up on 2003-04 by \$2.1 million.

While on the expenditure side, Territory Housing continued the robust repairs and maintenance (R&M) plan to address the backlog of repairs and maintenance and inequities in amenity levels in Public Housing dwellings in 2004-05. However, this is not reflected in the level of R&M expenditure, which fell by \$1.9 million to \$18.4 million. The reason is that after analysis of orders placed for Public Housing refurbishment, \$3.4 million was determined to be capital enhancement. This amount was transferred from the R&M expenditure category to the asset value amount for the individual dwellings.

Increased expenditure in Administration Fees (up \$1.0 million), cost of head-leases (up \$1.4 million) and Asset Management costs (up \$0.8 million), was offset by reductions in the take up of Grants and Subsidies (down \$3.5 million) and take up of Home Purchase Assistance (\$0.5 million).

The 2004-05 expenditure also continued to be influenced by the revised valuation methodology - and determination of useful life - for remote area assets, introduced in 2003-04. This methodology provides a true reflection of the consumption of those assets. This process has continued during 2004-05 and has again resulted in a slightly higher depreciation expense, which is commensurate with a higher asset base.

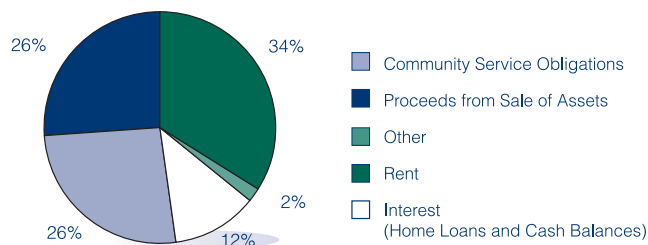
The combined effect of these decreases in Income and Expenditure in 2004-05 produced the reduction of the Operating Deficit of \$2 million.

Key points arising from the Financial Statements are detailed below.

Revenue

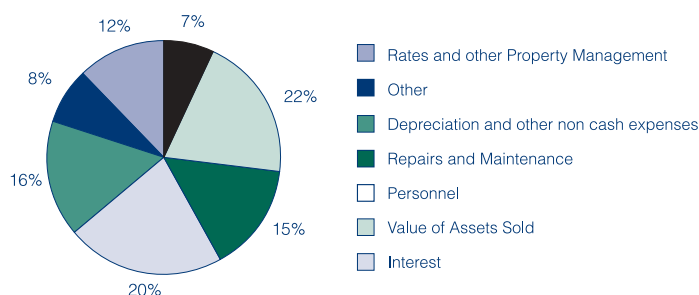
- Most rent (\$35.3 million) is received from tenants of dwellings owned by Territory Housing, though \$4.2 million is also received from Government Employee Housing tenants occupying head-leased premises.
- Of this total of \$35.3 million, Public Housing tenants' rent was \$24.9 million and the balance from Government Employee Housing tenants.
- Government Employee Housing rent increased by 13.5% due to construction of new and replacement dwellings and additional head-leasing of properties. Total rent increased 4.4% overall.
- Interest received on home loans rose by almost five percent in 2004-05 as a result of the expanded home loan portfolio following a release of new products and an advertising campaign.
- Community Service Obligations (CSO) rose by \$2.1 million in 2004-05 compared to the previous year. This increase is attributed to the rise in rental-gap CSO (\$1.8 million), a decreased amount of interest subsidy on home loans (\$0.16 million) and an increased amount of rent forgone in Government Employee Housing (\$0.5 million).
- Proceeds from the sale of Territory Housing dwellings (including dwellings in which Territory Housing has retained a share of equity) resulted in a net profit on asset sales of \$2.4 million. This result is consistent with the increases in property sales experienced in the private market.
- Total income of \$114.5 million was \$2.1 million (or 1.9%) higher than in the previous year.

Revenue \$114.5 million



- With the exception of non-cash expenses, the four largest expenditure items, being interest, R&M, rates and salaries accounted for 86% of Territory Housing cash expense.
- Administration fees, information technology, general operational costs, rates and other expenses were collectively \$4.3 million or 14.5% lower than in the previous year.

Expenses \$125.3 million



Financial Position

The Statement of Financial Position shows that at 30 June 2005, Territory Housing had assets valued at \$1,454.8 million, \$233 million higher than the previous year. This is predominantly due to the increases in values of Public Housing dwellings brought to account as part of the revaluation processes. Liabilities, on the other hand, rose by \$14 million, largely due to Territory Housing taking advantage of a \$20 million loan facility with Treasury Corporation, net of repayment of \$7 million of principal on loans from Treasury Corporation. The loan was sought to facilitate the success of the revamped HomeNorth schemes that commenced on 1 July 2004. The net assets of the business increased from \$881.2 million to \$1,099.9 million, an increase of \$218.7 million.

Comments on material assets and liabilities follow:

Home loans

- As a result of the changes to the HomeNorth scheme implemented on 1 July 2004, Territory Housing's home loan portfolio rose in the twelve months to 30 June 2005 by \$26 million from \$154.4 million to \$180.4 million. This is a direct result of less loans being repaid (\$40.2 million) than new loans issued (\$67.5 million).
- The repayments of home loans comprised \$5.9 million normal principal and \$34.2 million payout of loans.

Shared equity

- Territory Housing total interest in shared equity dwellings increased in the twelve months to 30 June 2004 from \$38.1 million to \$48.0 million due to a revaluation increment of \$2.9 million and new investment in shared equity (\$16.6 million), being offset by return of shared equity (\$9.7 million).
- There were 382 new shared equity arrangements entered into during 2004-05.
- These shared equity transactions resulted in a diminished cash flow compared to the budget, due to the higher than budgeted cash outlays and lower than budgeted cash receipts.

Changes to the stock of dwellings

- 34 GEH dwellings and 40 new Public Housing dwellings were completed in 2004-05.
- No Public Housing dwellings were replaced in 2004-05, however, six GEH dwellings were replaced in the year.
- 116 Public Housing dwellings were upgraded in the renovation program in 2004-05 (73 in 2003-04).
- 53 GEH dwellings were upgraded to the new Core Amenity and Design Standard in 2004-05.
- \$46.3 million was expended on capital construction in 2004-05, and a further \$3.4 million capital upgrading of dwellings was carried out in conjunction with the R&M program.
- 97 dwellings with cash proceeds of \$29.8 million were sold in 2004-05.
- Consistent with the increases in the private market, Public Housing stock increased from \$813 million to \$1,008 million.

Debt

- \$7.0 million of debt was repaid, leaving total debt outstanding at 30 June 2005 of \$346.1 million.

Cash Balances

- Cash balances fell by \$51.2 million to \$14.4 million in the year to 30 June 2005. This decrease in cash balances is attributed to increased expenditure of Capital Works of \$31 million over 2003-04, and higher approval of home loans net of home loan discharges (\$27 million).

Analysis of the Financial Context and Challenges

Territory Housing, while being cognisant of its responsibility to deliver important social policy outcomes on behalf of Government, continues to focus on improving the commercial operation of the government business division. In this context, Territory Housing's current financial management and strategic priorities include:

- Ensuring that Territory Housing's resources are sufficient to deliver the overall programs, and meet community demand, in line with the policy imperatives of Home Territory 2010;
- Finalise the realignment of business operations to establish a stronger financial position;
- The implementation of a Debt Management Strategy to focus on identifying a more effective approach to managing and reducing debt levels and increasing cash available for Government initiatives;
- The investigation of options to increase the level of Indigenous uptake of HomeNorth products;
- Cash balances decreased markedly in 2004-05. While this was anticipated due to the implementation of the new HomeNorth products and unusually large Capital Works and Repairs and Maintenance Programs, Territory Housing has to investigate alternate sources of funding to deliver key Government initiatives and support the ongoing success of the HomeNorth Scheme;
- During 2004-05 Territory Housing continued implementation of a robust repairs and maintenance program to address a backlog of repairs and maintenance and improve the level of amenity in Public Housing dwellings. Due to the unexpectedly high extent of per dwelling upgrade expenditure required to date, a further census of these dwellings will be undertaken in 2005-06 to determine more accurately the levels of expenditure required to bring them to an acceptable standard; and
- As Territory Housing relies significantly on Community Service Obligation payments, a thorough review has commenced to identify the avoidable costs associated with the delivery of such Community Service Obligations to ensure that Territory Housing is appropriately recompensed for the costs incurred.



AUDITOR-GENERAL

AUDITOR-GENERAL'S REPORT TO THE MINISTER FOR HOUSING DEPARTMENT OF COMMUNITY DEVELOPMENT, SPORT AND CULTURAL AFFAIRS: TERRITORY HOUSING YEAR ENDED 30 JUNE 2005

Page 1 of 2

Scope

The financial report and the Accountable Officer's responsibility

The financial report of the Department of Community Development, Sport and Cultural Affairs: Territory Housing (Territory Housing) comprises the statement by the Accountable Officer and statements of financial position, financial performance and cash flows and accompanying notes to the financial statements for the year ended 30 June 2005.

The Accountable Officer of the Agency is responsible for the preparation and presentation of the financial report in accordance with the requirements of the Accounting Standards and other mandatory professional reporting requirements in Australia and the *Financial Management Act*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

I conducted an independent audit in order to express an opinion to the Minister for Housing. My audit was conducted in accordance with Australian Auditing and Assurance Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control systems and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements or control deficiencies have been detected.

I performed procedures to assess whether, in all material respects, the financial report presents fairly, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia and of the *Financial Management Act*, a view which is consistent with my understanding of Territory Housing's financial position and its financial performance as represented by the results of its operations and cash flows.

I formed my audit opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of accounting estimates made by the Accountable Officer.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

My audit did not involve an analysis of the prudence of business decisions made by the Accountable Officer or management.



AUDITOR-GENERAL

Page 2 of 2

Independence

I am independent of Territory Housing and, in conducting my audit, I followed applicable independence requirements of the *Audit Act* and of Australian professional ethical pronouncements.

Audit opinion

In my opinion, the financial report of the Department of Community Development, Sport and Cultural Affairs: Territory Housing:

- presents fairly the financial position of Department of Community Development, Sport and Cultural Affairs: Territory Housing at 30 June 2005, and its financial performance and cash flows for the year ended on that date; and
- is presented in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia and the requirements of the *Financial Management Act*.

A handwritten signature in black ink, appearing to read 'Frank McGuinness'.

Frank McGuinness
Auditor-General for the Northern Territory
Darwin, Northern Territory
22 November 2005

Certification of Financial Statements

Statement by the Accountable Officer for the Department of Community Development Sport and Cultural Affairs: Territory Housing

In our opinion:

- i. The accompanying financial statements and notes are based on proper accounts and records and are in agreement with the accounts. They have been properly drawn up so as to present fairly the financial position of Territory Housing as at 30 June 2005, its financial performance and its cash flows for the year ended on that date;
- ii. The financial statements are in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the Financial Management Act.
- iii. 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.

Dated at Darwin in the Northern Territory

21 November 2005




M C Dillon

Chief Executive
Accountable Officer



D A McInnes

Chief Financial Officer



F Chamberlain

General Manager

Statement of Financial Performance

for the year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
REVENUE			
Revenue from rendering of services	2(i)	39,811	38,128
Other revenues from ordinary activities	2(i)	74,658	74,196
Total revenue		114,469	112,324
EXPENDITURE			
Employee expenses	2(ii)	(8,932)	(8,259)
Depreciation and amortisation expenses	2(i)	(19,752)	(18,407)
Borrowing costs	2(h)	(24,695)	(24,777)
Other expenses from ordinary activities	2(ii)	(71,943)	(73,646)
Total expenditure		(125,322)	(125,089)
Loss from ordinary activities before income tax expense		(10,853)	(12,765)
Income tax (expense) / benefit relating to ordinary activities	3	-	-
Net Loss	13(f)	(10,853)	(12,765)
Net increase in asset revaluation and realisation reserves	13	231,328	188,004
Aggregate amounts transferred from reserves	13(d)	(2,400)	(2,472)
Total revenues, expenses and valuation adjustments recognised directly in Accumulated Funds	13(e)	228,928	185,532
Contributed Equity transfers	14	680	-
Total changes in Accumulated Funds from non-owner related transactions		218,755	172,767

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

Statement of Financial Position

As at 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
CURRENT ASSETS			
Cash assets	4	14,385	65,627
Receivables	5(i)	8,879	4,064
Other	6	2,199	869
Total Current Assets		25,463	70,560
NON-CURRENT ASSETS			
Receivables	5(ii)	178,002	152,299
Property, plant & equipment	7	1,203,333	960,863
Investments	8	48,034	38,149
Total Non-Current Assets		1,429,369	1,151,311
Total Assets		1,454,832	1,221,871
CURRENT LIABILITIES			
Payables	9(i)	3,189	2,479
Interest bearing liabilities	10(i)	6,971	6,601
Provisions	11(i)	1,440	1,232
Other liabilities	12(i)	1,441	1,436
Total Current Liabilities		13,041	11,748
NON-CURRENT LIABILITIES			
Payables	9(ii)	1,204	1,425
Interest bearing liabilities	10(ii)	339,148	326,119
Provisions	11(ii)	-	-
Other liabilities	12(ii)	1,498	1,393
Total Non-Current Liabilities		341,850	328,937
Total Liabilities		354,891	340,685
NET ASSETS		1,099,941	881,186
EQUITY			
Accumulated Losses	13(f)	(66,703)	(53,450)
Reserves	13	1,119,613	888,285
Contributed Equity	14	47,031	46,351
Total Equity		1,099,941	881,186

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

Statement of Cashflows

As at 30 June 2005

		2005 INFLOWS/ (OUTFLOWS)	2004 INFLOWS/ (OUTFLOWS)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		41,174	41,947
Capital grants received		-	4,715
Cash payments in the course of operations		(55,933)	(59,145)
Transfer of long service leave liability		-	-
Community service obligations received		29,910	27,780
Interest received		13,401	13,448
Borrowing costs		(24,643)	(24,780)
Net cash from operating activities	15(i)(a)	3,909	3,965
CASH FLOWS FROM INVESTING ACTIVITIES			
Advances on home loans		(67,507)	(20,855)
Repayment of Loans by Client			
• Principal		5,928	6,507
• Discharges		34,261	33,098
Total Repayment of Loans		40,189	39,605
Payments for investments	15(i)(b)	(16,673)	(4,483)
Proceeds on disposal of investments		9,727	7,028
Proceeds on disposal of property, plant & equipment		18,817	18,977
Payments for property, plant & equipment:			
• Capital Works Expenditure		(53,208)	(21,864)
Net cash from investing activities		(68,655)	18,408
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		20,000	-
Deposits Received		105	52
Repayment of borrowings		(6,601)	(6,254)
Net cash (used in) financing activities		13,504	(6,202)
Net increase in cash held		(51,242)	16,171
Cash at the beginning of the year		65,627	49,456
Cash at the end of the year	4	14,385	65,627

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

Notes to Financial Statements for the year ended 30 June 2005

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements are a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Financial Management Act and Treasurer's Directions.

The financial statements have been prepared in accordance with the historical cost convention and, except where stated, do not take into account changing money values or fair values of non-current assets. These accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

The Treasurer has determined that Territory Housing ("the entity") is a Government Business Division as defined in Section 3(1) of the Financial Management Act. In accordance with Section 10 of the Financial Management Act, the financial statements of the entity have been prepared on commercial accounting principles.

These financial statements do not comply with International Accounting Standards, as Australia is not adopting these requirements until reporting periods commencing on or after 1 January 2005. However the potential impact on accounting policies that will arise from the transition to AASB equivalents of IASB pronouncements is disclosed in note 23.

The following is a summary of the material accounting policies, which have been adopted in the preparation of the financial statements.

(b) Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous year, however the basis on which the estimates are calculated for providing for doubtful debts has been reviewed for the following receivables:

- Rent;
- Sundry Debt (expenditures incurred by Territory Housing that a tenant is liable for);
- Bond Assistance Loans; and
- Home Ownership debt.

Receivables - provision for doubtful debts

The entity continues to assess the collectability of debts at year-end for current rental, current maintenance and other debtors however, the basis for provisioning for each category of receivable has been revised and are outlined in the tables below. The results of the change in estimates is reflected in these financial statements.

Category of Debt	PROVISIONING RATE BY AGE OF DEBT					
	<1 Mth	<2 Mth	<3 Mth	<6 Mth	<12 Mth	>12 Mth
Current Rental Debt	0%	0%	10%	30%	50%	80%
Ceased Rental Debt	0%	15%	35%	50%	75%	95%
Current Sundry Debt	0%	25%	50%	85%	75%	90%
Ceased Sundry Debt	0%	25%	50%	85%	90%	100%
Bond Assistance Debt	0%	15%	35%	50%	75%	95%

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(c) Revenue recognition

Revenue is recognised at the fair value of the consideration received net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues - excepting the value of Shared Equity financial instruments by Home Ownership (see "Sale of non-current assets").

Rendering of services

Revenue from rendering services is recognised upon the rendering of services to customers.

Interest revenue

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

Sale of non-current assets

The gross proceeds of non-current asset sales are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

Where the sale involves the issue of a Shared Equity financial instrument by Home Ownership, the amount of that instrument is recognised as revenue for Public Housing (in the Statement of Financial Performance and the Statement of Cash Flows) notwithstanding it is a non-cash transfer between asset types.

The profit 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.

Community service obligation funding

Community service obligation funding is generally received from the Northern Territory (NT) Government where the entity is required to carry out activities on a non-commercial basis. Revenue in respect of this funding is recognised in the period in which the entity gains control of the funds or when the goods or services have been delivered by the entity to agreed specifications and have been certified according to agreed performance measures.

Contribution 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 revenue at the fair value of the asset received when the entity gains control of the contribution.

(d) Goods and services tax

Revenues, 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 an item 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 Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which is 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 from, or payable to, the ATO.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(e) Borrowing costs

Borrowing costs include interest and lease finance charges and are expensed as incurred.

(f) Taxation

The entity is required to pay income tax on its accounting profit, excluding extraordinary items, at the company tax rate of 30% in accordance with the requirements of the Treasurer's Directions and the NT Tax Equivalents Regime.

(g) Cash

For the purpose of the statement of cash flows, cash includes cash on hand and cash held in the entity's Operating Account.

(h) Receivables

Rental and other charges

The collectability of debts is assessed at year-end for current rental, current maintenance and other debtors. Debts are written off during the year to the provision account where tenants become deceased or collectability is similarly assessed as not viable.

Receivables from Government may include amounts owed for the provision of community service obligations. Under the purchaser/provider model, the entity will receive payments from Government for the provision of outputs to the community on behalf of Government. Such receivables and the associated revenue is generally recognised when the goods or services have been delivered by the entity to agreed specifications and have been certified according to agreed performance measures.

Home Loans

The collectability of debts is assessed at year-end for secured home loan debtors. A provision of 100% of unsecured home loan debtors is provided at year-end, as unsecured loans and deeds of arrangements have a high risk of non-payment. Other arrears have been assessed in line with industry averages and provisions have been allowed for on that basis.

(i) Property, plant and equipment

Acquisitions - Rental Dwellings

Constructed rental dwellings, upgrading costs and minor capital works carried out on existing rental dwellings are recorded at their expended completed contract price, including tendering costs, contract management and supervision fees and all fees and charges relating to construction as property assets. Rental dwelling contracts not completed at 30 June 2005 are stated as Works in Progress. Capital Works are capitalised when incurred.

Capitalising of Minor New Works

All minor new works projects, being projects less than \$150,000 in value, are capitalised.

Demolitions/Gifts - Rental Dwellings

Obsolete rental dwellings demolished and dwellings, which are gifted or reverted under Land Rights Legislation, are written off in the financial year of occurrence. The write-offs represent the written-down historical cost component of such dwellings. Appropriate adjustments are made against the asset revaluation reserve where previous revaluations have occurred.

Sales - Rental Dwellings

Dwellings to be sold are valued immediately prior to the sale. The entity's policy is to record the difference between the sale price and the asset-carrying amount as a profit or loss on sale.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(i) Property, plant and equipment (continued)

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 entity in future years.

Costs incurred on property, plant and equipment that do not meet the criteria for capitalisation are expensed as incurred.

Revaluations

- **Urban Rental Dwellings**

An independent valuation of urban rental dwellings was completed at 30 June 2005 by the Australian Valuation Office, the results of which are reflected in these financial statements.

The basis for the valuation of urban rental dwellings is that of 'fair value', being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. The entity has adopted the policy of revaluing its urban rental dwellings - which consist of houses, flat complexes and interest in bodies corporate, every year.

Where the carrying amount of any urban rental dwelling was determined to be greater than its recoverable amount, the carrying amount of that dwelling has been written down to its recoverable amount. Details of the related carrying amount written down and any recoverable amount write-downs have been disclosed in the financial statements.

Existing urban rental dwellings that have incurred major renovations or upgrading costs are revalued as soon as possible after the contracts have been completed for these works. Useful lives of all urban rental dwellings have been reassessed at the time of valuation.

- **Remote Rental Dwellings**

The Australian Valuation Office completed an independent valuation of remote rental dwellings at 1 July 2004, the results of which are reflected in these financial statements. The entity has adopted the policy of revaluing its remote area dwellings at July 1 in the previous year.

Remote rental dwellings are measured on the basis of 'fair value', using the depreciated replacement cost methodology.

The useful lives of all remote rental dwellings are also reassessed at the time of valuation.

- **Non-Current Investment - Minority Interest Holding**

These are properties held under the HomeNorth, HomeShare scheme (that were previously owned by the entity) and properties purchased and/or constructed from/by external parties under the HomeNorth, HomeStart scheme.

Minority Interest Holdings are measured on the fair value basis, being the amount for which an asset could be exchanged by knowledgeable willing parties in an arm's length transaction. The entity has adopted the policy of revaluing its Minority Interest Holdings every year.

As the entity currently classifies minority interests held in property under the HomeNorth and HomeShare schemes as investments they have not been depreciated to date.

An independent valuation was completed at 30 June 2005 by the Australian Valuation Office, the results of which are reflected in these financial statements.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(i) Property, plant and equipment (continued)

Depreciation and amortisation

Items of property, plant and equipment, including buildings but excluding freehold land, have limited useful lives and are depreciated/amortised using the straight-line method over their estimated useful lives.

The estimated useful lives for each class of asset, for the current and previous years, are as follows:

	2005	2004
Buildings -		
Urban Dwellings	50 Years	50 Years
Remote area dwellings	40 Years	40 Years
Plant and equipment	5 Years	5 Years
Computer equipment and software	3 Years	3 Years

Assets are depreciated or amortised from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use. Where an asset is revalued due to capital construction or upgrade, or due to market movements, the useful life is reassessed and the annual depreciation adjusted to reflect the new value of the asset.

(j) Leased assets

Finance leases

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

Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed. The entity has no finance leases.

Operating leases

Payments made under operating leases are expensed on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the lease property.

(k) Payables

Liabilities for trade creditors and other amounts 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 entity. Trade accounts payables are normally settled within 14 days.

(l) Government loans

Government loans are carried on the Statement of Financial Position at their principal amount and described as interest bearing liabilities. Interest expense is accrued at the contracted rate and included in "Other creditors and accruals".

(m) 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 annual leave. Liabilities arising in respect of wages and salaries and annual leave expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(m) Employee benefits (continued)

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken indicates that accumulated sick leave is unlikely to be paid.

Employee benefits expenses in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, sick leave and other leave entitlements; and
- other types of employee benefits,

are recognised against profits on a net basis in their respective categories.

(n) Superannuation

Employees' Superannuation entitlements are provided through the NT Government and Public Authorities Superannuation Scheme (NTGPASS), Commonwealth Superannuation Scheme (CSS) and non-government employee nominated schemes for those employees commencing on or after 10 August 1999.

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

(o) Gratis Expenditure

The entity still receives auctioneering services free of charge from the Department of Infrastructure, Planning and Environment. No calculation could be reliably made for the cost of this.

(p) Dividends

The entity provides for a dividend payable at the rate of 50% of net profit after tax in accordance with the NT Government's dividend policy. No such dividend is payable in respect of the current year.

(q) Economic Dependence

The entity established by the Financial Management Act (1995) is subject to the direction of the Minister for Housing. The entity is partially funded by Northern Territory Treasury in recognition that it carries out activities on a non-commercial basis. Such partial funding is termed 'Community Service Obligation' and is reflected as such in the Statement of Financial Performance (refer note 2). (details disclosed at notes 1(c) and 2 (b).

These financial statements are prepared on a "going concern" basis in the expectation that such funding will continue.

(r) Rounding of amounts

Amounts in the financial statements and notes to the financial statements have been rounded to the nearest thousand dollars.

(s) Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

(t) Nature and Purpose of Reserves

Reserves of the entity are categories of retained equity or proprietorship of the going concern. Transfers into and out of these reserves are disclosed in order to show the impact which transactions affecting assets during the year have on retained equity. The entity operates the following reserve accounts:

- **Asset revaluation reserve** - property: to show movements in retained equity through asset revaluations upwards or downwards, movements in asset values arising from the revaluation of non-current assets in accordance with AASB 1041 and as a result of transfer of asset carrying values for sale or disposal of assets, and tracking the actual losses and profits on such sales or disposals.
- **Asset realisation reserve:** tracks transactions relating to revaluations of assets, both property and investment, in relation to sale or disposal.
- **Investment revaluation reserve** - minority interest: tracks transactions relating to revaluation of these investments upwards or downwards.

(u) Administration Fees

Administration fees are paid by the entity throughout the year in respect of services received from other Northern Territory Government Agencies and entities, as follows:

- Department of Corporate and Information Services for the outsourcing of the Finance and Human Resource functions;
- Department of Community Development, Sport and Cultural Affairs for services provided for corporate, secretariat and executive functions; and
- Territory Insurance Office for services provided in respect of home loans.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

2 NOTES ON OPERATING STATEMENT

	Note	2005 \$'000	2004 \$'000
2 (i) REVENUE:			
Revenue from rendering of services:			
Rent:	2(a)		
• Public Housing		24,870	24,904
• Government Employee Housing		14,802	13,036
• Other		139	188
Total Rent		39,811	38,128
Other revenue from ordinary activities:			
Community service obligations	2(b)	29,910	27,780
Proceeds on sale of assets	2(c)	29,772	25,501
Interest Received:			
• Interest on Home Loans		11,222	10,705
• Interest on Cash Balances		2,021	2,790
Total Interest Received		13,243	13,495
Sundry Income	2(d)	1,733	7,420
Total Other Revenue from ordinary activities		74,658	74,196
(ii) EXPENDITURE:			
Employee expenses		8,932(*)	8,259(*)
(*) Note: includes Fringe Benefits Tax of \$ 62,000 (2004: \$54,000) relating to low interest home loans			
Other Expenses From Ordinary Activities:			
Administration fees	2(e)	4,783	3,816
Bad and doubtful debts	2(g)	(2,332)	(205)
Grants and subsidies	2(k)	1,399	4,948
Home purchase assistance	2(l)	522	989
Information technology		2,678	2,475
Other Operational costs	2(f)	2,123	3,075
Rates and other expenses	2(j)	14,974	14,242
Repairs and maintenance		19,155	20,894
Sales Expenses - dwellings and land		1,269	383
Value of assets sold	2(c)	27,372	23,029
Total Other Expenses From Ordinary Activities		71,943	73,646

Notes to Financial Statements for the year ended 30 June 2005 (continued)

2 NOTES ON OPERATING STATEMENT (continued)

	2005 \$'000	2004 \$'000
2(a) Rental Income		
Gross rents - Public Housing dwellings	48,256	47,738
Less: rents lost - vacant Public Housing dwellings	2,840	2,859
Gross Public Housing rents received or receivable	45,416	44,879
Less: rental rebates allowed	20,546	19,975
Net Public Housing rent received or receivable	24,870	24,904
Add: Government Employee Housing rent:		
• Owned dwellings	10,448	10,161
• Rent From Head-leased Property	4,354	2,875
Total Government Employee Housing Rent	14,802	13,036
Add: Other Rent		
• Yulara	135	181
• Other	4	7
Total Other Rent	139	188
Total Rental Income	39,811	38,128
2(b) Community Service Obligations		
See note 19		
Total Community Service Obligations	29,910	27,780
2(c) Sale of Assets:		
• Proceeds on Sale of Assets:		
- Public Housing dwellings	19,953	14,087
- Vacant land	92	1,307
- Minority interest in rental dwellings	-	2,928
- Discount allowed	-	-
- Government Employee Housing dwellings	-	-
- Shared Equity Investments	9,727	7,179
Total Proceeds on Sale of Assets	29,772	25,501

Notes to Financial Statements for the year ended 30 June 2005 (continued)

2 NOTES ON OPERATING STATEMENT (continued)

	2005 \$'000	2004 \$'000
2(c) Sale of Assets: (continued)		
• Value of Assets Sold:		
- Public Housing dwellings	17,417	11,722
- Vacant land	252	1,022
- Government Employee Housing dwellings	-	820
- Minority interest in rental dwellings	-	2,685
- Shared Equity Investments	9,703	6,780
Total Value of Assets Sold	27,372	23,029
• (Profit) / Loss on sale of property:		
- (Profit) Loss on sale of Public Housing dwellings	(2,536)	(2,365)
- (Profit) Loss on sale of vacant land	160	(285)
- (Profit) Loss on sale of Government Employee Housing dwellings	-	820
- (Profit)/Loss on sale of minority interest	-	(243)
- (Profit)/Loss on sale of shared equity investments	(24)	(399)
- Discount allowed	-	-
Total (Profit) Loss on sale of property	(2,400)	(2,472)
2(d) Sundry Income		
Maintenance	988	872
Other Tenant Charges	315	376
Miscellaneous Revenue	430	1,457
Capital Grants	-	4,715
Total Sundry Income	1,733	7,420
2(e) Administration Fees		
See Note 1(u)		
Administration Fees - Department of Community Development, Sport & Cultural Affairs	2,200	1,100
Administration Fees - DCIS	1,152	1,293
Administration Fees - Territory Insurance Office	1,431	1,423
Total Administration Fees	4,783	3,816

Notes to Financial Statements for the year ended 30 June 2005 (continued)

2 NOTES ON OPERATING STATEMENT (continued)

	2005 \$'000	2004 \$'000
2(f) Other Operational Costs		
• Audit Fees		
Total of all remuneration paid and payable by the entity in connection with auditing the accounts (paid to Consolidated Revenue)	70	148
• Other Operational Costs		
Demolished & Gifted Assets	10	777
Legal Expenses	(24)	388
Insurance Premiums	192	191
Motor Vehicle Expenses	334	264
Communications	268	199
Consultant Fees	70	93
Document Production	161	113
Operational Costs Other	582	637
Official Duty Fares	112	94
Travelling Allowance	56	37
Recruitment	34	21
Training and Study	177	92
Advertising	24	1
Marketing and Promotion	57	20
Total Operational Costs	2,053	2,927
Total Other Operational Costs	2,123	3,075
2(g) Bad and Doubtful Debts		
Bad Debts written off include both items previously provided for and items written off during the current reporting period not previously provided for.		
• Bad debts written off:		
- Rental debtors	24	130
- Maintenance debtors	88	246
- Other debtors	7	28
- Home Loans	-	-
Total Bad Debts Written Off	119	404
• Additions(reductions) to provisions for doubtful debts:		
- Rental debtors	(1,193)	(614)
- Maintenance debtors	(1,050)	92
- Other debtors	(279)	(94)
- Home Loans	71	7
Total additions(reductions) to provisions for doubtful debts	(2,451)	(609)
Total Bad and Doubtful Debts	(2,332)	(205)

Notes to Financial Statements for the year ended 30 June 2005 (continued)

2 NOTES ON OPERATING STATEMENT (continued)

	2005 \$'000	2004 \$'000
2(h) Borrowing Costs		
NT Treasury Loans	24,695	24,777
Total Borrowing Costs	24,695	24,777

2(i) Depreciation and Amortisation

Urban Dwellings*	14,995	14,398
Government Employee Housing Remote area dwellings	4,744	4,003
Computer Equipment	-	-
Other Equipment	13	6
Total Depreciation and Amortisation	19,752	18,407

*Urban dwellings include Public Housing and Government Employee Housing

2(j) Rates and Other Expenses:

Rates	5,354	5,319
Rent for Head Leased Property	4,113	2,750
Other Expenses	5,507	6,173
Total Rates and Other Expenses	14,974	14,242

2(k) Grants & Subsidies

Advisory Services	619	596
Rent and bond arrears grants	7	13
Garden subsidies provided to tenants	55	58
Community Housing Program	364	643
Crisis Accommodation Program	113	1,138
Community Harmony Project	241	2,500
Total Grants & Subsidies	1,399	4,948

2(l) Home Purchase Assistance

Stamp Duty	109	114
Early start grant	44	370
Interest subsidy scheme	369	505
Total Home Purchase Assistance	522	989

Notes to Financial Statements for the year ended 30 June 2005 (continued)

3 INCOME TAX EXPENSE AND TAX EQUIVALENT REGIME

As the entity has accumulated tax losses, there is no income tax expense.

Details of the tax losses are as follows:

	2005 \$'000	2004 \$'000
(Deficit)/surplus from ordinary activities before income tax:		
Territory Housing 04/05	(10,853)	-
Housing Business Services 03/04	(12,765)	(12,765)
Housing Business Services 02/03	(14,830)	(14,830)
Housing Business Services 01/02	(17,944)	(17,944)
Territory Housing Business Services 00/01	(5,533)	(5,533)
Territory Housing Business Services 99/00	5,943	5,943
Territory Housing Business Services 98/99	(27,586)	(27,586)
Housing GBD 97/98	(39,154)	(39,154)
Housing GBD 96/97	(2,643)	(2,643)
Total (Losses) carried forward	(125,365)	(114,512)

A Future Income Tax Benefit attributable to tax losses of \$37M (Losses of \$125M at 30%) has not been recognised in accordance with AAS 3 as the realisation of such a future benefit is not virtually certain.

A future benefit will only be obtained if:

- The entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions from the loss to be realised;
- The entity continues to comply with the conditions for deductibility imposed by the tax equivalent regime; and
- No changes to the tax equivalent regime adversely affect the entity in realising the benefit from the deductions for the loss.

4 CASH ASSETS

Operating account	14,182	65,203
Cash advances	4	4
Cash on hand	199	420
Total Cash Assets	14,385	65,627

Notes to Financial Statements for the year ended 30 June 2005 (continued)

5 RECEIVABLES

	NOTES	2005 \$'000	2004 \$'000
(i) Current			
Rental debtors		2,619	2,390
Less: Provision for doubtful debts	5(i)(a)	475	1,635
		2,144	755
Maintenance debtors		3,232	2,776
Less: Provision for doubtful debts	5(i)(b)	1,750	2,686
		1,482	90
Other charges		1,201	1,164
Less: Provision for doubtful debts	5(i)(c)	512	787
		689	377
Other receivables		2,116	517
Less: Provision for doubtful debts	5(i)(d)	34	26
		2,082	491
Loans to home purchasers		2,403	2,114
Interest Receivable		79	237
Total Current Receivables (Net of Provisions for Bad and Doubtful Debts)		8,879	4,064
Movements in Provisions for Bad and Doubtful Debts:			
(a) Rental debtors			
Opening Balance		(1,635)	(2,151)
Bad debts written off		(17)	85
(Additions) to provisions for doubtful debts during the year		1,177	431
Closing Balance		(475)	(1,635)
Movements in Provisions for Bad and Doubtful Debts:			
(b) Maintenance debtors			
Opening Balance		(2,686)	(2,444)
Bad debts written off		(26)	97
(Additions) to provisions for doubtful debts during the year		962	(339)
Closing Balance		(1,750)	(2,686)
(c) Other Charges			
Opening Balance		(787)	(872)
Bad debts written off		2	19
(Additions) to provisions for doubtful debts during the year		273	66
Closing Balance		(512)	(787)

Notes to Financial Statements for the year ended 30 June 2005 (continued)

5 RECEIVABLES (continued)

	2005 \$'000	2004 \$'000
(d) Other receivables		
Opening Balance	(26)	(79)
Bad debts written off	-	-
(Additions) to provisions for doubtful debts during the year	(8)	53
Closing Balance	(34)	(26)
Total Provisions	(2,771)	(5,134)
(ii) Non current		
Loans to home purchasers	181,086	155,022
Less: current portion	(2,403)	(2,114)
Less: provision for doubtful debts	(681)	(609)
Total Non current Receivables	178,002	152,299

6 OTHER ASSETS

Current		
Prepayments	2,199	869
Total Other Assets	2,199	869

7 PROPERTY, PLANT AND EQUIPMENT

Remote area dwellings		
Remote area dwellings at independent valuation	177,423	138,520
Less: Provision for depreciation	4,744	4,003
Total Remote area dwellings	172,679	134,517
Rental Dwellings		
Urban buildings at independent valuation	594,236	461,054
Urban land at independent valuation	397,788	339,515
Total interest in body corporate at independent valuation	16,268	12,884
Less: Provision for depreciation	-	-
Total Rental Dwellings	1,008,292	813,453
Land - vacant and under construction - at valuation	3,694	3,311
Works in Progress - at cost	18,573	9,543
Total Property	1,203,238	960,824

Notes to Financial Statements for the year ended 30 June 2005 (continued)

7 PROPERTY, PLANT AND EQUIPMENT (continued)

	2005 \$'000	2004 \$'000
Other equipment		
At cost	117	44
Accumulated depreciation	(22)	(5)
Total Other Equipment	95	39
Computer equipment and software		
At cost	12	12
Accumulated depreciation	(12)	(12)
Total Computer Equipment and Software	-	-
Total Property, Plant and Equipment	1,203,333	960,863

Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

Remote Area Dwellings		
Carrying amount at beginning of year	134,517	43,292
Additions	680	-
Net revaluation increments less decrements	22,743	63,727
Depreciation	(4,744)	(4,003)
Transfer accumulated depreciation to reserves on revaluations	3,994	-
Transfer from works in progress	16,094	8,878
Transferred from/(to) rental dwellings	(605)	22,623
Disposals	-	-
Carrying amount at end of year	172,679	134,517

Rental Dwellings		
Carrying amount at beginning of year	813,453	734,225
Additions	358	335
Net revaluation increments less decrements	184,191	99,768
Depreciation	(14,995)	(14,397)
Transfer accumulated depreciation to reserves on revaluations	15,005	14,301
Transferred from Land	-	-
Transferred to Remote	605	(22,623)
Transfer from works in progress	27,093	18,501
Disposals	(17,418)	(15,882)
Write-offs	-	(776)
Carrying amount at end of year	1,008,292	813,453

Notes to Financial Statements for the year ended 30 June 2005 (continued)

7 PROPERTY, PLANT AND EQUIPMENT (continued)

	2005 \$'000	2004 \$'000
Land - vacant and under construction		
Carrying amount at beginning of year	3,311	3,490
Additions	248	-
Net revaluation increments less decrements	57	843
Transfer from Works in Progress	330	-
Disposals	(252)	(1,022)
Carrying amount at end of year	3,694	3,311
Works in progress - at cost		
Carrying amount at beginning of year	9,543	13,504
Additions	52,547	21,941
Expensed	-	(328)
Transferred (to)/from prepayments	-	1,805
Transfers to rental dwellings and remote area housing	(43,517)	(27,379)
Carrying amount at end of year	18,573	9,543
Other equipment - at cost		
Carrying amount at beginning of year	39	18
Additions	68	24
Depreciation expense	(12)	(3)
Carrying amount at end of year	95	39
Computer equipment - at cost		
Carrying amount at beginning of year	-	4
Additions	-	-
Depreciation expense	-	(4)
Carrying amount at end of year	-	-

Valuations

The Australian Valuation Office conducted an independent valuation of all urban property as at 30 June 2005, and at 1 July 2004 for remote area property, excluding works in progress (See note 1(i)).

Notes to Financial Statements for the year ended 30 June 2005 (continued)

8 INVESTMENTS IN SHARED EQUITY

	2005 \$'000	2004 \$'000
Minority interest holding at independent valuation	47,341	38,001
Minority interest holding construction works in progress at cost	693	148
Total Investments in Shared Equity	48,034	38,149

9 PAYABLES

(i) Current

Trade creditors	2,440	2,122
Other creditors and accruals	749	357
Total Current Payables	3,189	2,479

(ii) Non-current

Trade creditors	1,204	1,425
Total Non-current Payables	1,204	1,425

10 INTEREST BEARING LIABILITIES

(i) Current

Government loans	6,971	6,601
Total Current Interest Bearing Liabilities	6,971	6,601

(ii) Non-current

Government loans	339,148	326,119
Total Non-current Interest Bearing Liabilities	339,148	326,119

Notes to Financial Statements for the year ended 30 June 2005 (continued)

11 PROVISIONS

	2005 \$'000	2004 \$'000
(i) Current		
Employee Benefits:	-	-
Annual leave	1,150	887
Leave loading	128	131
Leave fares	52	44
Total Employee Benefits	1,330	1,062
Other Current Provisions:		
Payroll Tax Provision	72	122
Provision for Employer Superannuation	-	-
Fringe Benefits Tax Provision	21	23
Workers Compensation	17	25
Total Other Current Provisions	110	170
Total Current Provisions	1,440	1,232
(ii) Non-current		
	-	-
Total Non-current Provisions	-	-

12 OTHER LIABILITIES

(i) Current		
Rent charged in advance	304	392
Rent received in advance	1078	1,022
Recoverable works on non Government Assets	37	-
Deposits and retentions	22	22
Total Current Other Liabilities	1,441	1,436
(ii) Non-current		
Rental Bond Deposits	1,498	1,393
Total Non-current Other Liabilities	1,498	1,393

Notes to Financial Statements for the year ended 30 June 2005 (continued)

13 RESERVES & ACCUMULATED LOSSES

See Note 1(t)

	2005 \$'000	2004 \$'000
Asset revaluation reserve - Property [Note 13(a)]	813,694	599,251
Asset realisation reserve [Note 13(b)]	294,498	278,308
Investment revaluation reserve - shared equity [Note 13(c)]	11,421	10,726
Total Reserves	1,119,613	888,285

Movements during the year:

Note that the difference between the totals for 2004 and 2005 below represents the aggregate changes to reserves included in Statement of Financial Performance.

(a) Asset revaluation reserve - Property

Balance at beginning of the year	599,251	430,145
Transfer to realisation reserve	(11,546)	(9,534)
Transfer to investment revaluation reserve	-	-
Transfer Accumulated Depreciation to reserve	18,998	14,301
Net increments/(decrements)	206,991	164,339
Balance at end of the year	813,694	599,251

(b) Asset realisation reserve

Balance at beginning of the year	278,308	265,347
Transfer from revaluation reserve	11,546	9,534
Transfer from Investment revaluation reserve	2,244	955
Transfer of Profit/(loss) on disposal of property	2,400	2,472
Balance at end of the year	294,498	278,308

(c) Investment revaluation reserve - minority interest

Balance at beginning of the year	10,726	4,789
Revaluation of investments	2,939	6,836
Transfer from asset revaluation reserve	-	-
Transfer to asset realisation reserve	(2,244)	(899)
Balance at end of the year	11,421	10,726

(d) Aggregate amounts transferred to reserves

Profit/(Loss) on sale of rental dwellings	2,536	2,365
Profit/(Loss) on sale of vacant land	(160)	285
Profit/(Loss) on sale of minority interest in rental dwellings	-	243
Profit/(Loss) on sale of remote area housing	-	(820)
Discounts allowed	-	-
Profit/(Loss) on equity investments	24	399
Balance at end of the year	2,400	2,472

Notes to Financial Statements for the year ended 30 June 2005 (continued)

13 RESERVES & ACCUMULATED LOSSES (continued)

	2005 \$'000	2004 \$'000
(e) Total revenues, expenses and valuation adjustments recognised directly in Accumulated Funds		
Total for the year	228,928	185,532
(f) Accumulated Losses		
- Balance at the beginning of the year	(53,450)	(38,213)
- Net (loss)	(10,853)	(12,765)
Total available for appropriation	(64,303)	(50,978)
- Aggregate of amounts transferred from reserves	(2,400)	(2,472)
Balance at the end of the year	(66,703)	(53,450)

14 CONTRIBUTED EQUITY

Balance at the beginning of year	46,351	46,351
Additions for the year	680	-
Balance at the end of year	47,031	46,351

Notes to Financial Statements for the year ended 30 June 2005 (continued)

15 NOTES TO THE STATEMENT OF CASHFLOWS

	2005 \$'000	2004 \$'000
(i) CashFlow Statement:		
(a) Operating Activities:		
Reconciliation of net loss from ordinary activities after income tax to net cash provided by operating activities		
Net loss	(10,853)	(12,765)
Depreciation	19,752	18,407
Net (gain)/loss on disposal of non-current assets	(2,400)	(2,472)
Assets Gifted by Housing and demolished	10	776
WIP expensed	-	-
Changes in Assets and Liabilities		
Provision for doubtful debts	(2,254)	(406)
(Decrease)/Increase in interest payable	51	(3)
Decrease/(Increase) in interest receivable	158	(48)
(Decrease) in rent charged in advance	-	-
Decrease/(Increase) in debtors	(831)	552
Decrease/(Increase) in prepayments	(338)	(44)
(Decrease)/Increase in payables	438	202
(Decrease)/Increase in other liabilities	(32)	157
(Decrease)/Increase in provision for employee benefits	268	(368)
(Decrease) in long service leave	-	-
Increase/(decrease) in other provisions	(60)	(23)
Net cash flows provided by operations	3,909	3,965
(b) Investing Activities:		
Payments for Investments: Shared Equity:		
• in former Public Housing dwellings	(1,315)	(654)
• in external dwellings	(15,358)	(3,829)
Total Shared Equity Investment	(16,673)	(4,483)
(c) Non-cash financing and investing activities		
Finance Lease Transactions		
There were no financial lease transactions during the year.		

Notes to Financial Statements for the year ended 30 June 2005 (continued)

16 FINANCIAL INSTRUMENTS

A financial instrument is any contract resulting in a financial asset of one entity and a financial liability of another entity.

The entity's operating account earns monthly interest at a variable interest rate (NT Treasury Corporation's 11am cash rate less 25 basis points). Borrowings are through NT Treasury Corporation on the following terms and conditions.

Principal	Maturity date	Interest Rate	Interest Due
\$39,238,483.10	30 November 2029	14%	Semi-Annually
\$13,851,892.11	30 November 2029	15.6%	Semi-Annually
\$73,632,702.25	30 June 2031	5%	Monthly
\$20,359,105.53	30 June 2031	12%	Monthly
\$27,868,539.29	30 June 2031	12%	Monthly
\$966,636.77	30 June 2021	5%	Monthly
\$29,789,654.53	30 June 2017	4.5%	Monthly
\$1,235,167.41	30 June 2007	6%	Monthly
\$2,116,384.81	30 June 2031	7%	Monthly
\$35,747,434.84	30 June 2031	5%	Monthly
\$3,203,390.09	30 June 2023	6%	Monthly
\$78,109,557.02	30 June 2031	4.5%	Monthly
\$20,000,000.00	16 April 2007	6.3%	Monthly

(a) Interest Rate Risk

The entity's exposure to interest rate risk and the average interest rate for classes of financial assets and financial liabilities is set out below. The average interest rate is based on the outstanding balance at the end of the year.

Notes to Financial Statements for the year ended 30 June 2005 (continued)

16 FINANCIAL INSTRUMENTS (continued)

	Weighted Average interest rate %	Variable interest \$'000	Fixed Interest Under 1 year \$'000	Maturity 1.5 years \$'000	Over 5 years \$'000	Non- Interest Bearing \$'000	Total \$'000
2005							
Financial Assets							
Cash assets	5.08%	14,385	-	-	-	-	14,385
Receivables other	n/a	-	-	-	-	6,476	6,476
Receivables-loans	6.14%	180,405	-	-	-	-	180,405
		194,790	-	-	-	6,476	201,266
Financial Liabilities							
Payables	N/A	-	-	-	-	4,393	4,393
Government loans	7.36%	-	6,971	20,000	319,148	-	346,119
Other	N/A	-	-	-	-	2,939	2,939
Employee entitlements	N/A	-	-	-	-	1,330	1,330
		-	6,971	20,000	319,148	8,662	354,781
Net Financial Assets/(Liabilities)		194,790	(6,971)	(20,000)	(319,148)	(2,186)	(153,515)
2004							
Financial Assets							
Cash assets	4.81%	65,627	-	-	-	-	65,627
Receivables other	N/A	-	-	-	-	1,950	1,950
Receivables-loans	6.74%	154,413	-	-	-	-	154,213
		220,040	-	-	-	1,950	221,990
Financial Liabilities							
Payables	N/A	-	-	-	-	3,904	3,904
Government loans	7.39%	-	6,601	-	326,119	-	332,720
Other	N/A	-	-	-	-	2,829	2,829
Employee entitlements	N/A	-	-	-	-	1,062	1,062
		-	6,601	-	326,119	7,795	340,515
Net Financial Assets/(Liabilities)		220,040	(6,601)	-	(326,119)	(5,845)	(118,525)

Notes to Financial Statements for the year ended 30 June 2005 (continued)

16 FINANCIAL INSTRUMENTS (continued)

(b) Credit risk

The entity principally deals with Government Agencies. In respect to any dealings with organisations external to Government, the entity has adopted the policy of only dealing with credit worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

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

(c) Net fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values with the exception of borrowings from NT Treasury Corporation. The market value of these borrowings at balance date amounted to \$400,379,681 compared to the amount of \$ 346,118,948 reported in the Statement of Financial Position.

17 COMMITMENTS

	2005 \$'000	2004 \$'000
Recurrent expenditure		
Recurrent maintenance expenditure commitments contracted for and payable not later than one year	2,044	2,489
Rental expenditure commitments payable:		
Not later than one year	2,854	2,041
Later than one year but not later than two years	2,578	85
Later than two years but not later than three years	3	-
	5,435	2,126
Capital expenditure commitments		
Capital Expenditure commitments contracted for and payable not later than one year	12,269	8,845
Capital expenditure commitments contracted for and payable not later than one year related to HomeNorth HomeStart construction loans. There were dwellings not completed in this category at the end of the reporting period. As the entity must make the payment in the first instance, the total value of remaining cost to complete has been taken up.		
Total value of dwellings under construction	2,041	685
Progress payments to date	(1,496)	(566)
Commitments to Completion	545	119
Loan commitments where approval for the facility has been given but drawdowns on the facilities have not commenced.	4,238	1,193

Notes to Financial Statements for the year ended 30 June 2005 (continued)

18 WRITE OFFS, POSTPONEMENTS AND WAIVERS

	2005 \$'000	No of Trans.
Write offs, waivers and postponements under the Financial Management Act		
Represented by:		
Amounts written off, waived and postponed by Delegates		
Irrecoverable amounts payable to the Territory or an Agency written off	119(*)	150
Losses or deficiencies of money written off	-	-
Public property written off	-	-
Waiver or postponement of right to receive or recover money or property	-	-
Total	119	150
Amounts written off, waived and postponed by the Treasurer		
Irrecoverable amounts payable to the Territory or an Agency written off	-	-
Losses or deficiencies of money written off	-	-
Public property written off	-	-
Waiver or postponement of right to receive or recover money or property	-	-
Total	-	-
Write offs, postponements and waivers authorised under other legislation		
(*)These write offs were for:		
Rent	24	
Maintenance	88	
Excess Water	3	
Legal fees	2	
Bond assistance	2	
	119	

Notes to Financial Statements for the year ended 30 June 2005 (continued)

19 COMMUNITY SERVICE OBLIGATIONS

Rental Rebates

Rental rebates are the difference between assessed market rent on public housing accommodation and the various concessions to such rental charges allowable to specific groups of eligible tenants. Northern Territory Government community service obligation funds and Commonwealth State Housing Agreement funding jointly fund the rental rebate subsidy.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	25,027	23,239
Net cost of delivering service	25,372	23,038
CSO Surplus / (Deficit)	(345)	201

Rent Forgone - Government Employee Housing

Government employee housing rent forgone is the difference between rent received for the Department of Police, Fire and Emergency Services and the market rent for properties leased for police housing.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	1,087	652
Net cost of delivering service	1,085	652
CSO Surplus / (Deficit)	2	-

Interest Subsidy - Low Interest Rates

The entity offers low interest rate loans for low to moderate income Territorians through the HomeNorth HomeStart and HomeShare loan schemes. The aim of HomeNorth is to increase the level of home ownership in the Territory and reduce the demand on public housing.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	647	499
Net cost of delivering service	688	614
CSO Surplus / (Deficit)	(41)	(115)

Assist Interest Subsidy Scheme

The Interest Assist Subsidy Scheme assists Territorians purchasing homes with private finance through assistance payments made directly to private lenders.

The Interest Assist Subsidy Scheme is an incentive for home ownership for low to moderate income earners.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	400	480
Net cost of delivering service	369	505
CSO Surplus / (Deficit)	31	(25)

Notes to Financial Statements for the year ended 30 June 2005 (continued)

19 COMMUNITY SERVICE OBLIGATIONS (continued)

Early Start Deposit Assistance Grants

The entity pays a lump sum grant to low to moderate-income earners to top up their deposit for first home purchases. The scheme is aimed at boosting home ownership for Territorians on low to moderate incomes.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	60	400
Net cost of delivering service	44	370
CSO Surplus / (Deficit)	16	30

Stamp Duty Differential

The Stamp duty differential is a grant paid to public housing tenants purchasing their public housing properties through private finance.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	84	60
Net cost of delivering service	109	114
CSO Surplus / (Deficit)	(25)	(54)

Fringe Benefits Tax

The entity pays Fringe Benefits Tax on all low interest loans previously offered to Northern Territory Government public sector employees as an incentive to attract long term residency in the Northern Territory.

Although the scheme is no longer available the tax liability remains for the life of existing loans. Fringe Benefits Tax is due on the difference between market loan interest rates and the interest rates of existing loans.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	48	68
Net cost of delivering service	61	54
CSO Surplus / (Deficit)	(13)	14

Crisis Accommodation

The Crisis Accommodation Program (CAP) is a Commonwealth funded program under the Commonwealth State Housing Agreement (CSHA). The program is administered by The entity and provides capital funds for the purchase, leasing and upgrading of dwellings to assist in accommodating people who are homeless and in crisis.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	399	396
Net cost of delivering service	113	366
CSO Surplus / (Deficit)	286	30

Notes to Financial Statements for the year ended 30 June 2005 (continued)

19 COMMUNITY SERVICE OBLIGATIONS (continued)

Community Housing

The Community Housing Program (CHP) is a Commonwealth funded program under the Commonwealth State Housing Agreement (CSHA) which is administered by The entity.

Through the program properties may be purchased, leased or upgraded to assist community agencies who provide accommodation services to people requiring ongoing support. It also provides funding for community housing management programs. The program endeavours to develop and improve partnership opportunities with community agencies to extend the range of housing options where client needs cannot be met through the provision of normal public housing.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	643	639
Net cost of delivering service	364	643
CSO Surplus / (Deficit)	279	(4)

Disability and Safe Rooms

Territory Housing provides funding for the installation of disability facilities to public housing for clients with specific needs. It also provide funding for the provision of safe rooms to public housing for women and their families who have been victims of domestic violence.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	-	-
Net cost of delivering service	146	221
CSO Surplus / (Deficit)	(146)	(221)

Indigenous Housing Advisory Services

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	297	297
Net cost of delivering service	609	596
CSO Surplus / (Deficit)	(312)	(299)

Welfare

The entity provides housing to community organisations at a reduced rent where the property is used as a residential facility by a group of people who would probably be eligible for rental rebates. Welfare rentals are also applicable to organisations where the dwelling is utilised to provide non residential community services.

	2004-05 \$'000	2003-04 \$'000
Community service obligation funding received	1,218	1,050
Net cost of delivering service	1,218	1,050
CSO Surplus / (Deficit)	-	-

Notes to Financial Statements for the year ended 30 June 2005 (continued)

20 CONTINGENT LIABILITIES

The entity has one category of Contingent Liabilities of materiality, as follows:
Appeals Board Members Indemnification

Public Housing Administration Appeals Board Members in Alice Springs and Darwin are indemnified against all actions, proceedings, claims, demands, liabilities, losses, expenses (legal or otherwise) and payments whatsoever arising out of or in respect of an act or thing done or omitted to be done by Members in their capacity as Member of the Board. To date there have been no claims.

21 EVENTS SUBSEQUENT TO BALANCE DATE

There are no material events to report subsequent to balance date.

22 ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with Section 7 of the Financial Management Act, an Accountable Officers 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 01/07/04	Receipts	Payments	Closing Balance 30/06/05
Tenants Security Deposits	1,393	105	-	1,498
Contractors Retention Money	7	-	-	7
Contractors Security deposits	-	-	-	-
Unclaimed money	15	-	-	15
	1,415	105	-	1,520

Notes to Financial Statements for the year ended 30 June 2005 (continued)

23 DISCLOSING THE IMPACT OF ADOPTING AASB EQUIVALENTS TO IASB PRONOUNCEMENTS

Territory Housing is managing the transition through a variety of activities, including:

- regular contact with other jurisdictional housing authorities;
- attending seminars; and,
- monitoring Treasury advice regarding A-IFRS implementation, changes to Treasurer's Directions, and future reporting requirements.

In addition, Territory Housing has engaged Deloitte Touche Tohmatsu, who provided advice on:

- documentation prepared by Territory Housing outlining an initial IFRS impact assessment and associated risks identified by Territory Housing, utilising NT Treasury IFRS Impact Assessment documentation;
- Territory Housing accounting processes and procedures requiring modification in light of the adoption of IFRS; and
- specific analysis and comment on key areas of risk for Territory Housing in adopting the new Standards.

The impact of transition to AIFRS is based on AIFRS standards that management expects to be in place when preparing the first complete AIFRS financial report. Only a complete set of financial statements and notes together with comparative balances can provide a true and fair presentation of the Territory Housing's financial position, results of operations and cash flows in accordance with AIFRS. This note provides only a summary; therefore, further disclosure and explanations will be required in the first complete AIFRS financial report for a true and fair view to be presented under AIFRS.

Revisions to the selection and application of the AIFRS accounting policies may be required as a result of:

- changes in financial reporting requirements that are relevant to the Territory Housing's first complete AIFRS financial report arising from new or revised accounting standards or interpretations issued by the Australian Accounting Standards Board subsequent to the preparation of the 30 June 2005 financial report;
- additional guidance on the application of AIFRS in a particular industry or to a particular transaction; and
- changes to the Territory Housing's operations.

Where the application or interpretation of an accounting standard is currently being debated, the accounting policy adopted reflects management's current assessment of the likely outcome of those deliberations.

The rules for first time adoption of AIFRS are set out in AASB 1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards. In general, AIFRS accounting policies must be applied retrospectively to determine the opening AIFRS balance sheet as at transition date, being 1 July 2004. However, the Standard allows a number of exemptions to this general principle to assist in the transition to reporting under AIFRS.

A summary of potential impacts on Territory Housing are set out below

AASB 116 "Property Plant and Equipment"

The major category of Territory Housing's property, plant and equipment comprises dwellings. AASB 116 requires revaluations for not-for-profit entities to be credited directly to the Revaluation Reserve, and provides that revaluation increases and decreases can be offset against one another within the same class of property.

Regarding reporting on disposal of assets, the gain or loss arising from the derecognition of an item of property, plant and equipment shall be included in profit or loss when the item is derecognised.

This is the approach adopted by Territory Housing.

AASB 136 “Impairment of Assets”

AASB 136 Impairment of Assets requires an entity to assess at each reporting date whether there is any indication that an asset (or cash generating unit) is impaired and if such indication exists, the entity must estimate the recoverable amount. However, for Territory Housing's urban rental dwellings, the effect of this Standard should be minimal because all the substantive principles in AASB 136 are already incorporated in Territory Housing's policy of revaluing non-current assets at fair value. In particular, urban rental dwellings are revalued on an annual basis to ensure that the carrying amount is not materially different from fair value.

With regards to Territory Housing's remote area assets, little difference in practice is expected as the new Standard (paragraph Aus32.1) provides that where:

- the assets of a not for profit entity that is not primarily dependant on the asset's ability to generate net cash flows; and
- the entity would if deprived of the asset, replace its remaining future economic benefits, the value in use shall be determined as the depreciated replacement cost of that asset.

This effectively exempts the remote area assets held by the entity from the impairment provisions. In addition, no change in accounting policy is expected for remote area assets, as the current accounting policy applied for remote area assets is that of depreciated replacement cost.

AASB 139 and AASB 132 “Financial Instruments - Recognition and Measurement”

Territory Housing expects to take advantage of the election in AASB 1 to not restate comparatives for AASB 132 Financial Instruments: Disclosure and Presentation, AASB 139 Financial Instruments: Recognition and Measurement. There are no expected adjustments in relation to these standards for 1 July 2004 or the financial year ended 30 June 2005 as current Australian GAAP is expected to continue to apply.

Territory Housing has followed Australian GAAP in accounting for financial instruments within the scope of AASB 132 and AASB 139 as described in Note 1 Statement of significant accounting policies.

The full impact on Territory Housing on transition has yet to be quantified.

AASB 140 “Investment Properties”

The definition of investment property under the new Standard is, property (land, buildings or both) held to earn rentals or for capital appreciation or both. This Standard does not apply to property held by a non-for-profit entity to meet service delivery objectives that are held:

- for strategic purposes; and
- to provide social services, including those, which generate rental revenue that is incidental to the purpose for holding the property.

Instead this type of property is accounted for under AASB 116 as property, plant and equipment.

It is clear that property held for delivering Public Housing and Government Employee Housing objectives, therefore, do not meet the definition requirements for investments, and thus, will continue to be accounted for as property plant and equipment, and are reported under the provisions of AASB 116.

However, Territory Housing currently classifies interests held in property under the HomeNorth and HomeShare schemes as investments. These investments are carried at fair value and any change in fair value is recognised in the Asset Revaluation Reserve. Under the new standard AASB 140, if an investment is measured at fair value, any changes in fair value are to be recognised in the Income Statement and depreciation is not recognised.

This is the approach that has been adopted by Territory Housing.

The future financial effects of the above changes in accounting policy cannot be reliably estimated at this stage.

Appendices

Appendix 1

Legislation Administered

Animal Welfare Act

Provides for the welfare of animals, and prevents cruelty to animals. The Act ensures that animals are treated humanely and promotes community awareness about the welfare of animals.

Araluen Arts and Cultural Trust Act Repeal Act

Legislation to repeal the Act to make other provision for the control and management of the Araluen Arts and Cultural Centre.

Cemeteries Act

Administers the establishment, maintenance and control of cemeteries in the Northern Territory.

Crown Lands Act (Section 79)

Relates to the administration of all Crown Land in the Northern Territory. This department administers section 79 of the Act relating to the appointment and powers of trustees of reserved land in the Northern Territory, including Crown Land that has been reserved for the recreation and amusement of the public or for any other public purpose.

Darwin Rates Act

Provides for the rating of certain land in the Darwin Region and allows for rates to be applied on all the land in the prescribed area.

Housing Act

Establishes a Territory housing authority to provide rental accommodation to those people most in need and assist eligible Territorians purchase their own homes.

Housing Loans Act

Establishes the Home Finance Trustee to administer loans issued under the Act which were issued prior to the commencement of the Housing Act.

Jabiru Town Development Act

Provides for, and relates to, the construction and management of the town of Jabiru. The Jabiru Town Development Authority is established under the Act and it provides local government services to Jabiru ensuring compliance with the provisions of the National Parks and Wildlife Conservation Act of the Commonwealth Government.

Local Government Act

Provides a purpose-designed framework for municipal councils and community government councils incorporated under its provision.

Appendix 1 (Continued)

Legislation Administered

Local Government Grants Commission Act

Provides for the establishment of the Local Government Grants Commission in the Northern Territory, which makes recommendations concerning the distribution of financial assistance to local government bodies.

Local Government (Katherine Rates) Act

Established to correct errors in the percentages specified for the purposes of calculating differential rates in the municipality of Katherine.

Local Government (Validation) Act

Validates the constitution and subsequent actions of certain community government councils.

Major Cricket Events Act

Provides for the safe and orderly management, operation and control of certain cricket matches and the venues where those cricket matches are held.

Museums and Art Galleries Act

To provide an appropriate framework for the proper, efficient and economic administration of museums and art galleries owned, controlled or managed by the Territory.

Meteorites Act

Provides for the protection of meteorite and tektites.

Nudity Act

Provides for the establishment of designated 'free areas' where nudity is permitted.

Places of Public Entertainment Act

Regulates the licensing of places for public entertainment.

Pounds Act

Relates to the impounding of cattle, which includes horses, sheep, camels, mules, goats, pigs and buffalo found roaming within a municipality or community government council area.

Publications (Legal Deposit) Act 2004

The Act assists in the preservation of the Territory's published documentary heritage and requires that a copy of all materials published in the Northern Territory be deposited in the Northern Territory Library.

Appendix 1 (Continued)

Legislation Administered

Status of Darwin Act

Relates to the status of the municipality of Darwin, constituting it as a city, named the City of Darwin.

Status of Palmerston Act

Constitutes the town of Palmerston as a city.

Strehlow Research Centre Act

Establishes a research centre in Alice Springs to honour the memory of the late Professor TGH Strehlow, to be a repository for material relating to Aboriginal people, their culture and traditions accumulated by Professor Strehlow in his lifetime and to provide for an annual scholarship in recognition of the esteem in which the people of the Northern Territory hold the late Professor Strehlow.

Swimming Pool Safety Act

Provides for the establishment of safety standards for certain swimming pools, to encourage compliance with those standards, to improve water safety in the Northern Territory and to reduce the incidence of death through drowning.

Appendix 2

Statutory Authorities and Bodies Administered

Animal Welfare Advisory Committee - a statutory body established pursuant to section 69 of the *Animal Welfare Act*.

The committee is responsible for:

- advising the Minister about animal welfare legislation and other matters relevant to animal welfare;
- investigating and reporting on matters relevant to animal welfare referred to it by the Minister;
- participating in the development of codes of practice and the review of adopted codes of practice; and
- providing advice to bodies, organisations or the general community on programs for the improvement of community awareness about animal welfare.

The authority met two times during the 2004-05 financial year.

As at 30 June 2005 members of the Animal Welfare Advisory Committee were:

Ms Alison Boardman	Secretary, Royal Society for the Prevention of Cruelty to Animals (NT) Incorporated
Dr Stephen Cutter	Chairman and representative of Australian Veterinary Association Limited
Ms Judy Joyce	Representative of Local Government Association of the Northern Territory
Mr Graham Franklin	Director Animal Welfare Unit, Department of Community Development, Sport & Cultural Affairs
Dr Kevin de Witte	Principal Veterinary Officer, Department of Business Industry and Resource Development
Mr Stuart Kenny	Executive Director, Northern Territory Cattlemen's Association Incorporated
Professor Robert Wasson	Deputy Vice Chancellor Higher Education and Research, Northern Territory University
Mr Philip Hauser	Senior Conservation Management Operations Officer, Department of Infrastructure, Planning and Environment.
Mr Scott Andresen	Representative of the Pet Industry Association of Australia

Appendix 2 (Continued)

Statutory Authorities and Bodies Administered

Jabiru Town Development Authority - a statutory body established pursuant of part II of *Jabiru Town Development Act* and must comply with the provisions of the *National Parks and Wildlife Conservation Act* of the Commonwealth.

The Authority is responsible for providing local governing services to Jabiru. The Authority comprises of representatives of the Northern Territory Government, Energy Resources of Australia (ERA) and Jabiru Town Council.

The authority met 8 times during the 2004-05 financial year.

As at 30 June 2005 members of the Jabiru Town Development Authority were:

Mr Nicholas Scarvelis	(Chairman) Executive Director, Governance, Department of Community Development, Sport and Cultural Affairs
Mr William Stuchbery	Director Local Government, Department of Community Development, Sport and Cultural Affairs
Mr David Paterson	General Manager Business Development, Energy Resources of Australia
Vacant	Chairperson, Jabiru Town Council

Museums and Art Galleries Board of the Northern Territory - constituted under the Museums and Art Galleries Act. Members on the Board are appointed by the Minister for Arts and Museums.

The Board has the following functions:

- to hold the Museums and Art Galleries of the Northern Territory cultural and scientific collections on behalf of the Territory;
- to provide advice to the Minister in relation to the performance of exercise by the Minister of his or her functions or powers;
- to promote community involvement in museums and art galleries in the Territory; and
- any other functions conferred on the Board by the Minister.

The Board met six times during the 2004-05 financial year.

As at 30 June 2005 members of the Museums and Art Galleries of the Northern Territory were:

Mr Colin McDonald QC	(Chairman)
Ms Elizabeth Close	(Deputy Chair)
Dr Sylvia Kleinert	
Mr Wayne Kraft	
Mr Graeme Addicott	
Ms Peg Havnen	
Ms Sylvia Siskamanis	

Appendix 2 (Continued)

Statutory Authorities and Bodies Administered

Northern Territory Grants Commission - an appointed Board of Commissioners under the *Local Government Grants Commission Act*, which has responsibility to make recommendations to the Minister concerning the distribution of financial assistance to local governing bodies from the money provided to the Territory under the *Local Government Financial Assistance Act* of the Commonwealth. The Northern Territory Grants Commission produces its own annual report as required by the Local Government Grants Commission Act.

The Commission has approximately 30 public hearings during the 2004-05 financial year.

As at 30 June 2005 members of the Commission were:

Mr Robert Beadman	Chairperson appointed by the Minister Retired Public Servant
Mr Nicholas Scarvelis	Executive Director, Governance, Department of Community Development Sport and Cultural Affairs
Ms Fran Kilgarrif	Municipal Councils Representative (to April 2005)
Mr John Bailey	Municipal Councils Alternate
Mr Bob Bagnell	Community Government Councils Representative
Ms Margaret Vigants	Community Government Council Alternate

Swimming Pool Safety Authority - established under section 38 of the *Swimming Pool Safety Act*. The purpose of the Act is to establish safety standards for certain swimming pools, and to require the enclosure of those swimming pools by barriers that restrict access by children to the swimming pool and for related purposes.

As at 30 June 2005, Mr William Stuchbery, Executive Director, Sustainable Communities, a division of the Department of Community Development, Sport and Cultural Affairs is the appointed Swimming Pool Safety Authority.

Appendix 2 (Continued)

Statutory Authorities and Bodies Administered

Swimming Pool Safety Review Committee – an appointed Committee established under section 48 of the Swimming Pool Safety Act to review decisions made by the Swimming Pool Safety Authority under the Act.

The committee met once in 2004-05.

As at 30 June 2004 members of the Review Committee were:

Mr Robert Beadman	Chairperson - Retired Public Servant
Ms Suzanne Parry	NT Water Safety Advisory Council
Ms Susan Shearer	Chief Executive Officer, Real Estate Institute of Northern Territory Inc.

Strehlow Centre Board - constituted under the Strehlow Research Centre Act to:

- assemble and preserve Professor TGH Strehlow's collection of materials relating to Aboriginal people, their culture and traditions;
- provide access of the collection for public display, scholarship, education and other purposes;
- secure the collection and keep it intact;
- promote the understanding and promotion of Aboriginal lore and traditions;
- foster research based on the Collection and scholarship generally into the traditions and culture of Aboriginal people;
- grant research scholarships, and
- acquire and hold Aboriginal heritage items not being part of the Collection and to acquire and hold other material which compliments the Collection of the purposes of the Centre.

The Board met four times during the 2004/2005 financial year.

As at 30 June 2005 members of the Strehlow Centre Board were:

Dr Kathleen Strehlow	Life member
Professor Charles Webb	Chairman - nominated by the Council of Charles Darwin University
Vacant	nominated by Commonwealth Minister responsible for matters relating to Aboriginals
Mr Garry Stoll	representing the interests of Aboriginals
Dr Dirk Megirian	nominated by Museums and Art Galleries Board
Mr Greg Shanahan	
Mr Glen Auricht	

Appendix 3

Risk Management – Audits and Reviews conducted in 2004-05

External Audits

The following external audits were conducted during 2004-05 by the Auditor General's Office or an external auditor commissioned by the Auditor General's Office.

IHANT Special Purpose Financial Report 2003-04

Conducted by: NT Auditor General's Office
 Outcome: No significant issues of concern
 Action: None required.

DCDSCA End of Year Compliance Audit : 2004-05

Conducted by: KPMG
 Outcome: The accounting and control procedures examined to provide reasonable assurance that the responsibilities of the Accountable Officer as set out in the Treasurer's Directions and Procurement Directions will be met if those systems continue to operate in the manner noted in the audit. Improvement was recommended in controls over procurement process, hospitality, travel and telephones.
 Action: Procedures revised internally to improve controls.

Information Technology Audit of Grant Management System

Conducted by: Deloitte Touche Tohmatsu
 Outcome: Key controls within computer environment were found to be effective. Areas noted for improvement included: user access maintenance; operations; security; change management; application controls and management oversight of the system.
 Action: A review of policies and practices has been undertaken.

Pool Fencing Payments

Conducted by: Perks Audit and Assurance
 Outcome: No significant issues of concern, however the use of a standard inspection checklist was recommended.
 Action: Internal policies and procedures are in place.

Executive Contract Officers Performance Measurement

Conducted by: NT Auditor General's Office
 Outcome: Assessment satisfactorily completed.
 Action: None required.

Appendix 3 (Continued)

External Audits (Continued)

Juvenile Diversion Funding - Acquittal: 2004

Conducted by: Deloitte Touche Tohmatsu
Outcome: No significant issues of concern.
Action: None required.

JES Outcomes, Systems and Procedures 2002-03 (Whole of Government Assessment)

Conducted by: Mercer - Human Resource Consulting
Outcome: Involvement in the review and reorganisation of the system to meet current NT Public Sector requirements.
Action: Evaluators to be trained in the system to meet current requirements.

Territory Housing - Financial Statements Audit 2004-05

Conducted by: KPMG
Outcome: not yet completed
Action: unknown

Appendix 3 (Continued)

Risk Management – Audits and Reviews conducted in 2003-04

Internal Audits

The following internal audits were managed by Risk Management Services of Department of the Chief Minister during 2004-05.

Grants Administration and Management

- Conducted by: Stanton Partners
- Outcome: Identified significant opportunities to improve the efficiency and effectiveness of the administration of grants within the Agency.
- Action: Establishment of a Grants Administration Committee to implement recommendations.

Review of Contracts and Agreements

- Conducted by: Water Turnbull
- Outcome: All areas of the Agency appeared to have a highly developed appreciation of the risks of entering into arrangements where contingent liabilities are possible. Further investigations recommended concerning Darwin Basketball Association (DBA) 'contract' in addition to the introduction of delegations under the *Contracts Act*.
- Action: Delegations under the *Contracts Act* prepared and ongoing discussions with DBA.

Museums and At Galleries of the NT (MAGNT) Services

- Conducted by: Gary Morgan
- Outcome: MAGNT outputs were assessed relative to benchmark activities and outputs in interstate jurisdictions and relative to international trends in museum practice.
- Action: Cabinet Submission prepared and additional recurrent funding provided during the 2005-06 Budget Process.

Review into Sponsorships and Donations

- Conducted by: CT Alliance
- Outcome: Identified significant opportunities to strengthen current processes in the management, reporting and control of sponsorships and donations, including the implementation of a policy statement and framework.
- Action: Processes to be revised internally to improve controls.

Appendix 3 (Continued)

Internal Audits (Continued)

Review of Remote Aerodrome Transport Security Programs

Conducted by: CSM

Outcome: Consultant assisted 11 Community Government Councils that manage remote aerodromes to meet security requirements of the *Australian Aviation Transport Security Act 2004*.

Action: None required.

Feasibility Study of Employment Conditions for the Aboriginal Interpreter Service (AIS)

Conducted by: Pitt Group

Outcome: Identified the need to enhance some of the AIS procedural and structural elements and also address the limitations associated with the current employment, development and training of contracted interpreters.

Action: Negotiations currently underway with OCPE to develop strategies to prioritise implementation of recommendations.

Five Year Financial Plan for Territory Housing

Conducted by: Kenneth Clarke

Outcome: Consultancy temporarily suspended pending finalisation of a review of the status and capacity of Territory Housing in relation to the implementation of Home Territory 2010. Management considered that decisions taken on the recommendations of this review would form an integral basis for the development of the five year financial plan.

Action: Consultancy has not yet been completed. Awaiting outcome of Home Territory 2010 review.

Review of the Status and Capacity of Territory Housing in relation to the implementation of Home Territory 2010

Conducted by: Kenneth Clarke

Outcome: This consultancy has been completed and a report presented to Territory Housing Management in May 2005.

Action: The Report and its 22 recommendations are presently being considered by management.

Review of Financial Reporting and Accounting for Territory Housing assets

Conducted by: Deloitte Touche Tohmatsu

Outcome: Examination of the current policies and procedures for the valuation and accounting for non-current assets, in particular Property and Investments in Property and recommendation for the adoption of International Financial Reporting Standards.

Action: International Financial Reporting Standards to be adopted this year.

Appendix 3 (Continued)

Internal Audits (Continued)

Public Housing Appeals Mechanism

Conducted by: Turning Point Management Consulting

Outcome: Recommended a choice of three complaints and appeals mechanisms; expansion of the jurisdiction for the appeal panel; change of policy and procedure and clear key performance indicators.

Action: The following steps have been included in the implementation plan:

- Development of reference group the operational staff;
- Development of electronic statistical reporting;
- Establishment of new Territory Housing Appeals Board
- New policy and procedures;
- Training packages;
- Communication Strategy; and
- Key performance indicators established.

Appendix 3 (Continued)

Risk Management – Audits and Reviews conducted in 2004-05

Self Assessment Reviews

The following self assessment reviews were conducted within the Agency.

Agency Regional Structures

Objective: To identify the most appropriate regional structure for the Agency.
Outcome: Identified communication problems and the need to clarify the roles of Regional Directors.
Action: Roles have been clarified. Communication Strategy currently under development.

Office Services Invoice Payment Function

Objective: To review the current methodology and process applied to the payment of invoices and identify potential efficiencies.
Outcome: No discernible efficiency gains were identified.
Action: None required.

Review of HSTAC Consultancy Process

Objective: To examine the processes adopted by Arts NT in managing the HSTAC project and to determine whether the relationship between stakeholders, consultants and the Indigenous Arts Sector were appropriately managed.
Outcome: Found that the governance arrangements and the project management practices prevented the project managers from effectively managing and controlling the consultancy outcome.
Action: Internal policies and procedures have been revised.

Analysis of Value Received from CDU's Community Development Course

Objective: To determine whether the Agency receives value for money for its investment in the CDU Community Development Courses.
Outcome: The agreement does not represent value for money and other training and development options are available that would more effectively and efficiently meet Agency needs.
Action: CDSCA to seek agreement with CDU to discontinue and cease future new enrolments whilst allowing current students to complete a course and obtain their accreditation.

Records Management Practices

Objective: To assess the extent to which records are identified, classified and filed in accordance with policies, protocols and procedures.
Outcome: No Branch met the optimal recordkeeping success rate.
Action: Remedial and development action taken.

Appendix 3 (Continued)

Self Assessment Reviews (Continued)

Travel Trends, Policies and Efficiencies

Objective: To review travel trends, policies and efficiencies.

Outcome: Deficiencies identified in the travel process.

Action: New procedures being implemented.

Procurement and Purchasing

Objective: To review existing processes for compliance and efficiencies when expenditure is > \$5,000 and less than \$50,000.

Outcome: Procedures highlighted to all staff.

Action: Governance presentation included in the Building Stronger Managers program and Agency Delegations database introduced.

Accounts Payable Timelines

Objective: To assess the cause for late payment of invoices.

Outcome: Invoices are not always being date stamped upon receipt.

Action: Procedures improved and date stamps made available to all relevant staff.

Attractive Items Asset Control

Objective: To assess controls over attractive items.

Outcome: Attractive items registers are not consistently being maintained.

Action: Inclusion of Governance presentation in the Building Stronger Managers program.

Territory Housing – Review of Operations

Objective: To identify strategies to improve the overall consistency and quality in the delivery of services.

Outcome: A report was released that included 16 recommendations.

Action: These recommendations are currently being considered by management, with a Tenancy Management Model being prepared for piloting at the Palmerston Regional Office.

Appendix 4

Agreements

The Agency is committed to achieving outcomes under a number of inter-Government, local, national and international agreements in place during 2004-05 including:

- **Commonwealth State Housing Agreement (CSHA) – Multilateral Agreement** – agreement between Australian Government and Northern Territory Government to provide strategic direction and funding security for the provision of housing assistance between 2003-2008.
- **Commonwealth State Housing Agreement (CSHA) – Bilateral Agreement** – agreement between Australian Government and Northern Territory Government to provide agreed basis by which Northern Territory will meet the overall national goals of providing housing assistance.
- **National Housing Data** – agreement between Australian Government and Northern Territory Government to improve the way housing data is collected, to rationalise reporting requirements and to achieve consistency in data standards.
- **Agreement for the Provision of Management of Housing and Related Infrastructure for Indigenous People in the Northern Territory** – agreement between Australian Government, Aboriginal and Torres Strait Islander Commission and Northern Territory Government to improve housing outcomes for indigenous people.
- **Sport and Exercise in the Tropics** – cooperative research agreement between Australian Research Council, Charles Darwin University and Northern Territory Institute of Sport to facilitate increased knowledge of sport and exercise in the tropics.
- **Indigenous Sport Program** – Memorandum of understanding with the Australian Sports Commission and the Department of Communications, Information Technology and the Arts, to provide Indigenous Sport Program officers to assist in the coordination of sport and recreation initiatives in remote Indigenous communities.
- **Sport Development** - agreement with the Australian Sports Commission to provide funding to support sport programs and organisational development programs throughout the Territory.
- **International Test Cricket** – agreement between Cricket Australia and Northern Territory Government to deliver International Test Cricket in Darwin from 2003 to 2007.
- **National Basketball League** – agreement between Perth Wildcats and Northern Territory Government to delivery National Basketball League matches and clinics in the Northern Territory from 2004 to 2006.
- **Australian Football League** – agreement between Australian Football League and Northern Territory Government to stage AFL matches and camps in the Territory from 2004 to 2007.
- **Commonwealth Bank Trophy** - agreement between Northern Territory Netball and Northern Territory Government to stage a Commonwealth Bank Trophy game in 2005.
- **International Hockey** - Partnership agreement with Hockey Australia to stage international hockey games in Darwin in 2004.
- **Australian Rugby Union** - partnership agreement with Australian Rugby Union to stage a Rugby union game in Darwin in 2005.
- **Alleviation of Language Barriers faced by Aboriginal People** – agreement between the Commonwealth Government and the Northern Territory Government relating to the diversion of juveniles from the Criminal Justice System in the Northern Territory and assisting in alleviating the language barriers faced by Aboriginal people.
- **Financial Assistance for Public Housing Tenants** – agreement between Somerville Community Services and Territory Housing that allow public housing tenants to access free financial assistance.

Appendix 4 (Continued)

- **Legal Advice** – agreement between Department of Justice and Territory Housing to refer clients involved in disputes with Territory Housing to a Community Justice Centre for free legal advice.
- **Mortgage Management** – agreement between the Territory Insurance Office and Territory Housing to administer the HomeNorth loan portfolio.
- **Regional Arts Fund 2004-2009** – A 4-year agreement between the Commonwealth Department of Information Technology and the Arts and Arts NT to manage the Northern Territory component of the Regional Arts Fund 2004-2009.
- **Talking Theatre 2004-2006** – A 3-year agreement between Northern Australian Regional Performing Arts Centres Association, the Queensland University of Technology and Arts NT to facilitate training and audience development opportunities for performing arts venues in the Northern Territory.
- **3 Divas** – An agreement between Christine Dunstan Productions Pty Ltd and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Buddy's Back** – An agreement between A List Entertainment and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Flat on Your Bacharach** – An agreement between Regional Arts Victoria and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Nutcracker** – An agreement between the Australian Ballet and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **A Midsummer Night's Dream** – An agreement between Arts On Tour NSW Ltd and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **La Boheme** – An agreement between Opera Australia and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Second Childhood** – An agreement between Arts On Tour NSW Ltd and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Finbar Furey** – An agreement between Hocking, Vigo and Showpro and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Saffire** – An agreement between RAZ Music and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Funky Beats National Tour 2004** – An agreement between Raw Metal Pty Ltd and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **The Pirates of Penzance** – An agreement between Promac Productions Australia Pty Ltd and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Hooley Dooley's** – An agreement between Peak Performance and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Gil Sullivan** – An agreement between Gil Sullivan and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **ZigZag Street** – An agreement between Queensland Arts Council, La Boite Theatre Company and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Fiona O'Loughlin** – An agreement between Chris O'Loughlin and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Melbourne Comedy Festival Roadshow** – An agreement between the Melbourne International Comedy Festival Ltd and Araluen Centre for Arts and Entertainment to provide a diverse selection of entertainment to the community of Central Australia.

Appendix 4 (Continued)

- **Sirocco** – An agreement between Musica Viva and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **The Lightkeeper** – An agreement between the Regionally Inspired Oz Theatre and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Fiddler's Festival** – An agreement between Country Arts SA and Araluen Centre for Arts and Entertainment for presentation of performing arts production.
- **Beanie Festival and Exhibition** – An agreement between the Beanie Festival Exhibition and Araluen Centre for Arts and Entertainment to develop arts practices and appreciation in Central Australia.
- **Clifford Possum Tjapaltjarri Exhibition** – An agreement between the Art Gallery Board and Araluen Centre for Arts and Entertainment to develop arts practices and appreciation in Central Australia.
- **Neridah Stockley Exhibition** – An agreement between Neridah Stockley and Araluen Centre for Arts and Entertainment to develop arts practices and appreciation in Central Australia.
- **Sites and Ceremonies - The Warlukurlangu Collection** – An agreement between the Warlukurlangu Artists Aboriginal Association and Araluen Centre for Arts and Entertainment to develop arts practices and appreciation in Central Australia.
- **Aboriginal Cultural Database.** An agreement between the Museums and Art Galleries of the Northern Territory and the Gordon Darling Foundation for the development of an Aboriginal Cultural Database and prototype CD-ROM.
- **Return of Indigenous Cultural Property.** An agreement between the Museums and Art Galleries of the Northern Territory and the Commonwealth Government, through the Department of Communications, Information Technology and the Arts to identify and, if applicable, repatriate Indigenous cultural property.
- **Administration of Historic Shipwrecks Act.** An agreement between the Museums and Art Galleries of the Northern Territory and the Commonwealth Government, through the Department of the Environment and Heritage to undertake research in relation to shipwrecks in Commonwealth waters of the Northern Territory coast.
- **Collection of Marine Macro-organisms** - An Agreement between the Northern Territory of Australia through the Department of Community Development, Sport and Cultural Affairs and the Developmental Therapeutics Program, Division of Cancer Treatment and Diagnosis, National Cancer Institute, USA, for the collection of marine macro-organisms.
- **US National Cancer Institute: Collection of Marine Organisms** - Contract between Coral Reef Research Foundation and Government of The Northern Territory of Australia for Collection of Marine Organisms from The Northern Territory of Australia for the U.S. National Cancer Institute.
- **Ashmore Reef National Nature Reserve and Cartier Island Marine Reserve marine and terrestrial introduced species prevention and management strategy.** An agreement between the Museums and Art Galleries of the Northern Territory and the Commonwealth Government, through the Department of the Environment and Heritage, Marine Protected Areas Section. The agreement is for the identification and assessment of risks associated with the potential introduction of terrestrial and marine species into Ashmore Reef National Nature Reserve and Cartier Island Marine Reserve; and development of introduced species prevention and management strategy.
- **Partnership agreement with On-line Zoological Collections of Australian Museums (OZCAM).** An agreement between Australian museums, the Commonwealth Government and the Global Biodiversity Information facility (GBIF). The collaboration aims to develop a national on-line database of Australian zoological specimens held in museums and will result in a publicly accessible database of natural history specimens and associated collection information.

Appendix 4 (Continued)

- **Pantropical Nereid (PARTNER) Project.** An agreement between the Museums and Art Galleries of the Northern Territory and the United States Geological Survey. This is an international collaborative project to document and describe the diversity of tropical marine polychaete worms.
- **Marine Resource Inventory - Eastern Van Diemen Gulf.** An agreement between the Museums and Art Galleries of the Northern Territory and the Department of the Environment and Heritage, Director of National Parks. The agreement is for a survey on marine fauna of the eastern Van Diemen Gulf.
- **Marine Resource Inventory – Arnhem Land.** An agreement between the Museums and Art Galleries of the Northern Territory and the National Oceans Office. The agreement is for a survey of marine fauna of the northern Arnhem Land coast.
- **Virtua.** An agreement between all libraries using VIRTUA and Northern Territory Library and Information Services to define the relationship and obligations of libraries in the Northern Territory Network (LINNet).
- **Parliamentary Library Service.** A Service Level Agreement between the Legislative Assembly and the Department of Community Development, Sport and Cultural Affairs for the provision of library services to Parliamentary clients.
- **ASKNOW.** A collaborative reference service between Northern Territory Library and Information Services, the National Library of Australia and all other State and Territory Libraries to provide national, online reference services for library clients.
- **KINETICA.** An agreement between Northern Territory Library and Information Services and the National Library of Australia to manage the site licences for 35 Northern Territory libraries to allow them access to cooperative cataloguing facilities, inter-library lending and access to 35 million items held in 1100 Australian libraries and selected international union catalogues.
- **Picture Australia.** An agreement between Northern Territory Library and Information Services and the National Library of Australia to provide an Internet-based, single access point to the digitised pictorial collection of a range of cultural institutions.
- **Ara Irititja software.** An agreement between Northern Territory Library and Information Services and Pitjantjatjara Council to allow the Ara Irititja database to be made available to Northern Territory public libraries and Northern Territory Library and Information Services to facilitate the collection, storage and access of local digitised cultural and historical material.
- **Re-imaging Journey to Horseshoe Bend Partnership Agreement.** An Agreement between the Strehlow Research Centre, the University of Western Sydney, and the Australian Research Council to produce a multi-media re-interpretation of TGH Strehlow's novel Journey to Horseshoe Bend.

Appendix 5

External Committees and Boards

In support of its core business, the Agency is represented on a wide range of Government and stakeholder national and Territory committees and boards.

National Bodies

ACHPER

Australian Housing Urban Research Institute Board

Australian Performing Arts Centres Association (APACA)

Australian Library and Information Association Board of Directors

Arafura-Timor Seas Experts Forum (ATSEF)

ATRF Scientific Oversight and Advisory Committee (SOAC)

Centrelink Rent Reduction Scheme Steering Committee

Council of Australian Art Museum Directors

Council of Australian Museum Directors

Council of Australian State Libraries (CASL)

Council of Heads of Australian Faunal Collections (CHAFC)

Cultural Minister's Council Standing Committee And Subcommittees

Housing Minister's Advisory Committee (HMAC)

National Centrelink Rent Reduction Scheme Steering Committee

National Housing Data Development Committee

National Elite Sports Council

National Housing Data Management Group (NHDMG)

National Policy Research Working Group

Network of Australian Museum Exhibitors (NAME)

Northern Australian Regional Performing Arts Centres Association (NARPACA)

NT Settlement Planning Committee

Playing Australia Committee

Regional Arts Australia (RAA) and Subcommittees

Standing Committee on Recreation and Sport (SCORS) and Subcommittees

Standing Committee of Regional Development (SCORD)

State Screen Agencies

Schedule 2.2 of the Overarching Agreement on Indigenous Affairs - Steering Committee

Appendix 5 (Continued)

Territory Bodies

Aboriginal Family Violence and Domestic Violence Interdepartmental Committee
 Alcan Gove Task Force
 Alice Springs Master Games Advisory Committee
 Arafura Games Heads of Delegation Committee
 Alice Springs Town Council Sports Facilities Advisory Committee
 Animal Welfare Advisory Committee
 ARMTour Interagency Working Party
 Artists in Schools Committee
 Arts Grants Board
 Building Stronger Regions Stronger Futures Interdepartmental Committee
 Chief Executive Taskforce on Indigenous Affairs
 Community Harmony Strategy Interdepartmental Committee
 Coordination Committee and Subcommittees
 Counter disaster Welfare Group (Alice Springs)
 Counter Disaster Welfare Group (Darwin)
 Caring for our Children Interdepartmental Committee
 Charles Darwin University School of Education Visiting Committee
 Crime Prevention Committee
 Criminal Court User Group
 Darwin City Council Arts and Cultural Development Advisory Committee
 Darwin Entertainment Centre Board
 Darwin Symphony Orchestra Board
 Desert Knowledge Precinct Project Management Group
 East Arnhem Regional Coordination Committee
 Government Employee Housing Interdepartmental Reference Group
 Heritage Advisory Council
 Homelessness Interdepartmental Committee
 Homelessness Taskforce
 Housing Minister's Policy and Research Working Group
 Indigenous Arts Reference Group
 Indigenous Arts Strategy Interdepartmental Committee
 Indigenous Economic Development Taskforce
 Indigenous Economic Development Interdepartmental Committee
 Indigenous Housing Authority of the Northern Territory (IHANT)
 Indigenous Mining and Enterprise Taskforce
 Interim Board of North Australia Molecular Biology Facility
 Irrekelantye & Yarrenyty Arltene Learning Centre Whole of Government Response Project Committee
 Jabiru Town Development Authority
 Katherine Regional Coordination Committee

Appendix 5 (Continued)

Katherine Counter Disaster Planning Committee
Katherine Indigenous Essential Services KRCC Sub Committee
Katherine Regional Harmony Group
Major Events Board
Museums and Art Galleries Board of Northern Territory
NT Arts Grants Board
NT Collection Consultative Committee
NT Government Information Management Group
NT Community Benefit Fund Committee
NT Grants Commission
NT Sports Awards Advisory Committee
NT Bioprospecting Committee
NT Coastal and Marine Management Policy Subcommittee
NT History Grants Commission
NT Junior Sport Reference Group
Out of School Hours Sport Program Steering Committee
Palmerston Town Council Recreation Action Group
Palmerston City Council Library Advisory Committee
Portrait of a Senior Territorian Art Award Steering Committee
Project Management Committee
Public Art Interdepartmental Working Party
Registrar General – Consultancy Committee
Remote Workforce Development Committee
Regional Development Board of Central Australia, East Arnhem, Barkly, Katherine and Darwin
Safehouse Management Committee
SeniorsAccommodation Working Party
Statistical Liaison Committee
Suicide Prevention Interdepartmental Committee (SPIDC)
Technical Advisory Committee on dredging in Darwin Harbour
Territory Anti-Litter Committee
Territory Motor Sports Board Limited
Tort Law Reform Committee
The House Committee
Water Quality Working Group
Water Safety Council
Youth Affairs Interdepartmental Committee (IDC)

Appendix 6

Community Consultations

On a needs basis, the Agency convenes consultative forums with the community in relation to particular issues. Details of consultations conducted during 2004-05 are listed below.

- **Indigenous Housing**
Consultation is regularly undertaken with Indigenous Community Housing Organisations and regional council representatives to discuss issues of mutual interest and/or concern.
- **Mobility Study**
A consultative process with Central Australian indigenous residents to ascertain the mobility of Alice Springs town camp and public housing tenants.
- **Community Harmony Strategy**
A consultative process with the general public, service providers and itinerant groups in the Darwin and Palmerston region to evaluate the implementation of the Community Harmony Strategy.
- **Housing Minister' s Round Table**
The Housing Minister's Round table was established to encourage the construction industry and community sector to actively participate in improving Housing outcomes in their communities. The first Round Table was held in Alice Springs in November 2004.
- **Indigenous Exhibition Development**
Meetings (with whom) to facilitate community input into the Museum and At Gallery of the Northern Territory exhibition programming and development.
- **Repatriation of Indigenous Cultural Property Program**
Ongoing consultations with the wide client base of Indigenous custodians in Central Australia and the Top End to identify and return culturally sensitive material, where requested.
- **Regional Arts Australia (RAA)**
A one-off national community consultation to contribute to the priorities and long-term strategies of RAA in supporting the development and strengthening of regional communities through arts and cultural activity.
- **Northern Territory Film, Television and New Media Meeting**
One-off meetings held in Alice Springs and Darwin with the industry to discuss future directions for the NT Film Office and its relationship to the industry.
- **Chief Minister's Araluen Arts Forum**
This group ensures community input into the running of the Araluen Centre for Arts and Entertainment. The Chief Minister attends one meeting annually. Another meeting with senior staff of the Alice Springs Cultural Precinct is held through out the year.
- **Alice Springs Cultural Precinct Stakeholders**
This group ensures community and stakeholder input into the direction and running of the Alice Springs Cultural Precinct.
- **Araluen Theatre Season Programming Reference Group**
This group is consulted about proposed performing arts product for the Araluen Theatre Season
- **Athlete Development Programs**
A consultative process with sporting communities to develop and monitor shared athlete development programs.

Appendix 6 (Continued)

- **Club Development**
Regular sports forums, sports talks, coaching and officiating networking opportunities held through the Northern Territory to facilitate information sharing and training opportunities.
- **Sports Grants Information Forums**
Information forums for the sport and recreation, local governing bodies and facility and development grants programs were conducted in all major urban areas.
- **NT Sports Awards**
A consultative process with Darwin and Alice Springs communities to provide feedback and suggestions for future awards.
- **Indigenous Essential Services**
Consultation is regularly undertaken with remote Indigenous communities for the provision of remote utility services and the upgrade and maintenance of remote air and sea transport infrastructure.
- **Aboriginal Interpreter Services**
Consultations conducted with Indigenous communities throughout the Territory to increase the number of interpreters.
- **Katherine Cultural Precinct.**
Ongoing community consultation regarding the development of an arts and cultural facility and associated management plan. The Katherine Regional Cultural Precinct Inc. Action Group is leading the consultations
- **Katherine Regional Development Plan**
Ongoing community consultation to identify priorities and auspiced by the Katherine Regional Development Board to provide advice to Minister for Regional Development
- **Anmatjere Regional Development Plan**
Ongoing community consultation to identify regional priorities.
- **East Arnhem Regional Development Plan**
A consultative process with remote communities within the region and members of the East Arnhem Regional Development Board to ensure suitable regional input to the planning process.
- **Barkly Blueprint**
A consultative process to review the existing Barkly Blueprint and Yapakurlangu Regional Plan.
- **Gulf Regional Development Plan**
A consultative process with communities and pastoralists in the Gulf region with the view to finalising the plan.
- **Alywarra Regional Development Plan**
A consultative process with communities and pastoralists in the Plenty/Sandover region with the view to finalising the plan.
- **Thamarrurr Regional Development Plan**
A consultative process with key stakeholders with the view to finalising the plan.
- **Greater Darwin Regional Development Plan**
Ongoing consultations with Darwin, Palmerston, Litchfield, Coomalie, Belyuen and Cox Peninsular Councils with the view of finalising the plan.
- **Darwin Regional Development Plan**
A consultative process with all communities in the Darwin Region to assist in the development of the first draft of the Darwin Regional Development Plan Discussion Paper.

Appendix 6 (Continued)

- **Wangka Wilurarra.**
A consultative process with communities within the region to ensure equitable and valuable input into the ongoing development of governance proposals.
- **Top End Rural Region**
A consultative process with the steering committee representing Pine Creek, Coomalie, Dundee, Nauiyu and Douglas Daly regarding the development and implementation of a Regional Authority for the area.
- **West Arnhem Region**
A consultative process with West Arnhem communities (Minjilang, Warruwi, Gunbalanya and Coburg) regarding the development of a Regional Authority for the area.
- **State of the Regions Conference**
Inaugural conference convened in Alice Springs in September 2004. The conference was attended by 168 people from government and non-government organisations who discussed recommendations on the scope of evaluation and indicators needed to measure regional development progress.
- **Pools in Remote Areas**
Consultations with the communities at Maningrida and Milikapiti regarding the development and management of swimming pools in their communities

Appendix 7

Ombudsman Enquiries

OMBUDSMAN OWN MOTION INVESTIGATION INTO ADMINISTRATIVE ACTIONS OF THE BELYUEN COMMUNITY GOVERNMENT COUNCIL AND THE DEPARTMENT OF COMMUNITY DEVELOPMENT, SPORT & CULTURAL AFFAIRS

Concerns were raised with the Chief Executive of the Department by the Ombudsman about the provision of special purpose grant funds to the Belyuen Community Government Council for a vehicle to monitor country and sites, which was then subsequently gifted to Traditional Owners for private use.

In his final report on 22 February 2005, the Ombudsman made a number of recommendations noting that the Department had acknowledged that Departmental advice to the Council on the gifting of the vehicle was wrong.

The report is available at www.nt.gov.au/omb_hcsc/ombudsman/statements.htm.

The Department accepted all the recommendations by the Ombudsman arising from his investigation. With respect to specific recommendations, the Department has implemented the following:

Recommendation 1

A formal protocol for Special Purpose Grants has been agreed by the Department and the Minister for Local Government.

Recommendation 5

The Department will conduct a review into the Local Government Act and Regulations.

Recommendations 7, 8, 9, 10, 11 and 13

The Department continues to assist Belyuen Community Government Council to implement these recommendations. The Local Government Association of the Northern Territory (LGANT) will facilitate elected member training on behalf of the Department.

Recommendation 12

The CEO of Belyuen Community Government Council has cooperated fully with the investigation and no further action is considered necessary. The Council has agreed to repay the \$35,000 in equal instalments over two years via a reduction in the operational grant provided by the Department.

The Chief Minister also referred the matter to the Auditor-General for consideration and advice as to what action, if any, needed to be taken. The Auditor General concluded that, apart from the need to improve administrative protocols (which has been done), no further action is necessary. An investigation by the Police found that no criminal activity had occurred.

Appendix 8

Building Safer Communities

The Agency's achievements against the Building Safer Communities framework priority areas are detailed below.

Priority Area: Children and Young People

Encourage participation in sport and recreation amongst school aged children through programs under the Junior Sports Policy.

Activities Undertaken During 2004-05:

- The Club Guru Leadership Program, designed to develop young leaders in sport by equipping them with the necessary skills to be sound contributors at club level, commenced with 14 young people from Darwin and Palmerston participating.
- 13 Leadership Programs have been run in schools throughout the Northern Territory with over 281 students participating in general and sport specific programs.
- Community S*port programs have been held at Tennant Creek and Mataranka with 415 students participating in a variety of sports.
- An officiating course was conducted at Darwin High School for students.
- A junior sport website is in the final stages of development. This website will provide a one-stop shop for junior sport information in the Northern Territory.
- Junior Sport promotions were conducted at major shopping centres in Casuarina and Palmerston.
- Weekly junior sport promotions were conducted weekly on ABC Radio.
- "Little Sports Booklet" containing junior sport competition information was distributed in late 2004 to all members of the Active Australia Schools Network.
- Coordinated regular meetings for Sport Development Officers to discuss, share and learn new ideas on the delivery of their sport to juniors.
- A Sport Development Officers Conference was held at Mt Bundy, to teach skills and techniques to better deliver sport opportunities to juniors.
- Professional Development workshops for teachers were held throughout the Northern Territory to further develop the delivery of sport to school aged children.

Appendix 8 (Continued)

Priority Area: Protecting your Home and Business

Territory Housing is working with its clients to build safer communities through more secure public Housing.

Activities Undertaken During 2004-05:

- Development of the Good Neighbour Policy. The Good Neighbour Policy was introduced in 2004, as a tool to promote the message that “everyone is entitled to the quiet enjoyment of their home”. The policy also provides appropriate contacts and advice should noise and nuisance problems arise.
- Upgraded security at public housing complexes, including security screening and increased security patrols.
- Completed the Territory wide security screening program to all Territory Housing houses and units.
- Near completion of stages 1 and 2 of the Bernard Street complex redevelopment creating more open and safe environments.

Priority Area: Preventing Violence – Protecting Territorians

The Community Harmony Strategy is addressing anti-social activity in urban areas in partnership with Indigenous community elders. Working together to assist people to move away from destructive lifestyles by encouraging them to return home or live more productively in town.

Activities Undertaken During 2004-05:

- The 'Return to Home' program has assisted 2,036 people to return to their home communities which included 52 localities.
- The planned Stuart Lodge upgrade in Alice Springs will provide 68 new beds for people needing short-term accommodation.
- The establishment of the Kalano Community Patrol in Katherine. The Patrol service consists of both mobile and foot patrols that work closely with other agencies to assist members of the community who are at risk.
- The Day Activity Program managed by the Larrakia Aboriginal Corporation, recruited six participants, who were once itinerants, to undertake activity programs such as arts and crafts, gardening and skills training.
- The Day Activities Program is an outreach service that continues to encourage people to seek a better lifestyle, and provide information and referrals to crisis accommodation, medical and legal services.

Appendix 9

Auditor-General Reports in 2004-05

The following reports, pertaining to the Agency, were conducted by the Auditor-General for the Northern Territory during 2004-05.

Fraud Control Arrangements (Selected Agencies) - 2004

<i>Key Findings:</i>	Inconsistent approach between the Agencies selected to the adoption of fraud control arrangements within each of the Agencies. Few instances of fraud have been identified at the selected Agencies.
<i>Recommendations:</i>	Agencies should follow the example provided by DCIS in the documenting of fraud prevention and control policy and procedures.
<i>Action:</i>	Review of DCIS Fraud Prevention and Control Policy and incorporation of any relevant areas and materiel into existing documentation, including the Governance Framework, Risk Management Plan and the Accounting and Property Manual.

Grant to Belyuen Council

<i>Key Findings:</i>	That the Minister acted within the powers conferred upon him.
<i>Recommendations:</i>	The results of the review of the Ombudsman's report did not suggest that any additional involvement on the part of the NT Auditor-General's Office was warranted.
<i>Action:</i>	None required.

Pool fencing payments

<i>Key Findings:</i>	The control procedures examined provided reasonable assurance that the payments of the 'Safe Pool Grants' complied with the requirements of the <i>Swimming Pool Safety Act 2004</i> and loans provided by the Early Registration Incentive Scheme under the superseded <i>Swimming Pool Fencing Act 2002</i> were properly treated.
<i>Recommendations:</i>	The standard checklist should be mandatory for all inspections conducted by all pool advisers. This will ensure that all swimming pools are assessed in the same manner, provide transparency of the inspection process and prove that the inspection regime is properly enforced.
<i>Action:</i>	Australian Standards provide the checklist for all inspections and additional checks and balances are in place to ensure transparency of the inspection process. No further action is required.

Appendix 10

2004-05 Capital Works Program

DEPARTMENT OF COMMUNITY DEVELOPMENT, SPORT AND CULTURAL AFFAIRS

	Program ^{1.} \$000	Revised Program ^{2.} \$000	Expended \$000
Revoted Works from 2003-04	3 425	4 005	2 756
New Works in 2004-05	5 150	5 922	3 688
TOTAL	8 575	9 927	6 444

Revoted Works

Alice Springs

Kintore – regrade the existing gravel airstrip, seal the central 18 metres and upgrade drainage where required	175	52	41
Pularumpi – upgrade and seal runway		83	53
Araluen – upgrade theatre technology		27	27

Arnhem & Tiwi Islands

Gapuwiyak – resheet and seal the runway	800	1 079	1 063
Raminging – upgrade the airstrip to an all weather operation by sealing the existing 1.38 kilometres of runway to a width of 18 metres. Completed work will be to a Civil Aviation Safety Authority standards	1 000	1 250	778
Bulman – upgrade the airstrip to an all weather operation by sealing the existing 1.2 kilometres of runway including providing flood protection. Completed work will be to Civil Aviation Safety Authority standards	650	650	100
Nguiu – extend football oval to comply with Australia Football League minimum length requirements and install four 25 metre floodlight towers		33	29

Darwin

Museum and Art Gallery of the NT – upgrade security system		17	17
Reconstruct Number 2 Oval at Football Park		14	

Katherine

Minyerri – upgrade the airstrip to an all weather operation by extending and sealing the runway. Completed work will be to Civil Aviation Safety Authority standards	800	800	648
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TOTAL REVOTED WORKS	3 425	4 005	2 756
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1. Source: Budget Paper No 4 2004-05

2. Reflects approved changes to program through 2004-05

Appendix 10 (Continued)

New Works

	Program ^{1.} \$000	Revised Program ^{2.} \$000	Expended \$000
Darwin			
Hidden Valley Raceway – remedial works to improve overall safety standards.	1 000	1 000	981
Darwin Soccer Stadium – head works necessary prior to the development of two full size playing fields, grandstand and office complex	500	1 000	481
Darwin Soccer Stadium – Commence construction		500	
Palmerston and Rural			
Palmerston Recreation Centre – head works necessary prior to the construction of a multi-purpose recreation centre	1 800	1 800	1 296
Katherine			
Katherine Cultural Precinct – head works incorporating power, water and sewerage services, storm water drainage and road works as necessary prior to the construction of a cross cultural centre to showcase the art, heritage and culture of the region	500	500	
Minor New Works	1 350	1 122	930
Total New Works	5 150	5 922	3 688

1. Source: Budget Paper No 4 2004-05

2. Reflects approved changes to program through 2004-05

Appendix 10 (Continued)

TERRITORY HOUSING

	Program ^{1.} \$000	Revised Program ^{2.} \$000	Expended \$000
Revoted Works from 2003-04	17 892	19 320	16 560
New Works in 2004-05	25 460	44 626	26 832
TOTAL	43 352	63 946	43 392

Revoted Works

Darwin

Kurringal Flats – further redevelopment of the complex, including the demolition of Blocks 3, 5 and 7, and commencement of construction of a seniors' complex on the cleared site	5 449	6 073	6 073
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Across Regions

Security screens for public dwellings - to improve the safety and security of tenants	834	1 314	359
Community Harmony Strategy - development of appropriate accommodation facilities	215		
Community renewal of public housing in urban centres - to improve quality and amenity level. Works include replacing/refurbishing kitchens, bathrooms and wardrobes, additional storage capacity, modifications to living area, replacing standard fittings and fixtures, new fencing, garden sheds, verandahs and carports, paved driveways and walkways, and external painting	1 330	1 630	1 160
Darwin/Palmerston - provide medium density Housing for use as general-purpose public housing	230		
Community crisis accommodation and medium-term housing - construct and upgrade housing	268	179	179
Construct Government employee housing in remote localities	5 616	5 660	4 670
Replace Government employee housing in remote localities	2 424	2 563	2 272
Upgrade Government employee housing to provide carports, storage areas and fencing and to replace substandard fixtures and fittings (core amenity and design standards)	1 526	1 534	1 480

Minor New Works

		367	367
TOTAL REVOTED WORKS	17 892	19 320	16 560

1. Source: Budget Paper No 4 2004-05

2. Reflects approved changes to program through 2004-05

Appendix 10 (Continued)

New Works

	Program ^{1.} \$000	Revised Program ^{2.} \$000	Expended \$000
Alice Springs			
Construct general-purpose public housing in Alice Springs	1 000	1 320	981
Across Regions			
Replace Government employee housing in remote localities	2 000	2 000	1 792
Upgrade Government employee housing to provide carports, storage areas and fencing and to replace substandard fixtures and fittings (core amenity and design standards)	5 000	5 000	3 785
Construct Government employee housing in remote localities	6 000	6 000	4 201
Community renewal of public housing in urban centres – to improve quality and amenity level. Works include replacing/refurbishing kitchens, bathrooms and wardrobes, additional storage capacity, modification to living area, replacing standard fittings and fixtures, new fencing, garden sheds, verandahs and carports, paved driveways and walkways, and external painting	3 000	3 000	1 167
Community crisis accommodation and medium-term housing – construct and upgrade housing	500	0	0
Security screens for public dwellings – to improve the safety and security of tenants	1 500	1 500	879
Land servicing for housing programs in remote localities	3 000	3 360	1 915
Mutitjulu – Construct 2 houses at Police Post		700	0
Alyangula Housing Stage 1		9 860	1 726
Program Delivery fees		2 816	2 816
Public Housing Tailored Upgrade program		5 868	5 868
Community Harmony Strategy – short-term accommodation and day centres, including refurbishment of existing facilities	1 560	2 200	0
Minor New Works	1 900	1 702	1 702
TOTAL NEW WORKS	25 460	45 326	26 832

1. Source: Budget Paper No 4 2004-05

2. Reflects approved changes to program through 2004-05

Appendix 10 (Continued)

INDIGENOUS ESSENTIAL SERVICES

	Program ^{1.}	Revised	Expended
	\$000	Program ^{2.}	\$000
		\$000	\$000
Capital Grant paid by the Department of Community Development, Sport and Cultural Affairs to Power and Water Corporation	10 037	10 037	9 985

INDIGENOUS HOUSING

	Program ^{1.}	Revised	Expended
	\$000	Program ^{2.}	\$000
		\$000	\$000
Capital grant paid by the Department of Community Development, Sport and Cultural Affairs to Indigenous Housing Authority of the NT (IHANT) for the construction and upgrade of Indigenous Housing in the Northern Territory	24 158	29 120	29 120

1. Source: Budget Paper No 4 2004-05

2. Reflects approved changes to program through 2004-05

Appendix 11

Staff and Research Associates Publications

Museums and Art Galleries of the Northern Territory curatorial and research staff publications for 2004-05.

Research Publications

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- Chaloupka G. and Giuliani, P.** 2005. Strands of Time. Pp. 2-17, in Louise Hamby (ed), *Twined Together: Kunmadj Njalehnjaleken*. Injalak Arts and Crafts, Gunbalanya (Oenpelli).
- Dunning, M. and **Willan, R.C.** 2004. Squid. Pp. 227-226 in: *Description of Key Species Groups in the Northern Planning Area*. National Oceans Office, Hobart, 320 pp.
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Appendix 11 (Continued)

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Appendix 11 (Continued)

Northern Territory Library and Information Services publications for 2004-05

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Richmond, C.M. *Libraries and Knowledge Centres in the Northern Territory*. State Library of New South Wales: Seminar on Library Services for Aboriginal and Torres Strait Islander People, Sydney, April 2005.

Strehlow Research Centre publications for 2004-05

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Appendix 12

Community Development Grant Funding

Output Group	2004-05 \$000	2003-04 \$000	2002-03 \$000
Local Government and Regional Development	49 611	45 476	43 523
Housing Services	60 094	58 739	31 095
Indigenous Infrastructure and Services	50 790	49 970	11 516
Arts, Museums and Library Services	7 334	7 535	7 431
Sport and Recreation	7 001	9 168	5 187
Total Distributed	\$174 830	\$170 888	\$98 752

NOTE : Full details of all grants funded during 2004-05 can be viewed on our website at www.dlghs.nt.gov.au.

