Department of
HOUSING, LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT

Annual Report 2025-2026



NORTHERN TERRITORY GOVERNMENT

Acknowledgements

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Cover image: Mutitjulu house handover - K.Braedon L.Braedon K.Parkes and K.Braedon in arms.

Purpose

The purpose of the Department of Housing, Local Government and Community Development's 2025-26 Annual Report is to inform readers about the department's core functions, fiscal management, performance, and key activities, highlighting notable accomplishments aligned with budget outputs, for the 2025-26 financial year.

Our Annual Report 2025-26 complies with reporting requirements under the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995*, *and the Information Act 2002*.

Our Annual Report highlights our work and performance during the 2025-26 financial year and aims to inform the Legislative Assembly, Territorians, industry and other stakeholders about our:

- functions, services and responsibilities
- significant activities and highlights achieved throughout the year; and
- fiscal management and performance reporting.

Contact us

Enquiries about our report can be made to:

Department of Housing, Local Government and Community Development
P: PO Box 37037, Winnellie NT 0820
E: DHLGCD.CorporateServices@nt.gov.au
W: dhlgcd.nt.gov.au

Acronyms and Abbreviations

AASB	Australian Accounting Standards Board
AIS	Aboriginal Interpreter Service
AOTA	Accountable Officer's Trust Account
BP3	Budget Paper 3
DCDD	Department of Corporate and Digital Development
GBD	Government Business Division
GST	Goods and Services Tax
HAFF	Housing Australia Future Fund
HHIP	Homelands Housing and Infrastructure Program
IES	Indigenous Essential Services Pty Ltd
ITSNT	Interpreting and Translating Service NT
KMP	Key Management Personnel
MLA	Member of the Legislative Assembly
NTRAI	Northern Territory Remote Aboriginal Investment
NT	Northern Territory
NTG	Northern Territory Government
NTPS	Northern Territory Public Sector
NTTC	Northern Territory Treasury Corporation
RMIT	Royal Melbourne Institute of Technology

Acknowledgement of Country

We acknowledge the Aboriginal and Torres Strait Islander peoples of this nation, and the Traditional Custodians of the lands and waters on which we live and work. We pay our respects to their ancestors and Elders, past, present and emerging.

Our department is committed to honouring Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual connections to Country, and we value their rich and enduring contribution to our communities and society.

Throughout this report, the term Aboriginal is used to refer to the Aboriginal, Torres Strait Islander and First Nations peoples and communities of the Northern Territory. We recognise the diversity, strength and complexity of these communities.

Interpreter services
If required, interpreter services are available to assist you to read this report. Please contact:
- Interpreting and Translating Service NT on (08) 8999 8506
- Aboriginal Interpreter Service on 1800 334 944
- Information regarding interpreter services in the Northern Territory can be accessed via nt.gov.au/itsnt

Aboriginal and Torres Strait Islander readers are advised that this document may contain images of people who have passed away.

Tennant Creek Look-out by Cody Z

Letter to the Minister

The Honourable Steven Edgington MLA
Minister for Housing, Local Government and Community Development
Parliament House
DARWIN NT 0800

Dear Minister
In accordance with the provisions of the *Public Sector Employment and Management Act 1993*, I am pleased to submit to you the Department of Housing, Local Government and Community Development's 2025-26 Annual Report.

Pursuant to the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995* and the *Information Act 2002*, I advise that, to the best of my knowledge and belief:

a. proper records of all transactions affecting the agency are kept and that our employees follow the provisions of the *Financial Management Act 1995*, the Financial Management Regulations and the Treasurer's Directions
b. agency procedures provide proper internal control, and a current description of those procedures is recorded in the Corporate Handbook, which delivers the requirements of the Accounting and Property Manual and has been prepared in accordance with the requirements of the *Financial Management Act 1995*
c. no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records that has not been appropriately reported and corrected exists
d. in accordance with the requirements of Section 14 of the *Financial Management Act 1995*, the internal audit capacity available to the agency is adequate and the results of internal audits have been reported
e. the financial statements in this annual report have been prepared from proper accounts and records and are in accordance with the Treasurer's Directions
f. in accordance with the requirements of Section 28 of the *Public Sector Employment and Management Act 1993*, all public sector principles have been upheld
g. with respect to my responsibilities under Section 131 of the *Information Act 2002*, procedures within the agency complied with the archives and records management provisions prescribed in Part 9 of the *Information Act 2002*.

Parts of items a), e) and g) involve functions provided by the Department of Corporate and Digital Development (DCDD). I have received assurance from DCDD's Chief Executive Officer that proper records are kept of transactions undertaken by DCDD on behalf of our agency and that DCDD employees observe the provisions of the *Financial Management Act 1995*, the Financial Management Regulations, Treasurer's Directions and Part 9 of the *Information Act 2002*.

Yours sincerely



Tom Leeming
Chief Executive Officer
30 September 2026

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Executive Leadership Board Strategic Planning Workshop



01

Introduction



Chief Executive's Foreword

On behalf of the Department of Housing, Local Government and Community Development, I am proud to present the 2025–26 Annual Report.

I am pleased to present the 2025-26 Annual Report for the Department of Housing, Local Government and Community Development. This has been a significant year for the department. It has been my first year as Chief Executive Officer and a year in which we have strengthened our foundations, refined our strategic direction and focused on delivering practical outcomes for Territorians.

Throughout the year, I visited regional offices, service delivery locations and communities across the Territory and met with staff, partners and stakeholders committed to improving outcomes for Territorians.

These visits reinforced the breadth of the department's responsibilities and the importance of our work across the Northern Territory's 1.3 million square kilometres. From housing and essential services to community development, local government and language services, we support people and communities in diverse settings and circumstances.

During the reporting period, we strengthened the foundations of a more connected, capable and culturally responsive organisation. We progressed a refreshed strategic direction and delivery framework focused on four priorities: strengthening our organisation, reforming public housing, empowering communities and improving strategic asset management. Key achievements included advancing the Northern Territory Housing Strategy, strengthening tenant accountability within public housing and progressing the Empowering the Bush agenda to support greater community self-determination and local decision making. These reforms contribute to stronger, safer communities through improved housing outcomes, greater accountability and increased local participation in decisions affecting communities across the Territory.

The department also led significant emergency response and recovery activities across multiple regions of the Territory, mobilising and allocating resources to support welfare services for eligible flood-affected tenants. The scale, duration and impact of these events placed considerable demands on departmental resources and required the reprioritisation of programs and projects to support affected communities and deliver critical recovery outcomes.

We also continued to support housing delivery and asset sustainability across urban, regional and remote locations, including investment in remote housing, homelands, town camps, Government Employee

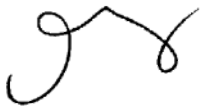
Housing and Indigenous Essential Services. These programs remain fundamental to community wellbeing, workforce stability and economic participation across the Territory, helping to build strong community foundations, improve outcomes for Aboriginal Territorians and remote communities through strengthened essential service delivery, and support sustainable regional growth.

Our local government and community development functions continued to support stronger local voices and community-led outcomes. Working in partnership with councils, Aboriginal organisations, communities and other stakeholders, we strengthened governance, place-based development and engagement practices. Our interpreter and translator services also played an important role in improving access to information and services, particularly for Aboriginal people and culturally and linguistically diverse communities.

Internally, we strengthened governance, risk and assurance arrangements, including the establishment of a Risk and Audit Committee and implementation of contemporary governance and risk management frameworks. These foundations support sound decision-making, accountability and continuous improvement across the department.

We also invested in our people through workforce planning, leadership development, staff engagement and wellbeing initiatives. Our people are central to everything we deliver, and I would like to acknowledge and thank our employees across the Territory for their dedication, professionalism and commitment throughout the year. Whether working in communities, service centres, regional offices or corporate roles, their efforts have been instrumental in delivering services, driving reform and supporting positive outcomes for Territorians.

As we look ahead, we will continue to focus on practical reforms, disciplined delivery and strong partnerships. We remain committed to improving housing outcomes, modernising asset management, supporting community-led development, empowering regions and strengthening local decision making, and building a capable organisation that delivers for Territorians. We will do this in partnership with communities, Aboriginal organisations, local governments, service providers, industry and other government agencies.



Tom Leeming
Chief Executive Officer

Minister Edgington and Tom Leeming with AIS staff - Interpreter Forum



Renner Springs Sunrise by Cody Z





Inspecting Plans in Tennant Creek

02

Our Department



Aboriginal Interpreter Service - Work Experience Students

The department's achievements during 2025-26 were delivered through a broad portfolio of programs, services and partnerships that support communities across the Northern Territory. Understanding the department's role, structure and strategic direction provides important context for the outcomes and initiatives highlighted throughout this report.

About Us

The Department of Housing, Local Government and Community Development supports stronger, safer and more connected communities across the Northern Territory. The department delivers responsive, culturally informed and practical services that improve outcomes for Territorians and empower communities to shape their future.

Our responsibilities span housing, local government, community development and language services. This includes urban, remote, social, affordable and community housing; government employee housing; essential services for remote communities; support for homelands and town camps; regional and remote community development; interpreting and translating services; and oversight of the local government sector.

In 2025-26, the department continued to strengthen its operating model to support frontline service delivery, robust governance and stronger regional engagement. The appointment of Chief Executive Officer Tom Leeming in September 2025, followed by the recruitment of Deputy Chief Executive Officers and other senior executive positions, provided greater leadership continuity and strengthened the department's capacity to deliver its strategic and operational priorities.

Leadership forums, divisional business planning and governance committees provided oversight of priorities and supported the development and implementation of risk, integrity and audit frameworks. These arrangements clarified performance expectations, enabled reform delivery and supported the department to respond to operational pressures, including vacancies, organisational change and extensive reform activity, while maintaining focus on longer term strategic outcomes.

Organisational Structure and Leadership Positions



Chief Executive Officer
Tom Leeming

Director Office of the Chief Executive (including Secretariat)
Samantha Gill



Deputy CEO
Corporate, Strategic and Enabling Services
Margaret Close

- Local Government and Community Development
- Strategy
- Communications and Media
- Empowering the Bush
- Corporate Support Services
- Chief Finance Officer
- Emergency Management



Deputy CEO
Programs, System Improvements and Reform
Josie Curr

- Assets, Infrastructure and Maintenance
- Practice, Service Support and Capability
- Homelands, Housing and Partnerships



Chief Regional Delivery Officer, Delivery and Regional Priorities
Lisa Palamountain

- Greater Darwin Region
- Central Australia Region
- Top End and East Arnhem Region
- Big Rivers Region
- Barkly Region
- Community Engagement, Interpreters and Translators

Our Divisions

Corporate, Strategic and Enabling Services

Provides the core corporate, strategic and enabling functions that support the department to deliver its priorities, programs and frontline services. The division drives strategic policy development, coordination and reform; provides corporate and financial stewardship; strengthens workforce capability; leads communications and stakeholder engagement; and supports emergency management preparedness, coordination and response. It also supports strong local government governance, community development and the delivery of the Northern Territory Government's Empowering the Bush agenda, fostering greater community-led decision making, local leadership and regional development across the Territory.

The division supports evidence-based organisational decision-making through performance reporting, outcomes monitoring, evaluation, strategic planning and the provision of data-driven insights that inform policy, investment and service delivery decisions.

Programs, System Improvements and Reform

The delivery of housing programs, strategic asset management, infrastructure investment and system reform across the Territory's public and social housing portfolio.

The division oversees portfolio planning, asset systems and data governance, maintenance and capital works, procurement and contract development, remote Indigenous Essential Services, and governance of the $4 billion Remote Housing Agreement.

The division also leads housing practice, complaints and appeals, compliance, professional development and training, and continuous improvement across housing systems and service delivery. It manages the Homelands Service Program, including the Homelands Housing and Infrastructure Program, and supports housing supply and delivery through partnerships, leasing and development across Government Employee Housing, Indigenous housing, community housing, head-leasing, affordable housing and broader housing delivery facilitation.

Delivery and Regional Priorities

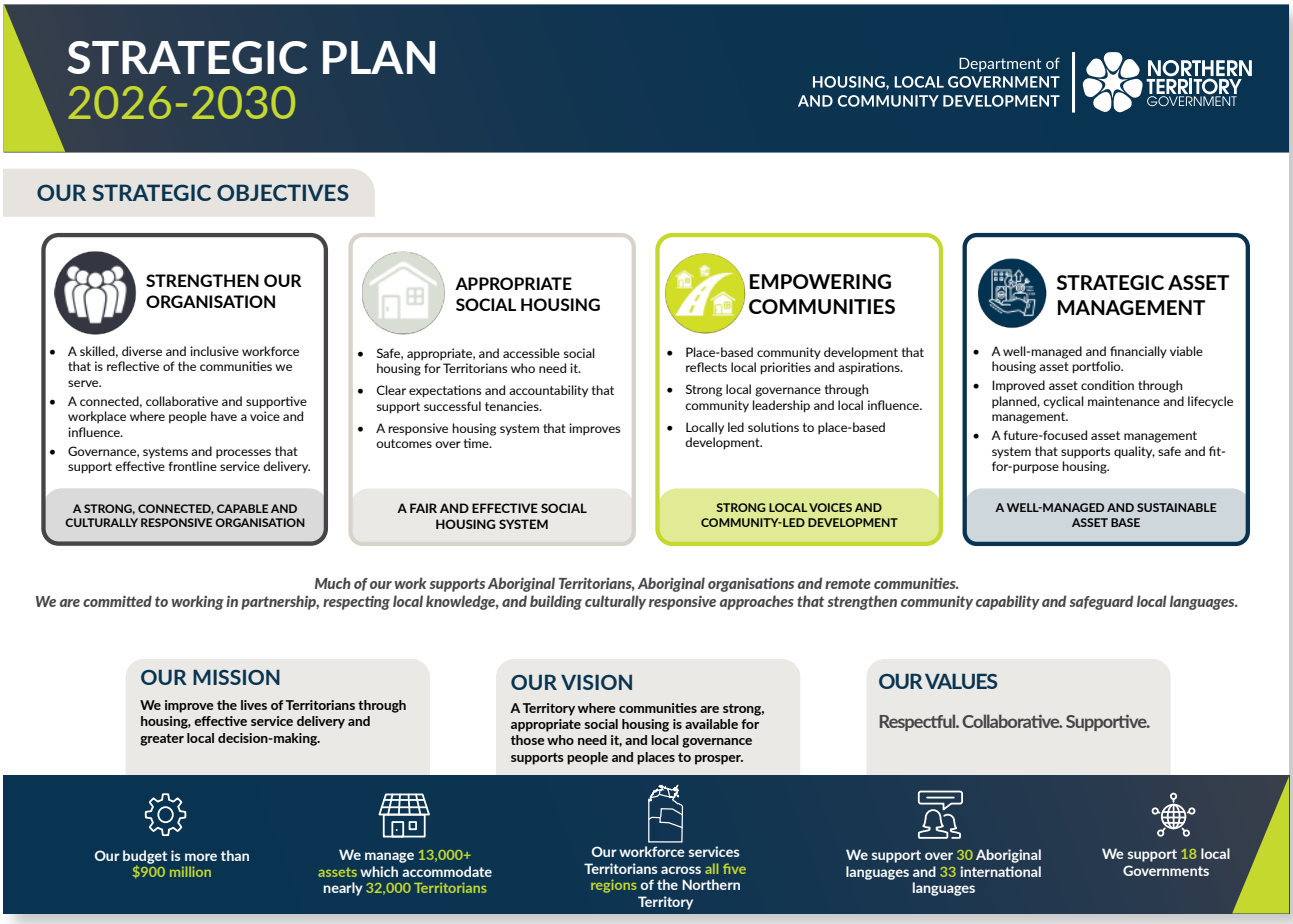
The Department's frontline service delivery across the Northern Territory, improving housing outcomes, community wellbeing and place-based service delivery in urban, regional and remote communities. Through its regional operations and community engagement services, including the Aboriginal Interpreter Service and Interpreting and Translating Service NT, the division supports inclusive, responsive and culturally appropriate engagement between communities and service providers.

Strategic Plan 2026-2030

During 2025-26, the department refined its strategic direction and strengthened the foundations for more integrated planning, delivery and performance monitoring.

Building on the work undertaken in 2024-25, the department clarified its long-term objectives and developed a refreshed Strategic Plan 2026-2030 and Delivery Plan 2026-2027. These plans sharpen the department's focus on four strategic priorities: strengthening the organisation, reforming public housing, empowering communities and improving strategic asset management.

Together, these priorities provide a clear framework for responding to the complex environment in which the department operates. Strengthening the organisation supports the department's ability to reform public housing, empower communities and manage assets sustainably. This integrated approach helps the department respond to sustained housing demand, remote service delivery challenges, workforce pressures, governance maturity, and the need for strong partnerships with communities, Aboriginal organisations, local government, service providers and other agencies.



Our People

Our people are fundamental to the department's ability to deliver services, implement reform and achieve positive outcomes for Territorians. Operating across a geographically dispersed and diverse service environment, the department relies on a capable, connected and culturally responsive workforce to support effective delivery across housing, local government, community development, language services and essential services.

At the end of the reporting period, the department employed 645 people across the Northern Territory. This workforce brings together a broad range of professional, technical, operational, regional and cultural expertise. The skills, commitment and local knowledge of employees support service delivery in urban centres, regional towns and remote communities.

During 2025-26, the department continued to strengthen workforce capability, recruitment and retention, leadership communication, employee wellbeing and cultural responsiveness. These initiatives supported the department's strategic priority to strengthen the organisation and provided a foundation for improved frontline delivery, regional capability and organisational performance.

Following employee engagement and consultation and informed by the results of the People Matters Survey 2025, the department developed the Workforce Strategy 2026-2030 and Workforce Action Plan 2026-2027. Together, these documents provide a structured approach to building the workforce required to support current and future service delivery. Key areas of focus include attraction and recruitment, retention, Aboriginal workforce growth, leadership development, capability building, onboarding, wellbeing, organisational identity and employee engagement.

Strengthening organisational identity was also a priority during the reporting period. In response to employee feedback, the department progressed initiatives to build a stronger sense of connection, consistency and pride across the workforce. This included introducing an organisational brand and colour palette to support more consistent and recognisable departmental communications, events and engagement activities. The department also designed and commenced consultation on a non-compulsory staff uniform, providing employees with an opportunity to contribute to an option that supports professionalism, visibility and a shared sense of belonging.

A representative, culturally capable and culturally safe workforce remains central to the department's work. Many of the department's services directly support Aboriginal Territorians across urban, regional



Aboriginal Employment Program participant siblings Shonnaye P., Cody P. and Yazmine P.

and remote settings, including housing, homelands, town camps, local government, community development, essential services and interpreting. The outcomes delivered by the department are closely linked to the wellbeing, safety, participation and self-determination of Aboriginal people, families and communities.

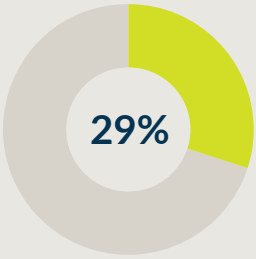
During the reporting period, Aboriginal employees represented 29 per cent of the department's workforce, with 10 per cent occupying management and senior leadership positions. The department continues to maintain one of the highest levels of Aboriginal employment and senior leadership representation across the Northern Territory Public Sector. It remains committed to strengthening these outcomes through inclusive employment practices, culturally responsive leadership and genuine pathways for Aboriginal employees to contribute, lead and influence service delivery.

Continued investment in workforce capability, leadership, wellbeing, cultural responsiveness and organisational identity will remain a key enabler of the department's strategic priorities. These foundations will support a strong, connected and capable workforce that is well positioned to deliver services, respond to reform priorities and improve outcomes for Territorians across the Northern Territory.

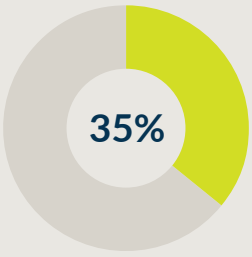
Our People Snapshot



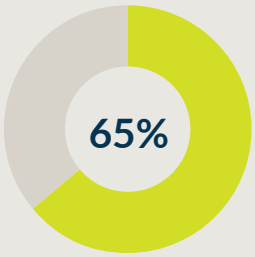
Total workforce



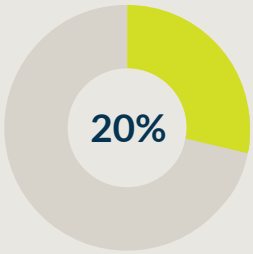
Aboriginal and Torres Strait Islander



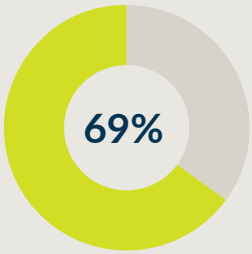
Male employees



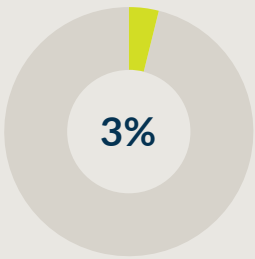
Female employees



Have flexible work arrangements



Non-English background



Have a disability

Classification	Female	Male	Total
Aboriginal Interpreter	44	25	**69**
Administrative Officer 2	5	3	**8**
Administrative Officer 3	60	13	**73**
Administrative Officer 4	35	18	**53**
Administrative Officer 5	66	42	**108**
Administrative Officer 6	50	19	**69**
Administrative Officer 7	54	25	**79**
Executive Officer 2	1		**1**
Executive Contract Officer 1	4	4	**8**
Executive Contract Officer 2	6	5	**11**
Executive Contract Officer 3	1		**1**
Executive Contract Officer 4	3		**3**
Executive Contract Officer 6		1	**1**
Graduate Trainees	4	3	**7**
NTPS Traineeship AQF4 Level A	1	1	**2**
Professional 3	1	3	**4**
School Based Trainee	1	1	**2**
Senior Administrative Officer 1	52	19	**71**
Senior Administrative Officer 2	31	13	**44**
Senior Professional Officer 1		1	**1**
Senior Professional Officer 2		1	**1**
Technical 5	2	24	**26**
Technical 6	1	2	**3**
Grand Total	**422**	**223**	**645**

Service Delivery Footprint

The department delivers services across urban, regional and remote areas of the Northern Territory, from the Top End to Central Australia and all regions in between. This broad service footprint requires flexible delivery models that respond to local conditions, community priorities and the practical realities of operating across vast distances, seasonal access constraints and varied climatic conditions.

Effective service delivery relies on strong regional intelligence, capable local teams and practical partnerships. The department works with communities, local governments, land councils, Aboriginal community-controlled organisations, service providers, industry, the Australian and other Territory Government agencies to support coordinated, place-based outcomes.

Through these partnerships, and by strengthening local capability, maintaining critical infrastructure and delivering culturally responsive services, the department supports sustainable outcomes for Territorians across the Territory.

We service every corner of the Northern Territory, from the Top End to Central Australia. At a glance:

5
Service delivery regions

73
Remote communities

500
Homelands and outstations

43
Town camps

$900+
million dollar budget

13,500+
Assets managed or supported* across the NT

18
Local governments supported

70+
Languages supported
25+ Aboriginal
45+ Multicultural

* The increase compared with previous reporting periods is due to the correction of an error in prior year reporting. The adjustment has been incorporated into the 2025-26 reporting period to ensure the accuracy of reported results.



Flying into Wadeye by S Hawkins



Pride in your Place Winner, Linda R

Key Performance Indicators

The department monitors performance through Budget Paper 3 measures, strategic planning commitments, divisional business planning and enterprise reporting arrangements. Key performance indicators reflect the breadth of the department's operating environment.

In 2025–26, performance monitoring continued to evolve from output-based reporting toward a more integrated approach that links delivery actions, milestones, risks and outcomes to the department's strategic objectives.

This work supports clearer accountability, stronger evidence-based decision-making and earlier identification of delivery risks and opportunities across the department's four priority areas.

Key Performance Indicators	BP3 Target	Actual Result	Variance
Housing			
Urban social housing dwellings	5,280	5,242	-38
Urban social housing dwellings managed by community housing providers	≥ 22%	23%	1%
Urban public housing rent received	≥ 90%	97%	7%
Urban public housing dwellings inspected in previous 12 months (1)	≥ 90%	60%	-30%
Urban public housing dwellings occupied within 70 days of vacancy (2)	≥ 50%	16%	-34%
New households assisted into urban public housing (3)	215	203	-12
Remote public housing dwellings managed (4)	6,110	5,878	-232
Remote public housing tenancies living in appropriately sized housing	≥ 50%	52%	2%
Remote public housing rent received	≥ 80%	80%	0
Remote public housing dwellings inspected in previous 12 months (5)	≥ 72%	64%	-8%
Remote public housing dwellings occupied within 70 days of vacancy	≥ 50%	54%	4%
New households assisted into remote public housing (6)	500	337	-163
Houses upgraded under the Homelands Housing and Infrastructure Program	100	103	3
Businesses providing town camps and homelands services that are Aboriginal business enterprises	≥ 60%	81%	21%
Government employee housing dwellings inspected in previous 12 months (7)	≥ 90%	58%	-32%
Maintenance contracts awarded to Aboriginal Business Enterprises	≥ 50%	65%	15%
Proportion of days safe drinking water is supplied across the 72 Indigenous Essential Services communities	≥ 95%	99%	4%
Average electrical outage duration for each customer served across the 72 Indigenous Essential Services communities (minutes/year)	≤ 500	220	N/A

NT Home Ownership			
Loan accounts in arrears greater than 30 days	≤ 5%	6%	1%
Local Government and Community Development			
Community Governance agreements reviewed	100%	100%	0
Scheduled local government compliance reviews completed	4	4	0
Aboriginal interpreting hours provided by accredited and/or qualified interpreters	≥ 76%	76%	0%
Aboriginal interpreting assignments completed (8)	≥ 55%	48%	-7%

Notes

1. **Urban public housing dwellings inspected in previous 12 months:** Performance reflected the prioritisation of available tenancy management resources toward higher-risk tenancies. The department is enhancing inspection reporting and visibility to support targeted regional follow-up and stronger monitoring of overdue inspections.
2. **Urban public housing dwellings occupied within 70 days of vacancy:** Performance was impacted by vacancy turnaround times, repairs and maintenance requirements, and contractor capacity. The department is progressing vacancy reduction initiatives, strengthening allocation processes and improving reporting to support earlier identification of delays and more timely return of dwellings to occupancy.
3. **New households assisted into urban public housing:** The result was affected by dwelling availability and vacancy turnaround times, including the expiry of leased-dwelling agreements and the transfer of affected households into government-owned dwellings.
4. **Remote public housing dwellings managed:** The result reflects fewer new dwellings becoming available than anticipated, the delivery of larger dwellings with more bedrooms, and the effects of weather and flooding events on housing delivery.
5. **Remote public housing dwellings inspected in previous 12 months:** Inspection coverage was impacted by property access constraints and available staff capacity. The department is enhancing inspection reporting and regional visibility to support improved planning, scheduling and follow-up of overdue inspections.
6. **New households assisted into remote public housing:** The result reflects fewer additional dwellings becoming available than anticipated, the delivery of larger dwellings with more bedrooms, and the effects of weather and flooding events.
7. **Government employee housing dwellings inspected in previous 12 months:** Performance reflected the prioritisation of available inspection resources across the broader housing portfolio. The department is improving asset planning, inspection scheduling and reporting to strengthen oversight and support more consistent inspection activity.
8. **Aboriginal interpreting assignments completed:** Performance reflected reduced interpreter availability and challenges in filling requests for accredited and qualified interpreters. The service is continuing workforce development, recruitment and pathway activities to strengthen interpreter availability and improve assignment completion rates.

New homes being built in Beswick



03

Our Services
Housing

Key Reforms

Housing Strategy

In 2025-26, the department led the development of the Northern Territory Housing Strategy, establishing a coordinated framework to address housing challenges across urban, regional and remote communities. The Strategy recognises housing as critical economic and social infrastructure and provides a whole-of-government approach to increasing supply, improving affordability and strengthening housing outcomes.

The Strategy was developed in partnership with government agencies, industry, community housing providers and Aboriginal organisations. It provides a framework to guide long-term investment, planning and service delivery across housing supply, workforce accommodation, social housing and related infrastructure priorities.

Between March and May 2026, the department undertook extensive consultation across the Territory. Engagement activities included industry briefings, workshops, community meetings, formal submissions and a public survey. The department engaged with more than 100 organisations and stakeholders and received 26 formal submissions and 46 survey responses.

Consultation highlighted the need for stronger regional planning, greater investment certainty, continued growth in housing supply, improved access to information and data, and better coordination across government and the housing sector. These insights informed the final Strategy and strengthened its focus on supporting sustainable economic growth, workforce attraction and retention, and community wellbeing across the Territory.

Public Housing Reform

During 2025-26, the department progressed a coordinated program of public housing reform to strengthen accountability, improve service consistency and support safer, more sustainable tenancy outcomes across the Northern Territory.

The Public Housing Reform Team was established in October 2025 to coordinate delivery of the Government's reform agenda and support a consistent approach to tenancy management. Reform activity focused on antisocial behaviour responses, rental arrears and debt management, supported by updated policies, operational tools and training for frontline staff.

A key milestone was the release of the NT Government's Tenant Accountability Policy Statement in February 2026. The statement set clear expectations for tenants to look after their property, pay rent and be good neighbours, while making clear that serious or repeated non-compliance may lead to further tenancy action. The department is responsible for implementing the Policy Statement.

2025-26 Highlights

- Advanced development of a new Antisocial Behaviour Policy, including a proposed three-strikes framework.
- Developed operational tools and training to support consistent tenancy management practices.
- Updated key tenancy policies relating to tenancy termination, rental rebates, tenant damage and extended absences.
- Strengthened enforcement capability through targeted operations with NT Police and partner agencies.
- Improved outcomes in targeted housing complexes, including reductions in complaints and improved community amenity.

Social Housing

Tenant Support

The department continued to support positive tenancy outcomes by connecting public housing tenants with services that promote wellbeing, community participation and housing stability. For example, during 2025-26, the Big Rivers Urban Housing team hosted a tenant engagement event at Katherine's largest public housing complex, bringing together residents and a range of government and community service providers. One tenant spoke of the lasting impact of the broader initiative: "I've noticed a positive impact at the complex with the increased presence of Public Housing Safety Officers. The increased presence of Public Housing Safety Officers has helped me to manage visitors to my home".

The event provided tenants with information about housing support, health and wellbeing services, community programs and other assistance available within the Katherine region. Participating organisations included NT Police, Katherine Town Council, Kalano Association Aboriginal Corporation, allied health and aged care services, the Aboriginal Interpreter Service and other housing support service providers.

The initiative formed part of a broader collaboration between the department and partner agencies aimed at improving community safety, strengthening tenant engagement and supporting early intervention approaches to tenancy issues. By creating opportunities for residents to access information and connect directly with service providers, the department strengthened support networks and encouraged greater awareness of services available to public housing tenants.

Public Housing Safety Officer patrols and community engagement

In line with the Northern Territory Government's focus on reducing crime and improving community safety, the department's Public Housing Safety Team supported safer, more secure and better-managed public housing across the Territory. Public Housing Safety Officers used both proactive patrols and responsive engagement to address antisocial behaviour, support tenants and residents, and strengthen community safety outcomes. Officers worked with tenants to respond to tenancy concerns, support vulnerable residents and manage behaviour affecting public housing properties, shared spaces and surrounding neighbourhoods. They also worked closely with NT Police, community night patrols and service providers to respond to emerging issues and coordinate place-based responses in areas experiencing higher levels of antisocial behaviour.

During 2025-26, the department addressed more than 9,300 incidents of antisocial behaviour. This included 3,700 incidents identified through proactive patrols, 1,300 referrals from NT Police and 4,200 complaints investigated by the department. Officers also seized or disposed of more than 1,600 litres of alcohol in breach of restrictions applying to public housing premises.

Over the same period, officers directed 14,000 individuals to leave public housing common areas or dwellings across 2,532 occasions due to antisocial behaviour or prescribed offences. A further 67 individuals were issued with Written Notices of Direction to cease ongoing antisocial behaviour.

The department continued to strengthen partnerships and enforcement approaches to improve safety, liveability and positive tenancy outcomes in public housing. Proactive alcohol management, targeted patrols and coordinated responses to ineligible occupation all supported efforts to reduce crime, restore residential amenity and create safer, more welcoming environments for tenants and neighbouring communities.

In 2025-26, the department also commenced work with NT Police to support the planned transition of community safety patrol functions from Public Housing Safety Officers to the Police Public Safety Officer program.

This included consultation and implementation planning with key stakeholders to support stronger community safety outcomes and improved management of antisocial behaviour in and around public housing.

Compliance

The department continued to strengthen accountability, integrity and consistency across the public housing system during 2025-26. Through monitoring, quality assurance activities and oversight of complex tenancy matters, the department supported the consistent application of housing policies and legislative requirements across the Northern Territory.

Working closely with operational

regions and key stakeholders, the department identified and addressed tenancy risks, strengthened case management practices and supported evidence-based decision-making. Key activities included enhancing governance and reporting processes and providing oversight of complex matters affecting housing outcomes and the effective management of public housing resources.

These efforts contributed to a fairer, more transparent and accountable housing system, strengthened stewardship of public housing assets and supported equitable access to housing assistance for Territorians most in need.

Complaints

The department supports the fair, timely and consistent management of complaints, appeals and tenancy-related enquiries across the public housing system. Effective complaint management provides valuable insight into customer experiences and supports continuous improvement in service delivery.

During 2025-26, the department managed 11,307 complaints and enquiries and processed 49 public housing appeals. In May 2026, responsibility for tenancy-related information requests under the *Residential Tenancies Act 1999* transitioned to the department, creating a more streamlined and centralised service for customers. The department continued to strengthen complaint management and quality assurance processes to improve consistency, transparency and customer outcomes.

It also supported positive tenancy outcomes through the administration of Acceptable Behaviour Agreements and tenancy accountability measures where required.

These activities contributed to a more responsive, accountable and customer-focused housing service while supporting fair and consistent application of tenancy policies across the Territory.

Acknowledging efforts of tenants

The department continued to recognise tenants who demonstrate pride in their homes and contribute positively to their communities through the Pride in Your Place program. The program celebrates tenants who maintain their homes and surrounds to a high standard and who contribute to the safety, presentation and amenity of their neighbourhoods.

The program is open to public housing tenants across urban and remote communities, town camps and community living areas. The program expanded to include recognition of tenants who maintain the interior of their homes to a high standard, alongside established categories focused on property presentation and garden maintenance.

By recognising positive tenancy behaviours, the program encourages community pride, supports successful tenancies and promotes shared responsibility for maintaining safe and welcoming housing environments. The department acknowledges all tenants who were recognised through the program during the reporting period.

Urban Housing

Supporting strong communities begins with safe, secure and appropriate housing. Housing underpins social wellbeing, economic participation and community stability across the Northern Territory. During 2025-26, the department continued to invest in housing supply, service delivery and reform to improve outcomes for Territorians.

Access to safe, secure and affordable housing is fundamental to individual wellbeing, community stability and economic participation.

Urban Social Housing

Urban social housing in the Northern Territory includes public housing managed by the Northern Territory Government and housing managed by community housing providers. Together, we provide stable housing and related supports to Territorians who may otherwise face significant barriers to accessing or maintaining a private rental tenancy.

The department manages allocations and waitlists and delivers frontline tenancy services to tenants in more than 4,800 dwellings across Alice Springs, Darwin, Katherine, Nhulunbuy, Palmerston and Tennant Creek. The department works with community housing providers, partner organisations and other government agencies to deliver housing services and improve outcomes across the Territory.

In addition to managing housing assets and tenancies, the department also works with partner organisations and the Department of Children and Families to help Territorians access wraparound support services where necessary.

Case Study: Victoria Gardens Community Safety and Renewal Initiative

During 2025-26, the Greater Darwin Region led a significant place-based intervention at Victoria Gardens in Gray, addressing longstanding community safety concerns, antisocial behaviour and impacts on resident amenity within the public housing complex. Delivered in partnership with NT Police, the Public Order Response Unit, Larrakia Nation and community service providers, the initiative brought together targeted tenancy management, compliance and enforcement activities, tenant support services and environmental improvements through a coordinated, whole-of-government approach.



Tim Watkins and Sanjit Gautum

The initiative achieved measurable outcomes, including a 19 per cent reduction in emergency service callouts and a 22 per cent reduction in recorded incidents. Targeted tenancy and compliance actions strengthened tenant accountability, while support services assisted vulnerable residents to achieve more stable housing outcomes. Enforcement activities also contributed to improved safety and amenity across the precinct.

A key component of the project was the application of Crime Prevention Through Environmental Design principles to improve the physical environment. Upgrades included enhanced lighting, improved security measures, courtyard and carpark improvements, waste management initiatives and strengthened access controls, creating a safer and more welcoming environment for residents and visitors.

The initiative delivered positive outcomes for both residents and the broader Gray community, contributing to improved perceptions of safety, reduced disturbances and enhanced community amenity. Victoria Gardens demonstrates the value of strong partnerships, place-based service delivery and coordinated interventions in addressing complex housing and community challenges, while providing a model for future public housing improvement initiatives across the Northern Territory.

Affordable Housing

The department delivers the Affordable Housing Scheme to provide eligible key workers with a pathway to secure and affordable housing. Through a government-subsidised rental allowance, participants can rent homes at below-market rates, reducing housing costs and improving access to stable accommodation.

The scheme supports workforce attraction and retention across the Northern Territory, particularly in locations where housing affordability can affect recruitment and service delivery. By helping key workers live and remain in the Territory, the scheme contributes to stronger communities, supports local economies and helps ensure essential services continue to meet the needs of Territorians.

Investing in Urban Social and Affordable Housing

The department is renewing and investing in urban social and affordable housing across the Northern Territory to improve housing quality, respond to demand and support stronger community outcomes. This includes maintaining and upgrading existing public housing, investing in new social and affordable housing supply, and delivering housing initiatives that support safe, secure and affordable homes for Territorians in urban centres. Through targeted asset renewal, tenancy services and partnerships with community housing providers and other agencies, the department is strengthening the long-term sustainability, liveability and performance of the urban social housing portfolio.

This work is being delivered through the Australian Government's Social Housing Energy Performance Initiative, Housing Australia Future Fund and Social Housing Accelerator Payment, which have provided funding to support increased social and affordable housing in urban centres.

Housing Australia Future Fund

HAFF was established on 1 November 2023 by the *Housing Australia Future Fund Act 2023* (HAFF Act). The HAFF is a dedicated investment vehicle to provide additional funding to support and increase social and affordable housing, as well as other acute housing needs including, but not limited to, the needs of Aboriginal communities and housing services for women, children and veterans[(1)].

Working in partnership with eligible funding recipients, the NT Government has committed to supporting the construction of social and affordable housing across the Territory, including key worker accommodation.

Under HAFF Round 2, 102 social housing dwellings in Darwin, Alice Springs and Tennant Creek will be delivered by Community Housing Providers, with the NT Government supporting these projects through the provision of available, serviced land. These projects are expected to be delivered in the 2026-27 financial year.

Under HAFF Round 3, the NT Government has committed a further $22.8 million in 2026-27 to support the delivery of projects in Alice Springs, Tennant Creek and Berrimah. These projects are expected to be delivered through to June 2029.

Community Housing Providers and other eligible recipients are eligible to access concessional finance products and attract additional operational funding through Commonwealth Rent Assistance, which is otherwise not available to the NT Government. These funding mechanisms support the long-term sustainability and growth of the Urban Social and Affordable housing system.

[(1)] https://www.finance.gov.au/government/australian-government-investment-funds/housing-australia-future-fund

Social Housing Accelerator Payment Program

The Social Housing Accelerator Payment is a one-off Australian Government investment to support states and territories to deliver new social housing. The Northern Territory received $50 million under the program, supported by Northern Territory Government land contributions. This investment is delivering 79 new dwellings, with the Department of Logistics and Infrastructure responsible for 54 dwellings funded through $36.5 million, and Community Housing Providers delivering 25 dwellings supported by $13.5 million.

As at 30 June 2026, Community Housing Providers had completed 23 of their 25 dwellings. The Department of Logistics and Infrastructure had completed 13 dwellings, with a further 21 under construction. The remaining 20 dwellings are progressing through planning, procurement and construction and remain on track for completion by June 2028.

The program is increasing the supply of safe, secure and affordable homes for Territorians and strengthening long-term partnerships between governments and the community housing sector to respond to housing demand and improve housing outcomes.

Specialist Disability Accommodation Homes Completed in Darwin

In early 2026, two new Specialist Disability Accommodation homes were completed in Darwin's northern suburbs at Rapid Creek and Jingili, expanding accessible housing options for Territorians living with disability.

The department supported the project through a land grant to Carpentaria Disability Services, contributing to the delivery of modern, purpose-built homes designed to meet the needs of eligible participants under the National Disability Insurance Scheme.

Each dwelling accommodates up to three residents, providing housing for up to six Territorians. The homes feature private living spaces, including spacious bedrooms, ensuites and courtyards, alongside shared living, dining and outdoor areas. Additional amenities, including swimming pools and landscaped gardens, enhance residents' comfort, wellbeing and privacy.

Carpentaria Disability Services will provide Supported Independent Living services, enabling residents to live as independently as possible while remaining connected to their local community.

The project forms part of a broader investment in specialist disability accommodation across the Territory, with a third home in Alice Springs scheduled for completion in 2027.



Carpentaria Disability Services Dwelling

Remote Housing, Town Camps and Homelands

The department leads the delivery and continuous improvement of remote housing, town camps, community living areas and homelands housing programs that support the aspirations, strengths and diverse circumstances of Aboriginal communities across the Northern Territory.

Working in partnership with the Australian Government through the National Indigenous Australians Agency, Aboriginal organisations and local communities, the department is advancing long-term housing, infrastructure and service delivery initiatives that support improved living conditions, reduce overcrowding and strengthen community wellbeing. This includes leading delivery under remote housing funding agreements, progressing tenancy and property management reforms, and supporting housing solutions that reflect community priorities, cultural needs and long-term aspirations.

Remote Housing

The department delivers remote public housing tenancy and property management services across the Top End and Arnhem, Big Rivers, Barkly and Central Australia regions. These services support Aboriginal Territorians living in remote communities to access safe, functional and appropriate housing, while helping to maintain the long-term condition and sustainability of the remote housing portfolio.

Remote housing represents a significant proportion of the Territory's public housing system. More than half of the department's public housing portfolio is in remote communities, with over 54 per cent of social housing assets, or over 5,800 dwellings, situated in regional and remote areas. This reflects the central role remote housing plays in supporting community wellbeing and enabling people to remain connected to family, culture and Country.

Delivering housing services across the Territory's 1.3 million square kilometres presents complex logistical and operational challenges. Departmental staff regularly travel long distances by road, ferry and light aircraft to reach remote communities and homelands, often working around seasonal access constraints, weather events and limited local infrastructure. This frontline presence is essential to delivering tenancy support, property inspections, repairs coordination and engagement with tenants, community leaders and local service providers.

The department also provides grant funding to local organisations to deliver tenancy support services for remote housing tenants. These partnerships help strengthen culturally responsive service delivery, support local employment and build community capability. By working with Aboriginal organisations, local service providers and community representatives, the department is better able to respond to local priorities, support tenants to sustain their homes and improve housing outcomes across remote communities.

$4 billion 10-year remote housing partnership agreement

The $4 billion, 10-year Remote Housing Partnership Agreement is delivering improved housing outcomes across 73 remote Northern Territory communities, in partnership with the Northern Territory and Australian Governments, Aboriginal Housing NT and the four Northern Territory Land Councils.

As the largest investment in remote housing in the Territory's history, the agreement supports the delivery of new housing, refurbishment of existing homes and associated infrastructure to improve housing quality, reduce overcrowding and strengthen community wellbeing. Aboriginal

leadership and community participation remain central to implementation, with Housing Reference Groups helping to inform local housing priorities, design outcomes and investment decisions.

The goal of the program is to halve overcrowding in remote communities by 2034, contributing to improved health, education and social outcomes for Aboriginal Territorians. As at 30 June 2026, 52.5 per cent of remote public housing tenancies were living in appropriately sized housing.

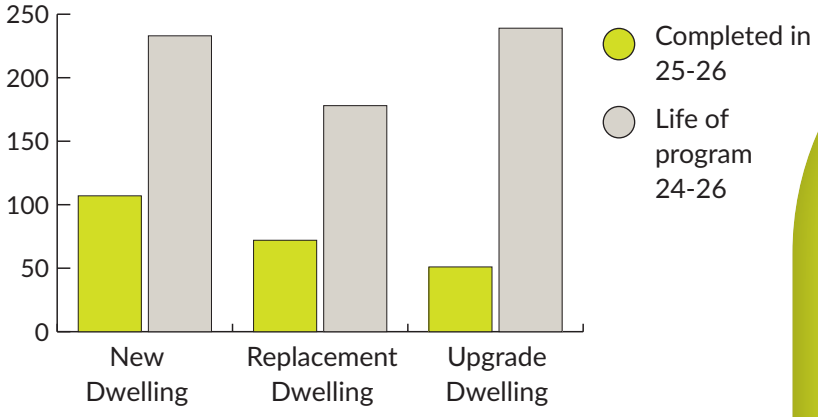
The partnership is also creating opportunities for Aboriginal employment, workforce development and Aboriginal business enterprise participation while supporting long-term economic and community development in remote areas.

Parties to the agreement work together as members of the Joint Steering Committee for Remote Housing NT, the formal established governance group, to guide implementation, monitor progress and support continuous improvement throughout the life of the agreement.

During 2025-26, the department continued to progress implementation of the agreement, driving early reforms to strengthen planned and cyclical maintenance, improve asset condition, and support the long-term sustainability of remote housing. Essential housing services also continued to be maintained across remote communities, delivering tenancy management and responsive repairs and cyclical maintenance activities designed to improve living conditions, maintain housing functionality and protect public housing assets.

Reducing overcrowding remains a key priority. The department continues to work with Aboriginal organisations, local stakeholders and community representatives to support housing delivery and improve outcomes for remote Territorians.

Program Highlights for 2025-26





Happy tenants getting keys to their new home in Mutitjulu

Case Study
New homes for Mutitjulu Community

Nine households in Mutitjulu received keys to newly constructed homes in December 2025. The allocation of new three-bedroom homes and two-bedroom duplexes has helped to reduce overcrowding and providing families with access to safe, secure and healthy housing in their community.

For residents, the new homes provide more than additional living space. They offer greater privacy, stability and comfort, supporting improved health and wellbeing while allowing families to remain connected to community and Country.

The delivery of these homes demonstrates the positive impact of targeted housing investment in remote communities and its role in creating stronger outcomes for families.

Homelands

Homelands, also known as outstations, are small and often remote Aboriginal communities where people live on or near Country and maintain traditional, cultural and family connections. Around 10,000 Aboriginal Territorians live across approximately 500 funded homelands and outstations. The department supports homelands as places of cultural, social and economic importance, while recognising the challenges of delivering services across dispersed and very remote locations.

Homelands Municipal and Essential Services Program

The NT Government invests close to $40 million each year for Municipal and Essential Services in eligible homelands. The works are delivered through funded service providers, whose work contributes to the delivery of essential services, including power, water, sanitation, waste management, environmental health, responsive housing maintenance and basic municipal services such as firebreaks, grounds maintenance and upkeep of shared community infrastructure.

This investment helps homelands remain safe and liveable and ensures the residents remain connected to Country. It also supports community wellbeing and reduces pressure on remote public housing, health and other government services. Funding is managed through grant agreements that set out service standards, reporting requirements and performance expectations.

Homelands, Housing and Infrastructure Program

The department leads the Homelands Housing and Infrastructure Program (HHIP), a targeted investment program to improve housing, infrastructure and living conditions on homelands. Delivered in partnership with the Australian and Northern Territory Governments, Aboriginal Housing NT and the NT Land Councils.

The program complements baseline municipal and essential services by funding housing refurbishments, critical health hardware, safety works and infrastructure upgrades.

Investment decisions are informed by Land Council Regional Work Plans, housing and infrastructure audits, and approval through the Joint Steering Committee for Remote Housing NT.

Commencing in 2023, the $220 million program is delivering 737 planned upgrades. As at 30 June 2026, 311 upgrades across 67 homelands have been completed. This includes major refurbishments and health hardware improvements aligned with the 9 Healthy Living Practices.

The remainder of the works to be undertaken across a further 110 homelands are scheduled to be completed through to the end of the program in June 2027. HHIP funding is also delivering the Territory-wide initiatives program, delivering urgent safety upgrades required to address immediate maintenance, safety and functionality issues. The program has seen 1,677 housing inspections undertaken and 1,759 upgrades completed across 39 homelands. A further 20 homelands are scheduled for upgrades by March 2027.

2025-26 Completed works

New septic systems at Mulga Bore.

Major electrical upgrades at Bonya.

Significant housing and infrastructure upgrades at Blacktank Bore, Oak Valley, Phillipson Bore and the West Waterhouse cluster.

These investments are improving housing quality, safety and functionality, while supporting the long-term sustainability and liveability of homelands across the Northern Territory.

Targeted Repairs and Maintenance Programs

The department continues to support improved health and wellbeing outcomes through targeted housing repairs and maintenance programs in remote communities, town camps, community living areas and homelands.

Pest Control Program

The department continued to deliver its remote housing pest control program during 2025–26, supporting healthier living environments and improved housing amenity across remote communities, community living areas and town camps. The program is a key component of the department's broader commitment to environmental health and maintaining safe, functional housing.

During the financial year, 6,360 pest control treatments were completed across all 73 remote communities and 21 of the 43 town camps. To support sustained outcomes and address ongoing environmental health risks, 34 communities received a second round of treatments.

The program helps reduce pest-related risks to housing, health and wellbeing by targeting insects and vermin that can affect living conditions and damage housing assets. These treatments contribute to healthier homes, improved tenant amenity and the long-term sustainability of remote housing infrastructure.

Healthy Homes Program

The department continued to deliver the Healthy Homes Program during 2025–26. The program focuses on improving the functionality of homes to support the nine Healthy Living Practices.

Delivered by Healthabitat Pty Ltd, the program identifies and addresses housing issues that affect residents' ability to safely wash, prepare food, remove wastewater, manage crowding and maintain healthy living environments. Works are prioritised to improve the functionality of essential health hardware and ensure homes better support everyday living.

The department continued to work closely with the Department of Health to support program delivery, including through Environmental Health Home Officers who provide on-the-ground support, community engagement and health promotion activities.

During 2025–26, Healthy Homes projects were completed in four East Arnhem communities:

- Yirrkala
- Gunyangara
- Ramingining
- Milingimbi

These projects delivered targeted repairs and maintenance that improved housing functionality, supported healthier living conditions and contributed to better outcomes for residents and communities.

Social Housing Energy Performance Initiative

The Social Housing Energy Performance Initiative is a joint Australian Government and Northern Territory Government program that improves the energy performance, thermal comfort and liveability of public housing. Through targeted upgrades, the program supports more sustainable housing outcomes while helping to reduce household energy consumption and improve living conditions for tenants.

During 2025–26, the department delivered energy efficiency upgrades to 54 public housing dwellings through the replacement of electric hot water systems with solar hot water systems. These upgrades improve energy efficiency, reduce operating costs and support the long-term sustainability of the public housing portfolio.

A further 450 homes are expected to receive solar hot water system upgrades during 2026–27 as delivery of the program continues.

Government Employee Housing

The department manages accommodation for government employees in regional and remote locations. It is a key enabler of workforce attraction, retention and service continuity, particularly in communities where housing availability is constrained.

Housing those delivering essential services

The Government Employee Housing program supports government agencies to deliver essential services across regional and remote communities by providing safe, secure and fit-for-purpose accommodation for employees.

As at 30 June 2026, the Government Employee Housing portfolio comprised 1,859 dwellings across 115 communities and regional centres, accommodating more than 1,800 government employees. The department maintained the portfolio to support workforce stability and ensure accommodation remained safe, functional and responsive to operational needs.

Government Employee Housing dwellings managed in 115 communities and regional centres, ensuring critical services such as health, education, policing, and community support can be delivered in locations where housing markets are limited or non-existent.

Northern Territory Government Agency	Number of dwellings
Department of Education and Training	760
Department of Health	567
NT Police Force	124
Department of Tourism and Hospitality	93
Department of Children and Families	52
Department of Housing, Local Government and Community Development	50
Department of Corrections	41
Other Departments	65
Northern Territory Non-Government	**Number of dwellings**
Katherine West Health Board	18
Sunrise Health Service	17
Central Australian Aboriginal Congress Aboriginal Corporation	15
Territory Generation	8
Nyangatjatjara Aboriginal Corporation	2
Batchelor Institute of Tertiary Education	1
Unallocated / vacant properties	46
TOTAL	**1859**

Inspection and Asset Management

During 2025-26, the department completed 1,526 Government Employee Housing inspections across 102 communities and regional centres. This work strengthened the department's understanding of asset condition and informed maintenance, renewal and investment priorities across the portfolio.

The inspections supported proactive asset management, long-term planning and the continued provision of safe and functional accommodation for employees delivering essential services throughout the Territory.

Strengthening Service Delivery

During 2025-26, the department strengthened Government Employee Housing service delivery through revised operating models, workforce development initiatives and enhanced operational guidance. These improvements supported consistent tenancy and asset management practices, strengthened customer service capability and improved responsiveness to tenants and client agencies.

Local recruits rental concession

Region	Total local residents receiving the allowance
Department of Education and Training	98
Department of Health	28
NT Police Force	9
Department of Children and Families	4
Department of Housing, Local Government and Community Development	2
GRAND TOTAL	**141**

Region	Total local residents receiving the allowance
Top End	37
Central Australia	34
Big Rivers	24
Arnhem	31
Barkly	15
GRAND TOTAL	**141**

In areas where there is limited or no Government Employee Housing available, eligible Northern Territory Government employees living in remote public housing can access a rental concession that covers the full cost of rent.

This rental concession supports local employment in remote locations across the Territory.

This policy supported 141 local recruits during 2025-26.

Indigenous Essential Services and Remote Water

Strong communities depend on more than housing. Reliable essential services, including water, wastewater and electricity, are fundamental to community wellbeing, public health and sustainable development.

The department plays a key role in delivering housing, infrastructure and essential services programs that improve outcomes for Aboriginal people living in remote communities, homelands, town camps and community living areas across the Northern Territory. Working in partnership with Aboriginal organisations, communities and government agencies, the department supports the infrastructure and services that underpin healthy, resilient and sustainable remote communities.

Through its oversight of Indigenous Essential Services and water security initiatives, the department continues to strengthen essential infrastructure, support community growth and improve service reliability across remote areas of the Territory.

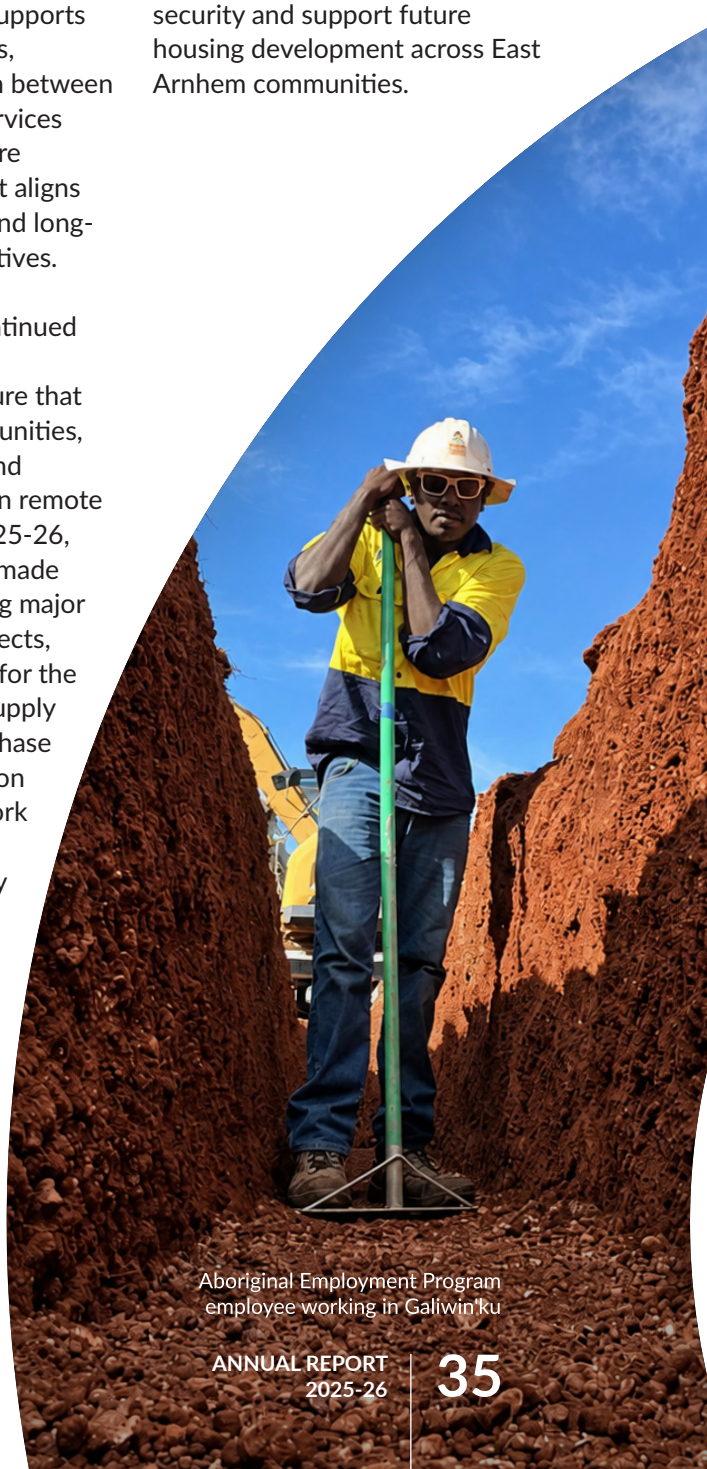
Investing in essential services

The department manages the Northern Territory Government's service agreement with Indigenous Essential Services Pty Ltd, which delivers power, water and wastewater services to 73 remote communities and 79 outstations across the Northern Territory. Reliable essential services are fundamental to healthy, sustainable communities, supporting improved living conditions, community wellbeing and the delivery of new housing in some of the Territory's most remote locations.

During 2025-26, the department continued to work closely with Aboriginal organisations, Land Councils, service providers and government agencies through the Remote Essential Services Working Group to support a coordinated approach to infrastructure planning and investment. The Working Group includes representatives from Aboriginal Housing NT, the four Northern Territory Land Councils, the Aboriginal Medical Services Alliance Northern Territory, the National Indigenous Australians Agency and Northern Territory Government agencies. This collaborative approach supports Closing the Gap priorities, strengthens coordination between housing and essential services planning, and helps ensure infrastructure investment aligns with community needs and long-term sustainability objectives.

The department also continued to support investment in critical water infrastructure that underpins healthy communities, future housing growth and economic development in remote communities. During 2025-26, significant progress was made in securing and advancing major water infrastructure projects, including $17.15 million for the Gove Peninsula Water Supply Upgrade - Gunyangara Phase 2 project and $14.3 million for the Galiwin'ku Network Upgrade and Water Quality Planning Strategy through the Australian Government's National Water Grid Fund.

These investments will improve water reliability and quality, strengthen long-term water security and support future housing development across East Arnhem communities.



Aboriginal Employment Program employee working in Galiwin'ku

Flying into Kata Tjuta



Delivering safe and healthy water in the bush

The department continued to oversee the Water Security and Water Quality Program, supporting safe, reliable and sustainable drinking water supplies in remote Aboriginal communities across the Northern Territory. Reliable water infrastructure is fundamental to community wellbeing, public health and the delivery of new housing, providing the foundation for healthier and more resilient communities.

Working in partnership with Power and Water Corporation, the Department of Lands, Planning and Environment, and the Australian Government, the department progressed a significant portfolio of water security projects aimed at improving water quality, strengthening supply reliability and supporting future community growth. During 2025-26, major projects advanced across communities including Maningrida, Milingimbi, Yuendumu, Yirrkala and Gunyangara, with several projects transitioning from planning into active delivery.

The program is supported by a combined investment of $137.1 million from the Australian Government, Northern Territory Government and project partners. This investment is helping to reduce water security risks, enhance service reliability and provide the infrastructure required to support growing communities and future housing development. Through ongoing investment and collaboration, the Water Security and Water Quality Program is delivering long-term improvements to essential infrastructure, strengthening water security outcomes and supporting healthier, more sustainable remote communities across the Northern Territory.

Water for now, tomorrow and into the future

The department continued to work with government and industry partners to strengthen water security across remote Northern Territory communities, supporting healthier communities, future housing growth and long-term infrastructure resilience.

Reliable water infrastructure is essential to community wellbeing, economic development and the sustainable delivery of housing and essential services.

During 2025-26, significant progress was achieved across several major water security initiatives. Under the Milingimbi Water Security Strategy, bore drilling was completed and bore equipping works commenced. The Yuendumu Water Security Strategy delivered replacement of service lines and rising mains, with bore equipping nearing completion. At Maningrida, construction of a new bore field storage tank and water main infrastructure progressed towards completion, alongside water network upgrades aimed at improving reliability and reducing water losses. The Numbulwar Water Security Strategy Phase 1 completed water source investigations, bore drilling and supply planning activities, identifying new water sources to support future community growth. In East Arnhem, works under the Gove Peninsula Water Supply Upgrade Phase 1

progressed significantly, with major reticulation and service line upgrades substantially complete and planning for Gunyangara finalised.

The department also continued to progress the Remote Community Infrastructure Assessment Business Case, providing an evidence base for future infrastructure investment through detailed assessments of water, sewerage and power infrastructure across 55 remote Aboriginal communities. This work is informing long-term planning and investment priorities to support housing, essential services and community development outcomes.

The $34.3 million Better Bores for Communities program continued to improve water security through water source investigations, bore drilling and connection of new water supplies across 10 remote communities, including Robinson River, Warruwi, Yuelamu, Titjikala, Finke (Aputula), Atitjere, Gapuwiyak, Wugularr (Beswick), Haasts Bluff and Ntaria (Hermannsburg). During 2025-26, bore drilling was completed at Gapuwiyak and Warruwi, while planning, approvals and procurement activities progressed across the remaining communities.

Together, these investments are improving water reliability and supply capacity, reducing long-term water security risks and supporting future housing and infrastructure development.

By strengthening essential infrastructure, the department is helping remote communities plan for sustainable growth while improving living conditions and community outcomes across the Northern Territory.

Achievements

Remote Water Team

The department worked in partnership with NT Health, the Office of Water Security and Power and Water Corporation through the inter-agency Remote Water Team to improve water security outcomes across remote Northern Territory communities. Reliable water supplies are essential for healthy communities, housing growth and economic development. The Remote Water Team coordinated planning, engagement and investment activities to address water security challenges and support future housing and community development in remote areas.

Working closely with the Australian Government's National Water Grid Authority, the team progressed strategic water infrastructure initiatives to strengthen long-term water security. This included the Milingimbi Water Security Project, which is supporting the delivery of new housing and improvements to existing homes.

Following its establishment to strengthen collaboration and strategic planning across government, the Remote Water Team concluded its work in June 2026. Through a coordinated, whole-of-government approach, the team improved inter-agency collaboration, enhanced long-term water security planning and helped align infrastructure investment with housing, community growth and service delivery priorities.

In recognition of its innovative and collaborative approach to regional water security, the Remote Water Team received the Infrastructure Project Innovation Award (Regional) at the Australian Water Association Northern Territory Water Awards 2025.

Talking water security with remote communities

Community engagement remained central to the department's approach to improving water security outcomes in remote communities. During 2025–26, the Remote Water Team delivered water information sessions across the Northern Territory, providing information on local water sources, drinking water quality, future infrastructure projects and long-term water security planning.

These sessions created opportunities for communities to share local knowledge, raise concerns and contribute to discussions about future water infrastructure priorities. This engagement supports more informed planning and helps ensure future investments respond to community needs and aspirations.

During the year, engagement activities were undertaken in Jilkminggan, Nauiyu, Robinson River, Umbakumba, Wugularr, Barunga, Yuelamu, Karamba, Yuendumu, Galiwin'ku, Bulla and Imanpa.

Priorities for the Future

Public housing reform will remain a key focus for the department, with continued efforts to strengthen tenant accountability, improve community safety and support successful tenancies. The department will modernise housing service delivery through improved tenancy, rent and debt management systems, supported by enhanced data capability, stronger governance and evidence-based decision-making.

Efforts to address antisocial behaviour and improve community outcomes will continue through a combination of tenant accountability measures, targeted place-based responses, improved frontline practice and strengthened partnerships with NT Police, community housing providers, industry and government partners. The department will also continue to reduce concentrations of social housing in high-risk urban areas through divestment, asset renewal and redevelopment, supported by mixed-tenure developments and infill projects that increase housing choice and improve neighbourhood outcomes.

Delivering new housing supply and improving existing assets will remain central to meeting demand across urban, regional and remote communities. The department will continue to work with community housing providers, Housing Australia, industry and government partners to maximise opportunities arising from Commonwealth housing initiatives and support delivery of social and affordable housing. Continued investment in workforce capability, including training, coaching, practice support and quality assurance, will strengthen frontline service delivery, support consistent application of housing policies and legislation, and contribute to positive tenancy outcomes across the Northern Territory.

Remote housing delivery will continue to be progressed through the $4 billion remote housing partnership agreement, with a focus on new housing, housing upgrades and enabling infrastructure that reduce overcrowding and improve living conditions. The department will continue working with the Joint Steering Committee for Remote Housing NT, Aboriginal organisations, local stakeholders and communities to strengthen planning, asset management, repairs and maintenance services, and community participation in housing decisions.

Housing Reference Groups will continue to play an important role in informing local priorities and supporting residents to participate in the planning, delivery and review of housing services. Strengthening feedback mechanisms, increasing transparency and building community capability will help ensure housing decisions reflect local priorities, cultural needs and long-term aspirations.

The department will also continue to work with delivery partners to strengthen Aboriginal employment, workforce development and participation by Aboriginal business enterprises in housing construction, maintenance and related services. These activities support local economic development while building long-term capability within remote communities.

Government Employee Housing will continue to play a critical role in supporting workforce attraction, retention and service delivery across regional and remote communities.

Future priorities include strengthening asset management, portfolio planning, maintenance programs and security standards to ensure accommodation remains safe, functional and sustainable.

Through sustained collaboration with communities and partner organisations, the department will support housing outcomes that improve health, wellbeing, economic participation and community resilience across the Northern Territory.

Aerial view of Gunbalanya







A Year of Recovery and Resilience

The 2025-26 wet season brought one of the most significant and sustained flooding events experienced across the Northern Territory in recent years. Between February and April 2026, successive flood events, tropical lows and the impacts of Tropical Cyclone Narelle disrupted communities, essential services, transport networks and housing across the Top End, Big Rivers, Barkly and Central Australia regions.

The most severe impacts were felt in Nauiyu (Daly River), Nganmarriyanga (Palumpa), Katherine, Wugularr and communities across the Barkly region. Flooding damaged housing and community infrastructure, restricted access to critical services and resulted in prolonged isolation for several communities.

Residents of Nauiyu and Nganmarriyanga experienced extended evacuations and temporary relocation while recovery works progressed. In the Big Rivers region, major flooding associated with Tropical Low 31U and Tropical Cyclone Narelle saw the Katherine River peak at 19.2 metres, exceeding the 2006 flood level and contributing to one of Katherine's most significant flood events in recent decades.

The flooding caused widespread inundation and damage to homes, businesses, public infrastructure and departmental housing assets. Recovery efforts included housing remediation, tenant rehousing, biohazard and asbestos management, and restoration works across Government Employee Housing, public housing and remote community housing properties. Most affected dwellings have since been returned to service, with a small number still undergoing remediation.

Flooding across the Barkly and Central Australia regions also disrupted communities, transport corridors and critical infrastructure. Departmental staff worked closely with emergency management partners, local authorities, Aboriginal organisations and community leaders to assess housing impacts, support displaced residents, coordinate temporary accommodation, restore essential services and contribute to longer-term recovery planning. The scale and complexity of these events required a coordinated whole-of-government response.





A note of thanks from the Chief Executive Officer

I want to acknowledge and sincerely thank our staff for the resilience, courage and professionalism they demonstrated throughout the 2025-26 flood events. Across the Territory, our staff stepped up during a period of significant disruption to support communities, maintain essential services and contribute to the broader emergency response and recovery effort.

I particularly acknowledge our colleagues in the Big Rivers Region, many of whom were personally affected by the floods while continuing to serve their communities. Their commitment was extraordinary. Staff returned to work while their own homes, families and daily lives were still significantly impacted, and they did so with compassion, strength and a deep sense of responsibility to the people and communities they support.

The department's response was strengthened by the dedication of staff across every affected region. Their efforts reflect the best of public service and the values that underpin this department: care for community, commitment to service and support for one another in times of difficulty.

Sincerely, thank you
Tom Leeming
Chief Executive Officer

The department played a critical role across the response and recovery phases, mobilising staff to support emergency operations centres, evacuation and welfare services, housing assessments, community engagement and recovery planning. Significant resources were redirected to emergency response activities, while essential frontline services continued across affected regions.

Although immediate response operations have concluded, flood impacts continue to influence departmental priorities. Housing repairs, infrastructure restoration and broader community recovery are informing resource allocation, workforce planning and service delivery. Recovery extends beyond physical reconstruction and includes supporting the wellbeing and resilience of residents and communities affected by prolonged disruption and repeated flood events. The events highlighted the challenges of delivering services in remote and regional communities, including access constraints, telecommunications disruptions and complex logistics. They also reinforced the importance of strong partnerships with local authorities, Aboriginal organisations and community leaders, and the value of community-led and culturally informed approaches to emergency response and recovery.

The flooding also demonstrated the resilience of Territory communities and departmental staff. Communities adapted to significant disruption while maintaining strong local support networks, and staff responded with professionalism, adaptability and commitment throughout a prolonged and challenging period.

The department's experience across Nauiyu, Nganmarriyanga, Katherine, Wugularr, Barkly, Central Australia and other affected communities has informed improvements to emergency preparedness, recovery planning, workforce capability and interagency coordination. These lessons will strengthen the department's ability to support remote and regional communities before, during and after future emergency events.

Gum trees along Trephina Gorge

04

Our Services
Local Government



Empowering Communities

The department supports strong and accountable local government across the Northern Territory. Through policy development, legislative oversight, compliance activities and capacity-building initiatives, the department works with councils to strengthen governance, transparency and service delivery.

The department supports 18 local governments serving communities across the Territory's extensive geographic footprint. It also works with 67 local authorities that provide a mechanism for local input into community priorities, service delivery and development projects.

During 2025-26, the department continued to support local government reform, elected member development and council compliance activities. It also administered grant programs that supported local infrastructure, community projects, employment opportunities and the management of regional and remote burial grounds.

These activities strengthened local governance arrangements, supported community participation in decision-making and contributed to sustainable service delivery across urban, regional and remote communities.

Achievements

Local Government Legislative Reform

The department delivered significant reforms to the *Local Government Act 2019*, strengthening governance, accountability and transparency across the local government sector, including implementation of a new independent Code of Conduct framework, elected member training requirements and improvements to council elections, delegations and procurement processes.

Elected Member Training

Following the August 2025 local government general elections, the department delivered mandatory training for elected members to support effective governance and decision-making. The six-course program covered understanding local government; roles and responsibilities of council members; conflicts of interest; the Code of Conduct; meeting procedures and decision-making; and an introduction to council finances. Between 8 September 2025 and 30 June 2026, 52 training sessions were delivered to 144 elected members.

Distribution of Local Government Grant Funding

The department distributed approximately $71 million in 2025-26 grant funding to support councils and communities across the Territory.

The funding included:

- $37.456 million in Northern Territory Operational Subsidy funding to provide financial support to regional and shire councils in delivering local government services;
- $8.5 million through the Indigenous Jobs Development Funding program, for councils to receive a subsidy to employ Indigenous staff working in the area of local government service delivery;
- $1.875 million in Waste and Resource Management grants, to provide regional and shire councils with assistance in addressing issues specific to waste and resource management;
- $5.472 million in Local Authority Project Funding, provided to regional councils to support priority projects in individual communities recommended by a local authority;
- $0.53 million in Regional and Remote Burial Areas grant program, to support projects that focus on protecting, maintaining and keeping records of burial sites and burial areas; and
- $17.25 million in Greater Darwin Plans Infrastructure Support Package, providing support to large infrastructure projects across Darwin and Palmerston.

Together, these investments supported essential service delivery, employment opportunities, improved waste and resource management, community-prioritised projects and infrastructure delivery.

NT Local Government Grants Commission

The NT Local Government Grants Commission distributed $47.3 million in 2025-26 Commonwealth Financial Assistance General Purpose and Local Roads grants, applying a robust and transparent decision-making process.

Strengthened Local Government Compliance

The department continued its compliance review program and completed four compliance reviews of local government councils, assessing legislative obligations, governance standards, and financial management practices.

Reviews provided councils with recommendations to strengthen accountability, governance and service delivery and supported continuous improvement across the sector.

Crown Lands Boards of Trustees

Completed a review of governance and tenure arrangements for five Crown land recreation reserve Boards of Trustees and commenced implementation of reforms to strengthen governance arrangements for continuing Boards and transition of two reserves to community-based tenure arrangements.

Burial and Cremation Framework

Continued implementation of the Northern Territory burial and cremation regulatory framework, providing guidance on burial grounds and burials outside cemeteries and supporting landholders, communities and other stakeholders to understand and comply with statutory requirements.



Aerial view of housing assets in Alice Springs

Priorities for the Future

Learning and Development Framework Review

The department has commenced a review of the Learning and Development Framework, which is delivered through a shared responsibility model and provides a common foundation to build strong governance skills across the local government sector.

A Learning and Development Reference Group was established in January 2026 to provide advice and support to the department. The Reference Group includes representatives from municipal and regional councils, the Local Government Association of the Northern Territory, Industry Skills Advisory Council NT, the Northern Territory Electoral Commission and the Office of the Independent Commissioner Against Corruption.

Broad sector feedback is informing the approach to training and ongoing professional development. The review will continue to ensure training remains contemporary and practical, strengthen governance capability and support councils to meet governance and compliance expectations.

Local Government Grants Commission Methodology Review

The NT Local Government Grants Commission has resolved to review its methodology for allocating Commonwealth Local Government Financial Assistance Grants. The review seeks to achieve a more equitable distribution of the Financial Assistance Grants within the mandatory framework of the National Principles, with a focus on greater horizontal fiscal equalisation for NT local governments.

The review will include development of a new allocation model to enable greater targeting of Financial Assistance Grants to NT councils with the greatest financial need, within the parameters of the National Principles formulated under the *Commonwealth Local Government (Financial Assistance) Act 1995*.



Gum trees and escarpment, Alice Springs by Cody Z

05

Our Services
Community Development



The department's community development activities focus on supporting local decision making, strengthening community capacity and enabling communities to play a greater role in shaping their future. Together, these efforts contribute to more responsive government, stronger partnerships and improved outcomes for communities across the Northern Territory.

Empowering Community Decision Making

The department's community development functions support communities to participate in decision-making, identify local priorities and contribute to long-term social and economic development.

Working alongside Aboriginal organisations, community leaders and government partners, the department promotes locally informed approaches that reflect community aspirations and strengths.

During 2025-26, the department continued to support Local Decision-Making agreements, community engagement activities and interagency coordination. The department also released and progressed initiatives under the Empowering the Bush Strategic Framework, supporting greater community self-determination, stronger local leadership and improved alignment between government investment and community priorities across regional and remote communities. These activities strengthened partnerships between government and communities and supported more coordinated and responsive service delivery.

The department also provided strategic coordination, data analysis and regional engagement support through its Community Development and Remote Information and Engagement teams. Together, these functions contributed to stronger community participation, improved planning and more effective collaboration across government and community sectors.



Wild grasses on Kaltukatjara

Empowering the Bush

In February 2026, the department released the Empowering the Bush Strategic Framework, a key Northern Territory Government reform initiative focused on strengthening community decision-making, supporting place-based community development and improving the coordination and delivery of services across regional and remote communities. The Framework reflects a vision of thriving, self-determined communities that play a greater role in shaping their future, setting local priorities and driving long-term social and economic outcomes.

The Framework is guided by three strategic goals:

- Empower self-determination
- Progress community development
- Unlock regional growth

Throughout 2025-26, the department worked closely with Aboriginal communities, Traditional Owners, local government, Aboriginal organisations, peak bodies and partner agencies to strengthen local governance, support community-led planning and improve alignment between government investment and community priorities. This work emphasised local leadership, cultural authority, mutual accountability and evidence-based decision-making.

A key focus of implementation was progressing the Framework's four delivery pathways:

- Local Government Reform
- Northern Territory Remote Aboriginal Investment (NTRAI) Community-Led Development Schedule
- Local Decision Making Agreements
- Community development functions across the department

Through these pathways, the department supported communities to play a greater role in shaping the design, delivery and evaluation of policies, programs and services. The work also explored opportunities to strengthen governance arrangements, improve local representation and support more effective service delivery in communities across the Territory.

Extensive engagement activities were undertaken throughout the year across regional and remote communities. These engagements provided opportunities for communities, Traditional Owners, Aboriginal organisations and local leaders to contribute directly to discussions about community priorities, regional development and future service delivery approaches. Consistent themes included stronger local decision making, improved coordination of government services, greater alignment between investment and community priorities and increased opportunities for economic participation and community-led development. Insights gathered through these consultations have informed ongoing policy development, program design and reform activities across the department.

Barkly regional engagement

As part of implementation of the *Empowering the Bush Strategic Framework*, the Empowering the Bush Reform Team undertook targeted engagement across the Barkly region. Since February 2026, the team has engaged with 417 stakeholders, including Traditional Owners, community members, Aboriginal organisations, service providers, and representatives from local, Territory, and Australian governments.

These engagement activities strengthened awareness of the Framework's reform agenda and supported community participation in discussions on governance and representation, service delivery, workforce and leadership development, infrastructure priorities, and opportunities to enhance community control and self-determination.

Feedback consistently highlighted the importance of culturally appropriate governance arrangements, stronger coordination between governments, expanded local employment and training pathways, and investment aligned with long-term community aspirations. Insights from this engagement have strengthened government understanding of regional priorities and challenges, informed future reform activities, and supported the development of governance and community development initiatives across the Barkly region.

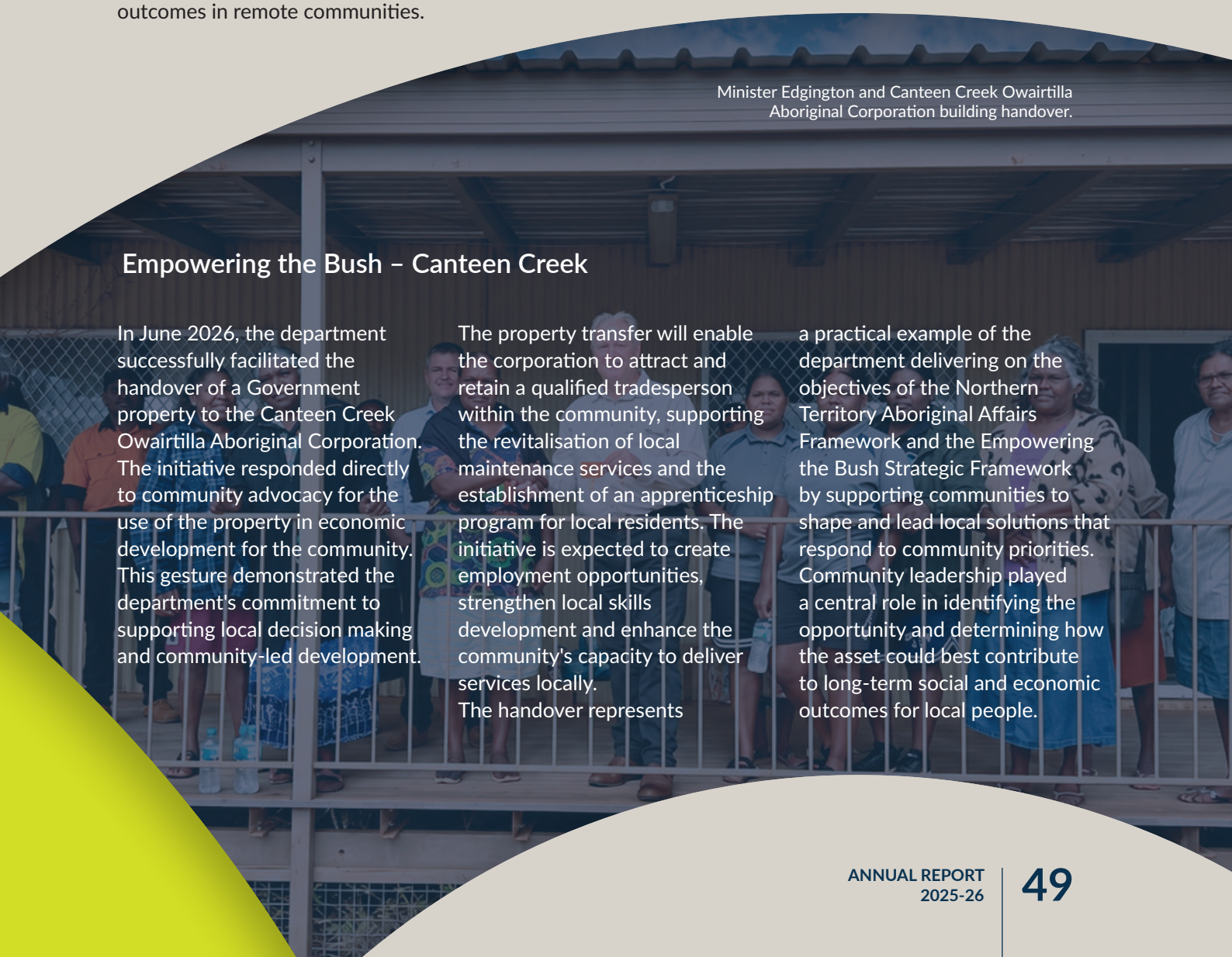


Northern Territory Remote Aboriginal Investment (NTRAI) Community-led Development Schedule

During 2026, the department progressed the development of the Northern Territory Remote Aboriginal Investment (NTRAI) Community-Led Development Schedule, a six-year partnership between the Australian and Northern Territory Governments and Aboriginal Peak Organisations Northern Territory that supports stronger Aboriginal leadership, local decision making and improved social and economic outcomes in remote communities.

The Schedule will support a community-led approach to investment, empowering communities to identify priorities, shape solutions and lead locally driven development initiatives. Over the funding period, a minimum of 8 sites will be selected to enable Aboriginal communities and regions to lead their own development, strengthen local governance and create pathways for sustainable economic and social outcomes that reflect community aspirations. The department worked closely with the NTRAI Joint Steering Committee to develop the Schedule and the methodology to be used for the selection of sites.

The Community-Led Development Schedule will provide investment across three complementary streams: Community-Led Development activities, Community-Led Jobs, Training and Business Services activities, and Community-Led Minor Capital Works. Together, these streams aim to strengthen cultural governance, improve community planning and decision-making, support employment and business opportunities, and deliver infrastructure that enables sustainable community development outcomes.



Minister Edgington and Canteen Creek Owairtilla Aboriginal Corporation building handover.

Empowering the Bush – Canteen Creek

In June 2026, the department successfully facilitated the handover of a Government property to the Canteen Creek Owairtilla Aboriginal Corporation. The initiative responded directly to community advocacy for the use of the property in economic development for the community. This gesture demonstrated the department's commitment to supporting local decision making and community-led development.

The property transfer will enable the corporation to attract and retain a qualified tradesperson within the community, supporting the revitalisation of local maintenance services and the establishment of an apprenticeship program for local residents. The initiative is expected to create employment opportunities, strengthen local skills development and enhance the community's capacity to deliver services locally.
The handover represents a practical example of the department delivering on the objectives of the Northern Territory Aboriginal Affairs Framework and the Empowering the Bush Strategic Framework by supporting communities to shape and lead local solutions that respond to community priorities. Community leadership played a central role in identifying the opportunity and determining how the asset could best contribute to long-term social and economic outcomes for local people.

Barkly Regional Deal

The Barkly Regional Deal is a long-term partnership between the Australian Government, Northern Territory Government, Barkly Regional Council and Barkly communities to improve the productivity, liveability and resilience of the Barkly region. Through a 10-year, $78.4 million investment, the Deal supports economic development, social and cultural outcomes, place-based development and Aboriginal leadership through 28 initiatives delivered collaboratively across all levels of government.

During 2025-26, the department continued to support implementation of the Deal in partnership with government agencies, local stakeholders and communities. Significant progress was achieved across a number of initiatives, including commencement of the student boarding facility, advancement of planning and concept development for the Tennant Creek Visitor Park, and completion of infrastructure works for the youth justice accommodation facility, which became operational during the year.

Local Decision Making

Honouring existing Local Decision Making agreements with community organisations across the Territory remains a key commitment, with 15 of 20 Local Decision Making Agreements remaining in place at varying stages of implementation.

A coordinated re-engagement with Local-Decision-Making signatory Aboriginal Community Controlled Organisations and relevant Northern Territory Government agencies was completed to re-assess priorities and reaffirm commitments.

The previous Local Decision Making grant program was refreshed to provide Community Capacity and Support Grants to Local Decision Making partners, providing financial assistance to progress activities identified in their relevant agreements.



View from Alyangula by Jessika L

Central Australia Plan: Community Infrastructure Package

The Community Infrastructure Package is a $50 million Australian Government initiative delivered under the A Better, Safer Future for Central Australia Plan. The program supports community-prioritised infrastructure projects that strengthen economic, social and cultural outcomes across Central Australia.

Delivered in partnership with the Australian Government, Northern Territory Government, Central Desert Regional Council and MacDonnell Regional Council, the program is being rolled out through three funding tranches.

Significant progress has been achieved under Tranche 1 (Immediate Projects), with several projects successfully completed, including:

- Atitjere Playground Upgrade
- Nturiya New Play System
- Laramba Oval Lights
- Yuendumu Men's Shed
- Kintore Oval Lights
- Titjikala Oval Lights

A further four Tranche 1 projects are nearing completion, providing improved recreational, sporting and community facilities for remote communities. The 22 projects approved under Tranche 2 are progressing through planning and delivery stages. By investing in infrastructure identified by local communities, the program is creating welcoming community spaces, enhancing participation and wellbeing, and supporting long-term community development outcomes across Central Australia.

Supporting Water Safety Education

The department worked alongside the Remote Water Team to support the delivery of the Milpa Clean Faces, Strong Eyes education program at the Imanpa Water Forum in May 2026. The forum provided an opportunity for community members, including young people, to learn about water security, healthy living practices and the importance of sustainable water management in remote communities. The event fostered community awareness and encouraged greater understanding of how water security contributes to long-term community wellbeing.

Remote Engagement

Remote Engagement Essentials Workshops

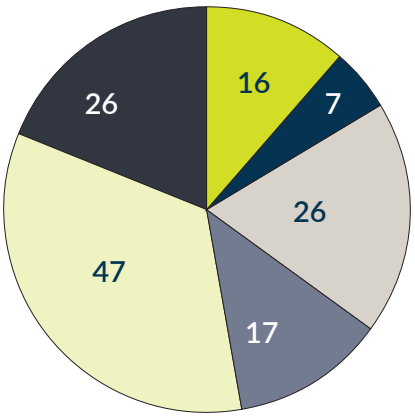
The Remote Engagement Essentials Workshops are aimed at government and non-government organisations that conduct Northern Territory-based service delivery or project management in a remote Aboriginal community context. The course builds practical skills in community planning and engagement and promotes the values and principles of the Strategy.

Delivered by the Remote Information and Engagement Team, the workshops combine an internationally recognised model of community engagement with Northern Territory-specific considerations through interactive exercises, group discussions, and guidance on key data portals, including BushTel, alongside training and insights from the Aboriginal Interpreter Service. Although the focus is Northern Territory Government staff, there continues to be interest from Commonwealth agencies, Land Councils, local government, Aboriginal corporations, and non-government organisations.

2025-26 key outcomes:

- 5 workshops delivered in Darwin and 2 in Alice Springs;
- 155 participants completed training; and
- a further 109 participants were registered or waitlisted to secure a place in the course

Remote Engagement Essentials NT Government Participation 2025-26FY



BushTel's Growth and Inter-agency Coordination

BushTel experienced significant growth this reporting period, reinforcing its role as a key information hub for Aboriginal communities across the Northern Territory.

- User growth: active users increased by 44.6 per cent compared to 2024-25, reaching a total of 92,000 active users.
- Inter-agency data integration: a growing number of government bodies now publish their community engagement schedules on BushTel, including Visiting Medical Services (Specialist Outreach NT), DriveSafe NT, Services Australia, the National Disability Insurance Scheme, the NT Electoral Commission, and the Australian Bureau of Statistics (Census).
- Agency visibility: for the first time, all community visits and engagements by the department are displayed, providing advance notice of departmental visits and a clear display of our commitment to working with communities.
- Financial transparency: BushTel captured and displayed 938 awarded Commonwealth grants in the Northern Territory, with a combined value of $1.28 billion. This improved financial transparency by enabling communities to better understand, monitor, and track government investment in their local areas.

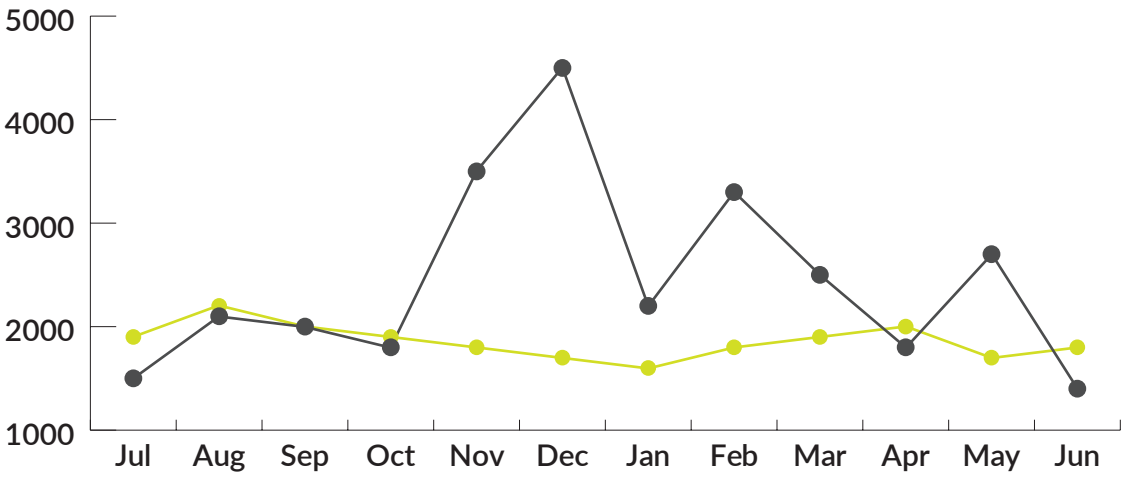
Enhancing BushTel Private

The continued development of BushTel Private delivers dedicated spatial analytics landing page for NT Government decision-makers. The internal portal consolidates key web maps, interactive dashboards, and live analytical applications to provide a clear, near real-time picture of service delivery and regional infrastructure across the Territory. Key capabilities and data sets include:

- Real-time data integration: connects directly to government databases, providing a live "single source of truth" that replaces outdated static spreadsheets.
- Targeted operational resources: features specialised planning tools for medical retrieval, fuel storage and availability, government travel logistics, and Return to Country programs.
- Regional oversight: visualises land ownership, regional road ownership, Northern Territory Government mobility and Territory and Commonwealth grant and contract allocations.
- Customisable analytics: enables users to toggle map layers on or off, allowing agencies to dissect data for specific operational and policy requirements.

BushTel

Local Government Bushtel Growth



Priorities for the Future

Local Government Reform

The Northern Territory Government will continue progressing Local Government Reform to strengthen local decision-making, improve representation and support efficient delivery of essential services in regional and remote communities.

Ongoing engagement with communities, councils, Aboriginal organisations, industry and other stakeholders will ensure reform options reflect local aspirations, governance needs and service delivery priorities.

Future work will assess reform options, including de-amalgamation, new community councils and alternative governance models, supported by financial and service delivery modelling to inform evidence-based decisions.

The program will continue to strengthen community participation, local representation, accountability and regional development through a place-based approach that recognises the different circumstances and aspirations of Territory communities.

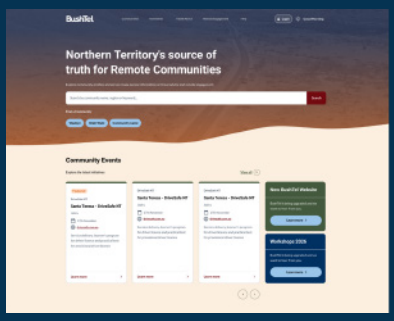
Phonetic Pronunciations for Community

Early-stage development is underway to add phonetic pronunciations of remote community names to BushTel community profile pages. This initiative will support culturally respectful communication and ensure accurate use of local place names across public sector service delivery.

BushTel Modernisation Strategy

To address BushTel's outdated platform and ensure ongoing security, BushTel is undergoing a comprehensive staged modernisation. Upgrading from its 10-year-old architecture, the project will deliver a supported database, an updated user interface and expanded functionality for end users, with an ambition to increase two-way communication between government and communities.
Staged delivery framework

- **Stage 1** (foundation): upgrade core database architecture, rewrite code in a modern programming language and apply initial visual updates. **(Currently in Progress)**
- **Stage 2** (user experience): conduct user testing and obtain feedback to develop refreshed visual elements that deliver a modern, intuitive look and feel. (In development stages)
- **Stage 3 and beyond** (enhancements): roll out advanced features and new functionality on an ongoing basis.



Review of the Remote Engagement and Coordination

Delivery of the Remote Engagement Essentials workshops and the overarching Remote Engagement and Coordination Strategy remain a core priority to build public sector capability, embed best-practice community engagement across the Territory and support the Northern Territory Government's community and regional development priorities.
Demand for the training continues to grow, with Darwin sessions generating particularly high waitlists and regional sessions seeing increased participation. Participant feedback indicates the workshops increase practical skills and improve on-ground engagement practices.

Key strategic commitments include:

- Annual delivery target: 8 workshops across Darwin, Alice Springs and regional centres to ensure broad Territory-wide access, including planned regional delivery in Tennant Creek and Alyangula.
- Strategy review: a comprehensive review of the Remote Engagement and Coordination Strategy is underway to develop an updated engagement model tailored to the Territory's evolving operational environment.

Aboriginal Interpreter Forum



06

Our Services
Community Engagement and Interpreters and Translators

Effective community development relies on meaningful engagement and the ability of people to participate fully in decisions that affect them. In a linguistically and culturally diverse Territory, access to interpreting and translating services is critical to ensuring people can communicate in their preferred language, access services and contribute to community and government decision-making. Through Community Engagement, Interpreters and Translators, the department helps remove language barriers and supports more inclusive, accessible and culturally responsive services. The department supports effective communication between language speakers and government, non-government and community organisations and the Community Engagement, Interpreters and Translators team comprises of the Aboriginal Interpreter Service (AIS) and Interpreting and Translating Service NT (ITSNT).

Interpreters and translators play an important role in removing language and cultural barriers, enabling people to communicate in their first language, make informed decisions and have equitable access to essential services.

The department also supports broader language policy and sector development through the Northern Territory Government's participation in the National Aboriginal and Torres Strait Islander Languages Policy Partnership and implementation of commitments under the Northern Territory Remote Aboriginal Investment Agreement.

Aboriginal Interpreter Service

The Aboriginal Interpreter Service (AIS) plays a vital role in enabling Aboriginal language speakers to exercise their fundamental right to communicate in their first language. AIS employs approximately 60 ongoing staff and, as at 30 June 2026, maintained a workforce of 193 casual interpreters.

Supporting and strengthening Aboriginal languages empowers Aboriginal people and communities, while access to high-quality interpreting services helps overcome linguistic and cultural barriers, ensuring fair and equitable access to essential services.

AIS provides face-to-face, telephone and audio-visual interpreting services, as well as recording and production of messages in Aboriginal languages. Services are delivered across the Northern Territory and extend into parts of South Australia and Western Australia. AIS is one of only two government providers of Aboriginal interpreting services in Australia.

As at 30 June 2026, AIS provided support across 26 Aboriginal languages, with 39 interpreters certified by the National Accreditation Authority for Translators and Interpreters. Demand for Aboriginal interpreting services remained strong throughout 2025–26, with 8,135 requests received from a diverse range of government and non-government organisations delivering services across urban, regional and remote locations.

Interpreting and Translating Services NT

ITSNT provides professional interpreting and translating services to support government, businesses and community organisations to communicate effectively with culturally and linguistically diverse communities. By removing language barriers, ITSNT supports people who speak languages other than English to access essential services, participate in community life and make informed decisions. Services include face-to-face interpreting and professional translation and revision of written material.

As at 30 June 2026, ITSNT supported culturally and linguistically diverse communities through a workforce of 76 casual interpreters and 126 National Accreditation Authority for Translators and Interpreters-certified translators, collectively providing interpreting and translation services across 48 languages.

Demand for multicultural language interpreting and translating services remained strong throughout 2025–26, with ITSNT receiving 3,838 interpreting requests and 387 translation requests. Translation services were requested by 9 government agencies across 16 languages, supporting access to government information and services for people from culturally and linguistically diverse backgrounds.

Achievements

Long-term investment in Aboriginal interpreting

A significant development during 2025–26 was the commencement of the new Northern Territory Remote Aboriginal Investment (NTRAI) 2025–31 Aboriginal Interpreter Service Schedule. The NTRAI AIS Schedule supports expansion of Aboriginal interpreting in critical sectors including health and emergency services, domestic, family and sexual violence, and legal and justice services, while strengthening recruitment, retention, training and professional development of the Aboriginal interpreter workforce.

It also provides a framework for stronger partnerships with community language centres and the Languages Policy Partnership, improved coordination of interpreting services across the Northern Territory, South Australia and Western Australia tri-border region, and increased community and stakeholder engagement.

This progresses the commitment identified in the 2024–25 Annual Report to expand delivery of Aboriginal interpreter services through the new NTRAI Schedule.

Aboriginal Interpreter Forum

The 2026 AIS Interpreter Forum was held in Darwin on 17 and 18 June 2026, bringing together 30 Aboriginal interpreters and 8 non-interpreting staff, with all AIS regions represented.

The two-day forum provided interpreters



ITSNT - RMIT Training
Achana - Truc - Rosario
Andreas - Patricia - Goi - Fotini



ITSNT at Conference
Ana Lisa - Helena - Zainab
Fung - Achana - Jackie - Lina

with opportunities to strengthen professional knowledge, share experiences, build networks and discuss the challenges associated with interpreting across complex service environments.
Sessions focused on professional practice, interpreter wellbeing and safety, trauma-informed approaches, mentoring, career pathways and interpreting in health, legal, child protection, mental health and social service settings.

Interpreters also reflected on their broader role in maintaining language, culture and identity and ensuring Aboriginal languages remain visible and valued. Feedback identified opportunities to strengthen interpreter wellbeing and support, mentoring and shadowing, professional development and career pathways, recognition of interpreters and regional engagement. Participants strongly supported continuing annual interpreter forums.

Strengthening Emergency Communication

The department continued to strengthen the role of interpreters in emergency preparedness and response.

In October 2025, 7 AIS interpreters participated in specialised emergency management training coordinated by SecureNT with the Bureau of Meteorology and Territory Emergency Operations Centre. The training developed skills to support clear and accurate communication in time-sensitive and high-stress emergency situations.

During Cyclone Fina in November 2025, Aboriginal interpreters travelled from their home communities to Darwin to support live emergency broadcasts. AIS also prepared pre-recorded Aboriginal language messages for the Public Information Group for distribution through social media. AIS continued its partnership with NT Police through the Joint Emergency Services Communications Centre, with Aboriginal interpreters rostered 5 days per week to support communication between emergency call takers and Aboriginal language speakers.

Improving access to information through Aboriginal language recordings

AIS Recording and Production continued to support government and community organisations to make important information more accessible to Aboriginal language speakers through the production of audio and in-language resources.

During 2025–26, Recording and Production supported a broad range of health, justice, emergency management, community safety and public information initiatives. This included:

- recording key messages for the North Australian Aboriginal Justice Agency on new youth laws for radio broadcast, supporting community awareness and understanding of legislative changes producing in-language recordings for the department septic tank safety educational videos, helping increase community knowledge of safe practices
- recording Australian Warning System emergency messages and urgent cyclone and flood information to support timely and accessible communication during severe weather events
- producing accessible information for the NT Public Guardian and Trustee to support Aboriginal people to understand guardianship information
- producing in-language recording for the National Emergency Management Agency Aus Alert project
- supporting First Nations Broadcasting to produce Census audio content for

use in videos and improve engagement with First Nations communities
- supporting the NT Health Diphtheria Vaccination Campaign through Aboriginal language recordings to increase awareness of vaccination and booster requirements.

These projects demonstrate the important role of Aboriginal language recordings in extending language access beyond interpreting appointments and ensuring critical public information can be understood and shared in communities.

Increasing access to interpreters in health services

AIS continued work to improve Aboriginal language access within health services.

In November 2025, AIS commenced a new weekend interpreter roster at Alice Springs Hospital, providing two interpreters from 7.30 am to 1.00 pm on Saturdays and Sundays.

Interpreter capability was supported through specialised health professional development. Between 1 July 2025 and 30 June 2026, the Menzies School of Health Research delivered 18 Health Education professional development sessions, with 117 interpreter attendances.

Fourteen interpreters also participated in domestic, family and sexual violence training at Royal Darwin Hospital in November 2025, strengthening interpreter understanding of domestic, family and sexual violence and culturally safe responses.

Increasing multicultural access to essential information

ITSNT continued to support culturally and linguistically diverse communities to access important government information through professional translation.

Examples during 2025–26 include translating diphtheria public health information into 5 community languages and Intensive English School information into Spanish, Nepali and Sinhalese.

These are just some examples of how ITSNT translation services supported access to health and education information, helping people understand important information, participate meaningfully and make informed decisions.

Modernising Service Delivery

ITSNT continued to modernise its service processes to make interpreting and translating services easier and more efficient to access, while responding to growing service demand.

During 2025–26, ITSNT introduced online payment options and streamlined its digital request and application processes. These improvements reduced reliance on manual administration, making it easier and more efficient for service users and language professionals to engage with ITSNT. They also strengthened the service's capacity to manage growing demand efficiently and responsively.

Supporting culturally and linguistically diverse communities

ITSNT continued to strengthen access to services for multicultural communities by building the capability of both service providers and the multicultural interpreter workforce.

During 2025–26, ITSNT participated in 7 community engagement activities reaching more than 1,200 people, including Melaleuca Australia's consultation on improving access to health services, highlighting how language barriers and access to professional interpreters can affect access to health services for multicultural communities. ITSNT also worked with a range of health and education services, including the Department of Health Children's Development Team and Top End Mental Health and Alcohol and Other Drugs services, Charles Darwin University speech pathology students, and Flinders University medical students to strengthen effective use of professional interpreters.

ITSNT continued targeted recruitment and interpreter development in response to changing language needs, recruiting 42 new interpreters through two recruitment rounds and supporting the workforce through structured assessment, induction, mentoring, professional development and pathways towards National Accreditation Authority for Translators and



ITSNT - Darwin Community Expo
Lina - Joy - Waji - Ana

Interpreters certification.
Together, these initiatives strengthened language access by improving how services work with interpreters while increasing ITSNT's capacity to respond to the Territory's changing multicultural language needs.

Building interpreter and translator capability

The department continued to invest in recruitment, professional development and pathways towards certification for Aboriginal and multicultural interpreters.

Between 1 July 2025 and 30 June 2026, AIS delivered 60 Working with Interpreter Training sessions across Greater Darwin, Big Rivers, Central Australia and East Arnhem regions, reaching 905 participants. ITSNT delivered 5 Working with Interpreters workshops to 81 participants, 2 interpreter induction programs involving 42 participants, an Introduction to Community Interpreting session and 3 induction refresher sessions.

AIS also delivered 23 interpreter induction programs, 7 health training sessions, 19 legal training sessions and 21 National Accreditation Authority for Translators and Interpreters training activities during the reporting period.

AIS also continued to strengthen the resources that support effective interpreter communication, reviewing and developing practical tools including Plain English dictionaries, interpreter-use guidance and protocols. These resources support consistent practice and help service providers prepare for and work more effectively with interpreters.

Career pathways and service promotion

In January 2026, AIS launched the Working with Interpreter Training on the NT Government myLearning portal, making training more accessible to government, non-government, industry and other service providers and strengthening their capability to work effectively with Aboriginal interpreters. AIS and ITSNT commenced work to enhance website content with updated information about available services, delivery expectations and booking arrangements. Work has also commenced to promote jobs via the Join the Territory website.
AIS and ITSNT have continued to strengthen their promotional and recruitment efforts through the enhancement of merchandise and promotional materials. These resources have been utilised at careers expos, stakeholder forums, and community engagement events to increase awareness of services and promote career pathways within the service.

Building capability together

On 31 March 2026, the department partnered with RMIT University to deliver NT Interpreter Capacity Building Professional Development in Darwin.

The training brought the department's two interpreter workforces together, with 18 AIS interpreters and 16 ITSNT interpreters participating.
This complemented ongoing professional development delivered with partners including Menzies School of Health Research, NT Legal Aid, health services and other government and community organisations.

Language and the Law

The department had a strong presence at the Language and



Lubna and Waji

the Law Conference, held at the Supreme Court in Darwin on 1 and 2 April 2026.
Thirty-three department staff attended, with 2 AIS and 2 ITSNT interpreters presenting on their professional experiences.
Five AIS interpreters also delivered a reverse role-play in Djambarrpuyngu, with a Supreme Court Judge participating as the English-speaking defendant. The activity provided participants with first-hand experience of communicating through an interpreter and highlighted the importance of language access within the justice system.

National Aboriginal and Torres Strait Islander Languages Policy Partnership

During 2025–26, the department strengthened the Northern Territory Government's participation in the National Aboriginal and Torres Strait Islander Languages Policy Partnership.

The Languages Policy Partnership is a formal partnership between Australian, state and territory governments and Aboriginal and Torres Strait Islander representatives established under the National Agreement on Closing the Gap. It supports progress towards Target 16 – a sustained increase in the number and strength of Aboriginal and Torres Strait Islander languages being spoken by 2031.

The new NTRAI AIS Schedule embeds support for the Languages Policy Partnership within the Territory's longer-term Aboriginal interpreting investment, including stronger relationships with community language centres and improved coordination of the language services sector.
In April and May 2026, AIS interpreters participated in consultation workshops in Alice Springs and Darwin to inform development of the National Aboriginal and Torres Strait Islander Interpreting and Translating Framework.

Supporting strong Aboriginal languages

The department continued to participate in and support initiatives that recognise the broader contribution of interpreters and language workers to maintaining and strengthening Aboriginal languages.

In August 2025, AIS supported 9 interpreters from across the Territory to attend the PULiiMA Indigenous Language and Technology Conference in Darwin. The conference provided professional development and opportunities to share knowledge about language preservation, revitalisation, technology and community-led language practice. This work complements the department's involvement in the Languages Policy Partnership and recognises that Aboriginal interpreters contribute not only to access to services, but also to language maintenance, professional language work and the visibility of Aboriginal languages.



Waji - Lina - Ana - Lubna - Jackie

Priorities for the Future

Expanding access to interpreting and translating services

The department will continue to strengthen service delivery to improve access to interpreters and translators across the Territory, with a focus on critical services including health, emergency management, justice, domestic, family and sexual violence and community services.

Implementation of the NTRAI 2025–31 AIS Schedule will continue to drive expansion of Aboriginal interpreting services, workforce development, community and stakeholder engagement and stronger cross-border service coordination.

Growing and supporting the workforce

The department will continue to recruit, train and retain Aboriginal and multicultural interpreters and translators, with a focus on increasing workforce capacity in high-demand languages and regional and remote locations. Professional development will continue to include induction, mentoring, shadowing and on-the-job learning, specialised health and legal training, interpreter wellbeing and pathways towards National Accreditation Authority for Translators and Interpreters certification.

The findings of the 2026 Aboriginal Interpreter Forum will help inform future workforce development, including stronger mentoring, professional networks, wellbeing supports, career pathways and regional engagement.

Strengthening language policy and partnerships

The department will continue to support the Northern Territory Government's participation in the Languages Policy Partnership and progress work towards Closing the Gap Target 16.

Priorities include strengthening relationships with Aboriginal community-controlled organisations and community language centres, developing a more coordinated whole-of-government approach to languages, contributing to national sector-strengthening initiatives and increasing the visibility of Aboriginal languages across government systems and services.

Executive Leadership Board Strategic Planning Workshop

07

Our Legislation

Legislation

The department has responsibility for the administration of the following Acts (or part of an act) and their associated Regulations as provided in the Administrative Arrangements Order (No. 4) of 2024:

- *Burial and Cremation Act 2002*
- *Community Housing Providers (National Uniform Legislation) Act 2013*
- *Crown Lands Act 1992 (section 79)*
- *Desert Knowledge Australia Act 2003*
- *Housing Act 1982*
- *Jabiru Town Development Repeal Act 2021*
- *Local Government Act 2019 (except Chapter 8)*
- *Local Government Grants Commission Act 1986*
- *Local Government (Katherine Rates) Act 1999*
- *Northern Territory Rates Act 1971*
- *Nudity Act 1975*
- *Pounds Act 1930*
- *Status of Darwin Act 1959*
- *Status of Palmerston Act 2000*

Legislation Reform

Local Government Reform

The Tranche 1 amendments to the *Local Government Act 2019* and the *Local Government (General) Regulations 2021*, were designed to ensure the law is contemporary, improves efficiency and transparency and strengthens effectiveness within the local government sector.

The amendments aligned local government systems and processes with best practices across Australia. The amendments modernise, strengthen and streamline local government operations by updating outdated or unclear provisions.

During 2025-26, the department also progressed Tranche 2 reforms to the *Local Government Act 2019 a*nd associated regulations to strengthen governance, accountability and sector performance. Key reforms included enhancements to the Council Member Code of Conduct framework, governance and intervention arrangements, council delegations, procurement and electoral processes, elected member training, and superannuation arrangements. Informed by consultation with the local government sector, the reforms resulted in the passage of the *Local Government Legislation Amendment (Code of Conduct and Other Matters) Act 2026.*

Executive Leadership Board Strategic Planning Workshop



08

Our Governance and Compliance



Urapuntja Homelands Sunset by Cody Z

Corporate Governance

During 2025–26, the department strengthened its governance, compliance and assurance arrangements to support disciplined delivery, statutory accountability and clearer executive oversight. This work focused on building the systems, frameworks and reporting arrangements needed for a strong, connected, capable and culturally responsive organisation.

The department continued to operate within its legislative and whole-of-government obligations, including financial management, public sector employment, procurement, anti-discrimination, work health and safety, information management and integrity requirements. These obligations informed our policies, governance forums, risk management settings and internal control environment throughout the reporting period.

Corporate Strategy

A key focus for the year was refreshing the department's strategic direction. The Strategic Plan 2026–2030 and Delivery Plan 2026–2027 were developed to provide a clearer line of sight between the department's vision, strategic objectives, priority actions, accountability and performance reporting.

The revised strategic direction is structured around four objectives:

- Strengthen our organisation – a strong, connected, capable and culturally responsive organisation
- Appropriate social housing – a fair and effective social housing system
- Empowering communities – strong local voices and community-led development
- Strategic asset management – a well-managed and sustainable asset base

The Delivery Plan translates these objectives into practical focus areas, assigned accountabilities and reporting arrangements. Work commenced to align divisional business planning, strategic risk reporting and enterprise performance reporting to the new framework, including preparation for dashboard-style reporting from 2026–27.

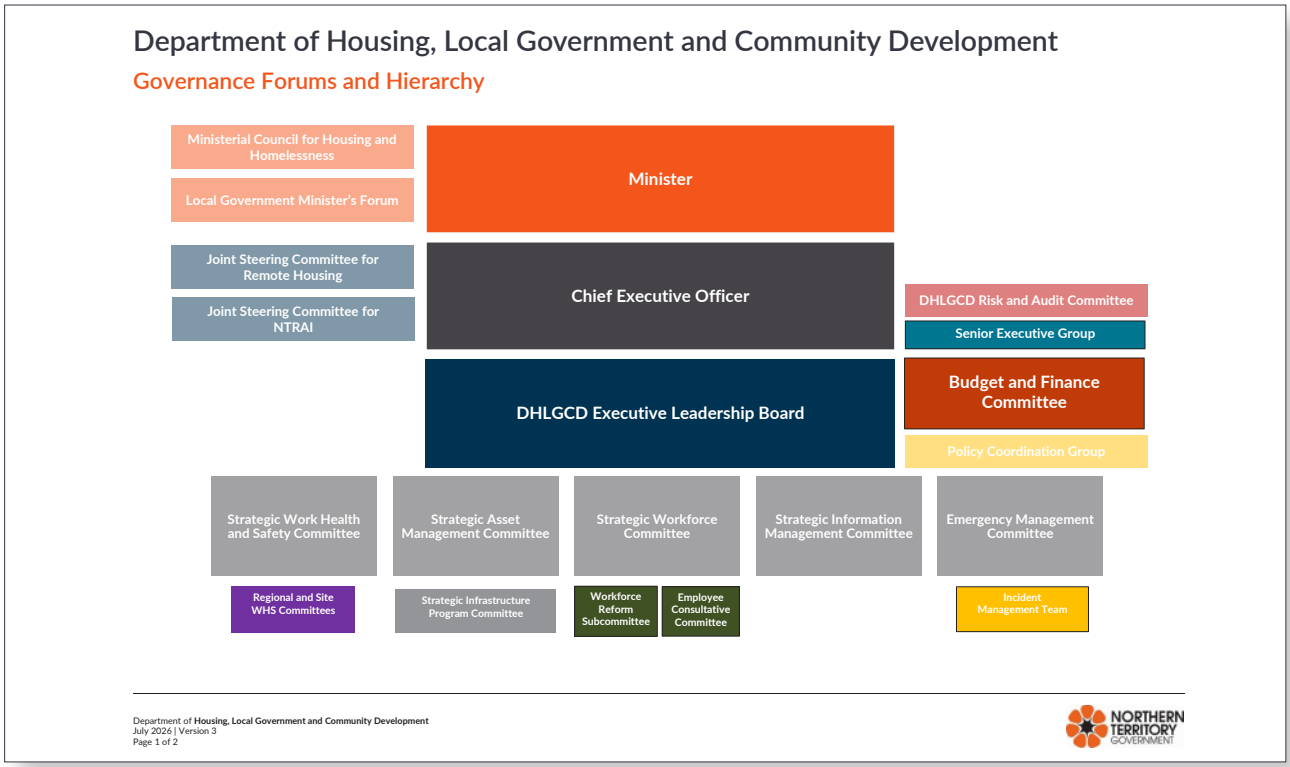
Governance Structure

The department's governance structure was strengthened during the reporting period to improve oversight, accountability and decision-making. The Executive Leadership Board provided strategic direction and performance oversight, supported by an Independent Risk and Audit Committee and a suite of executive subcommittees.

- Executive Leadership Board
- Risk and Audit Committee (Independent)
- Strategic Work Health and Safety Committee
- Strategic Asset Management Committee
- Strategic Workforce Committee and Employee Consultative Committee
- Strategic Information Management Committee
- Emergency Management Committee

This structure provides oversight of departmental priorities, resource allocation, policy implementation, risk management, workforce capability, safety, information management and emergency preparedness.

The governance arrangements support the Chief Executive Officer as Accountable Officer by providing clear decision pathways, defined committee responsibilities and improved visibility of strategic and operational risks across the department.



Internal controls

Internal controls were strengthened through the development and implementation of core governance frameworks (Risk, Integrity including Fraud Control and Audit), as associated policies, registers and reporting processes. These controls enable compliance with legislation, Treasurer's Directions, procurement obligations, audit requirements and whole-of-government policies.
Priority activities further included updating delegations of authority, developing an Accounting and Property Manual (to replace the existing Corporate Services Manual), improving policy governance, strengthening committee terms of reference, and aligning internal controls with risk and assurance reporting.

Risk Management Framework

Risk management was a major focus in 2025–26. The department progressed a risk management framework, policy, risk appetite settings and supporting tools to embed a consistent, evidence-informed approach to identifying, assessing, treating and monitoring risk.
The framework supports risk-based decision-making across strategic, operational, program and project activities. It also defines roles and responsibilities for the Chief Executive Officer, Executive Leadership Board, Risk and Audit Committee, risk owners, control owners, treatment owners and the Governance, Risk and Audit function.

The department identified and documented strategic risks aligned to the Strategic Plan and Delivery Plan. This strengthened the link between risk, controls, assurance activity and executive reporting, and provided a stronger basis for the internal audit program and Risk and Audit Committee oversight.

Integrity Framework

(including fraud and corruption control)
The department progressed an Integrity Framework series to support ethical decision-making, strengthen public trust and provide clearer guidance to employees on fraud and corruption control, whistleblowing, conflicts of interest, outside employment, gifts and benefits, and reporting suspected improper conduct.

- Fraud and Corruption Control Policy and supporting fraud risk assessment activity
- Whistleblowing Policy and reporting pathways for suspected improper conduct
- Conflict of Interest Policy and Procedure, including annual declaration processes for senior officers
- Outside Employment Policy and Gifts and Benefits Policy to support transparent and accountable decision-making.

Corporate Delegations

Corporate delegations are being reviewed and updated to support clear decision-making and accountability across the department during the period, with a full external review to ensure compliance and fit-for-purpose scheduled in the 2026-27 Internal Audit Program. This work has helped align financial, procurement, human resource and administrative responsibilities with the department's operating model and governance arrangements.

Conflict of Interest

The department continued to strengthen conflict of interest management as a key integrity control, with a review and update of the Conflict of Interest Policy. Employees are required to disclose actual, potential or perceived conflicts of interest and to take reasonable steps to avoid involvement in matters where a conflict exists, as these arise in their day to day work.

The annual declaration processes were maintained for Executive Contract Officers and senior leaders, supported by review of management plans and escalation of matters where additional controls were required. The process was also supported by Key Management Personnel declarations by members of the Executive Leadership Board.

Code of Conduct

The NTPS Code of Conduct remained a central reference point for ethical behaviour, integrity and professional standards. It guides employees in acting lawfully, impartially, respectfully and in the public interest.

The department continued to promote Code of Conduct obligations through induction, mandatory OneNTG training and internal policy communications, supporting a shared understanding of expected workplace behaviours and public sector responsibilities.

Gifts and Benefits

The department implemented a new Gifts and Benefits Policy to support employees to manage offers of gifts, benefits or hospitality transparently and consistently with the NTPS Code of Conduct.

The policy clarifies reporting requirements, approval pathways and register obligations to reduce the risk that decisions could be, or could be perceived to be, influenced by external interests.

Accounting and Property Manual

The department commenced development of a new Accounting

and Property Manual to document finance procedures, property management processes and internal control requirements in accordance with the *Financial Management Act 1995* and Treasurer's Directions.
The manual will replace legacy guidance and provide employees with clearer, department-specific instructions for financial management, property accountability and control responsibilities and will be delivered in the 2026-27 period.

Corporate policies and procedures

Corporate policies, procedures and templates continued to be developed and reviewed to support consistent administration, compliance and service delivery. This work complemented whole-of-government requirements and provided practical guidance for department-specific risks and processes.

Policy development during the year focused on strengthening governance maturity, improving clarity for employees and ensuring that internal requirements were aligned with legislation, Treasurer's Directions, NTPS obligations and the department's strategic priorities. In the upcoming period, we will continue to mature in our corporate governance, with the centralisation and publication of Corporate Policies on our intranet.

Information Management

Information requests under the *Northern Territory Information Act 2002* provide public access to information held by a public sector organisation.

The department received 85 applications for access to government and personal information in 2025-26. A further 12 applications were carried forward from 2024-25. A total of 93 applications to access personal or government information were processed by this department during the reporting period. There was one application for an internal review in the reporting period. The review resulted in additional information being released to the applicant. There were no complaints to the Office of the Information Commissioner.

Ombudsman Enquiries

The Office of the Ombudsman has advised that it received 86 inquiries relating to the department during the reporting period. This includes simple requests for information that would not necessarily be referred to the department for a response.

Independent Commissioner Against Corruption referrals and enquiries

The department did not receive any referrals from the Independent Commissioner Against Corruption during the reporting period.

Our Audit Program

Internal Audits
During 2025–26, the department re-established and strengthened its internal audit arrangements. This included development of an Audit Framework, Internal Audit Charter, Audit Protocol and internal audit planning processes to support independent assurance over governance, risk, controls and compliance.

Audit activity focused on addressing statutory requirements, supporting external audit processes, responding to Northern Territory Auditor-General's Office matters and establishing a forward internal audit program linked to the department's strategic risks and control environment.

Work Health and Safety

The department is committed to providing safe, healthy and inclusive workplaces for employees, contractors and visitors. Effective work health and safety practices support employee wellbeing, organisational performance and the department's ability to deliver services across diverse operating environments. During 2025-26, the department strengthened its work health and safety framework through the review of policies, procedures and management systems. Workplace safety initiatives included updating evacuation arrangements, refreshing workplace inductions and installing defibrillators across departmental locations. These improvements supported a safer and more prepared working environment for staff.

The department also continued to promote a positive reporting culture and worked with internal and external stakeholders to improve hazard and incident reporting processes. This enabled better identification of workplace risks and supported ongoing safety improvements.

Looking ahead, the department will continue to strengthen psychosocial risk management, safety leadership, employee education and data-informed decision-making to support continuous improvement in workplace health and safety outcomes.

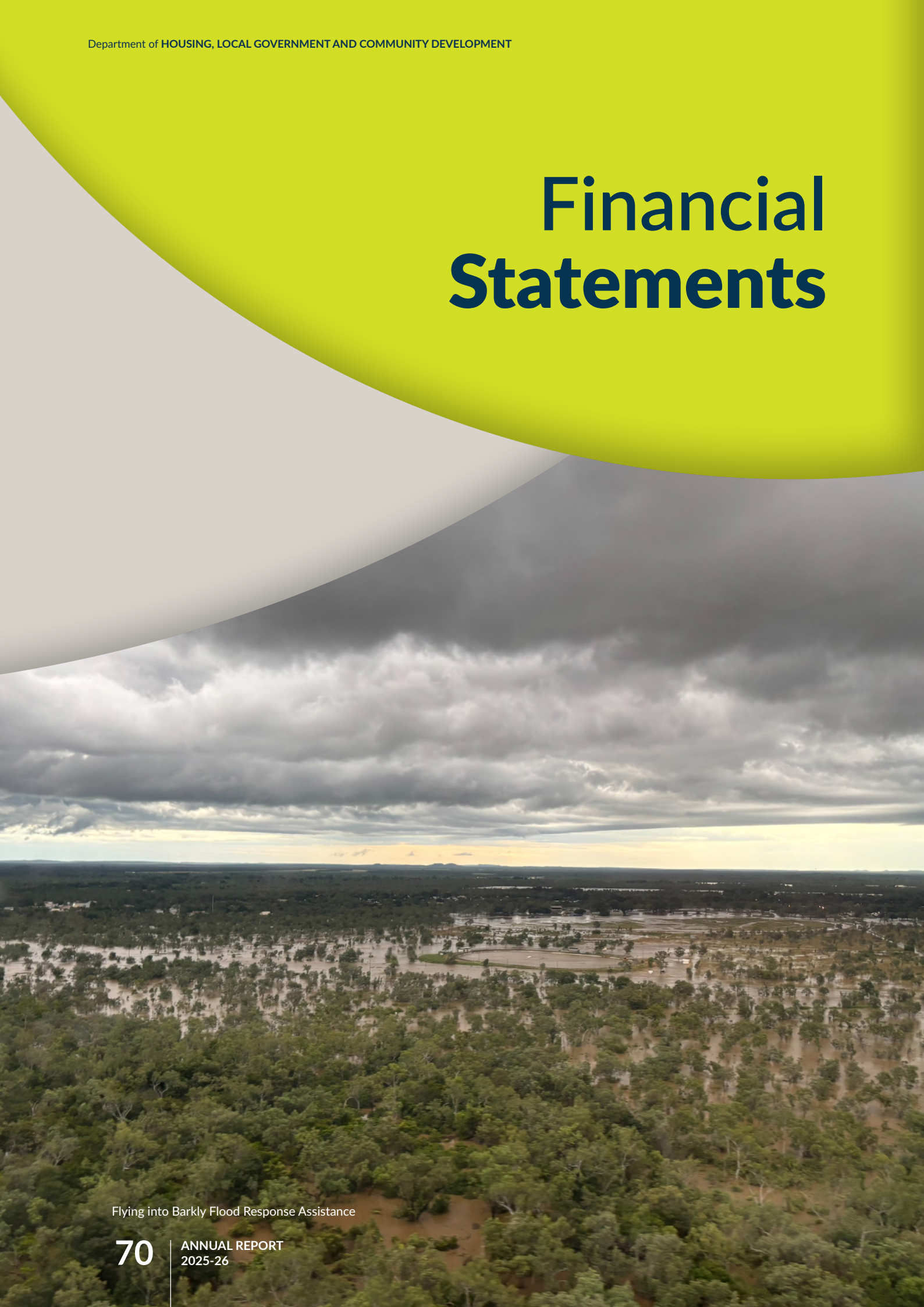
Hazard, incident and injury reporting
The department has worked with internal and external stakeholders to achieve improvements in hazard identification and reporting processes, which have resulted in improvements in the department's safety reporting culture.
In 2025-26, the total of work-related health and safety hazards and incidents reported was 294.
Of these:

- 20 were hazard reports
- 136 were reports for incidents that did not result in injury
- 138 were reports for incidents that resulted in injury.

Compliance with Public Sector Employment and Management Act

A strong workplace culture is supported by clear employment frameworks, robust policies and legislative compliance. The department continued to fulfil its responsibilities under the *Public Sector Employment and Management Act 1993*, ensuring employment practices remained consistent with Northern Territory Public Sector requirements and principles.

Financial **Statements**



Flying into Barkly Flood Response Assistance

Financial Overview – Department of Housing, Local Government and Community Development

Department overview

The Department of Housing, Local Government and Community Development (the department) works to provide housing for those in need and supports communities to grow through respectful engagement that empowers local people. The department delivers a broad range of housing, local government and community development services, including social and affordable housing, Government Employee Housing, Indigenous essential services, homelands and town camps services, interpreter and translator services, and support to the local government sector.

The department's financial performance for the year and financial position as at 30 June 2026 are reported in the accompanying financial statements, comprising the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement, together with the supporting notes.

The department's output groups are:

- housing
- local government and community development
- corporate and shared services.

Budget and major budget variances

The department's original 2025-26 expenditure budget of $856.3 million was revised during the year to reflect changes in the timing of program delivery and funding profiles for major housing and community infrastructure initiatives.

The final expenditure budget was $953.7 million and the revenue budget was revised to $512.7 million. Key changes included revised delivery timing for the Housing Australia Future Fund, National Water Grid Fund, Central Australia Plan Community Infrastructure Package, Northern Territory Remote Aboriginal Investment programs and the Restoring Funding for Northern Territory Homelands program.

The department's financial result was significantly influenced by the timing of these major Commonwealth-funded programs.

Revenue recognised during the year was lower than originally anticipated as funding associated with several programs will be recognised in future years as performance obligations are met. Associated expenditure was also deferred to align with revised project delivery schedules.

The table below shows the 2025-26 financial expenditure performance by output.

	Final Budget	Actual	Variance
	$000	$000	$000
Housing	**771 793**	**737 367**	**34 425**
Urban housing	186 977	184 531	2 446
Remote housing	270 171	273 194	(3 023)
Town camps and homelands	121 627	97 243	24 384
Government employee housing	67 802	65 806	1 995
Indigenous essential services	125 216	116 593	8 622
Local government and community development	**140 181**	**130 089**	**10 092**
Local government	59 831	59 749	81
Community development	69 496	59 863	9 633
Interpreter and translator services	10 854	10 477	377
Corporate and shared services	**41 771**	**51 907**	**(10 135)**
Corporate and governance	25 119	38 091	(12 971)
Shared services received	16 652	13 816	2 836
Total expenses	**953 745**	**919 363**	**34 382**


Groote Eylandt Lodge by Jessika L

The department's final expenditure result was $919.36 million, which is $34.38 million, or 3.6 per cent below the final budget of $953.75 million.

An explanation of this variance is provided below:

- $24.4 million less than expected expenditure for the Town Camps and Homelands output primarily due to revised timing for the Commonwealth funded Restoring Funding for Northern Territory Homelands Program
- $8.6 million less than anticipated expenditure for the Indigenous Essential Services output due to revised timing for the Commonwealth National Water Grid Fund Program, offset by increased disaster relief expenditure
- $9.6 million below budget for the Community Development output due to revised timing for the Commonwealth funded Central Australia Plan Community Infrastructure Package and Northern Territory Remote Aboriginal Investment Programs
- offset by a $13 million increase in expenditure for Corporate and Governance primarily due to unforeseen legal expenses.

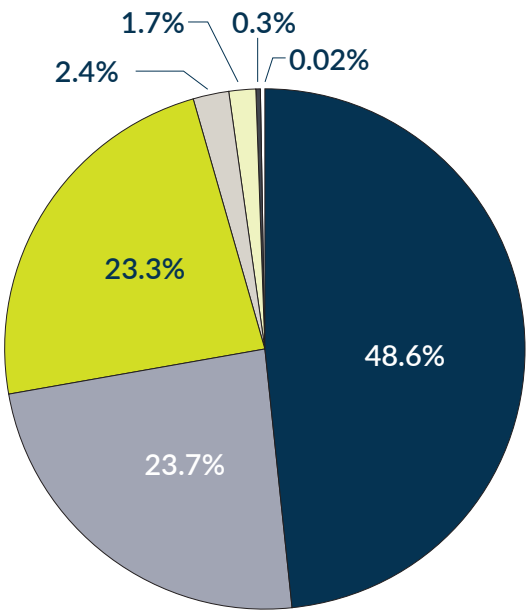
Timing differences contributed to budget variances during the year, however they do not affect the department's ongoing commitment to delivering housing, local government and community development programs. Funding associated with delayed activities will support program delivery in future years as projects progress and contractual obligations are fulfilled.

Operating revenue

Operating revenue for 2025-26 was $599.9 million. The revenue profile is best represented visually as a pie chart showing the relative contribution of each major revenue source: output appropriation $291.7 million, Commonwealth appropriation $142.1 million, sales of goods and services $139.6 million, goods and services received free of charge $14.2 million, other income $10.1 million, current grants and subsidies revenue $1.9 million, and gain on disposal of assets $0.1 million.

Pie chart category	2025-26 result ($m)
Output appropriation	291.7
Commonwealth appropriation	142.1
Sales of goods and services	139.6
Goods and services received free of charge	14.2
Other income	10.1
Current grants and subsidies revenue	1.9
Gain on disposal of assets	0.1
Total operating revenue	**599.9**

Share of operating revenue

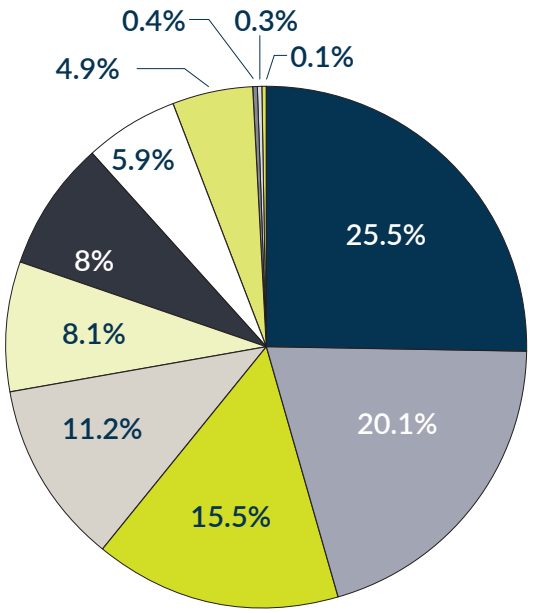


Operating expenses

Total operating expenses for 2025-26 were $919.4 million. The expense profile is best represented visually as a pie chart showing the relative scale of each major expenditure category: depreciation and amortisation $234.4 million, current grants and subsidies $185.2 million, capital grants $142.8 million, repairs and maintenance $102.7 million, property management $74.6 million, employee expenses $73.5 million, other administrative expenses $54.3 million, purchases of goods and services $44.6 million, community service obligations $3.7 million, interest expenses $2.5 million, and loss on lease extinguishment $1.0 million.

Pie chart category	2025-26 result ($m)
Depreciation and amortisation	234.4
Current grants and subsidies	185.2
Capital grants	142.8
Repairs and maintenance	102.7
Property management	74.6
Employee expenses	73.5
Other administrative expenses	54.3
Purchases of goods and services	44.6
Community service obligations	3.7
Interest expenses	2.5
Loss on lease extinguishment	1.0
Total operating expenses	**919.4**

Share of operating expenses



The department continued to invest in maintaining and improving its housing portfolio, with significant expenditure on repairs, maintenance and housing-related infrastructure. Capital grants of $142.8 million supported housing, local government and community infrastructure projects across urban and remote communities.

Balance sheet

The department's balance sheet reflects its substantial investment in housing and community infrastructure assets across the Northern Territory.

As at 30 June 2026, total assets were valued at $4.04 billion. Property, plant and equipment represented $3.89 billion of total assets and included urban and remote housing, Government Employee Housing, service concession assets and leased housing assets.

During the year, the department continued to invest in new and upgraded housing assets and infrastructure, recording almost $500 million in asset additions. Asset revaluations, construction activity and asset transfers also contributed to movements in the value of the department's asset base.

Total liabilities were $123.3 million, consisting primarily of lease liabilities, payables and unearned revenue balances. Net assets totalled $3.92 billion, reflecting the scale of the department's housing and infrastructure portfolio and ongoing investment in service delivery assets.

Cash flow statement

The cash flow statement reflects cash received and used during the year from the department's operating, investing and financing activities.

Net cash used in operating activities was $57.0 million, reflecting continued investment in housing services, grants, repairs and maintenance, and community programs.

The department used $26.8 million in investing activities, primarily for the acquisition of non-financial assets, while financing activities generated a net inflow of $97.9 million through capital appropriations and equity injections. These equity injections provided support for the timing differences associated with major Commonwealth-funded programs and enabled the department to continue delivering critical services and infrastructure projects.

As at 30 June 2026, the department held cash and deposits of $44.8 million. The cash position reflects the timing of funding receipts and expenditure associated with major housing and infrastructure programs.

Overall, the department maintained a strong financial position during 2025-26 while continuing to invest in housing, local government and community development initiatives that contribute to improved outcomes for Territorians.

Financial Statements – Department of Housing, Local Government and Community Development

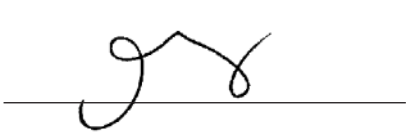
Department of Housing, Local Government and Community Development

Certification of the financial statements

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

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

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



Tom Leeming

Chief Executive Officer

31 August 2026



Wati Finlayson

Chief Financial Officer

31 August 2026

Comprehensive operating statement

For the year ended 30 June 2026

	Note	2026	2025
INCOME		$000	$000
Grants and subsidies revenue			
Current	4	1 939	2 507
Appropriation	5		
Output		291 723	300 311
Commonwealth (excluding capital appropriation)		142 148	151 005
Sales of goods and services	6	139 624	142 931
Gain on lease extinguishment	7	-	143
Goods and services received free of charge	8	14 218	24 195
Gain on disposal of assets		64	-
Other income	9	10 142	3 391
TOTAL INCOME	**3**	**599 858**	**624 483**
EXPENSES			
Employee expenses	10	73 477	70 506
Administrative expenses			
Property management	12	74 636	68 008
Purchases of goods and services	11	44 629	29 318
Repairs and maintenance[a]	12	102 743	84 311
Depreciation and amortisation	20	234 397	243 033
Other administrative expenses[b]	11	54 297	176 834
Grants and subsidies expenses			
Current	14a	185 246	172 927
Capital	14b	142 781	87 737
Community service obligations	14c	3 660	2 758
Interest expenses	15	2 534	3 331
Loss on lease extinguishment	7	963	-
Total expenses	**3**	**919 363**	**938 763**
Net surplus/(deficit)		**(319 505)**	**(314 280)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net surplus/deficit			
Changes in asset revaluation surplus		(32 896)	189 740
Transfers from reserves		(14 065)	4 181
Total other comprehensive income		**(46 961)**	**193 921**
Comprehensive result		**(366 466)**	**(120 359)**

[a] Includes repairs and maintenance services provided by the Department of Logistics and Infrastructure.
[b] Includes services received free of charge from the Department of Corporate and Digital Development.

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

Balance sheet

For the year ended 30 June 2026

	Note	2026	2025
ASSETS		$000	$000
Current assets			
Cash and deposits	16	44 848	30 749
Receivables	18	110 760	109 255
Advances and investments	19	-	-
Total current assets		**155 608**	**140 004**
Non-current assets			
Property, plant and equipment	20	3 885 756	3 866 427
Total non-current assets		**3 885 756**	**3 866 427**
TOTAL ASSETS		**4 041 364**	**4 006 431**
LIABILITIES			
Current liabilities			
Deposits held	21	5 712	5 898
Payables	22	23 965	15 275
Borrowings and advances	23	13 621	16 491
Provisions	24	8 956	8 475
Other liabilities	25	11 437	34 779
Total current liabilities		**63 691**	**80 918**
Non-current liabilities			
Borrowings and advances	23	59 653	70 084
Total non-current liabilities		**59 653**	**70 084**
Total liabilities		**123 344**	**151 002**
Net assets		**3 918 020**	**3 855 429**
EQUITY			
Capital		4 274 582	3 845 525
Asset Revaluation Reserve		2 113 365	2 146 261
Accumulated funds		(2 469 927)	(2 136 357)
Total equity		**3 918 020**	**3 855 429**

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

Statement of changes in equity

For the year ended 30 June 2026

	Note	Equity at 1-Jul	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30-Jun
2026		$000	$000		
Accumulated funds		(2 839 660)	(319 505)	-	(3 159 165)
Change in Accounting Policy	2(iv)	(3 657)	-	-	(3 657)
Correction of prior period errors	2(iv)	(37 316)	-	-	(37 316)
Transfers from reserves		744 276	(14 065)	-	730 211
		(2 136 357)	**(333 570)**	**-**	**(2 469 927)**
Reserves					
Asset Revaluation Reserve		2,146,261	(32 896)		2 113 365
		2,146,261	**(32 896)**	**-**	**2 113 365**
Capital – transactions with owners					
Equity injections					
Capital appropriation		859 646	-	20 269	879 915
Equity transfers in		2 223 950	-	313 604	2 537 554
Other equity injections		455 771	-	101 636	557 407
National partnership payments		1 406 233	-	-	1 406 233
Commonwealth – capital appropriation		1 304	-	-	1 304
Equity withdrawals					
Capital withdrawal		(157 981)	-	(6 403)	(164 384)
Equity transfers out		(943 398)	-	(49)	(943 447)
		3 845 525	**-**	**429 057**	**4 274 582**
Total equity at end of financial year		3 845 525	(366 466)	429 057	**3 918 020**

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

	Note	Equity at 1-Jul	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30-Jun
2025		$000	$000		
Accumulated funds		(2 525 380)	(314 280)	-	(2 839 660)
Change in Accounting Policy	2(iv)	(3 657)	-	-	(3 657)
Correction of prior period errors	2(iv)	(37 316)	-	-	(37 316)
Transfers from reserves		740 095	4 181	-	744 276
		(1 826 258)	**(310 099)**	**-**	**(2 136 357)**
Reserves					
Asset Revaluation Reserve		1,956,521	189,740		2,146,261
		1 956 521	**189 740**	**-**	**2 146 261**
Capital – transactions with owners					
Equity injections					
Capital appropriation		839 377	-	20 269	859 646
Equity transfers in		1 869 303	-	354 647	2 223 950
Other equity injections		434 680	-	21 092	455 772
National partnership payments		1 406 233	-	-	1 406 233
Commonwealth – capital appropriation		1 304	-	-	1 304
Equity withdrawals					
Capital withdrawal		(101 871)	-	(56 110)	(157 981)
Equity transfers out		(569 271)	-	(374 128)	(943 399)
		3 879 755	**-**	**(34 230)**	**3 845 525**
Total equity at end of financial year		4 010 018	(120 359)	(34 230)	**3 855 429**

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

Department of HOUSING, LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT

Cash flow statement

For the year ended 30 June 2026

	Note	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		$000	$000
Operating receipts			
Grants and subsidies received			
Current		1 939	2 507
Appropriation received			
Output		291 723	300 311
Commonwealth (excluding capital appropriation)		34 110	54 815
Receipts from sales of goods and services		235 109	171 650
Total operating receipts		**562 881**	**529 283**
Operating payments			
Payments to employees		(69 523)	(85 696)
Payments for goods and services		(242 531)	(229 713)
Grants and subsidies paid			
Current		(185 246)	(172 927)
Capital		(116 401)	(87 737)
Community service obligations		(3 660)	(3 728)
Interest paid		(2 534)	(3 331)
Total operating payments		**(619 895)**	**(583 132)**
Net cash from/ (used in) operating activities	**17**	**(57 014)**	**(53 849)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing receipts			
Proceeds from sales of non-financial assets		550	-
Repayment of advances received		20	-
Total investing receipts		**570**	**-**
Investing payments			
Purchases of non-financial assets		(27 349)	(21 699)
Total investing payments		**(27 349)**	**(21 699)**
Net cash from/ (used in) investing activities	**17**	**(26 779)**	**(21 699)**

	Note	2026	2025
CASH FLOWS FROM FINANCING ACTIVITIES		$000	$000
Financing receipts			
Equity injections			
Capital appropriation	5	20 269	20 269
Commonwealth capital appropriation	5	22	21 091
Other equity injections		101 636	-
Total financing receipts		**121 927**	**41 360**
Financing payments			
Deposit paid		(186)	(761)
Lease liabilities payments		(17 446)	(19 536)
Equity withdrawals		(6 403)	(56 110)
Total financing payments		**(24,035)**	**(76,407)**
Net cash from/ (used in) financing activities	**17**	**97,892**	**(35,047)**
Net increase/(decrease) in cash held		14 099	(110 595)
Cash at beginning of financial year		30 749	141 344
Cash at end of financial year	**16**	**44 848**	**30 749**

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

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1. Objectives and funding

The Department of Housing, Local Government and Community Development is a multi-functional human services and community-focused agency that works to provide responsive, safe and quality services and programs that empower communities and improve social outcomes for Territorians.

Our agency administers or supports the following areas:

- remote and urban social, affordable and community housing
- essential services for remote communities
- service funding in homelands and town camps
- regional and remote community development
- government employee housing
- interpreting and translating services
- local government reform and oversight.

Additional information in relation to the Department of Housing, Local Government and Community Development and its principal activities may be found in the annual report.
The Department considered primary users of these financial statements and their needs for information and quantitative thresholds to determine which accounting policy information is material and therefore must be disclosed.

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

The Department's output groups are:

- Housing
- Local Government and Community Development
- Corporate and Shared Services

2. Statement of material accounting policy information

a) Statement of compliance

i. Compliance framework
These financial statements are general purpose financial statements and have been prepared in accordance with the requirements of the *Financial Management Act 1995*, related Treasurer's Directions and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board. *The Financial Management Act 1995* requires the Department of Housing, Local Government and Community Development to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements should include:

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

ii. Standards and interpretations effective from 2025-26 financial year
Several amendments and interpretations have been issued that apply to the current reporting period but are considered to have no or minimal impact on public sector reporting.

iii. Standards and interpretations issued but not yet effective
No Australian accounting standards have been adopted early for 2025-26 financial year. The following new Australian Accounting Standard has been issued, but are not yet effective, and are expected to impact future reporting periods:

AASB 18 Presentation and Disclosure of Financial Statements (AASB 18)
AASB 18 Presentation and Disclosure in Financial Statements replaces AASB 101 and introduces new presentation and disclosure requirements for income statements, cash flow statements, and management defined performance measures.

The standard is proposed to apply to not for profit public sector entities for annual reporting periods beginning on or after 1 January 2028 (the 2028–29 financial year for the agency). AASB 18 would primarily affect the presentation and disclosure of financial information, including the classification of income and expenses, additional subtotals in the operating statement, revised cash flow classifications for interest and dividends, and

new disclosures for management defined performance measures. The standard does not affect the recognition or measurement of amounts.

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

iv. Change in accounting policy and prior period corrections
No changes in accounting policy or prior period corrections were recognised during 2025–26.

b) Presentation and rounding of amounts

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

c) Contributions by and distributions to government

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

These designated contributions and distributions are treated by the agency as adjustments to equity.

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

3. Comprehensive operating statement by output group

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

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

	Note	Housing		Local Government and Community Development		Corporate and Shared Services		Total	
		2026	2025	2026	2025	2026	2025	2026	2025
		$000	$000	$000	$000	$000	$000	$000	$000
INCOME									
Grants and subsidies revenue	4								
Current		9	-	1 930	2 507	-	-	1 939	2 507
Appropriation	5								
Output		193 646	181 003	70 980	97 981	27 097	21 327	291 723	300 311
Commonwealth		135 817	137 866	6 331	13 139	-	-	**142 148**	**151 005**
Sales of goods and services	6	135 388	139 201	4 078	3 850	158	(120)	139 624	142 931
Gain on lease extinguishment	7	-	143	-	-	-	-	-	143
Goods and services received free of charge	8	445	526	-	-	13 773	**23 669**	**14 218**	**24 195**
Gain on disposal of assets		64	-	-	-	-	-	64	-
Other income	9	5 473	1 644	325	192	4 344	1 555	10 142	3 391
Total Income	**3**	**470 842**	**460 383**	**83 644**	**117 669**	**45 372**	**46 431**	**599 858**	**624 483**
EXPENSES									
Employee expenses	10	45 775	42 203	15 421	19 562	12 281	8 741	73 477	70 506
Property management	12	73 602	67 444	80	91	954	473	74 636	68 008
Purchases of goods and services	11	17 518	21 042	5 910	4 308	21 201	3 968	44 629	29 318
Repairs and maintenance(a)	12	102 743	84 311	-	-	-	-	102 743	84 311
Depreciation and amortisation	20	234 119	242 472	-	88	278	**473**	**234 397**	**243 033**
Other administrative expenses(b)	11	39 671	152 325	66	(8)	14 560	24 517	54 297	176 834
Grants and subsidies expenses									
Current	14a	103 983	104 993	80 459	66 729	804	1 205	185 246	172 927
Capital	14b	114 628	85 344	28 153	2 393	-	-	142 781	87 737
Community service obligations	14c	1 831	197	-	-	-	2 561	3 659	2 758

Interest expenses	15	2 534	3 326	-	5	1 828	-	2 534	3 331
Loss on lease extinguishment	7	963	-	-		-	-	963	-
Total Expenses		**737 367**	**803 657**	**130 089**	**93 168**	**51 906**	**41 938**	**919 363**	**938 763**
Net surplus/(deficit)		**(266 525)**	**(343 274)**	**(46 445)**	**24 501**	**(6 534)**	**4 493**	**(319 504)**	**(314 280)**
OTHER COMPREHENSIVE INCOME *Items that will not be reclassified to net surplus/ deficit*									
Changes in asset revaluation surplus	19	(32 896)	-	-	-	-	189 740	(32 896)	189 740
Other Comprehensive Income		(14 065)	-	-	-	-	4 181	(14 065)	4 181
Total other comprehensive income		**(46 961)**	**-**	**-**	**-**	**-**	**193 921**	**(46 961)**	**193 921**
Comprehensive result		**(313 486)**	**(343 274)**	**(46 445)**	**24 501**	**(4 706)**	**198 414**	**(366 466)**	**(120 359)**

[a] Includes repairs and maintenance services provided by the Department of Logistics and Infrastructure.
[b] Includes services received free of charge from the Department of Corporate and Digital Development.

4. Grants and subsidies revenue

	2026			2025		
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Current grants	1 939	-	1 939	2 507	-	2 507
Total grants and subsidies revenue	**1 939**	**-**	**1 939**	**2 507**	**-**	**2 507**

Grants' revenue is recognised at fair value, exclusive of GST in accordance with the requirements of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities*, depending on whether the grant agreement is enforceable and includes sufficiently specific performance obligations.

The assessment of whether a performance obligation is sufficiently specific involved the application of significant judgement, based on an analysis of the terms and conditions of grant agreements and relevant supporting documentation (including activity workplans) and where necessary, discussions with relevant stakeholders.

Where an agreement is enforceable and includes sufficiently specific obligations to transfer goods or services to the grantor or a third party beneficiary, income is accounted for under AASB 15. In these cases, funding received in advance is recognised as unearned contract revenue liability, included in Note 25 Other liabilities and recognised as income as, or when, performance obligations are satisfied.

The agency has adopted a low value contract threshold of $50 000 excluding GST and recognises revenue from contracts with a low value, upfront on receipt of income.Where grant agreements do not meet criteria above, it is accounted for under AASB 1058 and is recognised upfront on receipt of funding. Capital grants to acquire or construct a recognisable non-financial asset for the agency's own use are accounted under AASB 1058. Income is deferred as an unearned capital grants liability, included in Note 25 Other liabilities, when received and subsequently recognised progressively as revenue as or when the agency satisfies its obligations under the agreement. Where a non-financial asset is purchased, revenue is recognised at the time the asset is acquired and control transfers to the agency.

Grant agreements accounted as revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2026	2025
Type of good and service:	$000	$000
Service delivery	1 939	2 507
Total revenue from contracts with customers	1 939	2 507
Type of customer:		
Australian Government	219	312
Non-government entities	1 720	2 195
Total revenue from contracts with customers	1 939	2 507
Timing of transfer of goods and services:		
Overtime	1 570	2 195
Point in time	369	312
Total revenue from contracts with customers	**1 939**	**2 507**

5. Appropriation

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

	2026			2025		
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Output	-	291 723	291 723	-	300 311	300 311
Commonwealth	142 148	-	142 148	151 005	-	151 005
Total appropriation in the operating statement	**142 148**	**291 723**	**433 871**	**151 005**	**300 311**	**451 316**

Appropriation recorded in the cash flow statement includes capital appropriation and Commonwealth capital appropriation received for the delivery of assets to be retained by the agency.

	2026			2025		
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Output	-	291 723	291 723	-	300 311	300 311
Capital	-	20 269	20 269	-	20 269	20 269
Commonwealth	34 132	-	34 132	75 906	-	75 906
Total appropriation in the cashflow statement	**34 132**	**311 992**	**346 124**	**75 906**	**320 580**	**396 486**

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

Commonwealth appropriation follows from the intergovernmental agreement on federal financial relations, resulting in specific purpose payments and national partnership payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then passed on to the relevant agencies as Commonwealth appropriation.

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

Commonwealth appropriation has been recognised as follows:

1. $55.87 million for Restoring Funding for Northern Territory Homelands
2. $42.95 million for Remote Housing Northern Territory
3. $18.31 million for National Water Grid Fund
4. $13.05 million for National Agreement on Social Housing and Homelessness
5. $6.3 million for Northern Territory Remote Aboriginal Investment - Aboriginal Interpreter Service
6. $5.45 million for Social Housing Accelerator Payment
7. $0.22 million for other programs.

Total Commonwealth appropriation recognised: $142.15 million.

Commonwealth appropriations accounted as revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2026	2025
Type of good and service:	$000	$000
Service delivery	142 148	151 005
Total revenue from contracts with customers	142 148	151 005
Type of customer:		
Australian Government	142 148	151 005
Total revenue from contracts with customers	142 148	151 005
Timing of transfer of goods and services:		
Overtime	142 148	149 605
Point in time	-	1 400
Total revenue from contracts with customers	**142 148**	**151 005**

Summary of changes to budget appropriations

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

The changes within this table relate only to appropriation and do not include agency revenue (for example, goods and services revenue and grants received directly by the agency) or expenditure. Refer to Note 31 Budgetary information for detailed information on variations to the agency's actual outcome compared to budget for revenue and expenses.

	Original 2025-26 budget appropriation (a)	Revised 2025-26 budget appropriation (b)	Change to budget appropriation (c=b-a)	Note	Final 2025-26 budget appropriation (d)	Change to budget appropriation (e=d-b)	Note
	$000	$000	$000		$000	$000	
Output	305 867	290 153	(15 714)	1	291 723	1 570	2
Capital	29 269	20 269	(9 000)	3	20 269	-	
Commonwealth	231 595	200 700	(30 895)	4	200 700	-	
Total appropriation	**566 731**	**511 122**	**(55 609)**		**512 692**	**1 570**	

Output and capital appropriations reflect funding as a direct result of government-approved decisions, with actual funding received by the Department of Housing, Local Government and Community Development in line with the budgeted amounts. Commonwealth appropriation reflects funding anticipated to be received from the Commonwealth for both operational and capital purposes. As Commonwealth appropriations are largely recognised as or when performance obligations are satisfied, the actual amounts receipted by the Department of Housing, Local Government and Community Development reported in these financial statements may vary from the budgeted amounts reported in this table.

Explanations for the budget movements referenced in Notes 1 to 4 are provided below.

1. The variance in output appropriation from the original budget to the revised budget reflects the transfer of budgets from 2025–26 into future years to align with anticipated program expenditure, including grant programs and repairs and maintenance activities.
2. The increase in output appropriation reflects a one-off transfer of appropriation from the Department of Logistics and Infrastructure's capital works program to meet commitments under the Housing Australia Future Fund program.
3. The decrease in capital appropriation relates to revised timing and funding profile for repairs and maintenance for dwellings transferred to community housing providers.
4. The decrease in Commonwealth appropriation reflects the transfer of budget between financial years to align with program delivery, primarily relating to the Housing Australia Future Fund program ($25 million), the Central Australia Plan Community Infrastructure Package ($12.4 million), Northern Territory Remote Aboriginal Investment programs ($7.4 million), Regional Precincts and Partnership Program ($4.1 million) and National Water Grid Fund ($1.8 million), offset by increased funding for Restoring Funding for Northern Territory Homelands program ($16.1 million) and Social Housing Accelerator Payment ($3.6 million).

6. Sales of goods and services

	2026			2026		
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Other goods and services revenue	139 624	-	139 624	142 931	-	142 931
Total sales of goods and services	**139 624**	**-**	**139 624**	**142 931**	**-**	**142 931**

Sale of goods and service delivery revenue

Sale of goods and service delivery revenue comprise income from rendering of services, and sales of goods and services. These are recognised at fair value, exclusive of GST.

Sales of goods

Revenue from sales of goods is recognised when the agency satisfies a performance obligation by transferring the promised goods. The agency typically satisfies its performance obligations when the control of goods is transferred to the customers, and when a customer obtains control of promised goods. The payments are typically due when the control of goods is transferred to the customers, and when the customer obtains control of the promised goods. Revenue from these sales is based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. There is no element of financing present as sales are made with a short credit term.

Rendering of services

Revenue from rendering of services is recognised when the agency satisfies the performance obligation by transferring the promised services. Most of the goods and services that is disclosed in this note include rental income from operating lease arrangements of agency public housing. Rental income is accounted for on a straight-line basis over the lease terms. These are recognised at fair value, exclusive of GST.

Disaggregation of Sales of goods and services

Sales of goods and services accounted as revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2026	2025
Type of good and service:	$000	$000
Service delivery	139 624	142 931
Total revenue from contracts with customers	139 624	142 931
Type of customer:		
Australian Government	261	141
State and territory governments	35,829	33 030
Non-government entities	103,534	109 760
Total revenue from contracts with customers	139 624	142 931
Timing of transfer of goods and services:		
Overtime	133,256	139 093
Point in time	6,368	3 838
Total revenue from contracts with customers	**139 624**	**142 931**

7. Gain or Loss on lease extinguishment

	2026	2025
	$000	$000
Gain/(loss) on lease extinguishment	(963)	143
Total gain/(loss) on lease extinguishment	**(963)**	**143**

The loss on lease extinguishment of $0.963 million in 2025-26 primarily relates to Government Employee Housing leases and private head leases for affordable and social housing. During the year, a review and update of lease records was undertaken, resulting in the remeasurement of lease liabilities and the related right-of-use assets. The resulting difference was recognised as a loss on lease extinguishment.

8. Goods and services received free of charge

	2026	2025
	$000	$000
Goods and services received free of charge		
Corporate and information services	14 218	23 669
National Disability Insurance Scheme Transport subsidy	-	526
Total goods and services received free of charge	**14 218**	**24 195**

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

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

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

The drop in expenditure between the years is due to machinery of government changes.

9. Other income

	2026			2025		
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Miscellaneous revenue	4 856	(322)	4,534	1 664	1 727	3 391
Donated assets		5 608	5 608			
Total other income	**4 856**	**5 286**	**10 142**	**1 664**	**1 727**	**3 391**

Miscellaneous revenue
Miscellaneous revenue primarily comprises reimbursements. Where funding is received for agreements that are enforceable and contain sufficiently specific performance obligations for the agency to transfer goods or services to the grantor or third-party beneficiary, the transaction is accounted for under AASB 15 as revenue from contracts with customers. Where this criteria is not met, revenue is generally accounted for under AASB 1058 and income is generally recognised upfront on receipt of funding.

Donated assets include assets received at below fair value or for nil consideration that can be measured reliably. These are recognised as revenue at their fair value when control over the assets is obtained, normally either on receipt of the assets or on notification the assets have been secured.

Other income accounted for as revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

Disaggregation of other income

	2026	2025
Type of good and service:	$000	$000
Service delivery	4 856	1 841
Other	5 286	1 550
Total revenue from customers	10 142	3 391
Type of customer:		
Australian Government	(228)	1 494
State and territory governments	3 991	2 321
Non-government entities	6 379	(424)
Total revenue from contracts with customers	10 142	3 391
Timing of transfer of goods and services:		
Overtime	127	80
Point in time	10 015	3 311
Total revenue from contracts with customers	**10 142**	**3 391**

10. Employee benefits expense

	2026	2025
	$000	$000
Employee benefits expense		
Salaries and wages	62 002	58 801
Superannuation expenses	7 424	6 795
Fringe benefits tax	174	338
Payroll tax	3 877	4 572
Total employee benefits expense	**73 477**	**70 506**

The number of full time equivalent employees in 2024-25 and 2025-26 were 544 and 543 respectively.

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

The recognition and measurement policy for employee benefits is detailed in Note 22: Payables and Note 24: Provisions.

11. Purchases of goods and services

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

	2026	2025
	$000	$000
Goods and services expenses		
Consultants [1]	1 509	321
Advertising [2]	68	15
Marketing and promotion [3]	237	202
Document production	141	68
Legal expenses [4]	19 158	5 511
Recruitment [5]	315	101
Training and study	745	673
Official duty fares	839	1 638
Travelling allowance	682	786
Accommodation	1 201	1 137
Agent Service Arrangement	896	575
Information technology charges and communications	4 070	4 098
Motor vehicle expenses	2 194	2 401
National Rental Affordability Scheme	(881)	2 308
Remote Property Tenancy Management	7 295	4 634
Insurance arrangements	2 013	2 005
Other	4 147	2 845
Total purchases of goods and services	**44 629**	**29 318**

[1] Includes marketing, promotion and IT consultants.
[2] Does not include recruitment, advertising or marketing and promotion advertising.
[3] Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.
[4] Includes legal fees, claim and settlement costs.
[5] Includes recruitment-related advertising costs.

	2026	2025
	$000	$000
Other administrative expenses		
Capital works not able to be capitalised	19 909	126 398
Assets written off - other	5 779	11 223
Assets donated and gifted	-	1 273
Goods and services expensed free of charge	14 218	24 195
Other administrative expenses	14 390	13 745
Total other administrative expenses	**54 297**	**176 834**

12. Repairs and maintenance expense

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

	2026	2025
	$000	$000
Other operational expenses		
Repairs and maintenance	102 743	84 311
Property management	74 636	68 008
Total other operational expenses	**177 379**	**152 319**

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

The following table presents all write-offs, waivers, postponements, gifts and ex gratia payments approved under the *Financial Management Act 1995* or other legislation that the agency administers. The financial impact of these items, where applicable, has been recognised within Other Administrative Expenses (Note 11).

	2026	No. of trans	2025	No. of trans
	$000		$000	
Authorised under the Financial Management Act 1995				
Write-offs, postponements and waivers approved by the Treasurer Irrecoverable money written off [1]	173	18	104	10
Total write-offs, postponements and waivers approved by the Treasurer	**173**	**18**	**104**	**10**
Write-offs, postponements and waivers approved by delegates Irrecoverable money written off [1]	43	17	355	200
Value of public property written off [1]	795	18	-	-
Total write-offs, postponements and waivers approved by delegates	**839**	**35**	**355**	**200**
Total write-offs, postponements and waivers	**1012**	**53**	**459**	**210**
Gifts approved by the Treasurer [2]	0	1	813	1
Total gifts	**0**	**1**	**813**	**1**
Total authorised under the *Financial Management Act 1995*	**1012**	**54**	**1 278**	**215**
Authorised under other legislation Gifts [2]			460	2
Total authorised under other legislation	-	-	460	2

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

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

14. Grant and subsidies expenses

a) Current grant and subsidy expense	2026	2025
	$000	$000
Current grants		
Local government	75 465	39 891
Private and not-for-profit sector	41 432	63 652
Grants to other sectors of government	66 752	67 157
Total current grants	**183 649**	**170 700**
Subsidy		
Private and not-for-profit sector	292	2 227
Grants to other sectors of government	1 305	
Total subsidies	**1 597**	**2 227**
Total current grant and subsidy expense	**185 246**	**172 927**

Current grants expenses are intended to finance the current activities of the recipient for which no economic benefits of equal value are receivable in return. Current grant expenses largely comprise of Indigenous Essential Services ($66.18 million), local government grants ($73.29 million), and Housing Municipal and Essential Services ($34.84 million).

Subsidies are payments aimed at reducing all or part of the costs of an activity. They include payments made for Jabiru and Kakadu Futures Program ($1.31 million).

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

b) Capital grant expense	2026	2025
	$000	$000
Current grants		
Local government	32 696	3 450
Private and not-for-profit sector	71 180	56 947
Grants to other sectors of government	38 905	27 340
Total capital grants	**142 781**	**87 737**

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

Capital grant expenses largely comprise of Indigenous Essential Services ($35.19 million) and Homelands Housing Infrastructure Program ($54.87 million). Assets handed over to Jabiru and Kakadu Futures Program ($22.23 million) and land and buildings to community housing providers ($4.16 million).

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

c) Community service obligations	2026	2025
	$000	$000
Private and not-for-profit sector	3	197
Grants to Government business Division	3 657	2 561
Total community service obligations	**3 660**	**2 758**

Community service obligations are payments the agency makes to a government business division or a government owned corporation to compensate them for undertaking activities they would not elect to undertake on a commercial basis or would only undertake commercially at a higher price. Community service obligations paid to NT Home Ownership for home loan product interest ($3.66 million).

Community service obligation payments are recognised as an expense in the reporting period in which they are paid or payable, exclusive of the amount of GST.

15. Interest expenses

	2026	2025
	$000	$000
Interest expenses		
Interest from lease liabilities	2 534	3 331
Total Interest	**2 534**	**3 331**

Interest expenses consist of interest and other costs incurred in connection lease liabilities. Interest expenses are recognised in the reporting period in which they are incurred.

16. Cash and deposits

	2026	2025
	$000	$000
Cash at bank	44 848	30 749
Total cash and deposits	**44 848**	**30 749**

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

17. Cash flow reconciliation

a) Reconciliation of cash

The total of agency 'Cash and deposits' of $44.85 million as at 30 June 2026 recorded in the balance sheet is consistent with that recorded as 'Cash' at 30 June 2026 in the cash flow statement. The table below reconciles the net surplus/(deficit) with the net cash used in operating activities.

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

	2026	2025
	$000	$000
Net surplus/(deficit)	(319 504)	(314 280)
Non-cash items:		
Depreciation and amortisation	234 397	243 033
Asset write-offs/write-downs	25 689	137 621
Asset donations/gifts	-	1 273
Loss on lease extinguishment	-	(143)
Gain/loss on disposal of assets	(4 646)	-
Doubtful Debts Expense-Other	(20)	-
Capital Grants	26 380	-
Changes in assets and liabilities:		
Decrease/increase in receivables	(1 505)	(67 542)
Decrease/increase in inventories	-	27
Decrease/increase in payables	5 077	(22 250)
Decrease/increase in provision for employee benefits	371	(10 447)
Decrease/increase in other provisions	111	(2 083)
(Decrease)/ Increase in Other Deferred Income	(23 364)	(19 058)
Decrease/increase in other liabilities		
Net cash from/ (used in) operating activities	**(57 014)**	**(53 849)**

b) Reconciliation of liabilities arising from financing activities

2026

	Cash flows					Non-cash		
	1 July	Deposits paid	Lease liabilities repayments	Equity withdrawals	Total cash flows	Other	Total other	30 June
		$000	$000	$000	$000	$000	$000	$000
Deposits held	5 898	(186)	-	-	(186)	-	-	5 712
Borrowings and advances	86 575	-	(17 446)	-	(17 446)	4 144	-	73 273
Equity Injection/ Withdrawals*		-	-	115 524	115 524	-	-	
Total	**92 473**	**(186)**	**(17 446)**	**115 524**	**97 892**	**-**	**-**	**78 985**

*this is not a liability, this is included to present the movements in financing activities and reconcile with the total cash flows for financing activities.

2025

	Cash flows					Non-cash		
	1 July	Deposits paid	Lease liabilities repayments	Equity withdrawals	Total cash flows	Other	Total other	30 June
		$000	$000	$000	$000	$000	$000	$000
Deposits held	6 659	(761)	-	-	(761)	-	-	5 898
Borrowings and advances	105 413	--	(19 536)	-	(19 536)	698	-	86575
Equity Injection/ Withdrawals*		-	-	(14 751)	(14 751)	-	-	
Total	**112 072**	**(761)**	**(19 536)**	**(14 751)**	**(35 048)**	**-**	**-**	**92 473**

* This is not a liability, this is included to present the movements in financing activities and reconcile with the total cash flows for financing activities.
Note: This is a presentational change compared to last year and has no impact on total financing liabilities, net assets, comprehensive result or cash flows

c) Non-cash financing and investing activities

2026

	Cash flows					Non-cash		
	1 July	Proceeds from sales of non-financial assets	Repayment of advances received	Purchases of non-financial assets	Total cash flows	Other	Total other	30 June
		$000	$000	$000	$000	$000	$000	$000
Proceeds from sales of non-financial assets	-	550	-	-	550	-	-	550
Repayment of advances received	-	-	20	-	20	-	-	20
Purchases of non-financial assets	-	-	-	(27 349)	(27 349)	-	-	(27 349)
Total	**-**	**550**	**20**	**(27 349)**	**(26 779)**	**-**	**-**	**(26 779)**

2025

	Cash flows					Non-cash		
	1 July	Proceeds from sales of non-financial assets	Repayment of advances received	Purchases of non-financial assets	Total cash flows	Other	Total other	30 June
		$000	$000	$000	$000	$000	$000	$000
Proceeds from sales of non-financial assets	-	-	-	-	-	-	-	-
Repayment of advances received	-	-	-	-	-	-	-	-
Purchases of non-financial assets	-	-	-	(21 699)	(21 699)	-	-	(21 699)
Total	**-**	**-**	**-**	**(21 699)**	**(21 699)**	**-**	**-**	**(21 699)**

18. Receivables

	2026	2025
	$000	$000
Current		
Accounts receivable	71 707	62 467
Less: loss allowance	(56 764)	(42 549)
	14 943	**19 918**
Contract receivables	2 626	4 427
	2 626	**4 427**
Accrued contract revenue	207	80 752
	207	**80 752**
Grants and subsidies receivable	84 429	-
GST receivables	6 377	1 625
Prepayments	2 178	2 533
Total receivables	110 760	109 255

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

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

Accounts receivable and contract receivables are generally settled within 30 days and other receivables within 60 days. The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful.

Grants and subsidies receivable
Grants and subsidies receivable of $84.43 million primarily comprises funding receivable under the Restoring Funding for Northern Territory Homelands ($34.68 million), Northern Territory Remote Housing ($48.02 million) and Northern Territory Remote Aboriginal Investment - Aboriginal Interpreter Service ($1.73 million).

Prepayments
Prepayments of $2.18 million represent payments made in advance of receipt of goods and services which largely comprise of lease rates and rental fees. Prepayments are recognised on an accrual basis and amortised over the period in which the economic benefits from these assets are received.

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

The expected loss rates are based on historical observed loss rates, adjusted to reflect current and forward-looking information, which may include macroeconomic factors. Most of the agency's accounts receivable balance comprises tenancy related debt. The only forward-looking factor which could materially impact housing tenants would be Centrelink benefits. As most tenants are reliant on Centrelink benefits, any variance could impact the expected loss rate. However, it is not expected that these benefits will decrease materially overtime, therefore the expected credit loss rate applied is the historical default rate.

In accordance with the provisions of the Financial Management Act, receivables are written off when

based on demonstrated actions to collect, there is no reasonable expectation of recovery for reasons beyond the agency's control.

The loss allowance for receivables at reporting date represents the value of receivables the agency estimates is likely to be uncollectible and is considered doubtful. Ageing analysis and reconciliation of loss allowance for receivables as at the reporting date are disclosed below.

Internal receivables reflect amounts owing from entities controlled by the Northern Territory Government such as other agencies, government business divisions and government owned corporations. There are no expected losses for these receivables. External receivables reflect amounts owing from third parties which are external to the Northern Territory Government.

Ageing Analysis

	2026				2026			
	Gross Receivables	Loss rate	Expected credit losses	Net Receivables	Gross Receivables	Loss rate	Expected credit losses	Net receivables
	$000	%	$000	$000	$000	%	$000	$000
Internal receivables								
Not overdue	738	-	-	738	2 892	-	-	2 892
Total internal receivables	**738**	**-**	**-**	**738**	**2 892**	**-**	**-**	**2 892**
External receivables								
Not overdue	1 760	6%	47	766	899	6%	46	853
Overdue for less than 30 days	1 485	25%	296	2 137	1 400	28%	217	1 183
Overdue for 30 to 60 days	1 517	33%	337	1 180	1 739	31%	353	1 386
Overdue for more than 60 days	66 207	73%	56 084	10 122	55 447	75%	41 933	13 514
Total external receivables	**70,969**		**56 764**	**14 205**	**59 485**		**42 549**	**16 936**

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

Reconciliation of loss allowance for receivables

	2026	2025
External receivables	$000	$000
Opening balance	42 549	29 780
Written off during the year	217	459
Recovered during the year	(195)	(1 045)
Increase/decrease in allowance recognised in profit or loss	14 193	13 355
Total external receivables	**56 764**	**42 549**

19. Advances and investments

	2026	2025
	$000	$000
Current		
Advances paid	590	610
Less: loss allowance	(590)	(610)
Total external receivables	**590**	**610**

a) Advances paid

Advances paid are recognised initially at fair value plus or minus relevant transaction costs and are recognised in the balance sheet when the agency becomes party to the contractual provisions of the financial instruments. Where the advances are provided with interest free periods or at concessional interest rates, they are considered to have a fair value which is less than the amount lent. This fair value is calculated in accordance with Note 26. The difference between the amount lent and the fair value is recognised as an expense in the comprehensive operating statement except when loss is deferred.

Deferred losses are subsequently recognised in the comprehensive operating statement using an effective interest rate method consistent with the associated advances or are remeasured if there is a reduction in the expected loss.

Included within the advances balance is a deferred loss of $0.59 million as at 30 June 2026 ($0.61 million as at 30 June 2025), relating to advances provided to Tiwi Council.

Loss allowances on advances paid reflect either 12-month or lifetime expected credit losses depending on changes in credit risk and represents the amount of advances paid the agency estimates are likely to be uncollectible and are considered doubtful.

Credit risk exposure of advances paid

Advances paid are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The agency applies the AASB 9 general approach to measuring expected credit losses. This approach recognises a loss allowance based on 12-month expected credit losses if there has been no significant increase in credit risk since initial recognition and lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

The loss allowance for advances paid represents amount of advances paid the agency estimates to be uncollectible and is considered doubtful. Ageing analysis and reconciliation of loss allowance for advances paid as at the reporting date are disclosed below.

Internal advances paid reflect those provided to entities controlled by the Northern Territory Government such as other agencies, government business divisions and government owned corporations. External advances paid reflect those provided to third parties which are external to the Northern Territory Government.

Ageing Analysis

	Gross Receivables	Loss rate	Expected credit losses	Net Receivables	Gross Receivables	Loss rate	Expected credit losses	Net receivables
	$000	%	$000	$000	$000	%	$000	$000
External advances paid								
Overdue for more than 60 days	590	100%	590	-	610	100%	610	-
Total external advances paid	**590**		**590**	**-**	**610**		**610**	**-**

Reconciliation of loss allowance for advances paid

	2026	2025
External receivables	$000	$000
Opening balance	610	610
Written off during the year	-	-
Recovered during the year	(20)	-
Increase/decrease in allowance recognised in profit or loss	-	-
Total external receivables	**590**	**610**

20. Property, plant and equipment

a) Total property, plant and equipment	2026	2025
	$000	$000
Land - Local government cemeteries		
At fair value	4 125	4 050
Land - Housing rental properties		
Urban land at fair value	675 528	682 910
Buildings - Urban rental dwellings		
At fair value	987 803	896 196
Less: accumulated depreciation	(62 790)	(22 870)
	925 013	**873 326**
Buildings - Remote rental dwellings		
At fair value	4 490 551	4 085 702
Less: accumulated depreciation	(2 492 092)	(2 066 804)
	1 998 459	**2 018 898**
Buildings - Public Buildings		
At fair value	6 897	7 471
Less: accumulated depreciation	(4 328)	(4 624)
	2 569	**2 846**
Construction (work in progress)		
At capitalised cost	8 649	63
Plant and equipment		
At fair value	799	7 689
Less: accumulated depreciation	(218)	(6 037)
	581	**1 652**
Right of use assets		
At fair value	167 774	184 301
Less: accumulated depreciation	(101 140)	(103 515)
	66 634	**80 786**
Service concession assets		
At fair value	378 639	363 932
Less: accumulated depreciation	(174 439)	(162 036)
	204 199	201 896
Total Property, Plant and Equipment	**3 885 757**	**3 866 427**

Reconciliation of carrying amount of property, plant and equipment

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

2026

	Land	Land - urban rental properties	Buildings - urban rental dwellings	Buildings - remote rental dwellings	Public Buildings	Construction (work in progress)	Plant and equipment	Right of use - leased land and buildings	Service concession asset land and dwellings	Total
	$000	$000	$000	$000	$000	$000	$000	$000		
Carrying amount as at 1 July	4 050	682 910	873 326	2 018 898	2 846	63	1 652	80 786	201 896	3 866 427
Additions	75	412	27 508	198 940	-	271 703	18	613	185	499 454
Disposals	-	(4 700)	(878)	(4 008)	(65)	-	(798)	-	(30)	(10 479)
Works in progress capitalised / expensed	-	-	-	-	-	(263 117)	-	-	-	(263 117)
Additions/disposals from asset transfers	-	(3 265)	44 986	(51 687)	-	-	-	-	9 966	-
Depreciation/amortisation expense	-	-	(56 439)	(154 691)	(212)	-	(291)	(17 339)	(5 425)	(234 397)
Revaluation increments/ decrements	-	171	37 981	16 741	-	-	-	2 574	(2 520)	54 947
Impairment losses	-	-	(1 570)	(27 402)	-	-	-	-	-	(28 972)
Other movements - changes in remaining useful life estimates	-	-	99	1 668	-	-	-	-	127	1 894
Carrying amount as at 30 June	**4 125**	**675 528**	**925 013**	**1 998 459**	**2 569**	**8 649**	**581**	**66 634**	**204 199**	**3 885 757**

2025

	Land	Land - urban rental properties	Buildings - urban rental dwellings	Buildings - remote rental dwellings	Public Buildings	Construction (work in progress)	Plant and equipment	Right of use - leased land and buildings	Service concession asset land and dwellings	Total
	$000	$000	$000	$000	$000	$000	$000	$000		
Carrying amount as at 1 July	4 050	742 454	725 677	1 877 115	3 721	13	1 254	99 178	105 437	3 558 900
Additions	-	-	7 029	189 496	150	324 371	682	6 286	516	528 531
Disposals	-	(460)	(1 064)	(10 153)	(813)	-	-	-	-	(12 489)
Works in progress capitalised / expensed	-	-	-	-	-	(324 321)	-	-	-	(324 321)
Additions/disposals from asset transfers	-	(55 065)	(61 169)	-	-	-	-	-	116 234	-
Depreciation/amortisation expense	-	-	(38 446)	(176 204)	(212)	-	(284)	(20 814)	(4 965)	(240 926)
Revaluation increments/ decrements	-	(4 019)	246 994	183 864	-	-	-	(3 865)	(15 091)	407 883
Impairment losses	-	-	(5 695)	(45 220)	-	-	-	-	(235)	(51 150)
Carrying amount as at 30 June	**4 125**	**675 528**	**925 013**	**1 998 459**	**2 569**	**8 649**	**581**	**66 634**	**204 199**	**3 885 757**

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

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

2026

	Land	Land - urban rental properties	Buildings - urban rental dwellings	Buildings - remote rental dwellings	Public Buildings	Construction (work in progress)	Plant and equipment	Right of use - leased land and buildings	Service concession asset land and dwellings	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Carrying amount as at 1 July	4 050	-	-	-	-	-	1 652	-	-	5 702
Additions	75	-	-	-	-	-	18	-	-	93
Disposals	-	-	-	-	-	-	(798)	-	-	(798)
Works in progress capitalised / expensed	-	-	-	-	-	-	-	-	-	-
Additions/disposals from asset transfers	-	-	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	-	-	-	(291)	-	-	(291)
Revaluation increments/ decrements	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	-
Other movements - changes in remaining useful life estimates	-	-	-	-	-	-	-	-	-	-
Carrying amount as at 30 June	**4 125**	**-**	**-**	**-**	**-**	**-**	**581**	**-**	**-**	**4 706**

2025

	Land	Land - urban rental properties	Buildings - urban rental dwellings	Buildings - remote rental dwellings	Public Buildings	Construction (work in progress)	Plant and equipment	Right of use - leased land and buildings	Service concession asset land and dwellings	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Carrying amount as at 1 July	4 050	-	-	-	-	-	1 217	-	-	5 267
Additions	-	-	-	-	-	-	719	-	-	719
Disposals	-	-	-	-	-	-	-	-	-	-
Works in progress capitalised / expensed	-	-	-	-	-	-	-	-	-	-
Additions/disposals from asset transfers	-	-	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	-	-	-	(284)	-	-	(284)
Revaluation increments/ decrements	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	-
Other movements - changes in remaining useful life estimates	-	-	-	-	-	-	-	-	-	-
Carrying amount as at 30 June	**4 050**	**-**	**-**	**-**	**-**	**-**	**1 652**	**-**	**-**	**5 702**

c) Reconciliation of property, plant and equipment where the agency is a lessor under operating leases

A reconciliation of the carrying amount of property, plant and equipment where the agency is a lessor under operating leases is set out below:

2026

	Land	Land - urban rental properties	Buildings - urban rental dwellings	Buildings - remote rental dwellings	Public Buildings	Construction (work in progress)	Plant and equipment	Right of use - leased land and buildings	Service concession asset land and dwellings	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Carrying amount as at 1 July	-	682 910	873 326	2 018 898	2 846	63	-	80 786	201 896	3 860 725
Additions	-	412	27 508	198 940	-	271 703	-	613	185	499 361
Disposals	-	(4 700)	(878)	(4 008)	(65)	-	-	0	(30)	(9 681)
Works in progress capitalised / expensed	-	-	-	-	-	(263 117)	-	0	-	(263 117)
Additions/disposals from asset transfers	-	(3 265)	44 986	(51 687)	-	-	-	0	9 966	-
Depreciation/amortisation expense	-	-	(56 439)	(154 691)	(212)	-	-	(17 339)	(5 425)	(234 106)
Revaluation increments/ decrements	-	171	37 981	16 741	-	-	-	2 574	(2 520)	54 947
Impairment losses	-	-	(1 570)	(27 402)	-	-	-	0	-	(28 972)
Other movements - changes in remaining useful life estimates	-	-	99	1 668	-	-	-	0	127	1 894
Carrying amount as at 30 June	**-**	**675 528**	**925 013**	**1 998 459**	**2 569**	**8 650**	**-**	**66 634**	**204 199**	**3 881 051**

	Land	Land - urban rental properties	Buildings - urban rental dwellings	Buildings - remote rental dwellings	Public Buildings	Construction (work in progress)	Plant and equipment	Right of use - leased land and buildings	Service concession asset land and dwellings	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Carrying amount as at 1 July	-	742 454	725 677	1 877 115	3 721	12	-	99 178	105 437	3 553 595
Additions	-	-	7 028	189 497	150	324 371	-	6 286	516	527 849
Disposals	-	(460)	(1 064)	(10 153)	(813)	-	-	-	-	(12 489)
Works in progress capitalised / expensed	-	-	-	-	-	(324 321)	-	-	-	(324 321)
Additions/disposals from asset transfers	-	(55 065)	(61 169)	-	-		-	-	116 234	-
Depreciation/amortisation expense	-	-	(38 446)	(176 204)	(212)	-	-	(20 814)	(4 965)	(240 641)
Revaluation increments/ decrements	-	(4 019)	246 994	183 864	-	-	-	(3 865)	(15 091)	407 883
Impairment losses	-	-	(5 695)	(45 220)	-	-	-	-	(235)	(51 150)
Carrying amount as at 30 June	**-**	**682 910**	**873 326**	**2 018 898**	**2 846**	**63**	**-**	**80 786**	**201 896**	**3 860 725**

i. Acquisitions

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

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

ii. Construction (work in progress)

As part of the financial management framework, the Department of Logistics and Infrastructure is responsible for managing general government capital works projects on a whole of government basis. Therefore, appropriation for capital works is provided directly to the Department of Logistics and 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 the agency.
Capital works program – major works projects where the estimated value exceeds $1 million. The capital works program for housing stock is the construction of serviced land, new dwellings and major upgrades and extension works.
Minor works program – minor works projects where the estimated value is $1 million or less. The minor works program is primarily targeted at upgrade, and quality improvement works on existing housing stock. The minor works program for housing assets is carried out in-house by the Department of Housing, Local Government and Community Development. The appropriation for minor works is provided directly to the agency. The cost of minor works is recognised as an asset of the department.

iii. Revaluation of assets

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

- Land – Urban rental land and Local Government Cemeteries
- Buildings – Urban rental dwellings and public buildings
- Buildings - Remote rental dwellings including Government employee Housing remote rental dwellings

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

Commencing 2023 - 24, the Housing program has adopted a rolling valuation approach for urban land and dwellings and remote dwellings, where the entire portfolio is revalued over a three-year period. The assets will be valued every 3 years on a rolling annual basis, with a subset of regions valued each year. In the current financial year, remote and urban assets located in Arafura and Big Rivers regions were valued.

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

For the assets not revalued, an assessment is determined if a valuation is to occur if there is evidence that the carrying amount of these assets materially differ from their fair value at reporting date.

The latest rental land and dwelling revaluations as at 30 June 2026 were independently conducted. The valuer was Herron Todd White. The Northern Territory Valuer General subsequently endorsed the valuation outcome. Refer to Note 26: Fair value for additional disclosures.

Urban rental properties

The basis for the valuation of urban rental properties is the market approach, that of 'fair value' being the estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Urban rental properties consist of land, houses, flat complexes and interests in body corporates.

Existing urban rental properties that have incurred major renovations or upgrading costs are revalued in the next revaluation for that region after the contract has been completed for those works. Useful lives of urban rental dwellings located in Arafura and Big Rivers regions have been reassessed at the time of valuation.

Remote rental dwellings including Government Employee Housing remote rental dwellings

Remote rental dwellings are measured based on 'fair value' using the depreciated replacement cost methodology. The useful lives of remote rental dwellings located in Arafura and Big Rivers regions were also reassessed at the time of valuation. Refer to Note 26: Fair

value for additional disclosures.

iv. Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount. Materially significant non-financial assets are assessed for indicators of impairment annually. If any indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Impairment loss may only be reversed if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed the revised estimate of its recoverable amount, nor exceed the net carrying amount that would have been determined had no impairment loss been recognised for the asset in the prior years. Where an asset is carried at a revalued amount, impairment reversal is recognised in the comprehensive operating statement as income to the extent that an impairment loss was previously recognised in the profit or loss, otherwise, impairment reversal results in an increase in the asset revaluation surplus. Agency property, plant and equipment assets were assessed for impairment as at 30 June 2026. As a result of this review $28.97 million of impairment losses were recognised against urban and remote rental dwellings. Impairment losses were charged to the asset revaluation surplus.

v. Depreciation and amortisation expense

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

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

	2026	2025
Urban dwellings	50 years	50 years
Remote public housing dwellings	25 years	25 years
Government Employee Housing remote area dwellings	30 years	30 years
Public buildings	10 – 50 years	10 – 50 years
Plant and equipment	5 – 10 years	5 – 10 years
Right of use		
Land	12 – 40 years	12 – 40 years
Dwellings	2 – 10 years	2 – 10 years
Service concession assets		
Dwellings	50 years	50 years

vi. Right of use assets under lease

Recognition and measurement

The Department's lease portfolio includes private head leases for affordable and social housing, government employee housing dwellings, government employee housing remote land leases, remote land peppercorn leases, and motor vehicles. Lease contracts are typically made for fixed periods of two to 40 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. The agency does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the agency and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options did not have a material impact.

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

The agency recognises lease liabilities equal to lease payments and a corresponding right-of-use assets for the use of the underlying assets, except for short-term leases and leases of low-value assets. (Refer to Note 23 Borrowings and advances)
The agency recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use).

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

Right-of-use assets are subsequently measured at fair value which approximates costs less accumulated amortisation and accumulated impairment losses. Right-of-use assets are subject to remeasurement principles consistent with the lease liability including indexation and market rent review which approximates fair value. Right-of-use assets are also revalued where a trigger or event may indicate their carrying amount does not equal fair value.

Inter-governmental leases

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

Leases that have significantly below-market terms and conditions principally to enable the agency to further its objectives

The Department owns remote public housing dwellings on land owned by the Traditional owners. The department enters long-term peppercorn lease arrangements with the Traditional owners for these land parcels. Lease payments are generally set at $1 per annum, payable when demanded, and are stipulated in the lease contracts. The leased land must be used for the provision of public housing and the construction, demolition, upgrading, extending, refurbishment, landscaping, and maintenance of houses. The remote public housing operation is dependent on these lease arrangements.

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

vii. Service concession assets	Service concession Land	Service concession Dwellings	Service concession total
	$000	$000	$000
Carrying amount as 1 July	105 380	96 516	201 896
Additions		185	185
Disposals	-	(30)	(30)
Additions/disposals from asset transfers	3 265	6 701	9 966
Depreciation/amortisation expense	-	(5 425)	(5 425)
Revaluation increments/decrements	-	(2 520)	(2 520)
Impairment losses	-	127	127
Carrying amount as at 30 June	**108 645**	**95 554**	**204 199**

Service concession assets are government owned assets that are used and maintained by private operators or contractors to deliver a service normally performed by government.

Service concession assets are measured at current replacement cost on initial recognition or reclassification and are subsequently measured at fair value (determined using current replacement cost).
The agency's accounting policies on fair value measurement and impairment for property, plant and equipment disclosed in Note 20 also apply to service concession assets.

The Department has transferred public housing dwellings to the management of Community Housing Providers. The mechanism used for the transfer is long term leases with a minimum ten-year management term with an option to renew/extend for a further 10 years. Ownership of the transferred dwellings remain with the Agency, and the community housing providers will be responsible for all asset and tenancy management.

Community Housing Providers will be required to manage the transferred dwellings in accordance with the Community Housing Asset and Tenancy Management Policy.

For the purposes of dwelling transfers, the Agency concludes all community housing management transfers of public housing assets meet the requirements of AASB 1059.

The Agency (CEO Housing) retains ownership of the leased assets through the term and at the expiration of the lease. The fair value of the asset is recognised as a service concession asset of Department of Housing, Local Government and Community Development.

Derecognition of Service Concession Assets
At the end of the service concession arrangement the Department accounts for the asset in accordance with Australian accounting standards, reclassifying the asset based on its nature and function. The asset fair value reverts from the mandated current replacement cost under AASB 1059, to the appropriate approach under AASB 13. The asset is derecognised if the entity loses control of the asset in accordance with AASB 116 Property, Plant and Equipment.

Depreciation and amortisation
Depreciation of service concession assets is based on the useful lives determined during initial recognition of service concession assets or subsequent valuation of SCAs. Depreciation occurs over the expected useful life of each asset. The estimated useful lives for each class of service concession assets are disclosed in Note 20.

The Department will disclose below information in the table to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Specific accounting policies and disclosures for each of the agency's service concession arrangements are provided below.

Name of service concession arrangement	Period	Terms of engagements
John Stokes Square Residential Precinct Community Housing Management (JSS Lease)	Commenced in 2023 for a period of 20 years with an option to extend for 30 years.	Venture Housing (community housing provider) will provide the public social and affordable rental housing.
Community Housing Lease - NS22-0466A (Darwin)	Commenced in 2024 for a period of 10 years with an option to extend for 10 years.	Mission Australia Housing NT (community housing provider) will provide the public social and affordable rental housing.
Community Housing Lease - NS22-0466B (Darwin)	Commenced in 2024 for a period of 10 years with an option to extend for 10 years.	Venture Housing (community housing provider) will provide the public social and affordable rental housing.
Community Housing Lease - (Alice Springs)	Commenced in 2024 for a period of 10 years with an option to extend for 10 years.	Central Australian Affordable Housing Company Ltd will provide the public social and affordable rental housing.

	Rights and Obligations including renewal and termination option	Change in arrangement during the current year	Carrying amount of arrangement 30 June 2026 ($m)	Carrying amount of arrangement 30 June 2025 ($m)
	Venture Housing is responsible for the operation and maintenance of the assets including the general care of the premises. The community housing provider has the discretion to set, and charge rent that maintains affordability for tenants and households and receives the revenue from the leased asset. There is implicit control of price setting by capping rent charged based on two regulatory factors: percentage of assessable income and Commonwealth Rent Assistance. Venture Housing must allocate the dwellings to eligible applicants from the Agency's waitlist. The Agency (CEO Housing) retains ownership of the leased assets through the term and at the expiration of the lease.	No change during the year	39 863	39 863
	Mission Australia Housing NT is responsible for the operation and maintenance of the assets including the general care of the premises. The community housing provider will ensure that any rent charged to Tenants is in accordance with the Community Housing Asset and Tenancy Management Policy. There is implicit control of price setting by capping rent charged based on two regulatory factors: percentage of assessable income and Commonwealth Rent Assistance. Total rent charged must not exceed the Gazetted Market Rent for the dwelling. Mission Australia NT Housing must allocate the dwellings to eligible applicants from the Agency's waitlist. The Agency (CEO Housing) retains ownership of the leased assets through the term and at the expiration of the lease.	No change during the year	61 555	63 004
	Venture Housing is responsible for the operation and maintenance of the assets including the general care of the premises. The community housing provider has the discretion to set, and charge rent that maintains affordability for tenants and households and receives the revenue from the leased asset. There is implicit control of price setting by capping rent charged based on two regulatory factors: percentage of assessable income and Commonwealth Rent Assistance. Venture Housing must allocate the dwellings to eligible applicants from the Agency's waitlist. The Agency (CEO Housing) retains ownership of the leased assets through the term and at the expiration of the lease.	No change during the current year One dwelling demolished due to fire damage	59 557	60 122
	Central Australian Affordable Housing Company is responsible for the operation and maintenance of the assets including the general care of the premises. The community housing provider has the discretion to set, and charge rent that maintains affordability for tenants and households and receives the revenue from the leased asset. There is implicit control of price setting by capping rent charged based on two regulatory factors: percentage of assessable income and Commonwealth Rent Assistance. Central Australian Affordable Housing Company must allocate the dwellings to eligible applicants from the Agency's waitlist. The Agency (CEO Housing) retains ownership of the leased assets through the term and at the expiration of the lease.	No change during the year	20 071	20 441

Name of service concession arrangement	Period	Terms of engagements
Community Housing Lease - (Alice Springs)	Commenced in 2024 for a period of 10 years with an option to ex-tend for 10 years.	Yilli Rreung Housing Aboriginal Corporation will provide the public social and affordable rental housing.
Community Housing Lease - (Alice Springs)	Commenced in 2026 for a period of 10 years with an option to extend for 10 years.	Central Australian Affordable Housing Company Ltd will provide the public social and affordable rental housing.

	Rights and Obligations including renewal and termination option	Change in arrangement during the current year	Carrying amount of arrangement 30 June 2026 ($m)	Carrying amount of arrangement 30 June 2025 ($m)
	Yilli Rreung Housing Aboriginal Corporation is responsible for the operation and maintenance of the assets including the general care of the premises. The community housing provider has the discretion to set, and charge rent that maintains affordability for tenants and house-holds and receives the revenue from the leased asset. There is implicit control of price setting by capping rent charged based on two regulatory factors: percentage of assessable income and Commonwealth Rent Assistance. Yilli Rreung Housing Aboriginal Corporation must allocate the dwellings to eligible applicants from the Agency's waitlist. The Agency (CEO Housing) retains ownership of the leased assets through the term and at the expiration of the lease.	No change during the current year	18 153	18 466
	Central Australian Affordable Housing Company is responsible for the operation and maintenance of the assets including the general care of the premises. The community housing provider has the discretion to set, and charge rent that maintains affordability for tenants and house-holds and receives the revenue from the leased asset. There is implicit control of price setting by capping rent charged based on two regulatory factors: percentage of assessable income and Commonwealth Rent Assistance. Central Australian Affordable Housing Company must allocate the dwellings to eligible applicants from the Agency's wait-list. The Agency (CEO Housing) retains ownership of the leased assets through the term and at the expiration of the lease.	Entered into this service concession assets Agreement during the year.	4 737	-

21. Deposits held

	2026	2025
	$000	$000
Accountable officer's trust account	5 712	5 898
Total deposits held	**5 712**	**5 898**

Deposits held only comprise of Accountable Officer's Trust Account. Accountable Officer's Trust Accounts hold trust monies established under legislations held by the agency on behalf of others for a specific purpose and not for use in operations of government. These include unclaimed monies and rental tenancy security deposits.

22. Payables

	2026	2025
	$000	$000
Accounts payable	670	2 864
Accrued salaries and wages	4 974	1 546
Other accrued expenses	18 321	10 865
Total payables	**23 965**	**15 275**

Liabilities for accounts payable and other amounts payable are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency. Accounts payable are normally settled within 20 days from receipt of valid of invoices under $1 million or 30 days for invoices over $1 million.

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

23. Borrowings and advances

	2026	2025
	$000	$000
Current		
Lease liabilities	13 621	16 491
	13 621	**16 491**
Non-current		
Lease liabilities	59 652	70 084
	59 652	**70 084**
Total borrowings and advances	**73 273**	**86 575**

a) Lease liabilities

At the commencement date of the lease where the agency is the lessee, the agency recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable; variable lease payments that depend on an index or a rate; exercise price of purchase options that are reasonably certain to be exercised by the agency; and payments of penalties for terminating the lease, if the lease term reflects the agency exercising the option to terminate.

Variable lease payments which depend on an index or a rate are included in the lease liabilities, otherwise, are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the agency's leases, the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (such as changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease contracts are typically made for fixed periods of 1 to 40 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. The agency does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of Private Head Leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the agency and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

i. Reconciliation of lease liabilities

The following table presents reconciliation of liabilities under leases:	2026	2025
	$000	$000
Balance at 1 July	86 575	105 413
Additions/remeasurements	3 479	698
Interest expenses	2 534	3 331
Payments	(19 315)	(22 867)
Balance at 30 June	**73 273**	**86 575**

ii. Total cash outflows associated with leases

The following table presents total cash outflows associated with leases	2026	2025
	$000	$000
Lease liability payments	17 446	19 536
Short-term lease payments	2 712	9 876
Expense relating to low-value assets	-	2
Total cash outflows	**20 158**	**29 414**

The agency has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less with no purchase option. Low value assets are assets with a fair value of $10,000 or less when new and not subject to a sublease arrangement.

iii. Amounts recognised in the comprehensive operating statement

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

	2026	2025
	$000	$000
Depreciation expense of right-of-use assets	17 339	20 814
Interest expense on lease liabilities	2 534	3 331
Expense relating to short-term leases	2 712	9 876
Expense relating to low-value assets	-	2
Intergovernmental leases (not applicable to GBDs)	1 582	1 560
Total amount recognised in the comprehensive operating statement	**24 166**	**35 583**

iv. Future minimum lease payments under non-cancellable leases not recorded as liabilities

	2026		2025	
	Internal	External	Internal	External
Not later than one year	109	1 240	184	3 071
Later than one year and not later than five years	2 733	8 514	3 307	58
	2 841	**9 755**	**3 491**	**3 129**

24. Provisions

	2026	2025
	$000	$000
Current		
Recreation leave	6 354	6 030
Leave loading	971	927
Other employee benefits	6	3
Other current provisions	1 626	1 515
Total Provisions	**8 956**	**8 475**

Employee benefits

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

All recreation leave is classified as a current liability.

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

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

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

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies, including Department of Housing, Local Government and Community Development and therefore no long service leave liability is recognised within these financial statements.

25. Other liabilities

	2026	2025
	$000	$000
Current		
Unearned contract revenue liability	11 416	34 779
Unearned capital grants liability	22	-
Total other liabilities	**11 438**	**34 779**

Unearned contract revenue liability

Unearned contract revenue liability relates to consideration received in advance from customers and funding providers in respect of rent, maintenance charges, excess water charges, Commonwealth-funded programs, service delivery agreements and other customer contracts where performance obligations have not yet been fully satisfied as at 30 June 2026. Unearned contract revenue liability balances as at 30 June 2026 is 11.44 million (balance at 1 July 2025 was 34.78 million).

Of the amount included in the unearned contract revenue rent charged/paid in advance as at 1 July 2025, $25.81 million has been recognised as revenue in 2025-26 financial year.

The agency anticipates to recognise as revenue, unearned contract revenue liability in accordance with the time bands below:

	2026	2025
	$000	$000
Not later than one year	11 416	34 779
Total	**11 416**	**34 779**

Unearned capital grants liability

Unearned capital grants liability relates to contributions to enable the agency to acquire or construct a non-financial asset to be controlled by the agency, received in advance of the agency satisfying the performance obligation.

The table below is a reconciliation of unearned capital grants liability.

	2026	2025
	$000	$000
Carrying amount at 1 July	-	-
Add: receipt of cash during the financial year	22	-
Less: income recognised during the financial year	-	-
Total	**22**	**-**

The agency anticipates to recognise as revenue, unearned capital grants liability in accordance with the time bands below:

	2026	2025
	$000	$000
Not later than one year	22	-
Total	**22**	**-**

26. Fair value measurement

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

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

Observable inputs are publicly available data relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the agency include, but are not limited to, published sales data for land and general office buildings.
Unobservable inputs are data, assumptions and judgments not available publicly but relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency adjustments to observable data to take account of particular and potentially unique characteristics/ functionality of assets/ liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:
Level 1 – inputs are quoted prices in active markets for identical assets or liabilities
Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 – inputs are unobservable

a) Fair value hierarchy

The department does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.
The table below presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total fair value	
	2026	2025	2026	2025	2026	2025	2026	2025
	$000	$000	$000	$000	$000	$000	$000	$000
Assets								
Land - Local Government Cemeteries	-	-	4 125	4 050	-	-	4 125	4 050
Land - Urban Rental Property	-	-	675 528	682 910	-	-	675 528	682 910
Buildings - Urban Rental Dwellings	-	-	925 013	873 326	-	-	925 013	873 326
Buildings - Remote Rental Dwellings	-	-	-	-	1 998 459	2 018 898	1 998 459	2 018 898
Buildings - Public Buildings	-	-	-	2 846	2 569	-	2 569	2 846
Plant and equipment	-	-	-	-	581	1 652	581	1 652
Service concession Land and Dwellings	-	-	-	105 380	204 199	96 516	204 199	201 896
Total assets	**-**	**-**	**1 604 665**	**1 668 512**	**2 205 809**	**2 117 066**	**3 810 474**	**3 785 578**

b) Valuation techniques and inputs

Valuation techniques and significant unobservable inputs used to measure fair value in 2025-26 are:

Asset classes	Level	Techniques	Significant unobservable inputs
Land - Local Government Cemeteries	2	Market	Unimproved Capital Value used to equate fair value Valuer assessment on restrictions
Land - Urban Rental Dwellings	2	Market	Unimproved Capital Value used to equate fair value
Buildings - Urban Rental Dwellings	2	Market	Valuer assessment
Buildings - Remote Rental Property	3	Current replacement cost	Construction Costs Age and condition of asset Remaining useful life
Buildings - Public Buildings	3	Current replacement cost	Construction Costs Age and condition of asset Remaining useful life
Plant and equipment	3	Cost Approach	Historical Cost
Service concession Land and Dwellings	3	Current replacement cost	Construction Costs Age and condition of asset Remaining useful life

During 2025-26, the valuation methodology for Public Buildings was reviewed and confirmed as the current replacement cost approach.

The valuation methodology for Service Concession Land was also reviewed during 2025-26 and reclassified to the current replacement cost approach to better align with the requirements of AASB 1059 Service Concession Arrangements: Grantors.

The department's assets, excluding plant and equipment and construction (work in progress) are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation, impairment losses, and any additions or modifications. Land and buildings are revalued at least once every three years to ensure the carrying amount of these assets does not differ materially from their fair value at reporting date.

Herron Todd White performed a valuation of urban and remote rental land and dwellings in the Arafura and Big Rivers regions at 30 June 2026.

Level 2 fair values of urban rental land, service concession land, dwellings and public buildings are based on market evidence of sales price of comparable land and buildings in similar locations. Remote Rental Dwellings are determined by calculating their depreciated replacement costs due to the absence of an active market within remote locations. The depreciated replacement cost is derived from a combination of internal records detailing the historical cost of the dwellings, which are adjusted for contemporary technology and construction methods.

Significant judgement is exercised in assessing the remaining useful lives, considering variables such as local environmental conditions, projected usage, and records of the current condition of the dwellings.

Public building assets are valued at Level 3 of the fair value hierarchy using the current replacement cost approach. Fair value is determined with reference to construction costs, age and condition of the asset, remaining useful life and other relevant asset-specific factors where observable market evidence is not available.

Service Concession Assets 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, project costs of recent construction, cost data from construction manuals, the remaining useful life of the assets, and current conditions of the assets.

c) Additional information for level 3 fair value measurements

i. Reconciliation of recurring level 3 fair value measurements of non financial assets

	Buildings - Remote Rental Dwellings	Buildings - Public Buildings	Plant and equipment	Service concession	Total
	$000	$000	$000	$000	$000
2026					
Fair value as at 1 July	2 018 898	-	1 652	96 516	2 117 066
Additions	198 940	-	18	185	199 143
Disposals	(4 008)	(65)	(798)	(30)	(4 901)
Depreciation/amortisation	(154 691)	(212)	(291)	(5 425)	(160 619)
Transfers from Level 2	(51 687)	2 846		115 346	66 505
Gains/losses recognised in other comprehensive income	16 741	-	-	(2 520)	14 221
Impairment Losses	(27 402)	-	-	-	(27 402)
Other movements - changes in remaining useful life estimates	1 668	-	-	127	1 795
Fair value as at 30 June	**1 998 459**	**2 569**	**581**	**204 199**	**2 205 808**
2025					
Fair value as at 1 July	1 877 115	-	1 254	54 787	1 933 156
Additions	189 496	-	682	516	190 694
Disposals	(10 153)	-	-	-	(10 153)
Depreciation/amortisation	(176 204)	-	(284)	(4 967)	(181 455)
Transfers from Level 2	-	-	-	61 506	61 506
Gains/losses recognised in other comprehensive income	183 864	-	-	(15 091)	168 773
Impairment Losses	(45 220)	-	-	(235)	(45 455)
Fair value as at 30 June	**2 018 898**	**-**	**1 652**	**96 516**	**2 117 066**

ii. Sensitivity analysis

Remote rental dwellings, public buildings and service concession dwellings- Unobservable inputs used in computing the fair value of buildings include the new replacement costs on a per structure basis. They have been ascertained from Department of Infrastructure, Planning and Logistics by analysing remote residential construction contracts for new constructions over the past year on either a whole or part basis, information received from major construction contractors, architects, quantity surveyors and engineers cross referenced to Rawlinson's, Cordell's and the Building Economists guidelines to derive construction cost rates on a per square meter/net area modern equivalent basis.

Useful economic life determinations on a per structure basis have been undertaken with reference to historic information, individual construction/ engineering characteristics and associated obsolescent factors (to include technical, structural, economic and functional features) and industry standards as identified by the Australian Taxation Office and Chartered Accountants Australia and New Zealand.

Public Buildings are valued using the current replacement cost approach due to the limited availability of observable market inputs for assets with similar characteristics and service potential.

Remote residential housing and associated infrastructure are generally accepted to have useful economic lives of between 20-40 years, however individual units will vary dependent on construction type, location, utility, alternate use and related service features and functions. For this valuation a useful economic life of 25 years has been applied in all instances except for Government Employee Housing which have a higher standard of internal fit-out and fittings, and these have had a useful economic life of 30 years applied.

Service Concession dwellings were previously used as urban rental dwellings with a standard 50-year useful life. The primary use of these dwellings has not changed as they are still primarily used as residential rental housing. The useful life of these assets has not changed.

Plant and equipment primarily comprise leasehold improvements on office style buildings and are held at historical cost with useful lives in line with the remaining period of the associated leases for each building.

27. Financial instruments

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

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

The Department of Housing, Local Government and Community Development has limited exposure to financial risks as discussed below.

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

a) Categories of financial instruments

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

	Category	2026	2025
		$000	$000
Cash and deposits	Other	44 848	30 749
Receivables	Amortised cost	17 569	24 345
Total financial assets		**62 417**	**55 094**
Payables	Amortised cost	670	15 275
Lease liabilities	Amortised cost	73 273	86 575
Total financial liabilities		**73 943**	**101 850**

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

Financial assets at amortised cost
Financial assets categorised at amortised cost are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment. The agency's financial assets categorised at amortised cost include receivables and advances paid.

Financial assets at fair value through other comprehensive income
The agency does not have any financial assets under this category.

Financial assets at fair value through profit or loss
The agency does not have any financial assets under this category.

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

Financial liabilities at fair value through profit or loss
The agency does not have any financial liabilities under this category.

b) Credit risk

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

The agency has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to government, the agency has adopted a policy of only dealing with creditworthy 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 agency's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained. Credit risk relating to receivables is disclosed in Note 18 and advances paid in Note 19.

c) Liquidity risk

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

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

Maturity analysis for financial liabilities

2026	Carrying amount	Less than a year	1-5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Deposits held [1]	-	-	-	-	-
Payables [1]	670	670	-	-	670
Lease liabilities	73 273	11 900	26 030	35 343	73 273
Total financial liabilities	**73 943**	**12 570**	**26 030**	**35 343**	**73 943**

[1] Amounts disclosed exclude statutory amounts and accruals (such as AOTA, accrued expenses, unearned revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not be recognised in the balance sheet.

2025	Carrying amount	Less than a year	1-5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Deposits held [1]	-	-	-	-	-
Payables [1]	2 864	2 864	-	-	2 864
Lease liabilities	86 575	18 768	44 337	23 470	86 575
Total financial liabilities	**89 439**	**21 632**	**44 337**	**23 470**	**89 439**

[1] Amounts disclosed exclude statutory amounts and accruals (such as AOTA, accrued expenses, unearned revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not be recognised in the balance sheet.

d) Market risk

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

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

The Department of Housing, Local Government and Community Development has limited exposure to interest rate risk as agency financial assets and financial liabilities, with the exception of land and building leases are noninterest bearing. Lease arrangements are established on a fixed interest rate and therefore do not expose the Department of Housing, Local Government and Community Development to interest rate risk.

ii. Price risk
The Department of Housing, Local Government and Community Development is not exposed to price risk as the Department of Housing, Local Government and Community Development does not hold units in unit trusts

iii. Currency risk
Currency risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Department of Housing, Local Government and Community Development is not exposed to currency risk as Department of Housing, Local Government and Community Development does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

28. Related parties

a) Related parties

The Department of Housing, Local Government and Community Development is a government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of the department include:

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

b) Key management personnel (KMP)

Key management personnel of the Department of Housing, Local Government and Community Development are those persons having authority and responsibility for planning, directing and controlling the activities of Department of Housing, Local Government and Community Development. These include the ministers, the Chief Executive Officer and the 20 members of the executive team of Department of Housing, Local Government and Community Development as listed in the Annual Report.

c) Remuneration of key management personnel

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

The aggregate compensation of key management personnel of Department of Housing, Local Government and Community

Development is set out below:

	2026	2025
	$000	$000
Short-term benefits	4 295	4 041
Total remuneration of key management personnel	**4 295**	**4 041**

Long service leave benefits are centrally recognised and paid by the Central Holding Authority (CHA) and do not form part of agency's accounts or cash outflows. As there is no financial impact on the agency's financial statements, long service leave benefits are excluded from the quantitative disclosures of key management personnel compensation.

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

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

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

2026	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All NTG Government departments	54,439	145,890	(10,458)	2,273
Total All NTG Government departments	**54,439**	**145,890**	**(10,458)**	**2,273**

2025	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All NTG Government departments	52,147	139,951	(247,382)	3,951
Total All NTG Government departments	**52,147**	**139,951**	**(247,382)**	**3,951**

Other related party transactions are as follows:

Given the breadth and depth of Territory Government activities, related parties will transact with the Territory public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed. No related party transactions requiring separate disclosure were identified during the year.

29. Contingent liabilities and contingent assets

a) Contingent liabilities

There are several active court proceedings against the CEOH and the Minister which may result in the Department having to pay costs and/or compensation. As these matters are unresolved, the likelihood of payment cannot be determined at this point.

As a lessee, the department holds finance leases on affordable and social housing dwellings across the NT where it is required to make good as the leases expire. A reliable estimate of the amount of the obligation cannot be made at this stage.

The department also holds contingent liabilities in lease agreements on Government Employee Housing dwellings and Remote Government Employee Housing land leases. The risk associated with these agreements is assessed and considered low and unquantifiable.

b) Contingent assets

The Department of Housing, Local Government and Community Development had no contingent assets as at 30 June 2026.

30. Events subsequent to balance date

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

31. Budgetary information

The following table presents the variation between the 2025-26 original budget for administered items as reported in 2025-26 Budget Paper No. 3 Agency Budget Statements and the 2025-26 actual amounts disclosed in financial statements together with explanations for significant variations.

The variations within these tables do not include changes to budgeted appropriations from 2025-26 original budget to 2025-26 final budget. Refer to Note 5a for summary changes to budget appropriations.

Comprehensive operating statement	2026 Actual	2026 Original Budget	Variance	Note
	$000	$000	$000	
Income				
Grants and subsidies revenue				
Current	1 939	105	1 834	
Appropriation				
Output	291 723	305 867	(14 144)	1
Commonwealth	142 148	231 595	(89 447)	2
Sales of goods and services	139 624	134 888	4 736	
Goods and services received free of charge	14 218	25 157	(10 939)	3
Gain on disposal of assets	64	-	64	
Other income	10 142	1 630	8 512	4
Total Income	**599 858**	**699 242**	**(99 384)**	
Expenses				
Employee expenses	73 477	73 541	(64)	
Administrative expenses				
Purchases of goods and services(a)	119 265	114 441	4 824	
Repairs and maintenance	102 743	114 191	(11 448)	5
Depreciation and amortisation	234 397	180 008	54 389	6
Other administrative expenses	54 297	41 374	12 923	7
Grants and subsidies expenses				
Current	185 246	159 948	25 298	8
Capital	142 781	167 040	(24 259)	9
Community service obligations	3 660	3 657	3	
Interest expenses	2 534	2 104	430	
Loss on lease extinguishment	963	-	963	
Total Expenses	**919 363**	**856 304**	**63 059**	
NET SURPLUS/(DEFICIT)	**(319 505)**	**(157 062)**	**(162 443)**	
Other Comprehensive Income				
Items that will not be reclassified to net surplus/deficit				
Changes in asset revaluation surplus	(32 896)	-	(32 986)	10
Transfers from reserves	(14 065)	-	(14 065)	11
Total Other Comprehensive Income	**(46 961)**	**-**	**(46 961)**	
COMPREHENSIVE RESULT	**(366 466)**	**(157 062)**	**(209 404)**	

Notes:
The following note descriptions relate to variances greater than 10 per cent or $5 million.

1. The variance reflects the transfer of output appropriation from 2025-26 into 2026-27 to enable effective delivery of programs including Housing Australia Future Fund and repairs and maintenance programs.

2. The reduction in Commonwealth appropriation against budget is due to revised timing for the delivery of several programs including:
- $25 million for the Housing Australia Future Fund
- $19.7 million for the National Water Grid Fund
- $15 million for the Central Australia Plan Community Infrastructure Package
- $11.3 million for Northern Territory Remote Aboriginal Investment programs
- $10.1 million for the Restoring Funding for Northern Territory Homelands program
- $5.1 million for the Remote Housing Northern Territory program
- $4.2 million for the Regional Precincts and Partnership Program.

3. Machinery of government changes has resulted in less than anticipated costs for services received free of charge from the Department of Corporate and Digital Development.

4. The variance is a combination of unbudgeted assets donated and disability housing GST input tax credits.

5. The decrease in repairs and maintenance relates to the revised timing for program delivery for the Housing Australia Future Fund program.

6. Depreciation increased during the financial year due to asset additions and higher asset values following revaluation, resulting in increased depreciation allocations.

7. The variance for other administrative expenses includes $25.7 million in assets expensed from the capital works program and written off, offset by reductions of $1.8 million for doubtful debts and $10.9 million for services received free of charge from the Department of Corporate and Digital Development.

8. The increase in current grants expenditure is due to $17.3 million for the Darwin and Palmerston Plan, $5.9 million for Housing Municipal and Essential Services and $2.6 million in unbudgeted disaster-relief grant expenditure.

9. The reduction in capital grants expenditure against budget reflects revised timing for the delivery of several programs including:
- $19.7 million for the National Water Grid Fund
- $10.3 million for the Central Australia Plan Community Infrastructure Package
- $10 million for the Housing Australia Future Fund
- $9.5 million for the Restoring Funding for Northern Territory Homelands program
- $4.2 million for the Regional Precincts and Partnership Program
- $4 million for Northern Territory Remote Aboriginal Investment programs.

This is offset against additional expenditure of $22.2 million for the Jabiru and Kakadu Futures Program and $8.4 million for Indigenous Essential Services.

10. Changes in the asset revaluation surplus reflect the transfer of reserves out of the Department as a result of machinery of government changes.

11. Other comprehensive income relates to reserve movements arising from asset disposals and subsequent transfers to accumulated funds.

Balance Sheet	2026 Actual	2026 Original Budget	Variance	Note
	$000	$000	$000	
Assets				
Current assets				
Cash and deposits	44 848	28 167	16 681	1
Receivables	110 760	41 734	69 026	2
Inventories	-	41	(41)	
Total current assets	**155 608**	**69 942**	**85 666**	
Non-current assets				
Property, plant and equipment	3 885 756	3 385 962	499 794	4
Total non-current assets	**3 885 756**	**3 385 962**	**499 794**	
TOTAL ASSETS	**4 041 364**	**3 455 904**	**585 460**	

Liabilities				
Current liabilities				
Deposits held	5 712	6 572	(860)	
Payables	23 965	36 992	(13 027)	4
Borrowings and advances	13 621	12 400	1 221	5
Provisions	8 956	8 733	223	
Other liabilities	11 437	9 572	1 865	6
Total current liabilities	**63 691**	**74 269**	**(10 578)**	
Non-current liabilities				
Borrowings and advances	59 653	103 597	(43 944)	5
Total non-current liabilities	**59 653**	**103 597**	**(43 944)**	
TOTAL LIABILITIES	**123 344**	**177 866**	**(54 522)**	
NET ASSETS	**3 918 020**	**3 278 038**	**639 982**	
Equity				
Capital	4 274 582	3 816 134	458 448	7
Reserves	2 113 365	1 754 786	358 579	8
Accumulated funds	(2 469 927)	(2 292 882)	(177 045)	9
TOTAL EQUITY	**3 918 020**	**3 278 038**	**639 982**	

Notes:
The following note descriptions relate to variances greater than 10 per cent or $5 million.

1. The increase in cash and deposits is primarily due to revised timing for Commonwealth program delivery and an increase in equity injections, with further detail provided in the Cash Flow Statement.

2. The increase against budget reflects accrued Commonwealth appropriation, primarily for Restoring Funding for Northern Territory Homelands and Remote Housing Northern Territory programs.

3. The increase in property, plant and equipment is due to additional assets and higher asset values following revaluation.

4. Payables have decreased due to less than anticipated accrued expenses associated with salaries, repairs and maintenance and asset construction work in progress.

5. Borrowings and advances are under budget due to the cessation of leased social, affordable and government employee housing.

6. Other liabilities are over budget primarily due to unearned Commonwealth revenue for the National Water Grid Fund program.

7. The variance reflects increased transfers of property, plant and equipment and equity injections from the Central Holding Authority.

8. The movement in reserves reflects the increase in asset value following the revaluation.

9. The variance predominantly reflects revised timing for Commonwealth program delivery and the derecognition of property, plant and equipment and related reserve balances.

Cash flow statement	2026 Actual	2026 Original Budget	Variance	Note
	$000	$000	$000	
Cash Flows from Operating Activities				
Operating receipts				
Grants and subsidies received				
Current	1 939	105	1834	
Appropriation				
Output	291 723	305 867	(14 144)	1
Commonwealth (excluding capital appropriation)	34 110	229 615	(195 505)	2
Receipts from sales of goods and services	235 109	120 196	114 913	3
Total operating receipts	**562 881**	**655 783**	**(92 902)**	
Operating payments				
Payments to employees	(69 523)	(73 541)	4 018	
Payments for goods and services	(242 531)	(228 632)	(13 899)	4
Grants and subsidies paid				
Current	(185 246)	(159 948)	(25 298)	5
Capital	(116 401)	(167 040)	50 639	6
Community service obligations	(3 660)	(3 657)	(3)	
Interest paid	(2 534)	(2 104)	(430)	
Total operating payments	**(619 895)**	**(634 922)**	**15 027**	
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	**(57 014)**	**20 861**	**(77 875)**	

Cash flow statement	2026 Actual	2026 Original Budget	Variance	Note
	$000	$000	$000	
Cash Flows from Investing Activities				
Investing receipts				
Proceeds from sales of non-financial assets	550	-	550	
Repayment of advances received	20	-	20	
Total investing receipts	**570**	**-**	**570**	
Investing payments				
Purchases of non-financial assets	(27 349)	(33 769)	6 420	
Total investing payments	**(27 349)**	**(33 769)**	**6 420**	
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	**(26 779)**	**(33 769)**	**6 990**	

Cash flow statement	2026 Actual	2026 Original Budget	Variance	Note
	$000	$000	$000	
Cash Flows from Financing Activities				
Financing receipts				
Equity injections				
Capital appropriation	20 269	29 269	(9 000)	7
Commonwealth capital appropriation	22	-	22	
Other equity injections	101 636	-	101 636	8
Total financing receipts	**121 927**	**29 269**	**92 658**	
Financing payments				
Deposits paid	(186)	-	(186)	
Lease liabilities payments	(17 446)	(18 493)	1 047	
Equity withdrawals	(6 403)	(6 212)	(191)	
Total financing payments	**(24 035)**	**(24 705)**	**670**	
Net cash from/(used in) financing activities	**97 892**	**4 564**	**93 328**	
Net increase/(decrease) in cash held	14 099	(8 344)	22 443	
Cash at beginning of financial year	30 749	36 511	(5 762)	
CASH AT END OF FINANCIAL YEAR	**44 848**	**28 167**	**16 681**	

Notes:
The following note descriptions relate to variances greater than 10 per cent or $5 million.

1. The variance reflects the transfer of output appropriation from 2025-26 into 2026-27 to enable effective delivery of programs including Housing Australia Future Fund and repairs and maintenance programs.

2. Commonwealth appropriation variance reflects a combination of delays in receipting funds and revised program delivery, particularly for Restoring Funding for Northern Territory Homelands, the National Water Grid Fund and Remote Housing Northern Territory programs.

3. Receipts from sales of goods and services variance includes GST receipts, which are not budgeted for, and higher rental income receipted for the Darwin and Palmerston regions.

4. Payments for goods and services variance relates to GST payments, which are not budgeted for, and unbudgeted legal expenses.

5. The increase in current grants and subsidy payments is due to $17.3 million for the Darwin and Palmerston Plan, $5.9 million for Housing Municipal and Essential Services and $2.6 million in unbudgeted disaster-relief grant expenditure.

6. The decrease in capital grants payments reflects revised timing for the delivery of several programs including:
- $19.7 million for the National Water Grid Fund
- $10.3 million for the Central Australia Plan Community Infrastructure Package
- $10 million for the Housing Australia Future Fund
- $9.5 million for the Restoring Funding for Northern Territory Homelands program
- $4.2 million for the Regional Precincts and Partnership Program
- $4 million for Northern Territory Remote Aboriginal Investment programs.

This is offset against additional expenditure of $8.4 million for Indigenous Essential Services.

7. The decrease in capital appropriation relates to revised timing and funding profile for repairs and maintenance for dwellings transferred to community housing providers.

8. The variance relates to equity injections from the Central Holding Authority to offset delays in receipting Commonwealth funding.

NT Home Ownership **Financial Statements**



Aerial view of Tennant Creek

Financial Overview – NT Home Ownership

NT Home Ownership operates as a Government Business Division (GBD) as determined by the Treasurer under the *Financial Management Act 1995*. GBDs are required to operate in a competitively neutral manner and adopt commercial practices, including the payment of tax equivalents and dividends to the Northern Territory Government as owner.

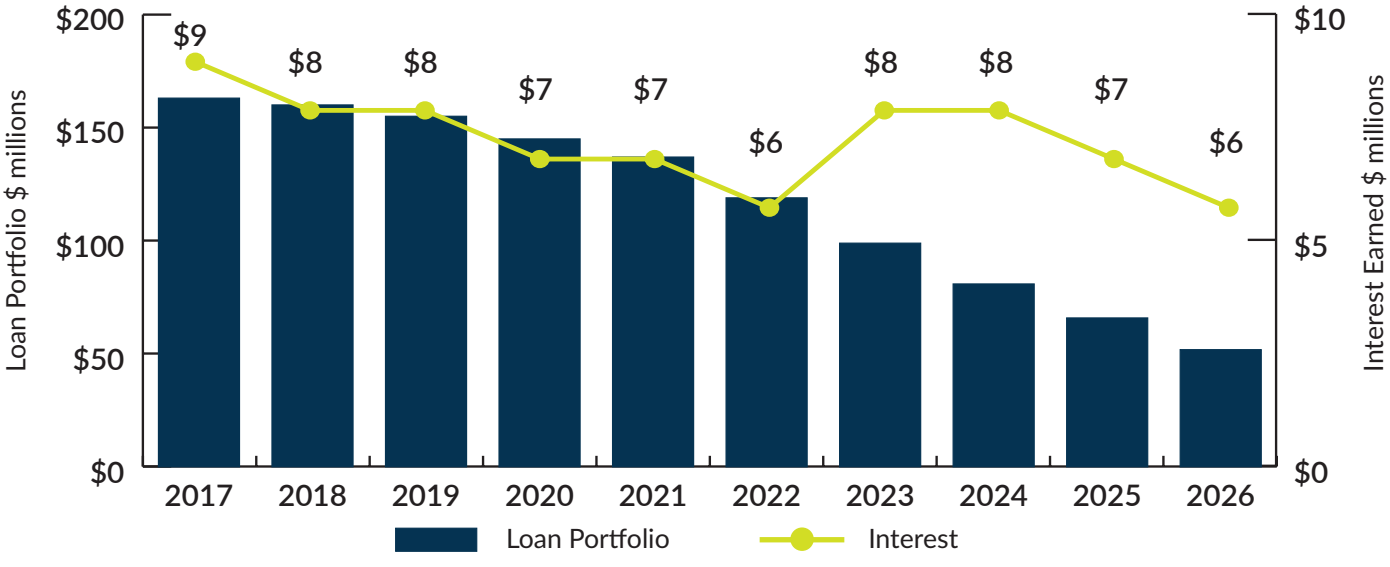
NT Home Ownership oversees the provision of Northern Territory Government home loan products and services to assist eligible Territorians in achieving affordable home ownership. Since becoming a GBD in 2009, NT Home Ownership has supported the supply of affordable housing, provided home ownership opportunities for Territorians who may otherwise be unable to enter the housing market, and helped reduce pressure on the rental market.

Over the years, NT Home Ownership has offered a range of home loan products, with the current product being HomeBuild Access. Management of the home loan portfolio is outsourced to an external service provider, People First Bank, under a mortgage management contract.

NT Home Ownership recorded a net operating surplus of $7.2 million in 2025-26, compared with a surplus of $3.3 million in the prior year. The increase in the surplus was primarily driven by a higher revaluation gain on shared equity investments, increased community service obligation funding, and lower interest expense as borrowings with Northern Territory Treasury Corporation (NTTC) continued to be repaid. These improvements were partially offset by lower interest income resulting from the ongoing reduction in the home loan portfolio.

Income

Total income for 2025-26 was $14.7 million, compared with $11.4 million in the prior year. The increase of $3.3 million was primarily driven by a $3.0 million increase in the revaluation gain on shared equity investments, from $1.8 million in 2024-25 to $4.8 million in 2025-26. community service obligation funding also increased by $1.1 million during the year. These favourable movements were partially offset by a $1.3 million reduction in interest income, reflecting the continued decline in the home loan portfolio.



Expense

Total expenses for 2025-26 were $7.5 million, compared with $8.1 million in the prior year. The decrease of $0.6 million was primarily due to a reduction in interest expense of $0.6 million resulting from the continued repayment of borrowings to NTTC. Expected credit loss expense was $0.2 million lower compared with the prior year. These decreases were partially offset by higher purchases of goods and services during the year.

Home loan portfolio

At 30 June 2026, NT Home Ownership's loan portfolio comprised 629 active loans to Territorians totalling $52.3 million, net of an allowance for doubtful debts of $5.7 million, compared with 791 loans totalling $66.8 million at 30 June 2025. The portfolio reduced by $14.5 million during the year, reflecting continued loan repayments and loan discharges. No new loans were issued during the year, contributing to the overall decline in the portfolio balance.

During 2025-26, repayments of advances received totalled $14.2 million, including the discharge of 162 home loan arrangements across current and previous loan products.

At 30 June 2026, NT Home Ownership held an interest in 265 shared equity investment properties valued at $32.1 million, compared with 312 properties valued at $31.9 million at 30 June 2025. Although the number of properties decreased by 47 during the year due to disposals, the portfolio value increased by $0.2 million. This outcome was driven by a $4.8 million upward revaluation of the remaining shared equity investments, which offset the impact of property disposals amounting to $4.6 million.

Borrowings

Financing of loans to clients for the purchase of a home is funded through borrowings from NTTC. These borrowings represent the major component of liabilities in the Balance Sheet and totalled $68.2 million at 30 June 2026, compared with $86.0 million at 30 June 2025. The decrease of $17.8 million reflects principal repayments made to NTTC during the year.

Cash at bank

Cash and cash equivalents increased to $13.2 million at 30 June 2026, compared with $9.6 million in the prior year. The increase was mainly due to loan repayments and proceeds from shared equity investment disposals, together with no new home loans being issued during the year.

NT Home Ownership

Certification of the financial statements

We certify that the attached annual financial statements for the year ended 30 June 2026 of NT Home Ownership have been prepared based on proper accounts and records in accordance with Australian Accounting Standards and with the requirements as prescribed in the *Financial Management Act 1995* and Treasurer's Directions.

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

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

Tom Leeming

Chief Executive Officer

25 September 2026

Wati Finlayson

Chief Financial Officer

25 September 2026

Northern Territory
Auditor-General's Office

Independent Auditor's Report

To the Minister for Housing, Local Government and Community Development

NT Home Ownership

Report on the audit of the financial report for the year ended 30 June 2026

Opinion

I have audited the financial report of NT Home Ownership, which comprises the balance sheet as at 30 June 2026, and the comprehensive operating statement, the statement of changes in equity and the cash flow statement for the year then ended, notes to the financial statements, including material accounting policy information, and the Chief Executive Officer's declaration.

In my opinion, the accompanying financial report:

- presents fairly, in all material respects, the financial position of NT Home Ownership as at 30 June 2026 and its financial performance, cash flows and changes in equity for the year then ended
- is in accordance with the *Financial Management Act 1995* and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of NT Home Ownership in accordance with the auditor independence requirements of the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to my audit of the financial report in Australia. My authorised auditors and I have also fulfilled our other ethical responsibilities in accordance with the Code. My independence is further established by the *Audit Act 1995*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer is responsible for the other information. The other information comprises the information included in the *Financial Statement Overview* for the year ended 30 June 2026 but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, I consider whether the other information is materially inconsistent with the financial report or the knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Chief Executive Officer for the financial report

The Chief Executive Officer is responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1995* and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement whether due to fraud or error.

In preparing the financial report, management is responsible for assessing NT Home Ownership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NT Home Ownership's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer.,
- Conclude on the appropriateness of the Chief Executive Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on NT Home Ownership's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report however future events or conditions may cause NT Home Ownership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Chief Executive Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Jara K Dean
Auditor-General
Darwin, Northern Territory
25 September 2026

Comprehensive operating statement As at 30 June 2026	Note	2026	2025
		$000	$000
Income			
Community service obligations	3	3 657	2 561
Sales of goods and services		3	3
Interest income	4	5 729	7 064
Gain on disposal of shared equity investments	5	459	-
Gain on revaluation of shared equity investments	6	4 825	1 777
Other income		-	3
Total Income		**14 673**	**11 408**
Expenses			
Employee benefits expense	7	291	277
Purchases of goods and services	8	2 734	2 534
Expected credit loss	9	295	452
Grants and subsidies expenses		27	-
Interest expenses	10	4 117	4 711
Loss on disposal of shared equity investments	5	-	138
Total expenses		**7 464**	**8 112**
NET SURPLUS BEFORE INCOME TAX		**7 209**	**3 296**
Income tax expense	11	-	-
Net surplus after income tax		**7 209**	**3 296**
COMPREHENSIVE RESULT		**7 209**	**3 296**

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

Balance Sheet As at 30 June 2026	Note	2026	2025
		$000	$000
Assets			
Current assets			
Cash and deposits	12	13 191	9 610
Receivables	14	54	47
Advances and investments	15	6 748	8 012
Total current assets		**19 993**	**17 669**
Non-current assets			
Advances and investments	15	45 537	58 809
Shared equity investments	16	32 144	31 897
Total non-current assets		**77 681**	**90 706**
TOTAL ASSETS		**97 674**	**108 375**

Liabilities			
Current liabilities			
Deposits held	17	-	79
Payables	18	331	329
Borrowings and advances	19	16 200	17 821
Provisions	20	54	66
Total current liabilities		**16 585**	**18 295**
Non-current liabilities			
Borrowings and advances	19	51 976	68 176
Total non-current liabilities		**51 976**	**68 176**
TOTAL LIABILITIES		**68 561**	**86 471**
NET ASSETS		**29 113**	**21 905**
Equity			
Capital		22 745	22 745
Accumulated funds		6 368	(840)
TOTAL EQUITY		**29 113**	**21 905**

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

Statement of changes in equity As at 30 June 2026	**Note**	**Equity at 1-JUL**	**Comprehe-nsive Result**	**Transaction with owners in their capacity as owners**	**Equity at 30-JUN**
		$000	$000	$000	$000
2026					
Accumulated funds		(840)	7 208	-	6 368
Capital - Transfers from owners		22 745	-	-	22 745
Total equity at end of financial year		**21 905**	**7 208**	**-**	**29 113**
2025					
Accumulated funds		(4 136)	3 296	-	(840)
Capital - Transfers from owners		22 745	-	-	22 745
Total equity at end of financial year		**18 609**	**3 296**	**-**	**21 905**

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

Cash flow statement For the year ended 30 June 2026	**Note**	**2026**	**2025**
		$000	$000
Cash Flows from Operating Activities			
Operating receipts			
Community service obligations		3 657	2 561
Receipts from sales of goods and services		200	203
Interest received		5 714	7 054
Total operating receipts		**9 571**	**9 818**
Operating payments			
Payments to employees		(301)	(237)
Payments for goods and services		(2 906)	(2 877)
Grants and subsidies paid		(27)	-
Interest paid		(4 135)	(4 719)
Total operating payments		**(7 369)**	**(7 833)**
Net cash from/(used in) operating activities	**13**	**2 202**	**1 985**
Cash Flows from Investing Activities			
Investing receipts			
Repayment of advances received		14 242	13 533
Proceeds from sales of investments		5 037	3 820
Total investing receipts		**19 279**	**17 353**
Net cash from investing activities	**13**	**19 279**	**17 353**
Cash Flows from Financing Activities			
Financing receipts			
Deposits received		(79)	79
Total financing receipts		**(79)**	**79**
Financing payments			
Repayment of borrowings		(17 821)	(14 459)
Total financing payments		**(17 821)**	**(14 459)**
Net cash from/(used in) financing activities	**13**	**(17 900)**	**(14 380)**
Net increase/(decrease) in cash held		3 581	4 958
Cash at beginning of financial year		9 610	4 652
CASH AT END OF FINANCIAL YEAR	**12**	**13 191**	**9 610**

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

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1. Objectives and funding

NT Home Ownership operates as a Government Business Division (GBD), as determined by the Treasurer under the *Financial Management Act 1995*. Under the GBD Framework, GBDs are required to operate in a competitive neutral manner and adopt commercial practices. These include paying tax equivalents under Northern Territory tax equivalent regime and dividend policy to the Northern Territory Government, as owner.

NT Home Ownership provides home loan products and services to increase supply at the affordable end of the housing market, provides home ownership opportunities for Territorians otherwise unable to enter the market, and reduces pressure on the rental market. Where NT Home Ownership carries out activities which it would not elect to do on a commercial basis, community service obligation funding is provided through the Department of Housing, Local Government and Community Development appropriation for the identifiable community or social benefits.

The home loans are administered under a mortgage management arrangement by People First Bank. Additional information in relation to NT Home Ownership and its principal activities may be found in the performance section of the annual report.

The GBD is predominantly funded through interest earned on home loans and loans through NT Treasury Corporation (NTTC). The financial statements encompass all funds through which the GBD controls resources to carry on its functions.

2. Statement of compliance

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

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

ii. Standards and interpretations effective from 2025-26 financial year
Several amendments and interpretations have been issued that apply to the current reporting period, but are considered to have no or minimal impact on public sector reporting.

iii. Standards and interpretations issued but not yet effective
No Australian accounting standards have been adopted early for 2025-26 financial year.

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

AASB 18 Presentation and Disclosure of Financial Statements (AASB 18)

AASB 18 Presentation and Disclosure in Financial Statements replaces AASB 101 and introduces new presentation and disclosure requirements for income statements, cash flow statements, and management defined performance measures. The standard is proposed to apply to not for profit public sector entities for annual reporting periods beginning on or after 1 January 2028 (the 2028–29 financial year for the agency).

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

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

Presentation and rounding of amounts

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

Contributions by and distributions to government

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

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

Income

3. Community Service Obligations

	2026			2025	
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Community service obligations	-	3 657	3 657	-	2 561	2 561
Total community service obligations	**-**	**3 657**	**3 657**	**-**	**2 561**	**2 561**

Community service obligation funding is received through the Department of Housing Local Government and Community Development where NT Home Ownership is required to carry out activities on a non-commercial basis. NT Home Ownership received a community service obligation for the interest rate and stamp duty differential. NT Home Ownership offers low-interest rate loans for low to moderate income Territorians. The aim of providing subsidised interest loans is to increase the level of home ownership in the Territory and reduce the demand on public housing. Similarly, the stamp duty differential is a subsidy paid to public housing tenants purchasing their public housing properties through private finance. These community service obligations are provided at an estimated projection for the budget year, thus performance obligations attached are assessed not to be sufficiently specific and revenue in respect of this funding is recognised in the period in which NT Home Ownership gains control of the funds.

4. Interest Income

	2026			2025		
	$000	$000	$000	$000	$000	$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Interest on cash at bank	-	518	518	-	268	268
Interest on advances	-	5 211	5 211	-	6 796	6 796
Total interest income	**-**	**5 729**	**5 729**	**-**	**7 064**	**7 064**

NT Home Ownership interest income includes interest earned on cash balances and interest on advances issued to clients under various home loan products. NT Home Ownership also recognises interest revenue as it accrues considering the effective yield on the financial asset.

5. Gain/(Loss) on disposal of shared equity investments

	2026	2025
	$000	$000
Gain/(Loss) on disposal of shared equity investments		
Net proceeds from the disposal of shared equity investments	5 037	3 820
Less: Carrying value of shared equity investments	(4 578)	(3 958)
Total gain/(loss) on the disposal of shared equity investments	**459**	**(138)**

6. Gain on revaluation of shared equity investments

	2026	2025
	$000	$000
Gain on revaluation of shared equity investments		
Revaluation on shared equity investments	32 144	31 897
Less: book value prior to revaluation	(27 319)	(30 120)
Total gain on revaluation of shared equity investments	**4 825**	**1 777**

Expenses

7. Employee benefits expense

	2026	2025
	$000	$000
Salaries and wages	260	246
Superannuation expenses	31	28
Payroll tax	-	3
Total employee benefits expense	**291**	**277**

The number of full-time equivalent employees for 2025-26 was 2 (2024-25: 2).

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

The recognition and measurement policy for employee benefits is detailed in Note 20: Provisions.

8. Purchases of goods and services

	2026	2025
	$000	$000
The net surplus/(deficit) has been arrived at after charging the following expenses:		
Goods and services expenses:		
Loan administration fees [1]	2 456	2 418
NTG service level agreement	163	17
Audit fees	51	36
Valuation fees	33	34
Legal expenses	8	7
Information technology charges and communications	8	9
Other	15	13
Total purchases of goods and services	**2 734**	**2 534**

[1] Includes fee paid to People First Bank for the management of the client loan portfolio.

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

9. Expected credit loss

	2026	2025
	$000	$000
Expected credit loss	295	452
Total Expected credit loss	**295**	**452**

Expected credit loss represents the movement in the loss allowance recognised for advances and investments measured at amortised cost. Loss allowances are determined in accordance with the Loss Allowance / Provision for Doubtful Debts Policy. Bad debt accounts and accounts in arrears are assessed individually, while remaining balances are assessed collectively using historical default rates and other reasonable and supportable information. The detailed movement in the loss allowance is disclosed in the Advances and Investments note.

10. Interest expenses

	2026	2025
	$000	$000
Interest from loans and advances	4 117	4 711
Total interest expenses	**4 117**	**4 711**

Interest expenses consist of interest and other costs incurred in connection with the borrowing of funds. It includes interest on loans from NTTC.

11. Income tax expenses and tax equivalent regime

	2026	2025
	$000	$000
Surplus before income tax	7 209	3 297
Gain on revaluation of investments	(4 825)	(1 777)
Taxable Surplus	**2 384**	**1 520**
Income tax expense @ 30%	715	456
Carry forward of tax loss utilised	(715)	(456)
Income tax expense	**-**	**-**
Carry-forward losses as at 30 June	**14,666**	**17,050**

Assets

12. Cash and deposits

	2026	2025
	$000	$000
Cash on hand	10	10
Cash at bank	13 181	9 600
Total cash and deposits	**13 191**	**9 610**

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.

13. Cash flow reconciliation

Reconciliation of cash

The total of agency 'Cash and deposits' of $13.19 million recorded in the balance sheet is consistent with that recorded as 'Cash' in the cash flow statement.

Reconciliation of net surplus to net cash from operating activities	2026	2025
	$000	$000
Net surplus	7 209	3 296
Non-cash items:		
Doubtful Advances	130	109
Asset write-offs/write-downs	165	343
(Gain)/loss on revaluation of shared equity investments	(4 825)	(1 777)
(Gain)/loss on disposal of shared equity investments	(459)	138
Changes in assets and liabilities:		
Decrease/(increase) in receivables	(7)	1
(Decrease)/increase in payables	1	(163)
(Decrease)/increase in provision for employee benefits	(10)	31
(Decrease)/increase in other provisions	(2)	8
Net cash from/(used in) operating activities	**2 202**	**1 985**

Reconciliation of liabilities arising from financing activities 2025-26		Cash flows		Other		
	1 July	Loan and advances	Total cash flows	Other	Total other	30-JUN
	$000	$000	$000	$000	$000	$000
Deposits held	79	(79)	(79)	-	-	-
Borrowings and advances	85 996	(17 821)	(17 821)	-	-	68 176
Total	**86 075**	**(17 900)**	**(17 900)**	**-**	**-**	**68 176**

2024-25		Cash flows		Other		
	1 July	Loan and advances	Total cash flows	Other	Total other	30-JUN
	$000	$000	$000	$000	$000	$000
Deposits held	-	79	79	-	-	79
Borrowings and advances	100 456	(14 459)	(14 459)	-	-	85 996
Total	**100 456**	**(14 380)**	**(14 380)**	**-**	**-**	**86 075**

Non-cash financing and investing activities	2026	2025
	$000	$000
Repayment of advances received	14 242	13 533
Proceeds from sales of investments	5 037	3 820
Total	**19 279**	**17 353**

14. Receivables

	2026	2025
	$000	$000
Interest receivables	44	29
GST receivables	10	18
Total receivables	**54**	**47**

Receivables include interest receivable from Northern Territory Treasury Corporation and GST receivable from Australian Taxation Office and are recognised at fair value less any loss allowance.

Receivables are initially recognised when the agency becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs.

NT Home Ownership believes that no loss allowance is necessary in respect of general receivables.

Credit risk exposure of receivables

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

15. Advances and investments

	2026	2025
Current		
Advances paid (a)	6 748	8 012
Total current	**6 748**	**8 012**
Non-current		
Advances paid (a)	51 275	64 416
Less: loss allowance	(5 738)	(5 607)
Total non-current	**45 537**	**58 809**
Total advances and investments	**52 285**	**66 821**

Advances paid

Advances paid are recognised initially at fair value plus or minus relevant transaction costs and are recognised in the balance sheet when NT Home Ownership becomes party to the contractual provisions of the financial instruments. Subsequently, advances paid are measured at amortised cost using the effective interest method. The effective interest rate calculation includes the contractual terms of the loans together with fees and transaction costs. Loss allowances on advances paid reflect either 12-month or lifetime expected credit losses depending on changes in credit risk and represents the amount of advances paid that NT Home Ownership estimates are likely to be uncollectible and are considered doubtful.

Credit risk exposure of receivables

Advances paid are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The GBD applies the AASB 9 simplified approach in assessing individual accounts supported by evidence and reasonable information such as but not limited to debtor breaching payment terms, debtor in significant financial difficulty, and probability that the debtor will enter bankruptcy. In providing for allowance, other than the individual assessment, the probability of defaults is determined using historical default rates as a base, adjusted for any reasonable and supportable information for each individual debtor. Individual assessment is applied to the bad debts' accounts and accounts in arrears. The expected credit loss rate is determined using the past trends of doubtful accounts. In applying the expected credit loss rate, the accounts are segregated into 1) accounts with zero to less than 5% advances and 2) accounts with advances of 5% and above. This is assessed annually.

Ageing analysis	2026				2025			
External advances paid	Gross advances paid	Loss rate	Expected credit losses	Net advances paid	Gross advances paid	Loss rate	Expected credit losses	Net advances paid
	$000	%	$000	$000	$000	%	$000	$000
Not overdue	54 275	4	1 990	52 285	69 499	4	2 678	66 821
Overdue for less than 30 days	562	100	562	-	139	100	139	-
Overdue for 30 to 60 days	-	100	-	-	8	100	8	-
Overdue for more than 60 days	3185	100	3185	-	2 782	100	2 782	-
Total external advance paid	**58 022**		**5 737**	**52 285**	**72 428**		**5 607**	**66 821**

Reconciliation of loss allowance for advances paid	2026	2025
External advances paid		
Opening balance	5 607	5 499
Written off during the year	(164)	(343)
Increase/decrease in allowance recognised in profit or loss	295	451
Total external advances paid	**5 738**	**5 607**

15. Shared equity investments

	2026	2025
	$000	$000
Minority interest holding at independent valuation	32 144	31 897
Total Investments in shared equity	**32 144**	**31 897**

Shared equity investments		
Opening balance as at July 1	31 897	34 078
Additions	-	-
Disposals	(4 578)	(3 958)
Revaluations	4 825	1 777
Total Investments in shared equity as 30 June	**32 144**	**31 897**

Shared equity investments

Shared equity investments represent NT Home Ownership's minority financial interest in housing properties held under a loan/shared equity scheme previously provided by the Northern Territory Government, and properties purchased and/or constructed from/by external parties under these schemes. These investments are classified as investment properties. Shared equity investments are recognised at cost, including transaction costs at the time of acquisition and subsequently measured at fair value.

Revaluation and impairment

Revaluation of assets

Shared equity investments are revalued annually to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date. Gains and losses arising from changes in the fair value, retirement or disposal are included in the comprehensive operating statements in the period in which they arise. Shared equity investments are not subject to depreciation. Shared equity investments are measured on the market approach of fair value basis, being the amount 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. An independent valuation of shared equity investment was completed as at 30 June 2026 by Herron Todd White, the results of which are reflected in these financial statements. The valuation method used was based on market evidence of sales prices of comparable land and building in similar locations.

Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount. Non-current physical NT Home Ownership assets are assessed for indicators of impairment on an annual basis or whenever there is an indication of impairment. If an indicator of impairment exists, the NT Home Ownership determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount.

Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent an available balance exists in the asset revaluation surplus. 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 surplus.

Liabilities

17. Deposits held

	2026	2025
	$000	$000
Clearing money	-	79

Deposits held comprise clearing money, being funds received and held temporarily on behalf of third parties pending settlement. The balance at 30 June 2025 was subsequently remitted to the appropriate recipient in July 2025. Accordingly, no clearing money was held at 30 June 2026.

18. Payables

	2026	2025
	$000	**$000**
Accounts payable	11	11
Accrued Expenses	252	233
Interest payable	68	85
Total payables	**331**	**329**

Liabilities for accounts payable and other amounts payable are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency. Accounts payable are normally settled within 20 days from receipt of valid of invoices under $1 million or 30 days for invoices over $1 million.

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

Interest payables include interest on borrowings. Interest expenses are expensed in the period in which they are incurred.

19. Borrowings and advances

	2026	2025
	$000	**$000**
Current		
Loans and advances	16 200	17 821
Non-current		
Loans and advances	51 976	68 176
Total borrowings and advances	**68 176**	**85 997**

Loans and advances
Loans and advances are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method. Gains and losses are recognised in net surplus/(deficit) when the liabilities are derecognised as well as through the amortisation process.

Loan instruments are classified as current and non-current as NT Home Ownership will assess its ability to repay these instruments when the loans mature.

20. Provisions

	2026	2025
	$000	$000
Current Employee benefits		
Recreation leave	38	49
Leave loading	6	5
Employee super and payroll tax	10	12
Total Provisions	**54**	**66**

Employee benefits

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

All recreation leave is classified as a current liability.

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

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

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

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of government GBDs, including NT Home Ownership and therefore no long service leave liability is recognised within these financial statements.

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.

NT Home Ownership 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 therefore not recognised in GBD financial statements.

Other disclosures

Commitments

Commitments represent future obligations or cash outflows that arise out of contractual arrangement and typically bind the GBD to performance conditions. Commitments are not recognised as liabilities on the balance sheet and can be reliably measured. Internal commitments reflect commitments with entities controlled by the Northern Territory Government such as other agencies, government business divisions and government owned corporations. External commitments reflect those to third parties which are external to the Northern Territory Government.

NT Home Ownership has non-cancellable expenditure commitments with People First Bank for mortgage management services. The commitments disclosed below represent the outstanding contractual commitments as at 30 June 2026 under the current purchase order arrangement. The underlying contract includes an initial 12-month extension and two further 12-month extension options, which may allow the arrangement to continue until 2028, subject to the exercise of those options.

	2026	2025
	$000	$000
Not later than one year	1 228	1 228
Later than one year and not later than five years	-	-
Total expenditure commitments (exclusive of GST)	**1 228**	**1 228**
Plus: GST recoverable	90	90
Total expenditure commitments (inclusive of GST)	**1 318**	**1 318**

22. Fair value measurements

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

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

Observable inputs are publicly available data relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the agency include, but are not limited to, published sales data for land and general office buildings.
Unobservable inputs are data, assumptions and judgments not available publicly but relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency 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. Shared equity investments are valued at this level.
Level 3 – inputs are unobservable.

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

a) Fair value hierarchy
NT Home Ownership does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.
The table below presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total fair value	
	2026	2025	2026	2025	2026	2025	2026	2025
	$000	$000	$000	$000	$000	$000	$000	$000
Assets								
Shared equity investments	-	-	32 144	31 897	-	-	32 144	31 897
Total assets	**-**	**-**	**32 144**	**31 897**	**-**	**-**	**32 144**	**31 897**

There were no transfers between Level 1 and Levels 2 or 3 during 2025-26 financial year.

b) Valuation techniques and inputs

Valuation techniques and significant unobservable inputs used to measure fair value in 2025-26 are:

Asset classes	Level	Techniques	Significant unobservable inputs
Shared Equity Investments	2	Comparable sales approach	n/a

- There were no changes in valuation techniques from 2024-25 to 2025-26.
- Herron Todd White provided valuation for the Shared equity investments as at 30 June 2026.
- Level 2 fair values of Shared Equity Investments were based on market evidence of sales prices of comparable land and buildings in similar locations.

c) Additional information for level 3 fair value measurements

- NT Home Ownership does not have any level 3 measurement assets

23. Financial instruments

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

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

The NT Home Ownership has limited exposure to financial risks as discussed below.

Categories of financial instruments

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

Borrowings and advances	Category	2026	2025
		$000	$000
Cash and deposits	Other	13 191	9 610
Receivables [1]	Amortised cost	44	29
Advances paid	Amortised cost	52 285	66 821
Total financial assets		**65 520**	**76 460**
Deposits held [1]	Amortised cost	-	79
Payables [1]	Amortised cost	331	329
Loans	Amortised cost	68 176	85 997
Total financial liabilities		**68 507**	**86 405**

[1] Total amounts disclosed here exclude statutory amounts, prepaid expenses and accrued contract revenue

Financial assets at amortised cost

Financial assets are classified at amortised cost when they are held by the NT Home Ownership to collect the contractual cash flows and the contractual cash flows are solely payments of principal and interest.

These assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment. The GBD's financial assets categorised at amortised cost include receivables, and advances paid.

Financial assets at fair value through other comprehensive income

NT Home Ownership does not have any financial assets under this category.

Financial assets at fair value through profit or loss

NT Home Ownership does not have any financial assets under this category.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest rate method. NT Home Ownership's financial liabilities categorised at amortised cost include all accounts payable, advances received and borrowings.

Financial liabilities at fair value through profit or loss

NT Home Ownership does not have any financial liabilities under this category.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. NT Home Ownership's exposure to credit risk arises from funds advanced to loan counterparties and the possibility that they will not adhere to the terms of the contract with NT Home Ownership when settlement becomes due. NT Home Ownership has limited credit risk exposure (risk of default). In respect of any dealings with People First Bank, NT Home Ownership mitigates risk for home loan portfolio by mortgage management contract processes that include quarterly contract reviews, Lending Management directives and monthly reporting on loan the portfolio.

The exposure to credit risk is influenced mainly by the individual characteristics of each non-government debtor. In monitoring debtor credit risk, debtors are grouped according to their aging of loans profile and existence of previous financial difficulties. Loans are provided to home purchasers subject to the retention of titles clauses, so that in the event of a non-payment, NT Home Ownership may have a secured claim.

Credit risk relating to advances and investments is disclosed in Note 15 Advances and Investment.

b) Liquidity risk

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

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

Maturity analysis for financial liabilities

2026	Carrying amount	Less than a year	1-5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Deposits held [1]	-	-	-	-	-
Payables [1]	79	79	-	-	79
Loans	68 176	16 200	56 147	-	72 347
Total financial liabilities	**68 255**	**16 279**	**56 147**	**-**	**72 426**

[1] Amounts disclosed exclude statutory amounts and accruals (such as AOTA, accrued expenses, unearned revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not be recognised in the balance sheet.

2025	Carrying amount	Less than a year	1-5 years	More than 5 years	Total
	$000	$000	$000	$000	$000
Liabilities					
Deposits held [1]	79	79	-	-	79
Payables [1]	96	96	-	-	96
Loans	85 997	17 821	65 393	10 168	93 382
Total financial liabilities	**86 172**	**17 996**	**65 393**	**10 168**	**93 557**

[1] Amounts disclosed exclude statutory amounts and accruals (such as AOTA, accrued expenses, unearned revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not be recognised in the balance sheet.

c) Market risk

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

i. Interest rate risk

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

NT Home Ownership's exposure to interest rate risk and the average interest rate for classes of financial assets and financial liabilities is set out below. NT Home Ownership's operating account earns monthly interest at a variable interest rate of Northern Territory Treasury Corporation's weighted average cash return less 50 basis points.

The NT Home Ownership exposure to interest rate risk by asset and liability classes is disclosed below.

Interest rate risk for financial assets and liabilities

2026	Variable	Fixed	Non-interest bearing	Total	Weighted average
	$000	$000	$000	$000	%
Assets					
Cash and deposits	13 191	-	-	13 191	3.84
Receivables [1]	-	-	44	44	-
Advances paid	52 285	-	-	52 285	9.03
Total financial assets	**65 476**	**-**	**44**	**65 520**	
Liabilities					
Deposits held [1]	-	-	-	-	-
Payables [1]	-	-	79	79	-
Advances received	-	68 176	-	68 176	5.28
Total financial liabilities	**-**	**68 176**	**79**	**68 255**	

[1] Amounts disclosed exclude statutory amounts and accruals (such as accrued revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not be recognised in the balance sheet.

2025	Variable	Fixed	Non-interest bearing	Total	Weighted average
	$000	$000	$000	$000	%
Assets					
Cash and deposits	9 610	-	-	9 610	4.23
Receivables [1]	-	-	29	29	-
Advances paid	66 821	-	-	66 821	8.54
Total financial assets	**76 431**	**-**	**29**	**76 460**	
Liabilities					
Deposits held [1]	79	-	-	79	3.85
Payables [1]	-	-	96	96	-
Advances received	-	85 997	-	85 997	5.19
Total financial liabilities	**79**	**85 997**	**96**	**86 172**	

[1] Amounts disclosed exclude statutory amounts and accruals (such as accrued revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not be recognised in the balance sheet.

Sensitivity analysis
Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have a corresponding (1 per cent) following effect on the GBD's profit or loss and equity.

	100 basis points increase
30 June 2026	$000
Financial assets – cash at bank	132
Financial assets – receivable loans	523
Financial liabilities – borrowings	(682)
Net sensitivity	**(27)**

30 June 2025	
Financial assets – cash at bank	96
Financial assets – receivable loans	668
Financial liabilities – borrowings	(860)
Net sensitivity	**(96)**

ii. Price risk
NT Home Ownership is not exposed to price risk as NT Home Ownership does not hold units in unit trusts.

iii. Currency risk
NT Home Ownership is not exposed to currency risk as NT Home Ownership does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

24. Related parties

a) Related parties
NT Home Ownership is a GBD which is wholly owned and controlled by the Northern Territory Government. Related parties of the GBD include:

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

b) Key management personnel (KMP)
Key management personnel of NT Home Ownership are those persons having authority and responsibility for planning, directing, and controlling the activities of NT Home Ownership. These include the relevant minister, the Chief Executive Officer, and members of the executive team of the Department of Housing, Local Government and Community Development.

c) Remuneration of key management personnel
Salaries and other benefits of the Minister for Urban Housing are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's Annual Financial Statements.

The KMP employee benefits provided are disclosed in Housing, Local Government and Community Development's financial statements and not included in NT Home Ownership

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

Significant transactions with government related entities includes funding from the Department of Housing, Local Government and Community Development for community service obligations and loans from NTTC.

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

2026

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All NT Government departments	4 175	22 174	44	68 280

2025

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	$000	$000	$000	$000
All NT Government departments	2 829	4 763	-	115 003

2026

Transaction type	Transaction value for year ended 30 June 2026	Net receivable/ (payable) as at 30 June 2026	Commitments as at 30 June 2026	Notes
	$000	$000	$000	
Community Service Obligations	3 657	-	-	Note 3
Interest Revenue	518	44	-	Note 4
Purchase of goods / services	235	36	-	
Interest expense on advances and borrowings	4 117	68	-	Note 10
Advances and Borrowings	17 821	68 176	-	Note 19

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current year for bad or doubtful debts in respect of the amounts owed by related parties

- Department of Housing, Local Government and Community Development provided Community Service Obligation subsidy of $3.657 million.
- Details of loans from NTTC are included in Note 19.
- Interest Revenue was received from Department of Treasury and Finance on balance of cash at bank of $518 000.
- Goods and services expenditure relate to goods and services received from:
  - Department of Housing, Local Government and Community Development of $150,000
  - Department of Corporate and Digital Development of $34, 000
  - Auditing services by the Auditor-General of $51 000.

25. Contingent liabilities and contingent assets

(a) Contingent liabilities

NT Home Ownership had no contingent liabilities as at 30 June 2026 or 30 June 2025.

(b) Contingent assets

NT Home Ownership had no contingent assets as at 30 June 2026 or 30 June 2025.

26. Events subsequent to balance date

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

27. Budgetary information

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

Comprehensive operating statement
For the year ended 30 June 2026

	2026 Actual	2026 Original Budget	Variance	Note
	$000	$000	$000	
Income				
Community service obligations	3 657	3 657	-	
Sales of goods and services	3	-	3	
Interest revenue	5 729	7 160	(1 431)	1
Gain on disposal of shared equity investment	459	-	459	2
Gain on revaluation of shared equity investment	4 825	-	4 825	3
TOTAL INCOME	**14 673**	**10 817**	**3 856**	
Expenses				
Employee expenses	291	311	(20)	
Administrative expenses				
Purchases of goods and services	2 734	2 343	391	4
Expected credit loss	295	-	295	5
Grants and subsidies expenses				
Current	27	243	(216)	6
Interest expenses	4 117	4 494	(377)	7
TOTAL EXPENSES	**7 464**	**7 391**	**73**	
NET SURPLUS	**7 209**	**3 426**	**3 783**	

Notes:
The following note descriptions relate to variances greater than 5% or $0.5 million.

1. Interest revenue was below budget due to the loan portfolio decreasing from $67 million at 30 June 2025 to $52 million at 30 June 2026, reflecting higher loan discharge activity during the year.
2. Proceeds in the sale of shared equity investments.
3. Shared equity investments are revalued annually and the gain on revaluation represents the increase in market values of shared equity investments.
4. New mortgage agreement has resulted in increased management fees.
5. Increase to the provision for losses.
6. Decrease in stamp duty payments made on behalf of public housing tenants.
7. Reduction in interest expenses reflects the repayment of borrowings during the year.

Balance sheet	2026 Actual	2026 Original Budget	Variance	Note
	$000	$000	$000	
Assets				
Current assets				
Cash and deposits	13 191	8 680	4 511	1
Receivables	54	48	6	
Advances and investments	6 748	9 546	(2 798)	2
Total current assets	**19 993**	**18 274**	**1 719**	
Non-current assets				
Advances and investments	45 537	87 339	(41 802)	2
Shared equity investments	32 144	-	32 144	2
Total non-current assets	**77 681**	**87 339**	**(9 658)**	
TOTAL ASSETS	**97 674**	**105 613**	**(7 939)**	
Liabilities				
Current liabilities				
Payables	331	501	(170)	
Borrowings and advances	16 200	31 709	(15 509)	3
Provisions	54	27	27	
Total current liabilities	**16 585**	**32 237**	**(15 652)**	
Non-current liabilities				
Borrowings and advances	51 976	48 466	3 510	3
Total non-current liabilities	**51 976**	**48 466**	**3 510**	
TOTAL LIABILITIES	**68 561**	**80 703**	**(12 142)**	
NET ASSETS	**29 113**	**24 910**	**4 203**	
Equity				
Capital	22 745	22 745	-	
Accumulated funds	6 368	2 165	4 203	
TOTAL EQUITY	**29 113**	**24 910**	**4 203**	

Notes:
The following note descriptions relate to variances greater than 5% or $0.5 million.

1. Higher cash levels due to no new loan products taken up during the reporting period.
2. Advances and investments are lower than budget due to the disposal of shared equity investments and no new uptake of loans products.
3. Borrowings and advances are lower than budget due to the repayment of loans in addition to no new uptake of loan products.

Cash flow statement	2026 Actual	2026 Original Budget	Variance	Note
Cash flows from Operating Activities	$000	$000	$000	
Operating receipts				
Grants and subsidies received				
Community service obligations	3 657	3 657	-	
Receipts from sales of goods and services	200	-	200	1
Interest received	5 714	7 160	(1 446)	2
Total operating receipts	**9 571**	**10 817**	**(1 246)**	
Operating payments				
Payments to employees	(301)	(311)	10	
Payments for goods and services	(2 906)	(2 343)	(563)	3
Grants and subsidies paid				
Current	(27)	(243)	216	4
Interest paid	(4 135)	(4 485)	350	5
Total operating payments	**(7 369)**	**(7 382)**	**13**	
NET CASH FROM/(USED IN) OPERATING	**2 202**	**3 435**	**(1 233)**	
Cash flows from Investing Activities				
Investing receipts				
Repayment of advances received	14 242	15 000	(758)	6
Proceeds from sales of investments	5 037	4 000	1 037	7
Total investing receipts	**19 279**	**19 000**	**279**	
Investing payments				
Advances and investing payments	-	(14 000)	14 000	8
Total investing payments	**-**	**(14 000)**	**14 000**	
Net cash from/(used in) investing activities	**19 279**	**5 000**	**14 279**	
Cash flows from Financing Activities				
Financing receipts				
Deposits received	(79)	-	(79)	
Total financing receipts	**(79)**	**-**	**(79)**	
Financing payments				
Repayment of borrowings	(17 821)	(7 821)	(10 000)	9
Total financing payments	**(17 821)**	**(7 821)**	**(10 000)**	
Net cash from/(used in) financing activities	**(17 900)**	**(7 821)**	**(10 079)**	
Net increase/(decrease) in cash held	3 581	614	2 967	
Cash at beginning of financial year	9 610	8 066	1 544	
CASH AT END OF FINANCIAL YEAR	**13 191**	**8 680**	**4 511**	

Notes:

The following note descriptions relate to variances greater than 5 per cent or $0.5 million.

1. Refund from the Australian Taxation Office for goods and services tax paid.
2. Interest revenue was below budget due to the loan portfolio decreasing from $67 million at 30 June 2025 to $52 million at 30 June 2026, reflecting higher loan discharge activity during the year.
3. Above budget result due to payment of goods and services tax and the timing of payments related to service arrangements with People First Bank.
4. Decrease in stamp duty payments made on behalf of public housing tenants.
5. Reduction in interest expense reflects the repayment of borrowings during the year.
6. Lower than anticipated repayment advances due to loan default.
7. A combination of higher than anticipated sale of investments and higher proceeds from sales.
8. No new loan products were issued during the financial year.
9. Increase in the repayment of borrowings during the year.

Appendix

The financial statements provide detailed information on the department's financial position and performance. The following appendices provide additional supporting information, including disclosures and schedules required under annual reporting obligations.

Funding to External Parties

Recipient name	Sum of Amount
Aboriginal Enterprises Australia (NT) Pty Ltd	$8,933,949.05
Aumiller Aboriginal Corporation	$20,700.00
ALICE SPRINGS TOWN COUNCIL	$350,000.00
Anglicare N.T. Ltd.	$150,000.00
Anindilyakwa Housing Aboriginal Corporation	$2,808,530.00
Australian Housing and Urban Research Institute Limited	$24,381.16
BARKLY REGIONAL COUNCIL	$6,494,826.14
Bawinanga Aboriginal Corporation	$4,148,325.37
Belyeun Community Government Council	$277,205.00
Blatherskite Park Trustees	$296,395.00
Canteen Creek Owairtilla Aboriginal Corporation	$238,750.00
Catholic Church of The Diocese of Darwin	$200,000.00
Central Australian Affordable Housing Company Ltd	$2,677,925.00
Central Desert Regional Council	$9,138,555.00
CHAMBERS TRADE SERVICES PTY LTD	$187,522.00
Charles Darwin University	$1,250,000.00
CITY OF DARWIN	$8,500,000.00
City of Palmerston	$7,400,000.00
COOMALIE COMMUNITY GOVERNMENT COUNCIL	$900,705.00
DELTAREEF PTY. LTD.	$228,289.00
Demed Aboriginal Corporation	$2,775,577.00
Desert Knowledge Australia	$511,818.18
DICE (AUST) PTY. LTD.	$1,048,422.00
East Arnhem Regional Council	$9,041,900.00
EKISTICA PTY. LTD.	$255,000.00
Groote Archipelago Regional Council	$2,042,305.00
Gundjeihmi Aboriginal Corporation	$150,000.00
Gundjeihmi Aboriginal Corporation Jabiru Town	$391,117.00
Gurindji Aboriginal Corporation RNTBC	$30,000.00
HOCKEY NT INCORPORATED	$500,000.00
INDIGENOUS ESSENTIAL SERVICES PTY LTD	$114,988,856.49
Ingkerreke Services Aboriginal Corporation	$12,235,422.00
JABIRU AUSTRALIAN RULES FOOTBALL CLUB	$71,000.00
Jabiru Golf Club Incorporated	$30,000.00
Jawoyn Association Aboriginal Corporation	$2,169,807.00
Julalikari Council Aboriginal Corporation	$1,475,054.55
Kalano Community Association Incorporated	$939,740.00

KATHERINE TOWN COUNCIL	$259,100.00
Larrakia Nation Aboriginal Corporation	$3,015,481.80
LAYNHAPUY HOMELANDS ABORIGINAL CORPORATION	$5,255,969.00
LGANT LTD	$158,750.00
Lhere Artepe Aboriginal Corporation RNTBC	$63,636.37
M. & C. FIOR CONSTRUCTIONS PTY. LTD.	$3,082,500.00
M.G. ELECTRICAL SERVICES PTY. LTD.	$346,210.00
Mabunji Aboriginal Resource Indigenous Corporation	$3,157,541.00
MacDonnell Regional Council	$8,250,345.00
Maningrida Progress Association Inc	$50,000.00
Marthakal Homelands and Resource Centre Aboriginal Corporation	$5,198,034.00
MCMINNS BORE SERVICES PTY LTD	$82,686.00
MILINGIMBI AND OUTSTATIONS PROGRESS RESOURCES ABO-RIGINAL CORPORATION	$627,301.95
Mulyung Aboriginal Corporation	$90,000.00
Murin Association Inc	$2,496,855.55
Mutitjulu Community Aboriginal Corporation	$391,550.00
MYCDP NGUKURR NUMBULWAR PTY LTD	$20,000.00
Ngaliwurru-Wuli Aboriginal Corporation	$1,376,590.00
Ngurratjuta/Pmara Ntjarra Aboriginal Corporation	$1,529,793.57
NHULUNBUY CORPORATION LIMITED	$17,000.00
NORTHERN BUILDING AND PROPERTY SERVICES PTY LTD	$1,477,500.00
NORTHERN TERRITORY SHELTER INCORPORATED	$100,000.00
Numbulwar Homelands Council Association Inc	$311,020.00
Numburindi Development Aboriginal Corporation	$15,000.00
POWER AND WATER CORPORATION	$1,305,000.00
Quality Plumbing & Building Contractors Pty Ltd	$338,880.00
ROBBIE ROBBINS RESERVE	$125,000.00
Roper Gulf Regional Council	$8,659,586.00
SONWANE PTY. LIMITED	$3,411,500.00
St Vincent De Paul Society (NT) Inc	$150,000.00
Tangentyere Council Aboriginal Corporation	$2,064,800.00
Thangkenharenge Aboriginal Corporation	$1,460,990.00
The Trustee for Dinybulu Regional Services Trust	$1,591,710.00
The Trustee for NHULUNBUY PUBLIC CEMETERY TRUST	$10,000.00
The Trustee for The Brian Curran Family Trust	$5,325,151.73
Tiwi Islands Regional Council	$4,605,394.00
Tiwi Land Council	$360,000.00
Tjuwanpa Outstation Resource Centre (Aboriginal Corporation)	$1,171,323.38
Urapuntja Aboriginal Corporation	$3,100,707.00
Venture Housing Company Limited	$3,303,360.75
VENTURE HOUSING HAFF SPV LIMITED	$825,000.00
Victoria Daly Regional Council	$3,499,905.00
WAGAIT SHIRE COUNCIL	$355,705.00
Warddeken Land Management Limited	$21,427.00

Warnbi Aboriginal Corporation - Kakadu	$1,138,764.60
WEST ARNHEM REGIONAL COUNCIL	$7,233,750.45
West Daly Regional Council	$4,793,990.00
Yapa-Kurlangu Ngurrara Aboriginal Corporation	$2,018,452.22
Yilli Rreung Housing Aboriginal Corporation	$3,799,093.24
Yugul Mangi Development Aboriginal Corporation	$20,000.00
Grand Total	**$300,944,431.55**

Department of **HOUSING, LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT**



NORTHERN TERRITORY GOVERNMENT