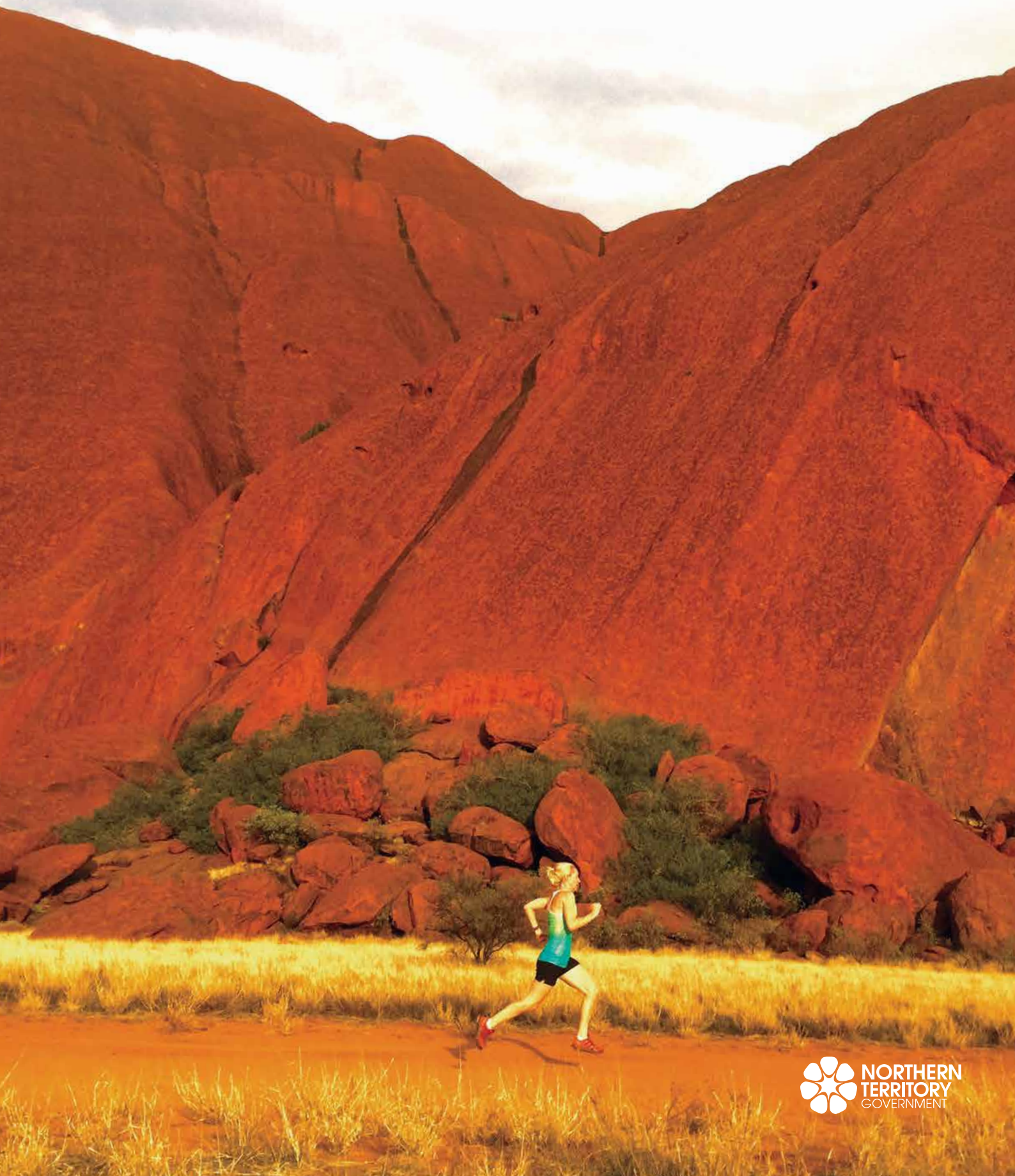


# Annual Report

DEPARTMENT OF SPORT AND RECREATION

2014-15





## PURPOSE OF THE REPORT

This annual report provides a record of the Department of Sport and Recreation's achievements for the 2014-15 financial year. Pursuant to Section 28 of the *Public Sector Employment and Management Act*, the report aims to inform Parliament, Territorians and other stakeholders of:

- The department's primary functions and responsibilities.
- Significant activities undertaken during the year, highlighting achievements against budget outputs.
- The department's fiscal management and performance.

## TARGET AUDIENCE

The annual report's primary audience is the Minister and Members of the Northern Territory Parliament. It is tabled in the Northern Territory's Legislative Assembly primarily as an accounting and reporting mechanism for the department's Minister to the Parliament. The annual report is a finalisation of the department's activities, achievements, income and financial expenditure against the Northern Territory Government's 2014-15 Budget. It also formally acknowledges the achievements of individual employees, teams and work units and describes the activities and outcomes of the department's strategic plan. Secondary audiences of the annual report are Northern Territory Government employees, the local community and other government departments.



## TRANSMITTAL LETTER

The Hon Gary Higgins, MLA  
Minister for Sport and Recreation  
Parliament House  
State Square  
DARWIN NT 0800

Dear Minister

I am pleased to present you with the Department of Sport and Recreation's Annual Report for 2014-15. The report details the activities and operations of the department for the year ended 30 June 2015 in accordance with Section 28 of the *Public Sector Employment and Management Act*. In presenting this report, I advise that, pursuant to Section 13 of the *Financial Management Act* and Section 131 of the *Information Act*, to the best of my knowledge and belief, the department's system of internal control and audit provide reasonable assurance that:

- a) Proper records of all transactions affecting the department are kept and that employees under my control observe the provisions of the *Financial Management Act*, its Regulations and applicable Treasurer's Directions.
- b) Procedures within the department afford proper internal control, and a current description of such procedures is recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the *Financial Management Act*.
- c) No indication of fraud, malpractice, major breach of legislation or delegation, major error in omission from the accounts and records exists.
- d) In accordance with Section 15 of the *Financial Management Act*, the results of internal audits have been reported to me and are in accordance with the Treasurer's Directions.
- e) The financial statements included in the annual report have been prepared from proper accounts and records, and are in accordance with the Treasurer's Directions.
- f) All employment instructions issued by the Commissioner for Public Employment have been satisfied.
- g) The department has implemented processes to achieve compliance with the archives and record management provisions as prescribed as Part 9 of the *Information Act*.

Yours sincerely



**Phillip Leslie** *Chief Executive Officer*

28 September 2015

## CEO OVERVIEW

Participation in sport and recreation is integral to the lives of Territorians, whether they live in urban centres such as Darwin or Alice Springs, or the remote corners of the Northern Territory.

This department has a key role (through both grant investments and direct program delivery) in the provision of opportunities for participation – be it at junior, club level or as part of an elite pathway.

During 2014-15, the department invested \$26.7 million in grants to sporting and recreational organisations, representing 53 per cent of the department's total expenditure of \$50.1 million. This included \$5.5 million to the Sport Voucher and Learn to Swim Voucher schemes to provide more sporting and active recreation opportunities for school aged children. The department also provided a further \$8.6 million towards running and maintaining government owned sporting facilities.

The 2015-16 Budget announced significant capital improvements to sports facilities, ranging from BMX to lawn bowls and motor sports. Many of these were disbursed before the end of the financial year to enable organisations to get started on these developments. As such, they are included in this report.

Relationships with national partners continued to grow and develop, with the NT increasingly recognised as a jurisdiction that supports and develops sporting events. During 2014-15, two Sheffield Shield games in Alice Springs were added to the schedule, and preparations were underway to host the Davis Cup Quarterfinal in July 2015.

As many sportsmen and women across the nation prepare for the 2016 Olympics, the Northern Territory Institute of Sport (NTIS) continues to nurture and develop our talented athletes. During 2014-15, the NTIS commenced a more concentrated coach development program and we aim to have a significant positive affect on the quality of coaching across the NT in the months and years to come.

The staff of the Department work hard. The nature of the business means that events and activities are held in the early morning, evening and weekends throughout the year. Their dedication and efforts are very much appreciated.



**Phillip Leslie** *Chief Executive Officer*

28 September 2015

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# Section 1



## 1.1 INTRODUCTION

The role of the Department of Sport and Recreation is to invest in and develop the sport and recreation sectors of the Northern Territory. The department also represents the Territory's interests in policy and decision making forums regarding sporting development and delivery at a national level.

At the time the 2014-15 Budget was announced, the department had an additional output of Racing and was formerly called the Department of Sport, Recreation and Racing. On 12 December 2014, the Racing output was transferred to the Department of Business under a new Administrative Arrangements Order. As such, this report focuses solely on the department's structure at 30 June 2015.

Since the delivery of the 2013-14 Annual Report, the department has also changed the names of its divisions to reflect the following:

- Events
- Executive Services
- Facilities and Safety
- Northern Territory Institute of Sport
- Sport and Recreation Development.

Corporate services are provided by the Department of Land Resource Management under a 'hub and spoke' model introduced by the Northern Territory Government in 2012. A service level agreement between the two departments sets down the terms of the service delivery.

Corporate services are provided in:

- Financial management
- Human resource management
- Information and business systems
- Corporate governance
- Communications and media.

# Our vision:

TERRITORIANS HAVE A LIFELONG INVOLVEMENT IN SPORT AND ACTIVE RECREATION.





## 1.2 BUDGET HIGHLIGHTS

The department's services and outputs are framed each year in the budget paper.

The department's budget highlights for 2014-15 include:

- \$5 million additional funding to expand and administer the Sport Voucher Scheme.
- \$2.3 million to continue to operate the Palmerston Water Park.
- \$2.4 million to continue to operate the Leanyer Recreation Park.
- \$0.3 million to continue upgrades to the Alice Springs drag strip to support hosting regional and national events.
- \$5.6 million for grants to peak sporting bodies and active recreation organisations.
- \$0.15 million for the second year of a two-year agreement with Adelaide United to host A-League games in Alice Springs.
- \$1 million for the second year of a four-year agreement with Parramatta Eels to hold a National Rugby League premiership game in Darwin and pre-season game in Alice Springs.
- \$0.2 million funding to Northern Territory Football Club to assist Territory Thunder to participate in the North East Australian Football League.
- \$1 million additional funding to continue to bring Australian Football League matches to the Territory.
- \$4.3 million for upgrades to Hidden Valley Motor Sports Complex.
- \$0.12 million for a Four Nations Women's Hockey Test Match in Darwin.
- \$16.3 million over 2014-15 and 2015-16 for one-off capital grants for sports infrastructure including a regional tennis centre, lawn bowls, cycling and riding for the disabled.
- \$0.6 million to host a quarter final of the Davis Cup tennis.





## Our purpose

The Department of Sport and Recreation invests in and develops the sport and active recreation sectors in the Northern Territory. It also represents the Territory's interests in policy and decision making forums regarding national sporting development and delivery. It is the lead department for the Northern Territory Government on policy and initiatives for sport and active recreation.

## Our values and approach

The department subscribes to the NT Public Sector values of:

- Commitment to service
- Ethical practice
- Respect
- Accountability
- Impartiality
- Diversity.

The department is committed to:

- Focusing on achieving its strategic objectives.
- Expecting performance and results from its funded organisations.
- Providing prompt and efficient service.
- Demonstrating innovation, drive, commitment and energy.
- Connecting with and engaging sport and active recreation organisations and stakeholders.
- Providing informed and considered advice to sport and active recreation organisations and stakeholders, drawing on the best available evidence and practice.

## 1.3 STRATEGIC OBJECTIVES

The department's strategic objectives align with the NT Government's *Framing the Future* objectives and priorities, and include:

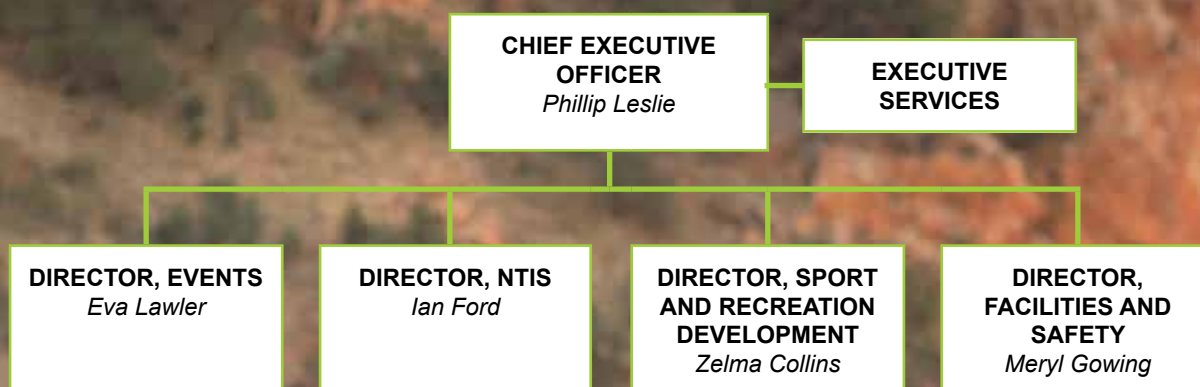
- Assisting peak sport and active recreation bodies to address governance, financial, integrity and sustainability issues.
- Representing and effectively managing Northern Territory interests in national policy and service provision through strong relationships with state and national departments.
- Effectively managing and reviewing grant programs.
- Delivering a Sport Voucher Scheme and Learn to Swim Voucher Scheme for Territory school children.
- Partnering with Northern Territory peak and national sporting bodies to select talented athletes and provide high performance services.
- Enhancing the capacity of regional and remote communities to deliver regular organised sporting competitions.
- Improving the availability of sporting opportunities for children.
- Delivering high profile international and national level sporting events.
- Maximising tourism, economic and community benefits from hosting national level sporting fixtures.
- Developing and maintaining facilities at suitable standards for national competition.
- Ensuring the ongoing management and operation of water parks and other managed venues.
- Providing strategic advice and direction for key sporting venues, including options for new venue development.
- Effectively managing the corporate responsibilities of the department.

## 1.4 ORGANISATIONAL CHART AS AT 30 JUNE 2015

Chief Executive Officer: Phillip Leslie

- Director, Events: Eva Lawler
- Director, Facilities and Safety: Meryl Gowing
- Director, Northern Territory Institute of Sport: Dr Ian Ford
- Director, Sport and Recreation Development: Zelma Collins

### Organisational chart





THE DEPARTMENT OF SPORT AND RECREATION IS THE LEAD  
DEPARTMENT FOR NORTHERN TERRITORY GOVERNMENT POLICY  
AND INITIATIVES IN SPORT AND ACTIVE RECREATION.





## 1.5 KEY ACHIEVEMENTS IN 2014-15

- Allocating close to \$26.7 million in grant funding across the sport and recreation industry.
- The delivery of a wide range of sporting events including two AFL matches, two NRL matches, an A-League football game in Alice Springs, two Sheffield Shield matches, and a Women's National Basketball League game in Alice Springs.
- The hosting of the Alice Springs Masters Games attracting 3800 participants across a wide range of sports.
- The hosting of the inaugural Mitchell Street Mile with more than 400 participants and 3500 spectators in Darwin.
- The delivery of the 2015 NT Sports Awards in Darwin, recognising sporting talent from all corners of the NT community.
- Delivering a series of community information and education programs across the Northern Territory, including sessions on grants, and a record number of participants (216 sports personnel and School Sport NT representatives) at the Higher Faster Stronger Forums held across the Territory.
- Supporting the development of more than 360 athletes involved in sport-specific academy programs, and more than 250 coaches, teachers and parents in a wide variety of sports.





- Establishing the cycling alliance, Pedals NT, to bring the disciplines of track and road cycling, mountain biking and BMX together under one administration in order to improve management of the sport in the Territory.
- Supporting NTIS athletes to excel with 10 athlete scholarship holders achieving success at a national and international level.
- Providing greater access to sport and recreation activities for students through the Sport Voucher Scheme with the redemption of 30 745 vouchers through 296 urban activity providers, and the participation of 79 remote schools, receiving \$1.6 million to deliver programs for remote students.
- Negotiating a lease for a new badminton facility in Darwin.
- Hidden Valley Motor Sports Complex track resurfacing and pit area, redesign of Turn 1 to make it safer for drag racing vehicles exiting the track and the installation of debris barriers.
- Installation of shade structures at Larrakia Park and TIO Stadium to provide shade for spectators.

## 1.6 OUTPUTS

Under the Territory's financial management framework, each government department is funded by output groups, as stated in the annual budget papers.

Following is a description, key deliverables, key achievements and future priorities for each of the department's three output groups.

### Output group: Northern Territory Institute of Sport

Lead the delivery of talented athlete, coach and official development programs across the Territory.

Key deliverables*	2013-14 actual	2014-15 estimate	2014-15 actual	2015-16 budget
Number of NTIS athlete, coach and official development services	9	9	9	10 <sup>1</sup>

\*The race meetings deliverable has been removed from this output group due to the transfer of Racing to the Department of Business. Other deliverables previously in the NTIS output group have been moved to the Sport and Recreation Development Output.

#### Explanatory notes

1. Additional service – official development.

#### Key achievements:

- Supporting the development of more than 360 athletes involved in sport-specific academy programs (including 26 NTIS scholarship holders), and more than 250 coaches (including 20 NTIS coach scholarship holders), teachers and parents in a wide variety of sports across Darwin, Katherine, Alice Springs, Tennant Creek and Nhulunbuy.
- Ten NTIS athlete scholarship holders achieved success at a national and international level including:
  - Tahnee Afuhaamango, silver medallist at the 2014 Down Syndrome World Swimming Championships;
  - Joel Carroll, Australian men's hockey squad;
  - Rhys Dowling, Australian under 21 men's squash team;
  - Elizabeth Duguid, Australian women's hockey development squad;
  - Melanie Hall, Australian women's wheelchair basketball squad;
- Jeremy Hayward, gold medallist with the Australian men's team at the 2014 Hockey World Cup;
- Leon Hayward, Australian men's hockey development squad;
- Adam Luck, Australian U21 men's hockey squad;
- Tom O'Neill Thorne, gold medallist with the Australian men's team at the 2014 Wheelchair Basketball World Cup;
- Brooke Peris, a gold medallist with the Australian women's hockey team at the 2014 Commonwealth Games.

#### Future priorities:

- Delivering the inaugural NTIS Talent Identification Day.
- Evaluating the NTIS Coach Development Program.
- Implementing the "Move More Learn More" Project across a select number of primary schools in Darwin and Alice Springs.
- Implementing an NT Coaching and Officiating Centre at the NTIS.



## Output: Sport and Recreation Development

To support participation in sport and recreation at all levels across the Territory, with investment through grants and provision of advice, education and training programs. Facilitate well governed, financially sound peak bodies. Represent and manage the Territory's interests in national policy and service provision through strong relationships with the relevant state and national agencies.

Key deliverables	2013-14 actual	2014-15 estimate	2014-15 actual	2015-16 budget
Territory peak bodies supported	59	59	59	60 <sup>1</sup>
Regional community sport and active recreation programs delivered	46	40	20 <sup>2</sup>	20
Clubs directly assisted with grassroots support	58	58	38 <sup>3</sup>	38
Number of national policy committees with Territory representation	8	7	7 <sup>4</sup>	8 <sup>4</sup>
Number of eligible organisations registered for sport vouchers	184	300	300	300

### Explanatory notes

1. A cycling alliance organisation, Pedals NT, was formed in 2014-15.
2. The department has moved to a facilitation role with delivery of programs by the relevant regional council.
3. The grassroots funding pool remains the same however the threshold per grant has increased, resulting in a decrease of recipients.
4. Greyhound Australasia representation transferred to the Department of Business with the Racing function. In 2015-16, the additional committee is the National Active Recreation Working Group.

### Key achievements

- Allocating close to \$26.7 million in grant funding across the sport and recreation industry.
- Establishing the cycling alliance, Pedals NT, to bring the disciplines of track and road cycling, mountain biking and BMX together under one administration in order to improve management of the sport in the Northern Territory.
- Delivering a series of community information and education programs across the Northern Territory, including:
  - How to apply for grants sessions.
  - The Higher, Faster, Stronger Forums in Alice Springs, Darwin, Katherine, Nhulunbuy and Tennant Creek with 216 sports personnel and School Sport NT representatives participating.
- In partnership with CHARTTES Training Advisory Council, delivering a Certificate IV in Sport Development to 12 participants who are due to complete the course in 2016.
- Providing more sporting and active recreation opportunities for students through the Sport Voucher Scheme with:
  - The redemption of 30 745 Sport Vouchers through 296 urban activity providers.
  - More than 10 000 Territory children living in remote areas benefited from the Sport Voucher Scheme.
- Delivering 63 regional and remote community sport development programs throughout the Territory.
- Reviewing the Grass Roots Development Program to improve access for applicants.

### Future priorities:

- Implementing STARCLUB NT, an online resource tool that will provide Northern Territory clubs with tools and resources to help foster continuous improvement and identify opportunities for ongoing development.
- Working with sport and active recreation organisations to develop and pursue a philosophy of good governance and financial sustainability.
- In conjunction with Parks and Wildlife, fostering partnerships with active recreation providers to deliver initiatives that encourage a greater number of Territorians to get moving amongst nature.
- Working with regional councils to build expertise and capacity of community members to achieve sustainable sporting competitions in remote communities.

### Output: Venues and Events

Manage and lease Territory-owned sporting facilities including Marrara Indoor Stadium, Hidden Valley Motor Sports Complex and TIO Stadium. Negotiate the scheduling and contract the delivery of national sporting matches in the Territory.

Key deliverables	2013-14 actual	2014-15 estimate	2014-15 actual	2015-16 budget
Venues leased to sporting bodies	11	11	12 <sup>1</sup>	12
Venues directly managed	2	2	2	2
National-level sporting events delivered	8	8	11 <sup>2</sup>	9
<b>Marrara Indoor Stadium</b>				
Number of events/ exhibitions	23	23	21 <sup>3</sup>	24
Number of regular scheduled competitions	10	10	9 <sup>3</sup>	9
<b>Hidden Valley Motor Sports Complex</b>				
Number of events	13	13	10 <sup>3</sup>	11
Number of regular scheduled competitions	17	17	15 <sup>4</sup>	17

### Explanatory notes

1. A new Badminton facility in Winnellie for NT Badminton.
2. Additional events included two Sheffield Shield matches and the delivery of the inaugural Mitchell Street Mile.
3. Reduction due to timeslots being permanently booked by sporting clubs therefore limiting available timeslots for other events, exhibitions or competitions.
4. Reduction due to the resurfacing of the track and associated cancellations.



## Key achievements

### Events:

The department's Events division delivered the following sporting events in 2014-15:

Date	Event	Location
13 February 2015	<b>NRL pre-season match:</b> Parramatta Eels v West Tigers	Anzac Oval, Alice Springs
25-28 February 2015	<b>Sheffield Shield* (cricket):</b> Victoria V Queensland	Traeger Park, Alice Springs
13-16 March 2015	<b>Sheffield Shield* (cricket):</b> Victoria v Tasmania	Traeger Park, Alice Springs
27 March 2015	<b>NT Sports Awards</b> More than 270 people in attendance (including 59 nominees representing 29 sports).	Convention Centre, Darwin
30 May 2015	<b>AFL premiership match:</b> Melbourne v Port Adelaide	Anzac Oval, Alice Springs
5 July 2014	<b>AFL premiership match:</b> Melbourne Demons v Fremantle Dockers	TIO Stadium, Darwin
9 August 2014	<b>NRL premiership match:</b> Parramatta Eels v Canberra Raiders	TIO Stadium, Darwin
21 August 2014	<b>Adelaide United Football match:</b> Adelaide United v Alice Springs All Stars	Anzac Oval, Alice Springs
23 August 2014	<b>A-League Pre-Season Football match:</b> Adelaide United v Melbourne City	Anzac Oval, Alice Springs
26 August 2014	<b>Adelaide United Football match:</b> Adelaide United v NORZONE All Stars	Darwin Football Stadium (Larrakia Park), Darwin
21 September 2014	<b>Mitchell Street Mile*</b> (inaugural event) (More than 400 participants)	Mitchell Street, Darwin
11-18 October 2014	<b>Alice Springs Masters Games</b> (3800 participants)	Various sporting venues, Alice Springs
22 November 2014	<b>Women's National Basketball League:</b> West Coast Waves v Sydney University	Alice Springs Basketball Stadium, Alice Springs

\*New events in 2014-15.

The department provided funding to support the delivery of the following sporting events in 2014-15:

- Hottest 7s – International Rugby Union in Darwin (24-25 January 2015).
- Imparja Cup – Alice Springs (8-14 February 2015).
- National Polocrosse Championships in Darwin (7-13 July 2014).
- International Pro Tour Tennis in Alice Springs (27 September – 4 October 2014).



## Key achievements

### Facilities:

- Negotiation of the lease for a badminton facility in Darwin.
- Resurfacing of the Hidden Valley Motor Sports Complex track and pit area.
- Installation of shade structures at Larrakia Park and TIO Stadium.
- Redesign of Turn 1 of the Hidden Valley Motor Sports track to make it safer for drag racing vehicles exiting the track.
- Upgrades to the Marrara Indoor Stadium and the multipurpose hall including painting, signage and installation of security cameras.
- Installation of debris barriers at the Hidden Valley Motor Sports Complex pit lane and marshalling points.
- Installation of bollards at the Marrara netball car park to limit erosion and vehicle access to surrounding bush land.
- Grounds maintenance services to fields and ovals including the premier facilities of TIO Stadium and Larrakia Park to achieve standards to host top events, matches and fixtures.

## Future priorities

### Events:

- Davis Cup – quarter final tie in Darwin.
- AFL premiership matches in Darwin and Alice Springs.
- NRL Parramatta Eels premiership and preseason matches.
- Mitchell Street Mile.
- International Hockey Tournament– Four Nation Hockeyroos.
- NT Sports Awards.

### Facilities:

- Installation of a new scoreboard at Larrakia Park.

- Completion of large storage shed at Marrara Indoor Stadium.
- LED lighting upgrades at Marrara Indoor Stadium.
- Painting of TIO Stadium.
- Construction of a VIP viewing area above the garages at the Hidden Valley Motor Sports Complex.
- Upgrades to lighting and power in the pit area of the Hidden Valley Motor Sports Complex.
- Completion of drainage, sewerage and ablution upgrades at the Hidden Valley Motor Sports Complex.
- Stage 1 replacement of water mains at the Hidden Valley Motor Sports Complex.
- Upgrading of Speedway facilities in Darwin, Katherine, Tennant Creek and Alice Springs.
- Construction of an athletics track in Alice Springs.
- Upgrade of netball facilities in Alice Springs.
- Installing of WiFi capabilities at the Hidden Valley Motor Sports Complex.
- Upgrades of community ovals in regional Northern Territory.

## Output: Corporate and Governance

Provide executive and governance services to directly support the department's functions.

## Output: Shared Services Received

The department received corporate services from the Department of Land Resource Management under a service level agreement. These services included financial services, human resource management, information and communication technology, governance and risk services, and communications and media.

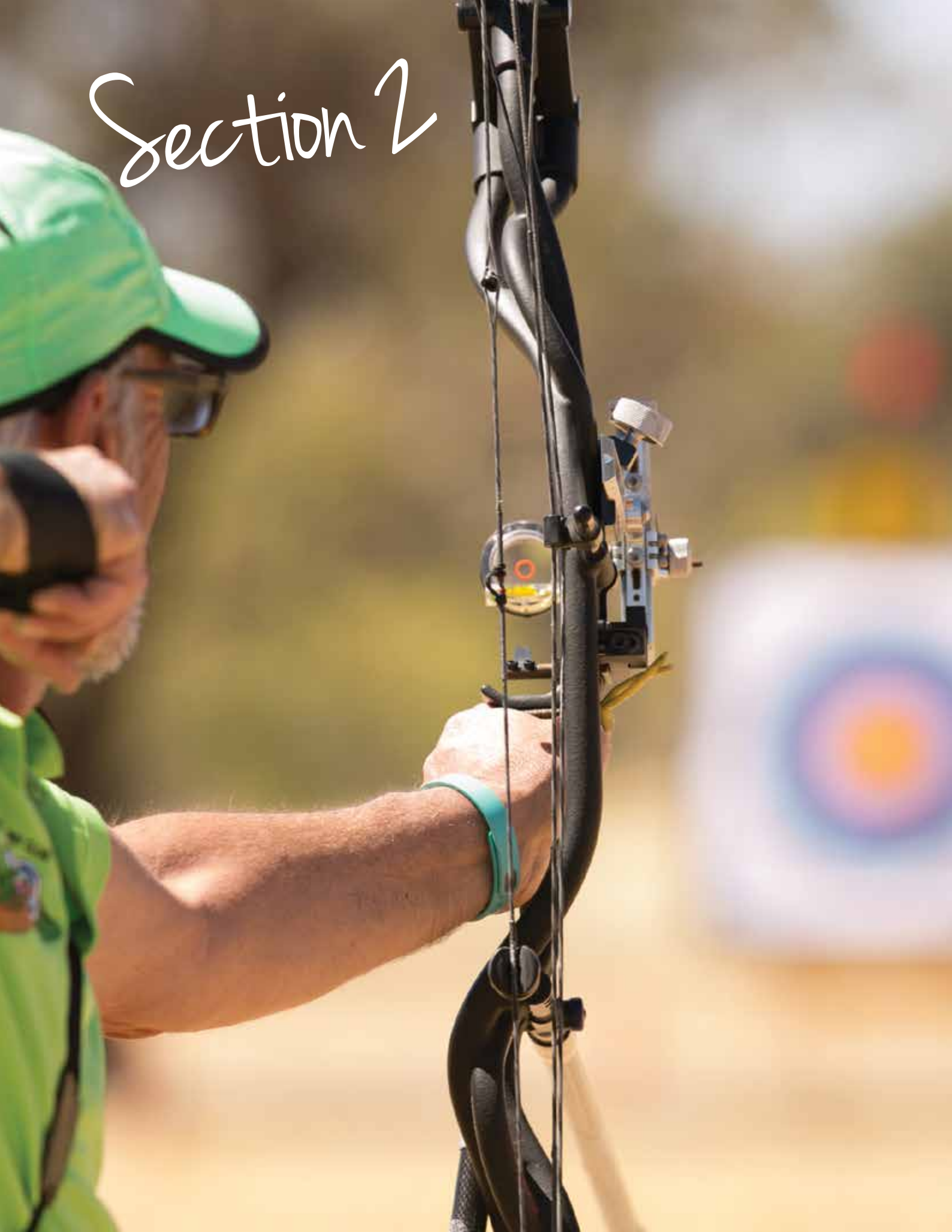
These two outputs support the delivery of the department's primary functions and responsibilities.







# Section 2



## 2.1 CORPORATE GOVERNANCE

Governance is how the department and its people are held to account through defined responsibilities, policies, systems and processes. It is the system by which the department is controlled and operates within to achieve its performance objectives and accountability.

During the year, the department reviewed the governance framework and retained the governance principles based on the Australian Securities Exchange principles of corporate governance that have been reworked for a public sector environment, by the Government of Western Australia's Public Sector Commission.

Within this framework, the department is governed by nine principles. Each principle has operational elements used to assess the department's governance maturity level and identify opportunities for improvement.

### Governance Principles

**1. Government and public sector relationship:**

The department's relationship with the government is clear.

**2. Management and oversight:**

The department's management and oversight is accountable and has clearly defined responsibilities.

**3. Organisational structure:**

The department's structure serves its operations.

**4. Operations:**

The department plans its operations to achieve its goals.

**5. Ethics and integrity:**

Ethics and integrity are embedded in the department's values and operations.

**6. People:**

The department's leadership in people management contributes to individual and organisational achievements.

**7. Finance:**

The department safeguards financial integrity and accountability.

**8. Communication:**

The department communicates with all parties in a way that is accessible, open and responsive.

**9. Risk management:**

The department identifies and manages its risks.

## 2.2 INSURABLE RISK

The department does not take out commercial insurance against the risk of damage to its physical assets or the risk of economic or physical injury to a person. The department has a risk management framework to assist in identifying, managing and minimising risks. In accordance with Treasurer's Direction M2.1, Insurance Arrangement, the department self-insures its risks and meets costs as they emerge.

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

Insurable risk category	Mitigation strategies	Total number/total value of claims
Public liability	<ul style="list-style-type: none"> <li>Formal risk assessments completed.</li> <li>Repairs and maintenance program to reduce risks associated with physical activities.</li> <li>Ongoing review of practices and procedures to ensure public safety.</li> <li>Appropriate signage.</li> <li>Education campaigns for staff and public.</li> <li>Independent reviews.</li> </ul>	No claims
Workers' compensation	<ul style="list-style-type: none"> <li>Formal risk assessments completed.</li> <li>Work health and safety framework developed and implemented.</li> <li>Workplace safety policies and standard operating procedures.</li> <li>Work site assessments.</li> <li>Job-specific training and support.</li> <li>Employee Assistance Program.</li> <li>Early intervention profile.</li> <li>Critical incident debriefings.</li> <li>Work-life balance supported.</li> </ul>	<p>One open workers compensation claim was carried forward from the previous year.</p> <p>There were no new cases raised during 2014-15.</p> <p>In 2014-15, \$9,908 was paid in compensation.</p>
Assets and inventories – all	<ul style="list-style-type: none"> <li>Formal risk assessment completed.</li> <li>Ongoing review of policies and practices to guide standard operating procedures to protect assets.</li> </ul>	No claims.
– Buildings	<ul style="list-style-type: none"> <li>Building audits: security, maintenance and compliance.</li> <li>Appropriate security and testing of fire systems, alarms, patrols and staff.</li> <li>Repairs and maintenance and minor new works program.</li> </ul>	Repairs to lighting and fixtures following vandalism at Marrara Indoor Stadium, \$2000.
– Vehicles (motor vehicles, four-wheel drives)	<ul style="list-style-type: none"> <li>Regular service and maintenance checks.</li> <li>Driver training (four-wheel drives).</li> <li>Safety equipment and accessories (particularly for off-road vehicles).</li> </ul>	The department paid \$13,811 for vehicle repairs.



## 2.3 MANAGEMENT ENVIRONMENT

The department's leadership team is responsible for planning and decision making on corporate governance matters. The Chief Executive Officer provides strategic leadership and systems development for the department.

The leadership team comprises representatives from all output groups. At June 30 2015, its members were:

- Phillip Leslie (Chair), Chief Executive Officer
- Zelma Collins, Director Sport and Recreation Development
- Ian Ford, Director NTIS and Sport Services
- Joanna Frankenfeld, Chief Financial Officer
- Meryl Gowing, Director Facilities and Safety
- Trish Grimshaw, Director Corporate Communications and Media
- Kath Jeffries, Acting Director Human Resources
- Susan Kirkman, Executive Director, Corporate Services
- Eva Lawler, Director Events
- Georgia McCabe (Secretariat), Executive Officer.

The leadership team's responsibilities are to:

1. Act as a consultative forum that provides advice on current and future direction for the department.
2. Set strategic direction.
3. Provide advice and support on the planning, implementation, monitoring and reporting of performance against its corporate responsibilities and objectives, to report against deliverables identified in the department's strategic plan, annual report and budget papers.
4. Provide a forum to consider issues arising from branch activity that may be relevant to other team members;

5. Act as a decision making body to consider and determine responses to policies that impact on the wider community;
6. Act as the decision making body for department-wide policies and systems, such as:
  - Management of risk and assurance in relation to compliance with statutory requirements;
  - Strategic human resource and workforce planning and management;
  - Financial and budget management; and
  - Information and records management and technology and telecommunications planning and management;
7. Maximise opportunities for partnerships, networking and information sharing.

The leadership team met 12 times during 2014-15.

## 2.4 SUB-COMMITTEES

The leadership team is supported by two sub-committees:

- Workplace Health and Safety Committee.
- Audit and Risk Management Committee.

Each sub-committee's responsibilities and membership are outlined below.

### Workplace Health and Safety Sub-Committee

#### Role:

- Assist in meeting the department's legal responsibility to consult with employees on matters that impact on their health, safety and welfare.
- Implement the Agency Safety Management System.
- Advise and report to the leadership team on its actions.

**Key responsibilities:**

- Act as a consultative forum that provides advice on safety matters.
- Keep informed and abreast of health and safety standards.
- Consider and make recommendations to the leadership team about changes to be made at the workplace that may affect the health and safety of employees.
- Review hazard and incident report trends and make recommendations as required.

**Membership at 30 June 2015:**

- Meryl Gowing (Chair), Director Facilities and Safety
- Taneille Anderson, Events
- Errol Edwards, Facilities and Safety
- Caleb Johnston, Facilities and Safety
- Nick Lenoir, NTIS
- Georgia McCabe (Secretariat), Executive Officer
- Carly Saunders, Sport and Recreation Development.

The committee met three times during 2014-15.

**Policies established in 2014-15:**

No new policies were established in 2014-15. The following policies were reviewed and amended where appropriate:

- WHS Framework
- WHS Policy
- WHS Management Plan
- WHS Subcommittee Terms of Reference
- WHS Records Management Policy
- Remote Travel Policy
- WHS Accountability and Responsibilities Guidelines
- WHS Objectives and Targets
- WHS Incident Reporting and Issue Resolution
- Office Hazard Inspection Checklist

- Quad Bike ATV Policy
- Cyclone Preparedness Plan
- First Aid Risk Management Flowchart and Register
- Travel Policy

**Priorities for 2015-16:**

The focus for 2015-16 is to have more comprehensive and updated risk registers developed for each departmental location to assist in the mitigation of risks and hazards.

There will also be a renewed emphasis on training, with a training program to be developed, including supporting the development of in-house expertise through opportunities to complete a Certificate IV in Work Health and Safety, to ensure all staff, managers and committee members remain fully aware of their rights and responsibilities under the legislation.

**Audit and Risk Management Committee****Role:**

To provide independent advice and assistance to the Chief Executive Officer on the effectiveness of the department's audit, risk management and internal control processes. This assists the CEO to achieve external accountability and legislative compliance responsibilities, thereby strengthening the department's governance arrangements.

**Key responsibilities:**

- Monitor strategic, corporate and operational risk management and the adequacy of the internal controls established to manage identified risks.
- Monitor the adequacy of the department's internal control environment and review the adequacy of policies, practices and procedures in relation to their contribution to, and impact on, the department's internal control environment.



- Monitor the internal audit function (including development and implementation of the internal audit plan, coordination of audit programs, monitoring of internal audit findings, including management's responses to, and implementation of the audit recommendations).
- Monitor the Northern Territory Auditor-General's audit program; audit findings including reports to the Northern Territory Legislative Assembly; and the department's responses to, and implementation of the audit recommendations.
- Comment on the state of organisational governance within the scope of the Audit and Risk Management Committee's Terms of Reference in the areas of the department's risk management framework, the internal controls framework and external accountability.

#### **Membership at 30 June 2015:**

- Zelma Collins (Chair), Director Sport and Recreation Development
- Cathy Fong, Director Corporate Governance
- Matthew James, Events
- Anthony Judd, NTIS
- Catherine O'Brien (Secretariat), Executive Services.

The committee met three times during 2014-15.

#### **Priorities for 2015-16:**

Continue to monitor the department's internal audit function which will include the implementation of the department's Internal Audit Plan, monitoring of audit reports and management's responses to audit findings.





## 2.5 AUDITS

### Northern Territory Auditor-General Audits

The Office of the Northern Territory Auditor-General undertook one external audit during 2014-15.

NT Auditor-General External Audit	Focus	Outcome
Compliance Audit – Official Travel	The objective of the audit was to assess the travel entitlements paid to employees of the department during the period 1 July 2014 to 31 December 2014.	The audit identified three matters in relation to travel by Department of Sport and Recreation employees.  These issues are being addressed through the introduction of the NTG Travel Management System and continued education on the travel policy.



## Internal audits

The following risk based internal audits were conducted as part of the department's 2014-15 Internal Audit Plan. Management's implementation of audit recommendations is monitored by the department's Audit and Risk Management Committee.

Internal Audit	Focus	Outcome
Cabinet Information Security Measures Annual Compliance Check	To assess the department's compliance with the required Cabinet Information Security Measures.	No material weaknesses in controls were identified during the compliance check.
Compliance with the <i>Information Act</i>	To review the department's level of compliance with Part 9 of the <i>Information Act</i> with regards to the NTG Record Management Standards.	No material issues were identified however opportunities exist to enhance the record management activities. The audit found the department is working towards the requirements.
Internal audit of Fringe Benefits Tax	To evaluate the department's Fringe Benefits Tax compliance with relevant legislation and NT Government requirements.	No material issues or risks were identified. The audit assessed the department's level of FBT compliance as good.
Internal audit of Entertainment and Hospitality	To examine the internal controls managing the department's entertainment and hospitality activities.	No material issues or risks were identified. The department's controls were assessed as good.
Internal Audit of Tier 2 Procurement	To test the Tier 2 procurement activities during quarter 2 of 2014-15, for compliance with the <i>Procurement Act</i> .	No material issues or risks were identified. The audit found existing controls were satisfactory.

## 2.6 WORK HEALTH AND SAFETY (WHS)

The department is committed to providing and maintaining safe and healthy workplaces to ensure compliance with the *Work Health and Safety (National Uniform Legislation) Act 2011* and the *Workers Rehabilitation and Compensation Act*.

Employee consultation is through the WHS sub-committee and information is included in regular newsletters from the Chief Executive Officer.

The leadership team acts as the department's WHS approving body and is supported by the WHS sub-committee which comprises of representatives from across the department.

### Hazard and incident reporting

During the 2014-15 reporting period, there was one incident reported to the department's WHS Sub-Committee.

The incident related to a report of excessive cold temperature at Harbour View Plaza on 24 February 2015. The issue was resolved by contacting the building owner to organise a contractor to adjust the air temperature.

## 2.7 GOVERNING LEGISLATION

The department is responsible for administering two pieces of legislation—one Act and one piece of subordinate legislation—on behalf of the Minister for Sport and Recreation.

This legislation provides an overriding direction for some of the department's functions. The legislation administered includes:

1. *Major Cricket Events Act*
2. Major Cricket Events Regulations.

## 2.8 STATUTORY AUTHORITIES AND BODIES

### Northern Territory Water Safety Advisory Council

The Northern Territory Water Safety Advisory Council is a ministerially appointed council that provides advice to government on water safety issues.

Its membership is made up of both Northern Territory Government department representatives and community stakeholders with a vested interest in water safety. The role of the council is to provide advice regarding water safety issues and advice on how to minimise drowning and water-related injuries in the Northern Territory.

The Water Safety Advisory Council meets quarterly. In 2014-2015, the Northern Territory Water Safety Advisory Council met four times.

### Members at 30 June 2015:

**Chairperson:** Mrs Daphne Read (remunerated \$4800 per annum).

**Secretariat:** From 1 July 2014, the Secretariat function for the Northern Territory Water Safety Advisory Council transferred to the Royal Life Saving Society of the NT from the Department of Sport and Recreation.

**Members:** Vicki Baylis, Kevin Bleus, Zelma Collins, Senior Constable Romolo Dalla Costa (alternate), Bob Elix, Stephen Gazzola (alternate), Steven Hennessy, Rebecca Johnson (alternate), Meredith Neilson, Shaan Novak, Vicki O'Halloran, Sergeant John Pini, Victoria Pollifrone, Floss Roberts, Julie Snelling (alternate), Tony Snelling, Sri Srinivas (alternate), Vanda Stewart, Kirrily Chambers.



## 2.9 INFORMATION MANAGEMENT

Under Section 11 of the *Information Act*, the department is required to annually prepare a report to detail:

- Its structure and functions.
- The kinds of government information it usually holds.
- Its procedures for providing access under Part 3 (Access and Correction Rights) to government information it holds.
- Its procedures for correcting under Part 3 personal information it holds.

This information may be published in a document, a database or any other material form, and must be available in at least one of those forms for inspection and purchase by members of the public.

### Access to information

The department's guidelines and procedures to enable access to information and to request corrections to personal information is available at [www.sportandrecreation.nt.gov.au](http://www.sportandrecreation.nt.gov.au)

Further assistance can be provided by contacting:

FOI Officer  
Department of Sport and Recreation  
GPO Box 1448  
Darwin NT 0810

### Government information held by the department

During 2014-15, the department continued to improve record management practices, procedures and policies to ensure compliance with Part 9 of the *Information Act*, which requires that the department develop and implement plans and processes to ensure full and accurate records are created, captured, discoverable, secure and where appropriate disposed of in line with the approved disposal schedules.

## Request for access to information in 2014-15

During the reporting period, there were no applications received by the department for access to government or personal information under the *Information Act*.

### Ombudsman enquiries

During 2014-15, there were no Ombudsman enquiries received by the department.

## 2.10 COMMUNITY ENGAGEMENT

The department undertook a range of community engagement activities in 2014-15, including:

- The delivery of sport education forums titled "Higher, Faster, Stronger" in Alice Springs, Darwin, Katherine, Gove and Tennant Creek with more than 200 attendees.
- Partnering with CHARTTES Training Advisory Council to deliver a Certificate IV in Sport Development for 12 participants (due for completion in 2016).
- Providing industry information and education sessions on grants and sport development.
- Supporting the development of more than 360 athletes (including 26 NTIS scholarship holders), and more than 250 coaches (including 20 NTIS coach scholarship holders, teachers and parents) in a wide variety of sports across the Northern Territory.
- Promotion of the Sport Voucher Scheme through outdoor advertising (including advertisements on buses and an airport billboard), radio and television advertising and attendance at community events such as the Teddy Bears' Picnic at Darwin's Botanic Gardens.

- Providing community development and engagement opportunities through the department's relationship with the Parramatta Eels NRL Club, Melbourne Demons AFL Club, Adelaide United Football Club and the West Coast Waves

Women's National Basketball League club. Activities included sports and life skills clinics at schools, coaching clinics for sporting clubs and community engagement by players and club officials.

## 2.11 INVESTMENT PROGRAMS

The department administers a number of grants to Territorians. All grants are distributed under a grant agreement, which includes the grant purpose and the reporting process to confirm the objective of the grant has been achieved.

### Peak sporting body investment program

The department provided grant funding through the Peak Sporting Body Investment Program to 46 organisations across the Northern Territory, totalling \$4 million. Recipients in 2014-15 were:

Recipient	Amount (\$)
AFL Northern Territory Limited	135 000
Australian Bowhunters Association Incorporated in the NT	23 250
Baseball Northern Territory Incorporated	115 500
Basketball NT Incorporated	150 000
Bowls NT Incorporated	90 000
Boxing Northern Territory Incorporated	34 500
Cycling NT Incorporated	55 500
Equestrian Northern Territory Incorporated	22 500
Football Federation Northern Territory Inc	195 000
Golf NT Incorporated	128 250
Hockey NT Incorporated	195 000
International Practical Shooting Confederation (NT) Incorporated	20 250
Judo Federation Australia NT Incorporated	46 500
MotorSports NT Incorporated	195 000
Netball NT Incorporated	165 000
Northern Territory Athletics Incorporated	136 500
Northern Territory BMX Association Incorporated	37 000
Northern Territory Calisthenics Association Incorporated	39 000
Northern Territory Clay Target Association	28 630
Northern Territory Cricket Association Incorporated	186 750
Northern Territory Darts Council Incorporated	15 000
Northern Territory Gymnastic Association Incorporated	94 500
Northern Territory Polocrosse Association Incorporated	21 600
Northern Territory Rifle Association Incorporated	24 000
Northern Territory Rugby League Incorporated	185 250
Northern Territory Rugby Union Incorporated	195 000
Northern Territory Softball Association Incorporated	117 000
Northern Territory Table Tennis Association Incorporated	30 000

Recipient	Amount (\$)
Northern Territory Water Ski Association Incorporated	37 500
Northern Territory Weightlifting Association Inc	11 250
NT Badminton Association Incorporated	31 500
NT Tenpin Bowling Association Incorporated	72 750
Pedals NT	13 000
Pistol NT Incorporated	28 500
Pony Club Association of the Northern Territory Incorporated	23 250
Royal Life Saving (Australia) Northern Territory Branch*	207 250
Skate Australia Inc	35 000
Sports Medicine Australia NT Branch	105 000
Squash NT Incorporated	94 500
Surf Life Saving Northern Territory Incorporated	80 250
Swimming Northern Territory Incorporated	136 000
Tennis NT Incorporated	186 000
Touch Football Northern Territory	178 500
Triathlon NT Incorporated	66 000
Volleyball Northern Territory Inc	40 000
Yachting Northern Territory Incorporated	42 000
<b>Total</b>	<b>4 069 730</b>

\* This includes a one-off branch of \$76 000 for Royal Life Saving NT's Water Safety Awareness Program.

### Active Recreation Organisations Investment Program

The department provided grant funding through the Active Recreation Organisations Investment Program to 14 organisations across the Northern Territory totalling \$1.2 million. Recipients in 2014-15 were:

Recipient	Amount (\$)
Alice Springs Youth and Community Centre Inc	120 000
Australian Red Cross Society	90 000
Disabled Sports Association NT	75 000
Gap Youth and Community Centre Aboriginal Corporation	60 000
Girl Guides NT Inc	67 500
Hamilton Downs Youth Camp Association Inc	52 500
Life Be in it NT Inc	120 000
Riding for the Disabled Alice Springs Inc	41 500
Riding for the Disabled in the Top End	80 000
Scout Association of Australia Northern Territory Branch	67 500
Total Recreation NT Inc	112 500
YMCA of Central Australia Inc	105 000
YMCA of Katherine Inc	105 000
YMCA of the Top End Inc - Palmerston Recreation Centre	105 000
<b>Total</b>	<b>1 201 500</b>



## Northern Territory Institute of Sport

The department provided grant funding to 20 NTIS athletes and coaches totalling \$50 000.

Recipients in 2014-15 were:

Recipient	Amount (\$)
Adam Luck	1 500
Elizabeth Duguid	3 000
Erin Lidbetter	1 500
George Brown (paid to Northern Territory Rugby League Incorporated)	5 000
David Auld (paid to Hockey NT Incorporated)	5 000
Isabella MacDonald	1 500
Jacqueline Graf	1 333
Maddison Smith	1 333
Melanie Hall	5 000
Michael Hagan	750
Nathan Hochman	1 334
Penny Shearer (paid to Netball NT Incorporated)	3 000
Donna Stewart (paid to Netball NT Incorporated)	2 000
Nick Edwards	1 500
Friday Kasteni (paid to Northern Territory Cricket Association Incorporated)	5 000
Rhys Dowling	3 000
Rodney Baird	750
Tabatha Saville	1 000
Tom O'Neil-Thorne	5 000
William Nugraha	1 500
<b>Total</b>	<b>50 000</b>

The department provided funding, totalling \$85 000, to peak sporting bodies for reimbursement payments to scholarship coaches upon completion of requirements.

Recipients in 2014-15 were:

Recipient	Amount (\$)
Basketball NT	10 000
Hockey NT	10 000
Netball NT	15 000
NT Cricket	10 000
NT Rugby League	10 000
Squash NT	20 000
Swimming NT	10 000
<b>Total</b>	<b>85 000</b>

## Active Remote Communities Investment Program

The department provided grant funding through the Active Remote Community Investment Program to 20 organisations across the Northern Territory totalling \$2.3 million. Recipients in 2014-15 were:

Recipient	Amount (\$)
Anyinginyi Health Aboriginal Corporation	39 000
Barkly Regional Council	204 000
Basketball NT Incorporated	127 000
Belyuen Community Government Council	3 958
Central Australian Redtails Football Club	50 000
Central Desert Regional Council	204 000
Coomalie Community Government Council	30 594
East Arnhem Regional Council	272 000
East Arnhem Regional Council	10 000
MacDonnell Regional Council	306 000
Northern Territory Cricket Association Incorporated	50 000
Northern Territory Softball Association Incorporated	139 000
NPY Women's Council	20 000
Roper Gulf Regional Council	238 000
Tangentyere Council Incorporated	28 700
Tiwi Islands Regional Council	102 112
Victoria Daly Regional Council	146 750
Wagait Shire	20 178
Warlpiri Youth Development Aboriginal Corporation	39 000
West Arnhem Regional Council	208 000
West Daly Regional Council	91 250
<b>Total</b>	<b>2 329 542</b>



## Facility and Capital Equipment Investment Program

The department provided grant funding through the Facility and Capital Equipment Investment Program to 30 organisations across the Northern Territory totalling \$1.75 million. Recipients in 2014-15 were:

Recipient	Amount (\$)
AFL Northern Territory Limited	2 500
Alice Springs Basketball Association Inc	45 000
Alice Springs Support Group	26 000
Alice Springs Town Council	30 000
Barkly Regional Council	20 000
Big Rivers BMX Club Inc	17 000
Darwin Golf Club Inc	50 000
Darwin Sailing Club Inc	50 000
Darwin Show Jumping Club	17 000
East Arnhem Regional Council	50 000
Freds Pass Sport and Recreation Management Board Inc	560 000
Girl Guides NT Inc	28 000
Humpty Doo Bowls Club Inc	50 000
Katherine District Cricket Association	18 000
Katherine Sports and Recreation Club Incorporated	150 000
Katherine Tennis Club Inc	12 000
Katherine Town Council	24 000
Litchfield Horse & Pony Club	120 000
Marrara Judo Club Inc	11 000
Northern Territory Gymnastic Association Incorporated	20 000
NT Cue Sports	24 000
NT Police & Citizens Youth Clubs Association Inc	50 000
Palmerston Rugby Union Club Incorporated	73 000
Roper Gulf Regional Council	119 000
Sporting Shooters Association of Australia Inc	20 000
Surf Life Saving Northern Territory Incorporated	20 000
Tracy Village Football Club	16 000
Waratah Cricket Club Incorporated	50 000
Warlpiri Youth Development Aboriginal Corporation	50 000
West Arnhem Regional Council	30 000
<b>Total</b>	<b>1 752 500</b>



## Grass Roots Investment Program

The department provided grant funding through the Grass Roots Investment Program to 66 organisations across the Northern Territory totalling \$205 627. Recipients in 2014-15 were:

Recipient	Amount (\$)
1st Darwin Girl Guides Parap (paid to Girl Guides NT Inc)	2 706
Aikido Northern Territory	2 900
Alice Springs Baseball Association Inc	1 672
Alice Springs Clay target Cub Inc	5 000
Alice Springs Equestrian Management Group	3 000
Alice Springs Gliding Club Inc.	5 000
Alice Springs Running & Walking Club	2 100
Alice Springs Saddle Horse Club	3 000
Alice Springs Softball Association	3 000
Alice Springs Swimming Club Inc	3 000
Alice Springs Table Tennis Association	4 900
Alice Springs Tennis Association	4 400
Alice Springs Triathlon Club Incorporated	3 500
Arafura Dragons Paddlers Club Inc	2 900
Arunga Park Speedway Association Inc	2 970
Banks Hockey Club Incorporated	2 000
Berrimah Riding Club	3 900
Bush Church Boxing (paid to NT Boxing Association)	4 400
Central Australian Rifle Club	1 600
Central Memorial Rugby League Club Incorporated	2 400
Darwin Athletics Club	3 000
Darwin Baseball Association	3 000
Darwin Canoe Club Incorporated	2 800
Darwin Dragons Rugby Union Club	3 600
Darwin Pistol Club Inc	3 000
Darwin Powersports Incorporated	2 997
Darwin Swimming Club Incorporated	4 400
East Darwin Hockey Club	1 700
Football in Central Australia	2 100
Freds Pass Sport & Recreation Management Board Inc	3 000
GGNT - Darwin Phoenix Guides (paid to Girl Guides NT Inc)	1 735
Gove Yacht Club Trading as Gove Boat Club	1 700
Greater Palmerston United Football Pty Ltd	3 000
Hoggies Netball Club (paid to Darwin Netball Association)	3 000
Katherine Athletics Centre (paid to Northern Territory Athletics Inc)	4 000
Katherine Football Club	2 900
Katherine Tennis Club Inc	4 900
Lightning Basketball Club (paid to Darwin Basketball Association)	1 500
Mackillop Sharks Rugby League Football Club (paid to Northern Territory Rugby Football League Inc)	3 000

Recipient	Amount (\$)
Mid Year Junior Golf Clinic Inc	5 000
Mindil Beach Surf life Saving Club (paid to Surf Life Saving Northern Territory Inc)	3 900
Nakara Soccer Club Inc	2 200
Neata Glass Giants Netball Club	1 500
Nhulunbuy BMX Club Inc	3 000
Nightcliff Baseball Club Incorporated	5 000
Nightcliff Netball Club (paid to Darwin Netball Association)	2 500
North Australian Motor Sports Club Incorporated	2 900
Northern Territory Field and Game Association Incorporated	3 000
Northern Territory Speedway Council Incorporated	2 500
Palmerston and Regional Basketball Association Inc	4 500
Palmerston Athletic Club	3 800
Palmerston Cricket Club Inc	2 000
Port Darwin Football Club Inc	2 900
Red Centre BMX Club Inc	2 500
South Darwin Rugby Union Football Club	1 500
Southern Districts Cricket Club	4 500
Tennant Creek Jujitsu and Mixed Martial Arts (paid to Australian Federation of Brazilian Jiu Jitsu)	5 000
Tennant Creek Speedway Club Inc	2 300
Territory Gymnastics Academy Inc	3 000
The Darwin Sailing Club Inc	3 000
Top End Orienteers Inc	3 800
Top End Practical Shooting League	1 647
Vikings Football Club Incorporated	4 400
Waratah Football Club Incorporated	1 500
West Arnhem Regional Council	6 000
Works Cricket Club Inc	2 100
<b>Total</b>	<b>205 627</b>

## Quick Response Program

The department provided grant funding through the Quick Response Program to 43 organisations and individuals across the Northern Territory totalling \$365 380. Recipients in 2014-15 were:

Recipient	Amount (\$)
Alice Springs Basketball Association Inc	2 500
Alice Springs Golf Club Inc	3 000
Alice Springs Netball Association Inc	5 000
Alice Springs Squash Association (paid to Squash NT Inc)	15 000
Arunga Park Speedway Association Inc	5 900
Australian Baseball Federation	2 000
Basketball NT Incorporated	40 000

Recipient	Amount (\$)
Bo de la Cruz	1 000
Bradley Krikke	1 000
Brendan Von Gerhardt	2 000
Central Australian Rough Riders Incorporated	15 000
Central Australian Rugby Football League Inc	1 000
Coomalie Community Government Council (paid to Palmerston and Regional Basketball Association)	1 000
Coomalie Community Government Council	2 880
Darwin Canoe Club Incorporated	2 000
Darwin Cricket Club Inc	7 000
Darwin Cycling Club	3 000
Darwin Gymnastic Club Inc	6 400
Desert Sport Foundation	100
Emma Kraft	2 000
Equestrian Northern Territory Incorporated	5 000
Jane Slater	1 000
Katherine Athletics Club	1 000
Lisa Curry Health Pty Ltd	4 500
Matthew Juster	2 000
Melaleuca Refugee Centre	1 000
Northern Territory Aboriginal and Torres Strait Islanders Golf Committee (paid to Golf NT Inc)	5 000
Northern Territory Veteran Golfers Association	10 000
Palmerston Football Club Inc	5 000
Roper Gulf Regional Council	4 500
Skinnyfish Music Pty Ltd	25 000
Tennis Alice Springs	5 000
Tennis Australia Incorporated	17 500
Territory Gymnastics Academy Inc	6 400
Territory Quad Association	8 900
The Conway's Kids	4 000
Total Recreation	5 000
Touch Football Northern Territory	1 000
Tracy Village Social and Sports Club Inc	50 000
Traditional Shotokan Karate-do Federation of Darwin (paid to NT Police and Citizens Youth Clubs Association Inc)	4 000
Victoria Daly Regional Council	21 000
West Daly Regional Council	5 000
West Daly Regional Council	4 800
Warlpiri Youth Development Aboriginal Corporation	49 000
Yachting Northern Territory Incorporated	2 000
<b>Total</b>	<b>365 380</b>



## Sport Voucher Scheme and Learn to Swim Voucher Scheme

The department provided grant funding to registered activity providers via the Sport Voucher Scheme and Learn to Swim Voucher Program totalling \$5.5 million.

Recipient	Amount (\$)
Learn to Swim Vouchers	151 900
Sport Vouchers	5 328 994
<b>Total</b>	<b>5 480 894</b>

## National and International Competition Incentive

The department provided grant funding to five organisations to participate in significant sporting competitions totalling \$390 000. Recipients in 2014-15 were:

Recipient	Amount (\$)
AFL Northern Territory Limited	200 000
Football Federation Northern Territory Inc.	15 000
Netball NT Incorporated	50 000
Northern Territory Cricket Association Incorporated	50 000
Northern Territory Hockey Incorporated	75 000
<b>Total</b>	<b>390 000</b>

## Capital investment

The department provided grant funding to nine capital projects totalling \$7.3 million during 2014-15. Recipients in 2014-15 were:

Recipient	Amount (\$)
Alice Springs Golf Club Inc	1 500 000
Central Australian Drag Racing Association	300 000
Darwin Bowls and Social Club	1 500 000
Darwin North RSL and Bowls Club	500 000
Katherine Country Club	820 000
Riding for the Disabled Alice Springs	250 000
Riding for the Disabled Top End	250 000
Satellite City BMX Club Inc	1 980 000
Top End Road Racing Association Inc	200 000
<b>Total</b>	<b>7 300 000</b>

## Events

The department provided grant funding to the following organisations for sporting events totalling \$3.5 million. Recipients in 2014-15 were:

Recipient	Amount (\$)
Adelaide United	50 000
Australian Football League (AFL)	1 400 000
Australian Rogaining Association Inc	30 000
Cricket Australia	140 000
Hockey Australia Inc	160 000
Northern Territory Athletics Incorporated	25 000
Northern Territory Athletics Incorporated (Mitchell Street Mile)	91 000
Parramatta National Rugby League Club Ltd	1 000 000
Tennis Australia Ltd (Davis Cup quarter final)	600 000
Tennis Australia Ltd (International Pro Tour Tennis)	15 000
<b>Total</b>	<b>3 511 000</b>

## Contributions to national bodies

Recipient	Amount (\$)
Committee of Australian Sport and Recreation Officials (CASRO)	18 000
<b>Total</b>	<b>18 000</b>





## 3.1 OUR PEOPLE

### Overview

The department values the work of its staff and continues to focus on building workforce capability to achieve the department's operational outcomes, and effectively deliver services and programs that support the development of the sport and active recreation sectors in the Northern Territory.

The department has an arrangement with the Department of Land Resource Management to provide Human Resource (HR) Services through a service level agreement to deliver best practice in HR management for all employees.

HR Services supports the department in building its employee capacity and capability by facilitating a number of learning and development programs. HR Services works alongside directors and managers at the department to support and encourage a positive workplace culture which is reinforced through programs, policies and frameworks to comply with legislative requirements for employment.



## Staff snapshot at 30 June 2015

### Headcount

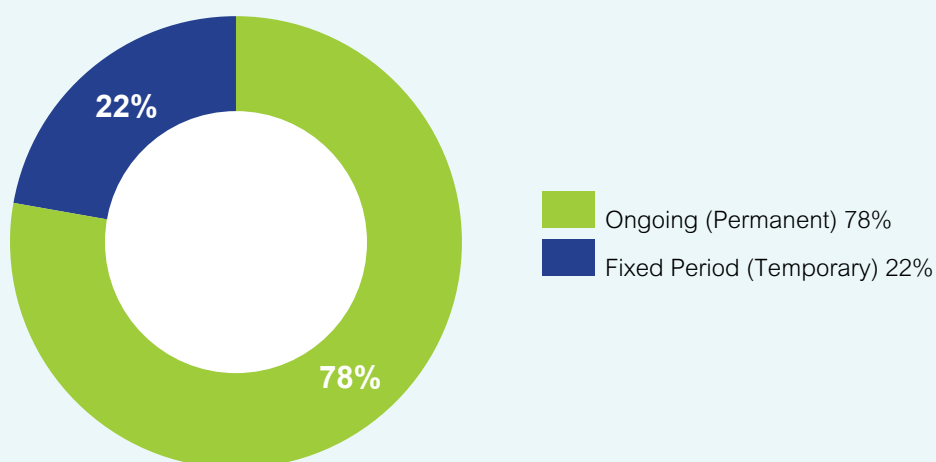
2013-14	57 (52.9 FTE)
2014-15	54 (50.9 FTE)

	2013-14	% of all staff	2014-15	% of all staff
<b>Full-time staff</b>				
Ongoing full-time	46	80.7	41	75.9
Fixed period (temporary full-time)	10	17.5	12	22.2
<b>Part-time staff</b>				
Ongoing part-time	1	1.8	1	1.9
Fixed period (temporary part-time)	0	0.0	0	0.0
Fixed period (casual)	0	0.0	0	0.0
Graduates, apprentices and cadets	0	0.0	0	0.0

Source: Personnel Information Payroll System

FTE = Full Time Equivalent

## Employees by employment status 2014-15



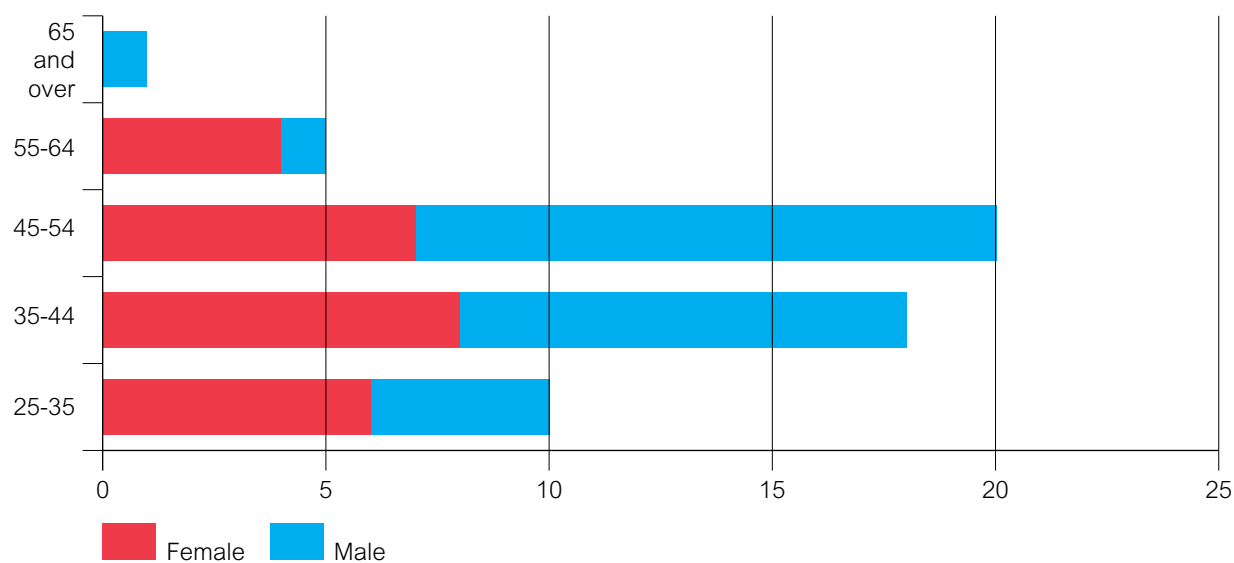
## 3.2 EMPLOYEE PROFILE

The following tables and graphs depict the department's employee profile.

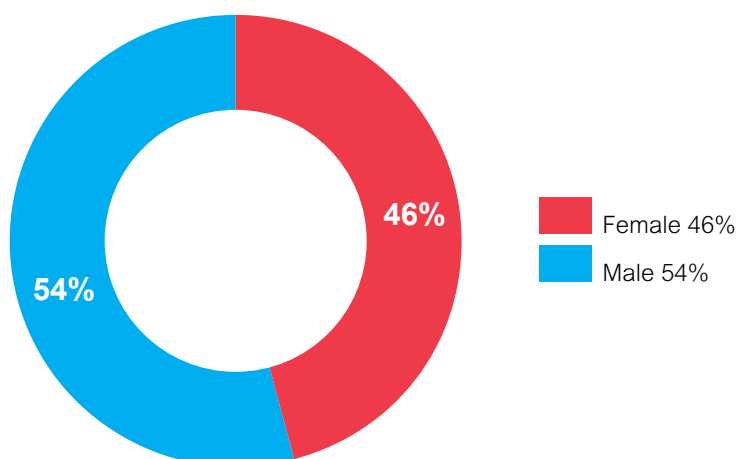
### Employees by age and gender

Age	2013-14			2014-15		
	Male	Female	Total	Male	Female	Total
24 and under	1	0	1	0	0	0
25-34	6	10	16	4	6	10
35-44	9	9	18	10	8	18
45-54	14	2	16	13	7	20
55-64	4	2	6	1	4	5
65+	0	0	0	1	0	1
<b>Full-time staff</b>	<b>34</b>	<b>23</b>	<b>57</b>	<b>29</b>	<b>25</b>	<b>54</b>

### Employees by age 2014-15



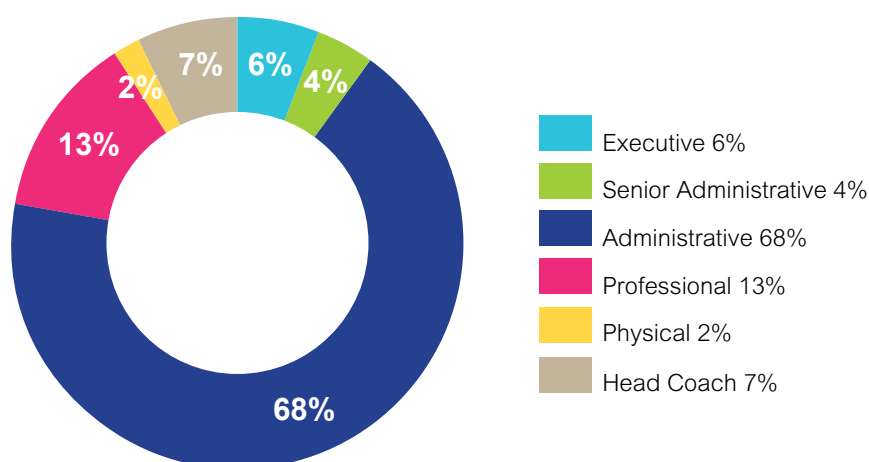
### Employees by gender 2014-15



## Employees by stream:

Stream	2013-14	2014-15
Executive	2	3
Senior Administrative	3	2
Administrative	42	37
Professional	4	6
Senior Professional	1	1
Head Coach	4	4
Physical	1	1
Graduate/Trainee/Apprentice	0	0
<b>Total</b>	<b>57</b>	<b>54</b>

## Employees by employment status 2014-15



## Employees by classification:

Stream	2013-14	2014-15
Administrative Officer 3	3	3
Administrative Officer 4	3	3
Administrative Officer 5	18	14
Administrative Officer 6	10	8
Administrative Officer 7	8	9
Graduate/Trainee/Apprentice	0	0
Executive Contract Officer 1	1	2
Executive Contract Officer 3	1	1
Head Coach Level 2	0	0
Head Coach Level 3	4	4
Physical 3	1	1
Professional 1	1	1
Professional 3	3	5
Senior Administrative 1	3	2
Senior Professional 1	1	1
<b>Total</b>	<b>57</b>	<b>54</b>



### 3.3 LEARNING AND PROFESSIONAL DEVELOPMENT

Ongoing learning, development and educational opportunities were offered to all employees during 2014-15. The department promoted a range of learning and development activities to help grow and enhance the expertise and knowledge of its staff members across a range of areas such as corporate governance, leadership, recruitment, cross cultural awareness and providing a safe workplace.

Including:

Course/Training	Number of staff who completed training
BOXI Finance	7
BOXI-HR	1
Certificate IV in Training and Assessment (TAE40110)	1
Combat Bullying Management Program	5
Combat Bullying Program	18
Corporate Induction	2
Corporate Merit Based Recruitment and Selection	5
Cross Cultural Training - Basic	2
Cross Cultural Training - In-Depth	2
Dealing with the Tough Stuff	1
Fire Warden Training	1
Future Leaders Program	1
GST Tango - Introduction to GST in the NT Government	12
Key Performance Indicators	1
Member Protection Information Officer Training	1
Modern Strategic Planning	1
Play by the Rules - Child Protection	1
Play by the Rules - Harassment and Discrimination	1
Play by the Rules - Complaint Handling	1
Provide First Aid (HLTAID003)	5
TRIM Level 1	5

In 2014-15, the department also supported three staff members undertake further education.

## 3.4 EMPLOYMENT PROGRAMS

### Indigenous Cadetship Support Program

The Indigenous Cadetship Support Program is part of the Australian Government's Indigenous Economic Development Strategy. Combined with work experience, the program is aimed at increasing opportunities for Indigenous people to gain professional qualifications.

Cadets receive a study allowance, book allowance and paid-for placements during their semester breaks.

The department had no cadets in 2014-15.

## 3.5 LEGISLATIVE COMPLIANCE

### Reporting against Employment Instructions

#### Number 1 – Filling Vacancies

- Recruitment and establishment procedures are available on the staff intranet.
- HR consultants continue to provide advice to staff on recruitment and selection processes.

Merit selection training was offered during 2014-15 and facilitated by the Office of the Commissioner for Public Employment's Grievances and Appeals Unit.

In preparation for changes to the Northern Territory Government Recruitment Process, all staff were encouraged to attend merit selection training where required and/or appropriate.

#### Number 2 – Probation

- The department adheres to the NTPS wide probation policy.
- Senior management is regularly advised on the status of employee probations.

#### Number 3 – Natural Justice

- The department observes the principles of natural justice in all dealings with employees.
- The Code of Conduct program includes reference to natural justice principles.

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

- The Personnel Evaluation System (PES) process and system continues to encourage high levels of performance through regular discussions and continuous development. The PES monitors the progress of line managers and employees in achieving strategic goals and outcomes identified by the department.

#### Number 5 – Medical Examinations

- Advice is provided to managers on a case-by-case basis.
- No medical incapacity cases commenced during 2014-15.

#### Number 6 – Performance and Inability

- Advice is provided to managers on a case-by-case basis.
- There were no inability cases during 2014-15.

#### Number 7 – Discipline

- The discipline policy and procedures are available for staff on the department's intranet site.
- HR consultants work closely with managers to ensure processes are followed correctly.
- There were no Section 49 disciplinary actions undertaken during 2014-15.

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

- A grievance policy and procedures are available for staff on the department's intranet site.
- HR consultants work closely with managers to ensure processes are followed correctly.
- There were no Section 59 grievances in 2014-15. One internal department complaint was investigated.

### **Number 9 – Employee Records**

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

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

- The department adheres to NTPS wide equity programs.
- The department supports Indigenous programs (detailed in this report).
- The department adheres to the principles of the EmployAbility Strategy.

### **Number 11 – Occupational Health and Safety Standards Programs**

- The department consulted staff on a revised Work Health and Safety (WHS) Management System Framework.
- Regular communication on the suggested changes was provided to employees through the Chief Executive Officer's updates and the department's intranet.
- Health and safety programs, and associated policy and procedures, have been revised to reflect new departmental and legislative requirements.
- Managers conduct a WHS worksite induction with new employees on commencement with the department.

### **Number 12 – Code of Conduct**

- The Code of Conduct is available to all staff on the intranet and is reinforced through activities by HR consultants.
- The code is also an integral component of the corporate induction that is mandatory for all new staff.

Ten Code of Conduct workshops were held during 2014-15 with two department employees attending. Workshops were held in Darwin, Katherine and Alice Springs.

The workshop is designed to enhance employees' knowledge of ethical business practices and to provide practical strategies for dealing with situations that arise at work.

The workshop draws on the Northern Territory Public Sector Principles and Code of Conduct, as set out in regulations under the *Public Sector Employment and Management Act*.

The Code of Conduct document sets out the conduct expected of all Northern Territory Public Service employees and the values they are obliged to uphold.







## SECTION 4

# Financial report

### THE DEPARTMENT FINANCIAL STATEMENT OVERVIEW

This section of the report provides an analysis of the financial outcome of the Department of Sport and Recreation for the year ended 30 June 2015.

The department has the following outputs:

- Northern Territory Institute of Sport (NTIS);
- Sport and Recreation;
- Venues and Events;
- Corporate and Governance; and
- Shared Services Received.

In 2014-15 an administrative order transferred the Racing function from the former Department of Sport, Recreation and Racing to the Department of Business. The financial statements in 2013-14 therefore include the Racing function and in 2014-15 the Racing function is excluded.

Due to the restructure, the following analysis will only compare the current year results to the budget and comparatives restated in the trend data to exclude Racing.

## Financial Performance

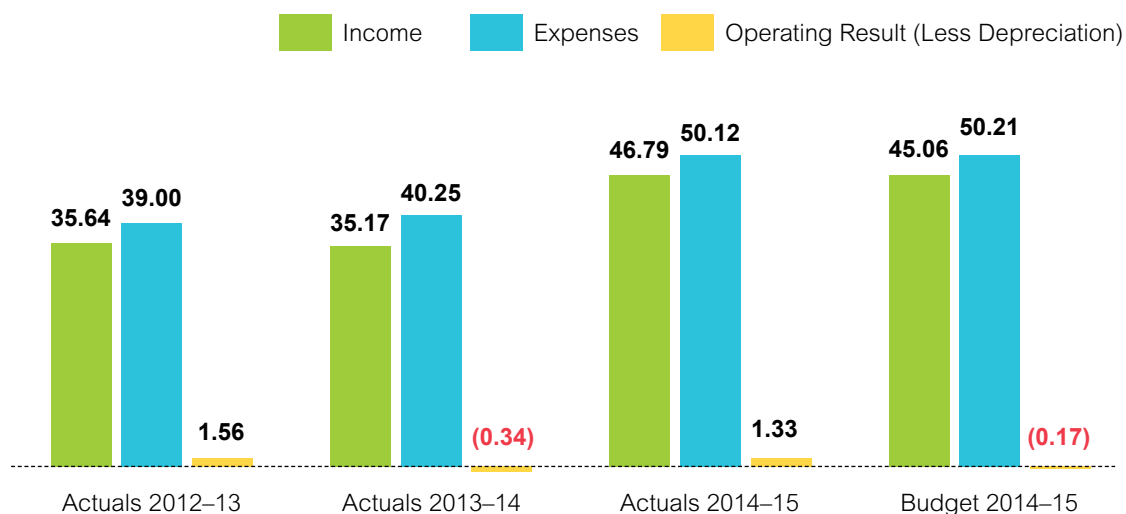
In 2014-15, the department made a net loss of \$3.3 million or an adjusted profit of \$1.3 million prior to the charging of non-cash depreciation of \$4.7 million. This compares to a budgeted loss before depreciation of \$0.2 million.

Major factors contributing to the improvement in outcome of \$1.5 million include:

- \$1.2 million of additional Commonwealth grant revenue received late in June 2015. This funding was provided to continue support for the Indigenous Sports Unit, to enhance the capacity of regional and remote Indigenous communities for organised sporting events and additionally to support the Sport in Schools program.
- \$0.1 million expenditure to support the Indigenous Sports Unit that was underutilised in 2014-15 due to the uncertainty around the continuation of funding. This will be expended in 2015-16.
- \$0.2 million of additional goods and services revenue earned through the delivery of various sporting events.

The operating result is shown graphically below.

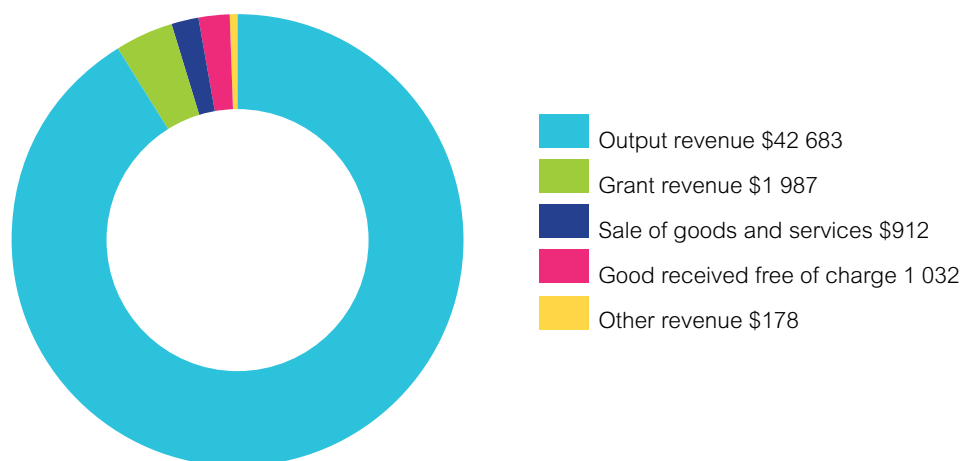
### Operating result (\$M)



## INCOME

The department received income of \$46.8 million in 2014-15, a \$1.7 million increase compared to budget and \$11.6 million more than 2013-14.

### 2014-15 Income by source \$'000s



The department is funded primarily through Northern Territory Parliamentary appropriation. The next major income source is government grants. Charges for goods and services also generate income for the department. Notional revenue for corporate services provided by the Department of Corporate and Information (DCIS) is also recognised. This income (and an associated expense item) allows the department to bring to account the full cost of corporate services it requires to operate.

#### Output revenue

In 2014-15, output revenue of \$42.7 million was received in accordance with budget. This represents 91.2 per cent of total revenue.

The output revenue increased over the prior year by \$9.7 million predominately due to one off capital grants for sports infrastructure including lawn bowls, BMX, Riding for the Disabled, golf and drag racing. Additionally the value of the vouchers issued through the Sport Voucher Scheme was increased and the scheme was expanded to include cultural and recreational activities.

#### Grant revenue

In 2014-15, the department received \$2 million in grant funding. This was a \$1.2 million improvement on budget and \$1.1 million more than the prior year due to the late receipt of Australian Commonwealth funds.

Grant funded projects include:

- \$1.6 million from the Australian Government to fund the Indigenous Sport Unit until 2016-17;
- \$0.2 million from the Australian Government to fund the Sports in Schools program; and
- \$0.2 million from the Department of the Chief Minister to fund the Mitchell Street Mile and A-League Soccer matches.

#### Sale of goods and services

In 2014-15, income from the sale of goods and services totalled \$0.9 million, compared to budgeted revenue of \$0.5 million. The revenue relates to the hire of sporting facilities and the reimbursement of facility expenses of \$0.2 million, contributions from

Peak Sporting Bodies of \$0.2 million and event ticket sales of \$0.5 million.

The improvement to budget predominately relates to event ticket sales.

The three year trend in income streams and the 2014-15 budget is as follows:

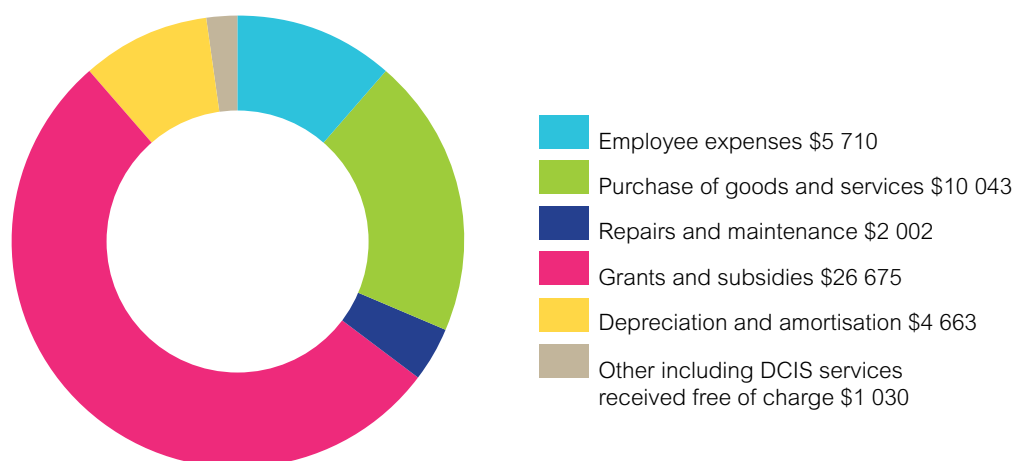
	Actual* 2012-13	Actual* 2013-14	Actual 2014-15	Variance	Budget 2014-15	Variance
Income Type	\$'000	\$'000	\$'000	%	\$'000	%
Output revenue	34 131	32 992	42 683	29%	42 683	0%
Grant and Commonwealth Appropriation	386	914	1 987	117%	834	58%
Sale of goods and services	604	661	912	38%	543	40%
Goods and services received free of charge	517	510	1 032	102%	1 002	3%
Other revenue	1	91	178	96%	0	100%
<b>Income Total</b>	<b>35 639</b>	<b>35 168</b>	<b>46 792</b>	<b>33%</b>	<b>45 062</b>	<b>4%</b>

\* The comparatives for 2012-13 and 2013-14 have been restated to remove the Racing function to align with current government administrative arrangements.

## EXPENSES

The department incurred \$50.1 million in expenses during 2014-15 in the delivery of its programs and services. This was \$0.1 million less than budget and \$9.9 million more than 2013-14.

### 2014-15 Expenses by source \$'000s



Payments of grants and subsidies represent 53.2 per cent of the department's outlays. Payments to employees, purchase of goods and services, and repairs and maintenance were the other major departmental expenses, with depreciation and corporate charges levied by DCIS representing non-cash transactions.



## Employee expenses

Staffing costs represent 11.4 per cent of total expenditure. In 2014-15, employee expenses totalled \$5.7 million compared to a budget of \$6 million. This underspend was due to the outsourcing of physiotherapy and psychology functions within NTIS to external service providers.

## Goods and services expenses

Actual spend on the purchase of goods and services in 2014-15 was \$10 million as budgeted. The increase of \$1.4 million from 2013-14 relates to additional costs for events including the Masters Games, Davis Cup, NRL and A-League matches, and additional marketing costs for a water safety campaign and promotion of Sport Vouchers.

## Grants and subsidies

Grant expenses of \$26.7 million were distributed in 2014-15 compared to the budget of \$26.5 million. For a full breakdown of grant pools and payments refer to section 2.11 Investment Programs.

## Repairs and maintenance expenses

Actual repairs and maintenance expenditure was \$2 million against a budget of \$1.8 million. This was \$1.7 million less than 2013-14 due to the removal of fees paid to the construction division for program delivery of \$0.5 million, a transfer to capital works of \$0.6 million for Leanyer Recreation Park upgrades and the removal of one off increases in 2013-14 for urgent repairs.

## Depreciation

Depreciation is the allocation of an asset's cost over its useful life. In 2014-15 depreciation was \$4.7 million as per the previous year and \$0.3 million less than budget. Depreciation costs represent 9.3 per cent of total expenditure.

The three year expenditure trend and the 2014-15 budget is outlined in the table below:

Expenditure type	Actual* 2012-13 \$'000	Actual* 2013-14 \$'000	Actual 2014-15 \$'000	Variance %	Budget 2014-15 \$'000	Variance %
Employee expenses	4 832	5 425	5 710	5%	5 955	4%
Purchase of goods and services	7 274	8 638	10 043	16%	9 958	-1%
Repairs and maintenance	1 659	3 683	2 002	-46%	1 792	-10%
Grants and subsidies	19 785	17 246	26 675	55%	26 520	-1%
Depreciation and amortisation	4 928	4 749	4 663	-2%	4 978	7%
Other including DCIS services received free of charge	526	513	1 030	101%	1 002	-3%
<b>Income Total</b>	<b>39 004</b>	<b>40 254</b>	<b>50 123</b>	<b>25%</b>	<b>50 205</b>	<b>0%</b>

\* The comparatives for 2012-13 and 2013-14 have been restated to remove the Racing function expenses to align with current government administrative arrangements.

## BALANCE SHEET

The Balance Sheet provides a summary of the department's balances at the end of the financial year for assets, liabilities and equity.

The balances reported are the net worth to government of the department's asset holdings (what is owned) against liabilities (what is owed).

The three year trend for the net assets/equity is as follows:

	Actuals 2012-13	Actuals 2013-14	Actuals 2014-15
	\$'000	\$'000	\$'000
Assets	161 703	154 094	172 187
Liabilities	(1 628)	(1 170)	(1 725)
<b>Net Assets/ Equity</b>	<b>160 075</b>	<b>152 924</b>	<b>170 462</b>

### ASSETS

The department's assets at 30 June 2015 totalled \$172.2 million.

The balance of assets consists of:

- Cash balances of \$2.8 million, representing cash held in a financial institution, and petty cash and floats;
- Receivables of \$1.2 million representing the amount that is owed to the department for goods and services provided and delivered;
- Prepaid expenses of \$0.2 million representing expenses that have been paid before the good or service was received or provided; and
- Property, plant and equipment of \$168 million. All land, infrastructure and building assets were revalued in June 2015 resulting in a revaluation increment of \$18.4 million.

### LIABILITIES

The department's liabilities total \$1.7 million as at 30 June 2015.

The balance of liabilities consists of:

- Payables of \$0.8 million representing the amount owed to creditors for goods and services purchased and received; and
- Provisions for employee entitlements of \$0.9 million, such as recreation leave, leave loading and leave fares to reflect the cost in present day dollars of employee entitlements that are to be paid in the future.

## EQUITY

Equity as at 30 June 2015 is \$170.5 million, an increase in net worth of \$17.6 million over the previous year.

This result is a combination of:

- Asset revaluation increment of \$18.4 million following the revaluation of assets in June 2015;
- A transfer in of \$2.5 million of completed infrastructure works; offset by the operating loss for the 2014-15 financial year of \$3.3 million.

## Cash Flow Statement

The Cash Flow Statement provides information on how cash was received and spent during the year.

The department's cash balances were \$2.8 million at 30 June 2015.

The cash flows are summarised as follows:

	Actuals 2012-13	Actuals 2013-14	Actuals 2014-15
	\$'000	\$'000	\$'000
<b>Cash In</b>			
Operating receipts	48,908	55,064	49,730
Equity injections/deposits	214	-	33
	<b>49,122</b>	<b>55,064</b>	<b>49,763</b>
<b>Cash Out</b>			
Operating payments	(46,661)	(55,539)	(48,678)
Purchase of fixed assets	(192)	(39)	(60)
	<b>(46,853)</b>	<b>(55,578)</b>	<b>(48,738)</b>
<b>Net Increase in Cash Held</b>	<b>2,269</b>	<b>(514)</b>	<b>1,025</b>
Cash at beginning of Financial Year	-	2,269	1,755
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>2,269</b>	<b>1,755</b>	<b>2,780</b>

## CERTIFICATION OF THE FINANCIAL STATEMENTS

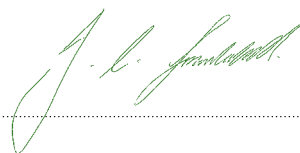
We certify that the attached financial statements for the Department of Sport and Recreation have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2015 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.



**Phillip Leslie**  
*Chief Executive Officer*  
28 August 2015



**Joanna Frankenfeld**  
*Chief Financial Officer*  
28 August 2015



## COMPREHENSIVE OPERATING STATEMENT

### For the year ended 30 June 2015

		2015	2014
	Note	\$'000	\$'000
<b>INCOME</b>			
Grants and subsidies revenue			
Current		1 987	914
Appropriation			
Output		42 683	48 827
Sales of goods and services		912	661
Goods and services received free of charge <sup>(1)</sup>	4	1 032	510
Other income		178	91
<b>TOTAL INCOME</b>	3	<b>46 792</b>	<b>51 003</b>
<b>EXPENSES</b>			
Employee expenses		5 710	5 565
Administrative expenses			
Purchases of goods and services	5	10 043	8 808
Repairs and maintenance		2 002	3 683
Depreciation and amortisation	8, 9	4 663	4 749
Other administrative expenses <sup>(1)</sup>		1 030	512
Grants and subsidies expenses			
Current		17 622	29 423
Capital		9 053	3 390
<b>TOTAL EXPENSES</b>	3	<b>50 123</b>	<b>56 130</b>
<b>NET (DEFICIT)</b>		<b>(3 331)</b>	<b>(5 127)</b>
<b>Other Comprehensive Income</b>			
Change in asset revaluation reserve	14	18 378	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>18 378</b>	<b>-</b>
<b>COMPREHENSIVE RESULT</b>		<b>15 047</b>	<b>(5 127)</b>

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

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

## BALANCE SHEET

### As at 30 June 2015

		2015	2014
	Note	\$'000	\$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	6	2 780	1 755
Receivables	7	1 200	572
Prepayments		248	23
<b>Total Current Assets</b>		<b>4 228</b>	<b>2 350</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	8	167 959	151 744
Intangible assets	9	-	-
<b>Total Non-Current Assets</b>		<b>167 959</b>	<b>151 744</b>
<b>TOTAL ASSETS</b>		<b>172 187</b>	<b>154 094</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	11	818	351
Provisions	12	906	739
Other liabilities	13	1	80
<b>Total Current Liabilities</b>		<b>1 725</b>	<b>1 170</b>
<b>TOTAL LIABILITIES</b>		<b>1 725</b>	<b>1 170</b>
<b>NET ASSETS</b>		<b>170 462</b>	<b>152 924</b>
<b>EQUITY</b>			
Capital		139 970	137 479
Reserves	14	40 318	21 940
Accumulated funds		(9 826)	(6 495)
<b>TOTAL EQUITY</b>		<b>170 462</b>	<b>152 924</b>

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

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

		Equity at 1 July	Comprehensive Result	Transactions with owners in their capacity as owners	Equity at 30 June
2014-15	Note	\$'000	\$'000	\$'000	\$'000
<b>Accumulated Funds</b>		<b>(6 495)</b>	<b>(3 331)</b>	<b>-</b>	<b>(9 826)</b>
<b>Reserves Assets</b>					
Asset revaluation reserve	14	21 940	18 378	-	40 318
<b>Capital –Transactions with Owners</b>		137 479	-	-	137 479
Equity injections					
Equity transfers in		-	-	3 153	3 153
Other equity injections		-	-	33	33
Equity withdrawals					
Equity transfer out		-	-	(695)	(695)
		<b>137 479</b>	<b>-</b>	<b>2 491</b>	<b>139 970</b>
<b>TOTAL EQUITY AT 30 JUNE</b>		<b>152 924</b>	<b>15 047</b>	<b>2 491</b>	<b>170 462</b>

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2013

		Equity at 1 July	Comprehensive Result	Transactions with owners in their capacity as owners	Equity at 30 June
2013-14	Note	\$'000	\$'000	\$'000	\$'000
<b>Accumulated Funds</b>		<b>(3 355)</b>	<b>(5 127)</b>	<b>-</b>	<b>(8 482)</b>
Derecognition of asset revaluation reserve on transfer of assets		-	-	1 987	1 987
		<b>(3 355)</b>	<b>(5 127)</b>	<b>1 987</b>	<b>(6 495)</b>
<b>Reserves</b>					
Asset revaluation reserve	14	23 927	-	(1 987)	21 940
<b>Capital –Transactions with Owners</b>		139 503	-	-	139 503
Equity injections capital appropriation					
Equity transfers in		-	-	2 254	2 254
Equity withdrawals					
Capital withdrawals		-		(24)	(24)
Equity transfers out		-	-	(4 254)	(4 254)
		<b>139 503</b>	<b>-</b>	<b>(2 024)</b>	<b>137 479</b>
<b>TOTAL EQUITY AT 30 JUNE</b>		<b>160 075</b>	<b>(5 127)</b>	<b>(2 024)</b>	<b>152 924</b>



## CASH FLOW STATEMENT

For the year ended 30 June 2015

		2015 (Outflows) / Inflows \$'000	2014 (Outflows) / Inflows \$'000
	Note		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current		1 987	914
Appropriation			
Output		42 683	48 827
Receipts from sales of goods and services		5 060	5 323
<b>TOTAL OPERATING RECEIPTS</b>		<b>49 730</b>	<b>55 064</b>
<b>Operating Payments</b>			
Payments to employees		(5 523)	(5 581)
Payments for goods and services		(16 480)	(17 145)
Grants and subsidies paid			
Current		(17 622)	(29 423)
Capital		(9 053)	(3 390)
<b>Total Operating Payments</b>		<b>(48 678)</b>	<b>(55 539)</b>
<b>Net Cash From/(Used in) Operating Activities</b>	15	<b>1 052</b>	<b>(475)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing Payments</b>			
Purchases of assets		(60)	(39)
<b>TOTAL INVESTING PAYMENTS</b>		<b>(60)</b>	<b>(39)</b>
<b>Net Cash (Used In) Investing Activities</b>		<b>(60)</b>	<b>(39)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Equity injections			
Other equity injections		33	-
<b>Total Financing Receipts</b>		<b>33</b>	<b>-</b>
<b>Net Cash From Financing Activities</b>		<b>33</b>	<b>-</b>
Net Increase/(Decrease) in cash held		1 025	(514)
Cash at beginning of financial year		1 755	2 269
<b>CASH AT END OF FINANCIAL YEAR</b>	6	<b>2 780</b>	<b>1 755</b>

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



# NOTES TO THE FINANCIAL STATEMENTS

## For the year ended 30 June 2015

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## 1. OBJECTIVES AND FUNDING

The Department of Sport and Recreation's purpose is to work with Territory communities to:

1. Invest in and develop the sport and recreation sectors;
2. Represent the Northern Territory in policy and decision making forums regarding national sporting development and delivery.

Additional information in relation to the Department and its principal activities can be found in the Annual Report.

The department is predominantly funded by, and dependent on, the receipt of Parliamentary appropriation. The financial statements encompass all funds through which the department controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the department are summarised into five Output Groups as follows:

- Northern Territory Institute of Sport (NTIS)
- Sport and Recreation
- Venues and Events
- Corporate and Governance
- Shared Services Received.

Note 3 provides summary financial information in the form of an operating statement by Output Group.

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of Accounting

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

- (i) a Certification of the Financial Statements;
- (ii) a Comprehensive Operating Statement;
- (iii) a Balance Sheet;
- (iv) a Statement of Changes in Equity;
- (v) a Cash Flow Statement; and
- (vi) applicable explanatory notes to the financial statements.

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

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

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

***AASB 1031 Materiality (2013), AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments, AASB 2014-1 Amendments to Australian Accounting Standards (Part C – Materiality).***

Revised AASB 1031 is an interim standard that cross-references to other standards and the framework for the preparation and presentation of financial statements that contain guidance on materiality. The standard does not impact the financial statements.



**AASB 1055 Budgetary Reporting.**

AASB 1055 sets out budgetary reporting requirements for not-for-profit entities within the general government sector. The required disclosures comprise a separate note accompanying the financial statements.

**AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]**

The standard addresses inconsistencies in current practice when applying the offsetting criteria in AASB 132 Financial Instruments: Presentation. The standard does not impact the financial statements.

**AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets.**

The amendments to AASB 136 Impairment of Assets address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The standard does not impact the financial statements.

**AASB 2014-1 Amendments to Australian Accounting Standards (Part A – Annual Improvements 2010-2012 and 2011-2013 Cycles).**

Part A of the standard makes amendments to various Australian Accounting Standards (AASB 2, 3, 8, 9, 13, 116, 119, 124, 137, 138, 139, 140 & 1052 and Interpretation 129) arising from the issuance by IASB of IFRSs Annual Improvements to IFRS 2010-2012 Cycle and Annual Improvements to IFRSs 2011-2013 Cycle. The standard does not impact the financial statements.

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

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

**AASB 9 Financial Instruments (Dec 2014), AASB 2014-1 Amendments to Australian Accounting Standards (Part E – Financial Instruments), AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (Dec 2014).**

The final version of AASB 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace AASB 139 Financial Instruments: Recognition and Measurement. This version adds a new expected loss impairment model and limited amendments to classification and measurement for financial assets. Effective for annual reporting periods beginning on or after 1 January 2018.

**AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138].**

AASB 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. It replaces several Standards and Interpretations, including AASB 111 Construction Contracts, AASB 118 Revenue, Interpretation 15 Agreements for the Construction of Real Estate, and Interpretation 18 Transfers of Assets from Customers. Effective for annual reporting periods beginning on or after 1 January 2017.

**AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138].**

Amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to provide additional guidance on how the depreciation or amortisation of property, plant and equipment and intangible assets should be calculated. Effective for annual reporting periods beginning on or after 1 January 2016.

**AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140].**

Amends a number of pronouncements as a result of the IASB's 2012-2014 annual improvements cycle. Effective for annual reporting periods beginning on or after 1 January 2016.

**(c) Department and Territory Items**

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

**Central Holding Authority**

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

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

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

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the department's financial statements. However,

as the department is accountable for certain Territory items managed on behalf of government, these items have been separately disclosed in Note 21 – Schedule of Territory Items.

**(d) Comparatives**

Where necessary, comparative information for the 2013-14 financial year has been reclassified to provide consistency with current year disclosures.

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

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

**(f) Changes in Accounting Policies**

There have been no changes to accounting policies adopted in 2014-15 as a result of management decisions.

**(g) Accounting Judgements and Estimates**

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

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

if the revision effects both current and future periods.

Judgements and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgements and estimates are:

- Employee Benefits – Note 2(r) and Note 12: Provisions in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate government bond rate, estimates of future salary and wage levels and employee periods of service.
- Contingent Liabilities – Note 18: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year government bond rate.
- Doubtful Debts – Note 2(m) & Note 7: Receivables; and
- Depreciation and Amortisation – Note 2(k), Note 8: Property, Plant and Equipment and Note 9: Intangibles.

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

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

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

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

are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

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

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

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

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

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

#### **Appropriation**

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

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

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

### ***Sale of Goods***

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

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

### ***Rendering of Services***

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

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

### ***Goods and Services Received Free of Charge***

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

### ***Disposal of Assets***

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

### ***Contributions of Assets***

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

### ***(j) Repairs and Maintenance Expense***

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



### **(k) Depreciation and Amortisation Expense**

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

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

The Treasurer's Directions provide guidance for the estimated useful lives for each class of assets as follows, and allow the department to make other estimates as necessary:

	2015 Years	2014 Years
Buildings	10 - 50	10 - 50
Infrastructure assets	8 - Infinite	8 - Infinite
Plant and equipment	1 - 20	1 - 20
Leased plant and equipment	3 - 5	3 - 5
Transport equipment	10	10
Computer hardware	3 - 6	3 - 6
Intangibles – computer software	2 - 10	2 - 10

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

### **(l) Cash and Deposits**

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash.

### **(m) Receivables**

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

The allowance for impairment losses represents the amount of receivables the department estimates are likely to be uncollectible and are considered doubtful. Analysis of the age of the receivables that are past due as at the reporting date are disclosed in an ageing schedule under credit risk in Note 16 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

Accounts receivable are generally settled within 30 days.

### **(n) Property, Plant and Equipment**

#### **Acquisitions**

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

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

#### **Complex Assets**

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

#### **Subsequent Additional Costs**

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

**Construction (Work in Progress)**

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

**(o) Revaluations and Impairment****Revaluation of Assets**

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

- land;
- buildings; and
- infrastructure 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.

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

**Impairment of Assets**

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

Non-current physical and intangible department assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, the department determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's depreciated replacement cost and fair value less costs to sell. Any amount by

which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

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

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Comprehensive Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation reserve. Note 14 provides additional information in relation to the asset revaluation reserve.

**(p) Leased Assets**

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

**Finance Leases**

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

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

**Operating Leases**

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative

of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

### **(q) Payables**

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the department. Accounts payable are normally settled within 30 days.

### **(r) Employee Benefits**

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

Liabilities recognised in respect of employee benefits that are expected to be settled wholly within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

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

All recreation leave liabilities are classified as current liabilities as the department does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

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

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

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

### **(s) Superannuation**

Employees' superannuation entitlements are provided through the:

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

The department makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and as such are not recognised in department's financial statements.

#### **(t) Contributions by and Distributions to Government**

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

The Statement of Changes in Equity provide additional information in relation to contributions by, and distributions to, government.

#### **(u) Commitments**

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 17.

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

#### **(v) Financial Instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised on the Balance Sheet when the entity becomes a party to the contractual provisions of the financial instrument.

The entity's financial instruments include cash and deposits; receivables; payables; advances received; and deposits held.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The entity's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation adopting strategies to minimise the risk.

#### ***Classification of Financial Instruments***

AASB 7 Financial Instruments: Disclosures requires financial instruments to be classified and disclosed within specific categories depending on their nature and purpose.

Financial assets are classified into the following categories:

- financial assets at fair value through profit or loss;
- held-to-maturity investments;
- loans and receivables; and
- available-for-sale financial assets.

Financial liabilities are classified into the following categories:

- financial liabilities at fair value through profit or loss (FVTPL); and
- financial liabilities at amortised cost.

#### ***Financial Assets or Financial Liabilities at Fair Value through Profit or Loss (FVTPL)***

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL.

An instrument is classified as held for trading if it is:

- acquired or incurred principally for the purpose of selling or repurchasing it in the near term with an intention of making a profit; or
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

A financial instrument may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or



- the instrument forms part of a group of financial instruments, which is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 Financial Instruments: Recognition and Measurement permits the contract to be designated as at FVTPL.

### ***Loans and Receivables***

For details refer to Note 2(m).

### ***Financial Liabilities at Amortised Cost***

Amortised cost is calculated using the effective interest method.

Note 16 provides additional information on financial instruments.

### **(w) Fair Value Measurement**

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

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

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

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

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

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

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs are unobservable.

### 3. OPERATING STATEMENT BY OUTPUT

	NTIS		Sport and Recreation		Venues and Events		Corporate and Governance		Shared Services Received		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>INCOME</b>												
Grants and subsidies revenue												
Current	-	80	1 817	834	170	-	-	-	-	-	1 987	914
Appropriation												
Output	2 344	17 838	18 406	15 151	19 530	13 712	1 267	1 111	1 136	1 015	42 683	48 827
Sales of goods and services	226	214	0	11	686	436	-	-	-	-	912	661
Goods and services received free of charge <sup>(1)</sup>	360	178	249	123	287	142	136	67	-	-	1 032	510
Other income	1	1	66	53	110	37	1	-	-	-	178	91
<b>TOTAL INCOME</b>	<b>2 931</b>	<b>18 311</b>	<b>20 538</b>	<b>16 172</b>	<b>20 783</b>	<b>14 327</b>	<b>1 404</b>	<b>1 178</b>	<b>1 136</b>	<b>1 015</b>	<b>46 792</b>	<b>51 003</b>

### EXPENSES

Employee expenses	1 675	1 666	1 410	1 627	1 742	1 381	883	891	-	-	5 710	5 565
Administrative expenses												
Purchases of goods and services	754	692	641	678	7 214	6 146	288	288	1 146	1 004	10 043	8 808
Repairs and maintenance	-	-	-	-	2 002	3 683	-	-	-	-	2 002	3 683
Depreciation and amortisation	-	-	-	314	4 663	4 435	-	-	-	-	4 663	4 749
Other administrative expenses <sup>(1)</sup>	361	178	250	123	283	144	136	67	-	-	1 030	512
Grants and subsidies expenses												
Current	50	15 567	14 043	10 836	3 511	3 020	18	-	-	-	17 622	29 423
Capital	-	-	1 752	2 895	7 301	495	-	-	-	-	9 053	3 390
<b>TOTAL EXPENSES</b>	<b>2 840</b>	<b>18 103</b>	<b>18 096</b>	<b>16 473</b>	<b>26 716</b>	<b>19 304</b>	<b>1 325</b>	<b>1 246</b>	<b>1 146</b>	<b>1 004</b>	<b>50 123</b>	<b>56 130</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>91</b>	<b>208</b>	<b>2 442</b>	<b>(301)</b>	<b>(5 933)</b>	<b>(4 977)</b>	<b>79</b>	<b>(68)</b>	<b>(10)</b>	<b>11</b>	<b>(3 331)</b>	<b>(5 127)</b>

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

	2015	2014
<b>4. GOODS AND SERVICES RECEIVED FREE OF CHARGE</b>	\$'000	\$'000
Corporate and information services	1 032	510

<b>5. PURCHASES OF GOODS AND SERVICES</b>		
The net (deficit) has been arrived at after charging the following expenses:		
<b>Goods and services expenses:</b>		
Consultants <sup>(1)</sup>	84	165
Advertising <sup>(2)</sup>	443	211
Marketing and promotion <sup>(3)</sup>	628	497
Document production	59	28
Legal expenses <sup>(4)</sup>	-	1
Recruitment <sup>(5)</sup>	27	17
Training and study	57	126
Official duty fares	103	122
Travelling allowance	55	51
<sup>(1)</sup> Includes marketing, promotion and IT consultants. <sup>(2)</sup> Does not include recruitment advertising. <sup>(3)</sup> Excludes advertising for marketing and promotion and marketing and promotion consultants' expenses, which are incorporated in the consultants' category. <sup>(4)</sup> Includes legal fees, claim and settlement costs. <sup>(5)</sup> Includes recruitment related advertising costs.		

<b>6. CASH AND DEPOSITS</b>		
Cash on hand	2	3
Cash at bank	2 778	1 752
<b>Total Cash and Deposits</b>	<b>2 780</b>	<b>1 755</b>

<b>7. RECEIVABLES</b>		
<b>Current</b>		
Accounts receivable	71	76
Less: Allowance for impairment losses	(10)	(13)
	<b>61</b>	<b>63</b>
GST receivables	1 082	492
Other receivables	57	17
<b>Total Receivables</b>	<b>1 200</b>	<b>572</b>

		2015	2014
<b>8. PROPERTY, PLANT AND EQUIPMENT</b>		<b>\$'000</b>	<b>\$'000</b>
	<b>Land</b>		
	At fair value	36 500	18 617
	<b>Buildings</b>		
	At fair value	133 050	218 096
	Less: Accumulated depreciation	(54 267)	(85 105)
		<b>78 783</b>	<b>132 991</b>
	<b>Infrastructure</b>		
	At fair value	84 207	67
	Less: Accumulated depreciation	(31 661)	(24)
		<b>52 546</b>	<b>43</b>
	<b>Plant and Equipment</b>		
	At cost	366	311
	Less: Accumulated depreciation	(236)	(218)
		<b>130</b>	<b>93</b>
	<b>Computer Equipment</b>		
	At cost	5	5
	Less: Accumulated depreciation	(5)	(5)
		<b>-</b>	<b>-</b>
	<b>Total Property, Plant and Equipment</b>	<b>167 959</b>	<b>151 744</b>

### Property, Plant and Equipment Valuations

An independent valuation of land, buildings and infrastructure assets was undertaken by Colliers International as at 30 June 2015. Refer to Note 10 Fair Value Measurement of Non-Financial Assets for additional disclosures.

### Impairment of Property, Plant and Equipment

Department property, plant and equipment assets were assessed for impairment as at 30 June 2015. No impairment adjustments were required as a result of this review.

### Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2014-15 and 2013-14 is set out on the next page:



	Land \$'000	Buildings \$'000	Infrastructure \$'000	Plant & Equipment \$'000	Computer Hardware \$'000	Total \$'000
2014–15						
<b>Carrying Amount as at 1 July 2014</b>	18 617	132 991	43	93	-	151 744
Additions	-	11	-	49	-	60
Revaluation increments/ decrements	17 333	328	717	-	-	18 378
Additions/(disposals) from asset transfers	550	(49 964)	51 846	8	-	2 440
Depreciation and amortisation	-	(4 583)	(60)	(20)	-	(4 663)
<b>Carrying Amount as at 30 June 2015</b>	<b>36 500</b>	<b>78 783</b>	<b>52 546</b>	<b>130</b>	<b>-</b>	<b>167 959</b>

2013–14

<b>Carrying Amount as at 1 July 2013</b>	<b>19 882</b>	<b>138 156</b>	<b>47</b>	<b>69</b>	<b>-</b>	<b>158 154</b>
Additions	-	-	-	39	-	39
Additions/(disposals) from asset transfers	(1 265)	(748)	-	-	-	(2 013)
Depreciation and amortisation	-	(4 417)	(4)	(15)	-	(4 436)
<b>Carrying Amount as at 30 June 2014</b>	<b>18 617</b>	<b>132 991</b>	<b>43</b>	<b>93</b>	<b>-</b>	<b>151 744</b>

	2015	2014
<b>9. INTANGIBLES</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying Amounts</b>		
<b>Intangibles with a finite useful life</b>		
<b>Intangibles – Computer Software</b>		
At Cost	695	695
Less: Accumulated amortisation	(695)	(695)
<b>Written down value – 30 June</b>	<b>-</b>	<b>-</b>

<b>Impairment of Intangibles</b>	
Department intangible assets were assessed for impairment as at 30 June 2015. No impairment adjustments were required as a result of this review.	

<b>Reconciliation of movements</b>		
<b>Intangibles with a finite useful life</b>		
Carrying amount at 1 July	-	313
Intangibles asset transfer	-	-
Additions	-	-
Depreciation and amortisation	-	(313)
<b>Carrying Amount as at 30 June</b>	<b>-</b>	<b>-</b>

## 10. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

### (a) Fair Value Hierarchy

Fair values of non-financial assets categorised by level of inputs used to compute fair value are:

	Level 1	Level 2	Level 3	Total Fair Value
	\$'000	\$'000	\$'000	\$'000
2014-15				
<b>Asset Classes</b>				
Land (Note 8)	-	36 500	-	36 500
Buildings (Note 8)	-	-	78 783	78 783
Infrastructure (Note 8)	-	-	52 546	52 546
Plant and equipment (Note 8)	-	-	130	130
Computer hardware (Note 8)	-	-	-	-
Transport equipment (Note 8)	-	-	-	-
Intangibles (Note 9)	-	-	-	-
<b>Total</b>	-	-	<b>167 959</b>	<b>167 959</b>

	Level 1	Level 2	Level 3	Total Fair Value
	\$'000	\$'000	\$'000	\$'000
2013-14				
<b>Asset Classes</b>				
Land (Note 8)	-	-	18 617	18 617
Buildings (Note 8)	-	-	132 991	132 991
Infrastructure (Note 8)	-	-	43	43
Plant and equipment (Note 8)	-	-	93	93
Computer hardware (Note 8)	-	-	-	-
Transport equipment (Note 8)	-	-	-	-
Intangibles (Note 9)	-	-	-	-
<b>Total</b>	-	-	<b>151 744</b>	<b>151 744</b>

Land was transferred from Level 3 to Level 2 during 2014-15 as a result of the revaluation as shown in table (c) (i) on the next page.

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**(b) Valuation Techniques and Inputs**

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Valuation techniques used to measure fair value are:

	Level 2 Techniques	Level 3 Techniques
<b>Asset Classes</b>		
Land	Market	Cost
Buildings	-	Cost
Infrastructure	-	Cost
Plant and Equipment	-	Cost
Computer Hardware	-	Cost
Transport Equipment	-	Cost
Intangibles	-	Cost

There were no changes in valuation techniques from 2013-14 to 2014-15.

The department's land, buildings and infrastructure assets are revalued at least once every five years.

The department's land, building and infrastructure are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, including any additions or modifications. The latest revaluation of these assets was performed by Colliers International as at 30 June 2015.

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

Level 3 fair values of buildings and infrastructure were determined by computing their depreciated replacement costs because an active market does not exist for such assets due to their unique nature and potential inherent restrictions upon use. The depreciated replacement cost was based on a combination of internal records of the historical cost of the assets, adjusted for contemporary pricing and construction approaches, the remaining useful life of the assets, and current condition of the assets.

**(c) Additional information for Level 3 Fair Value Measurements**

**(i) Reconciliation of Recurring Level 3 Fair Value Measurements**

	Land \$'000	Buildings \$'000	Infrastructure \$'000	Plant & Equipment \$'000	Computer Hardware \$'000	Computer Hardware \$'000	Intangibles \$'000
2014–15							
Fair value as at 1 July 2014	18 617	132 991	43	93	-	-	-
Additions	-	11	-	49	-	-	-
Additions/(disposals) from asset transfers	-	(49 964)	51 846	8	-	-	-
Transfers to Level 2	(18 617)	-	-	-	-	-	-
Depreciation and amortisation	-	(4 583)	(60)	(20)	-	-	-
Gains recognised in other comprehensive income	-	328	717	-	-	-	-
<b>Fair value as at 30 June 2015</b>	<b>-</b>	<b>78 783</b>	<b>52 546</b>	<b>130</b>	<b>-</b>	<b>-</b>	<b>-</b>

**2013–14**

Fair value as at 1 July 2013	19 882	138 156	47	69	-	-	-
Additions	-	-	-	39	-	-	-
Additions/(disposals) from asset transfers	(1 265)	(748)	-	-	-	-	-
Depreciation and amortisation	-	(4 417)	(4)	(15)	-	-	-
<b>Fair value as at 30 June 2014</b>	<b>18 617</b>	<b>132 991</b>	<b>43</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(ii) Sensitivity analysis**

Unobservable inputs used in computing the fair value of land, buildings and infrastructure include the historical cost and the consumed economic benefit for each asset. Given the large number of assets, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value and greater consumption of economic benefit lowers fair value.

	2015	2014
<b>11. PAYABLES</b>	<b>\$'000</b>	<b>\$'000</b>
Accounts payable	533	127
Accrued expenses	285	224
<b>Total Payables</b>	<b>818</b>	<b>351</b>

<b>12. PROVISIONS</b>		
<b>Current</b>		
Employee benefits		
Recreation leave	698	555
Leave loading	73	77
Other employee benefits	9	2

<b>Other Current Provisions</b>		
Other provisions (fringe benefits, payroll tax and superannuation)	126	105
<b>Total Provisions</b>	<b>906</b>	<b>739</b>

<b>Balance as at 1 July</b>	739	780
Provision transferred on agency restructure	-	-
Additional provisions recognised	763	745
Reductions arising from payments	(596)	(786)
<b>Balance as at 30 June</b>	<b>906</b>	<b>739</b>

The Department of Sport and Recreation employed 54 employees as at 30 June 2015 (57 employees as at 30 June 2014).

<b>13. OTHER LIABILITIES</b>		
<b>Current</b>		
Unearned revenue	1	80
<b>Total other liabilities</b>	<b>1</b>	<b>80</b>



	2015	2014
<b>14. RESERVES</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Asset Revaluation Reserve</b>		
The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the Asset Revaluation Reserve.		
<b>Balance as at 1 July</b>	21 940	23 927
Increment – land	17 333	-
Increment – buildings	328	-
Increment – infrastructure	717	
Derecognition on transfer of assets – land	-	(1 400)
Derecognition on transfer of assets – buildings	-	(587)
<b>Balance as at 30 June</b>	<b>40 318</b>	<b>21 940</b>

<b>15. NOTES TO THE CASH FLOW STATEMENT</b>		
<b>Reconciliation of Cash</b>		
The total of department cash and deposits of \$2.8 million recorded in the Balance Sheet is consistent with that recorded as 'cash' in the Cash Flow Statement.		
<b>Reconciliation of Net (Deficit) to Net Cash from Operating Activities</b>		
<b>Net (Deficit)</b>	<b>(3 331)</b>	<b>(5 127)</b>

Non-Cash Items:		
Depreciation and amortisation	4 663	4 749
Repairs and maintenance non cash	18	13
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	(628)	369
(Increase)/Decrease in prepayments	(225)	3
Increase/(Decrease) in payables	467	(500)
(Decrease)/Increase in other liabilities	(79)	80
Increase in other provisions	21	3
Increase/(Decrease) in employment benefits	146	(65)
<b>Net Cash From/(Used in) Operating Activities</b>	<b>1 052</b>	<b>(475)</b>

## 16. FINANCIAL INSTRUMENTS

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

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

### (a) Categorisation of Financial Instruments

	2015	2014
<b>Financial Assets</b>	\$'000	\$'000
Cash and deposits	2 780	1 755
Loans and receivables <sup>(1)</sup>	118	80
	<b>2 898</b>	<b>1 835</b>
<b>Financial Liabilities</b>		
Amortised Cost	662	213

(1) The amount of loans and receivables excludes GST and FBT recoverable from ATO (statutory receivable).

### (b) Credit Risk

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

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

#### Receivables

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

	2015	2014
<b>Internal Receivables</b>	\$'000	\$'000
<b>Ageing of Receivables</b>		
Not overdue	3	-
Overdue for less than 30 Days	-	-
Overdue for 30 to 60 Days	-	-
Overdue for more than 60 Days	-	-
<b>Total Gross Receivables</b>	<b>3</b>	<b>-</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>		
Allowance for impairment losses at the beginning of the reporting period	-	-
Increase in allowance recognised in profit or loss	-	-
<b>Allowance for Impairment Losses at the End of the Reporting Period</b>	<b>-</b>	<b>-</b>

	2015	2014
	\$'000	\$'000
<b>External Receivables</b>		
<b>Ageing of Receivables</b>		
Not overdue	98	65
Overdue for less than 30 Days	13	14
Overdue for 30 to 60 Days	4	3
Overdue for more than 60 Days	10	11
<b>Total Gross Receivables</b>	<b>125</b>	<b>93</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>		
Allowance for impairment losses at the beginning of the reporting period	13	10
(Decrease)/increase in allowance recognised in profit or loss	(3)	3
<b>Allowance for Impairment Losses at the End of the Reporting Period</b>	<b>10</b>	<b>13</b>

### (c) Liquidity Risk

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

The department's liquidity risk includes credit cards which are managed with tight controls and low limits. Credit card use and limits are reviewed regularly.

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

2014-15	Variable Interest \$'000	Non Interest Bearing		Carrying Amount \$'000
		1 Year \$'000	2 Year \$'000	
<b>Maturity analysis for financial assets and liabilities</b>				
Cash and deposits	-	2 780	-	2 780
Receivables	-	118	-	118
<b>Total Financial Assets</b>	-	<b>2 898</b>	-	<b>2 898</b>
<b>Liabilities</b>				
Payables	-	662	-	662
<b>Total Financial Liabilities</b>	-	<b>662</b>	-	<b>662</b>

2013-14	Variable Interest \$'000	Non Interest Bearing		Carrying Amount \$'000
		1 Year \$'000	2 Year \$'000	
<b>Maturity analysis for financial assets and liabilities</b>				
Cash and deposits	-	1 755	-	1 755
Receivables	-	80	-	80
<b>Total Financial Assets</b>	-	<b>1 835</b>	-	<b>1 835</b>
<b>Liabilities</b>				
Payables	-	213	-	213
<b>Total Financial Liabilities</b>	-	<b>213</b>	-	<b>213</b>

#### (d) Market Risk

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

##### (i) Interest Rate Risk

The department has limited exposure to interest rate risk as all financial assets and financial liabilities are non-interest bearing.

##### (ii) Price Risk

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

##### (iii) Currency Risk

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

#### (e) Net Fair Value

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

		2015		2014	
		\$'000	\$'000	\$'000	\$'000
<b>17. COMMITMENTS</b>		Internal	External	Internal	External
<b>(a) Other Expenditure Commitments</b>					
	Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:				
	Within one year	-	14 380	-	22 542
	Later than one year and not later than five years	-	2 637	-	9 097
		-	<b>17 017</b>	-	<b>31 639</b>

<b>(b) Operating Lease Commitments</b>					
	The department leases property under non-cancellable operating leases expiring from 1 to 5 years. Leases generally provide the department with a right of renewal at which time all lease terms are renegotiated. The department also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:				
	Within one year	-	99	-	85
	Later than one year and not later than five years	-	93	-	140
		-	<b>192</b>	-	<b>225</b>

## **18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

### **(a) Contingent liabilities**

The department had no contingent liabilities as at 30 June 2015 or 30 June 2014.

### **(b) Contingent assets**

The department had no contingent assets as at 30 June 2015 or 30 June 2014.

## **19. EVENTS SUBSEQUENT TO BALANCE SHEET DATE**

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



## 20. WRITE-OFFS, POSTPONEMENT, WAIVERS GIFTS AND EX GRATIA PAYMENTS

	Department / Group		Department / Group		Territory Items		Territory Items	
	2015 \$'000	No. of Trans	2014 \$'000	No. of Trans	2015 \$'000	No. of Trans	2014 \$'000	No. of Trans
<b>Write-offs, Postponements and Waivers Under the <i>Financial Management Act</i></b>								
Represented by:								
<u>Amounts written off, waived and postponed by Delegates</u>								
Irrecoverable amounts payable to the Territory or an agency written off	-	-	1	3	-	-	-	-
Public property written off	-	-	-	3	-	-	-	-
<b>Total written off, waived and postponed by Delegates</b>	-	-	<b>1</b>	<b>6</b>	-	-	-	-

	2015 \$'000	2014 \$'000
<b>21. SCHEDULE OF TERRITORY ITEMS</b>		
The following Territory items are managed by the department on behalf of the government and are recorded in the Central Holding Authority (refer note 2(c)).		
<b>TERRITORY INCOME AND EXPENSES</b>		
<b>Income</b>		
Fees from regulatory services	-	1
<b>Total Income</b>	-	<b>1</b>
<b>Expenses</b>		
Central Holding Authority income transferred	-	(1)
<b>Total Expenses</b>	-	<b>(1)</b>
<b>Territory Income Less Expenses</b>	-	-

	2014-15 Actual	2014-15 Original Budget	Variance	Note
<b>22. BUDGETARY INFORMATION</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	
<b>Comprehensive Operating Statement</b>				
<b>INCOME</b>				
Grants and subsidies revenue				
Current	1 987	-	1 987	1
Appropriation				
Output	42 683	52 193	(9 510)	2
Sales of goods and services	912	518	394	
Goods and services received free of charge <sup>(1)</sup>	1 032	482	550	
Other income	178	25	153	
<b>TOTAL INCOME</b>	<b>46 792</b>	<b>53 218</b>	<b>(6 426)</b>	
<b>EXPENSES</b>				
Employee expenses	5 710	5 705	5	
Administrative expenses				
Purchases of goods and services	10 043	9 247	796	
Repairs and maintenance	2 002	2 382	(380)	
Depreciation and amortisation	4 663	4 978	(315)	
Other administrative expenses <sup>(1)</sup>	1 030	482	548	
Grants and subsidies expenses				
Current	17 622	34 080	(16 458)	3
Capital	9 053	1 322	7 731	4
<b>TOTAL EXPENSES</b>	<b>50 123</b>	<b>58 196</b>	<b>(8 073)</b>	
<b>NET (DEFICIT)</b>	<b>(3 331)</b>	<b>(4 978)</b>	<b>1 647</b>	
<b>Other Comprehensive Income</b>				
Changes in asset revaluation reserve	18 378	-	18 378	5
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>18 378</b>	<b>-</b>	<b>18 378</b>	
<b>COMPREHENSIVE RESULT</b>	<b>15 047</b>	<b>(4 978)</b>	<b>20 025</b>	

## Notes

The following note descriptions relate to variances greater than 10 per cent or \$1 million, or where multiple significant variances have occurred.

- <sup>(1)</sup> The \$1 million increase in current grants and subsidies revenue is due to new externally funded programs being sourced since the publication of the 2014-15 budget papers.
- <sup>(2)</sup> The decrease in output revenue is due to the transfer of the Racing function to the Department of Business in 2014-15 and the additional funding for the Sports Infrastructure program.
- <sup>(3)</sup> The decrease in current grants and subsidies expenses is due to the transfer of the Racing function in 2014-15 to the Department of Business.
- <sup>(4)</sup> The increase in capital grants is due to cabinet approving additional grants for sporting infrastructure projects during 2014-15.
- <sup>(5)</sup> The increase in changes in asset revaluation reserve is due to the increment recorded in fair values of land, buildings and infrastructure assets as a result of the revaluation conducted by Colliers International during 2014-15.

	2014-15 Actual	2014-15 Original Budget	Variance	Note
<b>Balance Sheet</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and deposits	2 780	1 569	1 211	1
Receivables	1 200	940	260	
Prepayments	248	26	222	
<b>Total Current Assets</b>	<b>4 228</b>	<b>913</b>	<b>103</b>	
<b>Non-Current Assets</b>				
Property, plant and equipment	167 959	146 937	21 022	2
<b>Total Non-Current Assets</b>	<b>167 959</b>	<b>146 937</b>	<b>21 022</b>	
<b>TOTAL ASSETS</b>	<b>172 187</b>	<b>149 472</b>	<b>22 715</b>	
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	818	845	(27)	
Provisions	906	781	125	
Other liabilities	1	-	1	
<b>Total Current Liabilities</b>	<b>1 725</b>	<b>1 625</b>	<b>99</b>	
<b>TOTAL LIABILITIES</b>	<b>1 725</b>	<b>1 625</b>	<b>99</b>	
<b>NET ASSETS</b>	<b>170 462</b>	<b>147 846</b>	<b>22 616</b>	
<b>EQUITY</b>				
Capital	139 970	137 934	2 036	3
Reserves	40 318	21 940	18 378	4
Accumulated funds	(9 826)	(12 028)	2 202	5
<b>TOTAL EQUITY</b>	<b>170 462</b>	<b>147 846</b>	<b>22 616</b>	

## Notes

The following note descriptions relate to variances greater than 10 per cent or \$1 million, or where multiple significant variances have occurred.

- (1) The increase in cash and deposits is due to the increase in externally funded programs. These programs will be completed in 2015-16.
- (2) The increase in property, plant and equipment is due to the increment recorded in fair values of land, buildings and infrastructure assets as a result of the revaluation conducted by Colliers International during 2014-15.
- (3) The increase in capital is due to the recognition of assets from projects which were completed in 2014-15 year.
- (4) The increase in reserves is due to the increment recorded in fair values of land, buildings and infrastructure assets as a result of the revaluation conducted by Colliers International during 2014-15.
- (5) The increase in accumulated funds is due to a better than budgeted operating result.

	2014-15 Actual	2014-15 Original Budget	Variance	Note
<b>Cash Flow Statement</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating Receipts</b>				
Grants and subsidies received				
Current	1 987	-	1 987	1
Appropriation				
Output	42 683	52 193	(9 510)	2
Receipts from sales of goods and services	5 060	543	4 517	3
<b>Total Operating Receipts</b>	<b>49 730</b>	<b>52 736</b>	<b>(3 006)</b>	
<b>Operating Payments</b>				
Payments to employees	(5 523)	(5 705)	182	
Payments for goods and services	(16 480)	(11 629)	(4 851)	4
Grants and subsidies paid				
Current	(17 622)	(34 080)	16 458	5
Capital	(9 053)	(1 322)	(7 731)	6
<b>Total Operating Payments</b>	<b>(48 678)</b>	<b>(52 736)</b>	<b>(4 058)</b>	
<b>Net Cash From Operating Activities</b>	<b>1 052</b>	<b>-</b>	<b>1 052</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Investing Payments</b>				
Purchase of assets	(60)	-	(60)	
<b>Total Investing Payments</b>	<b>(60)</b>	<b>-</b>	<b>(60)</b>	
<b>Net Cash Used In Investing Activities</b>	<b>(60)</b>	<b>-</b>	<b>(60)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Financing Receipts</b>				
Other equity injections	33	-	33	
<b>Total Financing Receipts</b>	<b>33</b>	<b>-</b>	<b>33</b>	
<b>Net Cash From Financing Activities</b>	<b>33</b>	<b>-</b>	<b>33</b>	
Net Increase in cash held	1 025	-	1 025	
Cash at beginning of financial year	1 755	1 569	186	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>2 780</b>	<b>1 569</b>	<b>1 211</b>	

## Notes

The following note descriptions relate to variances greater than 10 per cent or \$1 million, or where multiple significant variances have occurred.

- (1) The increase in current grants and subsidies revenue is due to new externally funded programs being sourced since the publication of the 2014-15 budget papers.
- (2) The decrease in output revenue is due to the transfer of the Racing function to the Department of Business and the additional funding for the Sports Infrastructure program.
- (3) The increase in receipts from sales of goods and services is due to increased events revenue and GST receipts which are not included in the budget.
- (4) The increase in Payment for Goods and Services is due to GST payments during which are not included in the budget.
- (5) The decrease in current grants and subsidies expenses is due to the transfer of Racing function in 2014-15 to the Department of Business.
- (6) The increase in capital grants is due to cabinet approving additional grants for sporting infrastructure projects during 2014-15.





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