

NORTHERN TERRITORY ELECTORAL COMMISSION

ANNUAL REPORT

2003-2004

**NORTHERN TERRITORY
ELECTORAL COMMISSION
ANNUAL REPORT
2003-2004**

LETTER OF TRANSMISSION

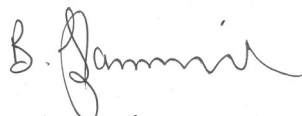
The Hon Lorraine Braham MLA
Speaker
Northern Territory Legislative Assembly
Parliament House
Darwin NT 0800

Madam Speaker

I have pleasure in enclosing the first Annual Report of the Northern Territory Electoral Commission.

In accordance with Section 313 of the *Electoral Act* you are required to table the report in the Legislative Assembly within 3 sitting days after receipt.

The report details performance, key achievements and outlook for the Commission for the year ending 30 June 2004 and is in accordance with section 28 of the *Public Service Employment and Management Act 1993*, and section 11 of the *Financial Management Act 2003*.



Barrie Hamilton
A/Electoral Commissioner/Chief Executive
11 October 2004

PURPOSE OF REPORT

This Report provides the Chief Minister, Territorians and others with an overview of the Northern Territory Electoral Commission's operations for the 2003-04 year.

CONTENTS

The Year at a Glance	1
Electoral Commissioner's Report	2
Corporate Overview	3
Strategic Objectives	3
Outcomes Reflecting Strategic Directions	4
Financial Statements	9
Outlook.....	25
Other Information	
Outputs and Performance	26
Chief Executive's Responsibilities	27
Legislative Framework.....	27
Our People	28
Representation on National Committees	28
Contact Information	Back cover

THE YEAR AT A GLANCE – 2003-04

June 2003	Draft Consultant's Report issued on Review of Northern Territory Electoral System.
October 2003	By-election conducted for the Legislative Assembly Division of Katherine.
November 2003	Electoral Bill tabled in Legislative Assembly.
February 2004	Electoral Bill debated and passed in Legislative Assembly.
March 2004	<i>Electoral Act</i> received assent
15 March 2004	Northern Territory Electoral Commission commenced operations.
April 2004	Redistribution of electoral boundaries commenced.
May 2004	Municipal elections conducted for Darwin, Palmerston, Katherine, Tennant Creek, and Alice Springs Councils and the Litchfield Shire.
June 2004	Financial Disclosure and Party Registration Handbooks produced.

ELECTORAL COMMISSIONER'S REPORT

The 2003/04 year was a significant year in terms of electoral reform in the Northern Territory. In the previous financial year the Government engaged consultants Minter Ellison Consulting to review the Northern Territory electoral system. The consultants obtained views from a number of electoral experts on best practice electoral administration, and undertook considerable public consultation with the issue of a discussion paper and the conduct of public forums.

The review culminated in a draft report being issued in June 2003. The report contained over 100 recommendations, the majority of which were accepted by Government. The accepted report recommendations were carried forward into a new Electoral Bill which was tabled in the Legislative Assembly in November 2003. The Bill was debated in the Legislative Assembly in February 2004 and the Electoral Act was assented to in March 2004.

The *Electoral Act* enabled the Northern Territory Electoral Commission to be established on 15 March 2004, with transitional arrangements providing for the Northern Territory Electoral Office to cease operations on 14 March 2004. The new Act set out the functions and operations of the Commission and prescribed electoral administration procedures. Importantly the Act set the Commission up as an independent Agency and also provided a number of new functions for the Commission. The new functions included the promoting of public awareness of electoral matters and the conducting and promotion of electoral research. The Act also required the Commission to administer the registration of political parties and financial disclosure by political parties, entities and candidates. In the area of electoral redistribution the Act also strengthened this process by requiring the formation of an augmented Redistribution Committee to review objections to proposed electoral boundaries.

The year also saw the conduct of major elections for the Legislative Assembly Division of Katherine, and elections for the Darwin, Palmerston, Katherine, Tennant Creek and Alice Springs Municipal Councils and the Litchfield Shire.

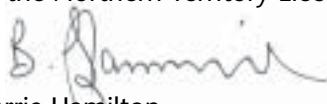
A number of elections were also conducted for Community Government Councils and other organisations.

The Commission also provided considerable support to the Electoral Redistribution Committee following its formation in March 2004.

Throughout the year the Commission was involved in electoral roll management enhancement initiatives through participation in the Electoral Council of Australia and with joint roll partner the Australian Electoral Commission.

The year ahead for the Electoral Commission will again be one of great activity and challenge with the *Electoral Act* prescribing a general election must be held in the period 16 October 2004 to 15 October 2005, the completion of the electoral redistribution process, and the implementation of a number of new functions for the Electoral Commission.

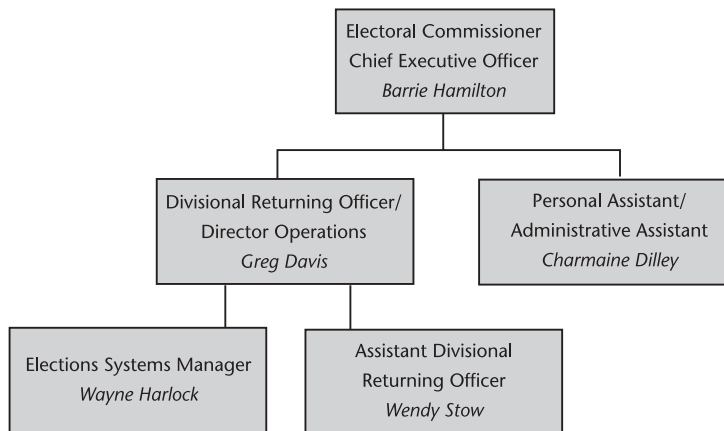
It is appropriate that I also commend the work and dedication of our staff. The staff of the Northern Territory Electoral Office were transferred to the Electoral Commission and have worked tirelessly throughout the year to properly establish the Commission. I should also note consultants Minter Ellison Consulting, in their report noted they were particularly inspired by the very favourable feedback they received about staff of the Northern Territory Electoral Office.



Barrie Hamilton
A/Electoral Commissioner/Chief Executive

CORPORATE OVERVIEW

Organisational Structure



STRATEGIC OBJECTIVES

To provide an electoral service to the citizens of the Northern Territory and to the Government of the Northern Territory that is professional, fair and impartial, and is undertaken in accordance with legislative provisions.

OUTCOMES REFLECTING STRATEGIC DIRECTIONS

Overview

The Northern Territory Electoral Commission provides an independent professional electoral service to the people of the Northern Territory, the Northern Territory Legislative Assembly, Municipal Councils, Community Government Councils and other organisations.

Services provided include the conduct of elections, the provision of advice relating to electoral matters, and through the Joint Roll Agreement the maintenance of the electoral roll, and support to the Redistribution Committee.

Highlights

The legislation to establish an independent Electoral Commission was passed in February 2004, with the Northern Territory Electoral Commission being established in March 2004.

A total of 60 Elections were conducted in the 2003-04 year. Major elections were conducted for the Legislative Assembly Division of Katherine, and the Municipal Councils of Darwin, Palmerston, Katherine, Tennant Creek, Alice Springs, and the Shire of Litchfield.

Advice and support was provided to the Redistribution Committee.

The Commission actively participated in the Electoral Council of Australia and supported electoral roll enhancement initiatives.

Outcomes and Achievements

Establishment of Electoral Commission

The Northern Territory Electoral Office provided considerable advice to the Department of the Chief Minister and consultants Minter Ellison Consulting during the review of electoral practices in the Northern Territory.

Advice given by the Office assisted the consultants in providing over 100 recommendations to Government on best practice electoral administration for the Northern Territory.

The majority of recommendations were accepted by Government and were included in the new Electoral Bill. Staff of the Office also provided advice to the Parliamentary Counsel in relation to the technical aspects of the new Electoral Bill.

Conduct of Elections

A total of 60 elections were conducted in the 2003-04 year. All elections were conducted in accordance with the relevant Legislative provisions and all electoral time deadlines were met.

Major Elections

(1) Legislative Assembly Division of Katherine.

A Writ for the Katherine By-election was issued on 18 September 2003. The Writ specified nominations to close on 26 September 2003 and polling day as 4 October 2003.

Election	Electors enrolled	Nominations received	Votes Cast	% Voted	% Informal
Katherine By-election (1 vacancy)	4058	5	3074	76	3.2

Comparison to Past Election

For the August 2001 Legislative Assembly General Election a total of 3811 electors were enrolled in the Division of Katherine, 5 nominations were received, voter turnout was 83% and the informality rate was 3.2%.

(2) Municipal Elections

Elections for Mayor and Alderman of the Darwin, Palmerston , Katherine, Tennant Creek, and Alice Springs Councils, and for one Ward of the Litchfield Shire, were conducted on 29 May 2004.

Election	Electors enrolled	Nominations received	Votes Cast	% Voted	% Informal
Darwin Mayor (1 vacancy)	39 802	7	30 107	76	6
Darwin Alderman Chan Ward (3 vacancies)	9 767	8	7 202	74	6.4
Darwin Alderman Lyons Ward (3 vacancies)	10 712	9	7 650	71	8.8
Darwin Alderman Richardson Ward (3 vacancies)	10 142	6	7 943	78	6
Darwin Alderman Waters Ward (3 vacancies)	9 181	7	7 338	80	8.5
Palmerston Mayor (1 vacancy)	12 173	3	9 178	75	4.6
Palmerston Alderman (6 vacancies)	12 173	12	9 188	75	12.5
Katherine Mayor (1 vacancy)	4 561	7	3 253	71	3.6
Katherine Alderman (6 vacancies)	4 561	14	3 257	71	7.9
Tenant Creek Mayor (1 vacancy)	1 688	5	1 111	66	3.1
Tennant Creek Alderman (6 vacancies)	1 688	10	1 111	66	9.3
Alice Springs Mayor (1 vacancy)	13 943	4	10 172	73	4.8
Alice Springs Alderman (10 vacancies)	13 943	17	10 190	73	10.4
Litchfield Shire South Ward Councillor (1 vacancy)	2 313	2	1 727	75	10.7

Comparison of Municipal Elections held 27 May 2000 and 29 May 2004

Election	Electors Enrolled		Nominations Received		Votes Cast		% Voted		% Informal	
	2000	2004	2000	2004	2000	2004	2000	2004	2000	2004
Darwin Mayor	40 364	39 802	5	7	30 650	30107	76	76	6	6
Palmerston Mayor	10 943	12 173	2	3	8 537	9178	79	75	6.8	4.6
Katherine Mayor	5 004	4 561	3	7	3 558	3253	71	71	3.7	3.6
Tennant Creek Mayor	1 828	1 688	4	5	1 219	1111	67	66	3	3.1
Alice Springs Mayor	13 641	13 943	4	4	10 477	10190	77	73	4.2	4.8
Litchfield South Ward	2 338*	2 313	2*	2	1 435*	1727	61.4*	75	5.3*	10.7

* October 2001 By-election, one nomination only received for 2000 election.

Summary of elections conducted in the 2002-03 and 2003-04 years.

Type of Election	2002-03	2003-04
Legislative Assembly	–	1
Municipal	–	15
Community Government	24	30
Other	19	14
Total	43	60

Redistribution of Electoral Boundaries

The Redistribution Committee was formed in March 2004. The Electoral Commission is Chairperson of the Redistribution Committee. Considerable support was provided by the Electoral Commission to the Redistribution Committee through the provision of advice, electoral maps and elector data.

Roll Management

The Northern Territory Electoral Commission (NTEC) and the Australian Electoral Commission (AEC) jointly manage the electoral roll for the Northern Territory in accordance with the Northern Territory-Commonwealth Joint Roll Arrangement. The Arrangement provides for a single joint form for Territory and Commonwealth enrolment, the maintenance of the Territory roll on the AEC's national roll management system (RMANS) and the entry of enrolment data by AEC staff. The NTEC has on-line access to the national joint roll and provides the AEC with relevant elector and geographic information and enrolment forms collected by the office. When required, the AEC supplies electoral rolls and other roll products to the NTEC. A Joint Roll Management Committee meets regularly to monitor and report on the operation of the Arrangement and to review costs.

Enrolment Activity

At 30 June 2004 there were 109 386 electors on the Territory roll, an increase of 136 during 2003-04. Enrolment activities were most effective during the year with 12 151 additions to the roll, but this was almost matched with 6771 transfers out to other jurisdictions (a net interstate loss of approximately 500) and the removal of 4623 electors by objection action plus death deletions. There were 12 743 changes of address on the roll notified within the Territory. If interstate moves onto the Territory roll and re-enrolments are added to internal transfers, approximately 20% of the NT

electorate notified a change of address during 2003-2004, a rate very close to that estimated by ABS at the 2001 Census.

In all there were 29 000 enrolment forms processed for the year, an increase of 40% on the total for 2002-03. The high level of enrolment activity was due to the NT municipal elections in May 2004 and the general increase in roll review activities for the year.

The NTEC continued to distribute enrolment forms through Territory agencies. The collection of enrolments at the May 2004 Municipal elections and at community council elections in remote areas made a significant contribution to the Joint roll. A total in excess of 3500 enrolments were collected by the NTEC in 2003-04.

Roll Review

The Joint Roll Arrangement requires that regular reviews take place to maintain the accuracy of the roll. During 2003-04 a range of roll review activities were undertaken as part of the national Continuous Roll Update (CRU) program. CRU is jointly managed, but with the operational side undertaken by the AEC with NTEC assistance. Joint CRU activities in 2003-04 included:

- Mailing of 16 000 enrolment reminders to persons who had notified a change of address with a range of Territory and federal agencies. These included Australia Post and Centrelink and particularly the NT Motor Vehicle Registry;
- Mailing of 18 000 review letters based on existing roll and address data to check the enrolment details of residents;
- Roll review fieldwork by door-knock at 10 000 addresses;
- A background match of the roll against external data sources to confirm the accuracy of current enrolments;
- The regular processing of Registrar data and checks against the national Fact of Death File to remove deceased persons from the roll.

The CRU program resulted in the receipt of approximately 20 000 enrolment forms from new electors or from persons changing their enrolled address, together with details of electors who had left address or who were deceased, plus other information useful in roll maintenance.

NT Enrolment Activity for 2003-04

1 July 2003	109 250
Additions to the Roll	
*New enrolments	2 848
Re-enrolments	2 963
Reinstatements	73
Interstate transfers to NT	6 267
Net Additions	+12 151
Movements within NT	
Transfers between Divisions	8 036
Changes within Divisions	4 715
No change/Amendments	4 126
Deletions to the Roll	
Removal by objection	4 623
Deaths	564
Duplications	56
Interstate Transfers from NT	6 771
Net Deletions	- 12 014
Adjustment (to federal only)	-1
Enrolment at 30 June 2004	109 386

* Includes 1 119 enrolments by 18 year old persons.

Electoral Council of Australia

The Electoral Council of Australia (ECA) is a consultative forum with membership comprising Commonwealth, State and Territory Electoral Commissioners, Chief Electoral Officers and certain other senior electoral officers. The Council meets approximately each three months and if possible, prior to general elections. The ECA consults on the maintenance of the electoral rolls, the implementation of new electoral legislation and issues of common interest and 'best practice' in the management of elections. Specific outcomes for the ECA for 2003-04 included:

- A full review of the ECA's information material, with a fresh printing in 2004 for distribution to the public and electoral education centres;
- Participation with other government agencies and Australia Post in the development and first release in April 2004 of the Geo-coded National Address File (G-NAF);
- The development of performance indicators for the monitoring of improvements in the management of the joint rolls;
- Completion of the Electoral Law project, a research initiative undertaken in partnership with the University of NSW and the Australian Research Council. The ECA is also a part sponsor of a three year research scholarship at the Australian National University.

A subcommittee of the Council, the Continuous Roll Update Steering Committee (CISCO), meets regularly to jointly manage the implementation and progress of the Continuous Roll Update (CRU) program for the review of the joint rolls. A major outcome of CISCO for the year was the use of motor licensing data from all jurisdictions in the CRU program.

NORTHERN TERRITORY ELECTORAL COMMISSION
FINANCIAL STATEMENT OVERVIEW
For the year ended 30 June 2004

The 2003-04 annual Financial Report presents the Northern Territory Electoral Commission's first annual Financial Statements as a separate Agency under the Administrative Arrangements Order. The financial report has been prepared in accordance with the requirements of the *Financial Management Act*, Treasurer's Directions and, the *Public Sector Employment and Management Act*. As this is the first year the Commission has operated as a separate Agency, the statements contain no comparative information from the 2002-03 financial year.

Statement of Financial Performance

In accordance with the provisions of the *Financial Management Act*, all financial transactions recorded in the Department of the Chief Minister's ledger directly attributed to the Commission's activities for the year were transferred to the Commission as if the Commission existed from 1 July 2003. As such, information presented in the Statement of Financial Performance reflects a full 12 months of transactions.

For the year ended 30 June 2004, the Commission recorded a net operating surplus of \$0.12 million in comparison to a budgeted net deficit of \$3000. This positive year end result was largely a result of additional funding being received for initial set up costs of the Commission. However, due to the timing of council elections in May these activities were deferred causing an underspend in administrative expenditure at year end.

The Commission's main revenue source is Output Revenue. The balance is revenue earned from running Municipal Council elections for which the full cost is recovered from the body holding the election. During the year, revenue totalling \$218 000 was earned from this source. Total expenditure of \$1.18 million comprised of \$0.63 million for employee costs with the balance of \$0.55 million incurred on administrative costs.

A notional amount for services received free of charge from the Department of Corporate and Information Services to the value of \$60 000 was brought to account as both revenue and expense. This amount reflects the notional cost of corporate support services provided to the Commission during the year. Additional corporate services received free of charge from the Department of the Chief Minister has not been brought to account as the value of such services cannot be readily determined and are considered immaterial.

NORTHERN TERRITORY ELECTORAL COMMISSION
FINANCIAL STATEMENT OVERVIEW
For the year ended 30 June 2004

Statement of Financial Position

Subsequent to the transformation of the Commission from a function within the Department of the Chief Minister, assets and liabilities directly attributed to the Commission were transferred from the Department and recognised in the Commission's Statement of Financial Position. These transfers comprised:

	\$000
<i>Assets</i>	
Cash on hand	1
<i>Liabilities</i>	
Provision for Employee entitlement	
Rec Leave	10
Leave Loading	9
Accrued Expenses (salaries)	3
Other Provisions (payroll tax)	3
Net Assets	(24)

As at 30 June 2004, Net Assets of the Commission moved from a negative balance of \$0.02 million to a positive balance of \$0.11 million. This was largely attributed to the net operating surplus for the year.

NORTHERN TERRITORY ELECTORAL COMMISSION
FINANCIAL REPORT

CERTIFICATION OF FINANCIAL STATEMENTS

We certify that the attached Financial Statements for the Northern Territory Electoral Commission have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to and forming part of the financial statements, presents fairly the financial performance for the year ended 30 June 2004 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.



Barrie Hamilton
Acting Commissioner
30 August 2004



Andrew Kirkman
Chief Financial Officer
30 August 2004

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

	NOTE	2004 \$000
OPERATING REVENUE		
Sales of Goods and Services		
Output Revenue		1 016
Other Agency Revenue		218
Services received free of charge	13	60
TOTAL OPERATING REVENUE		1 294
OPERATING EXPENSES		
Employee Expenses		
		626
Administrative Expenses		
Purchases of Goods and Services	3	489
Repairs and Maintenance		0
Depreciation and Amortisation	6	3
Other Administrative Expense		60
TOTAL OPERATING EXPENSES		1 178
NET OPERATING SURPLUS/ (DEFICIT)	11	116

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

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

	NOTE	2004 \$000
ASSETS		
Current Assets		
Cash and Deposits	4	371
Receivables	5	11
Total Current Assets		382
Non-Current Assets		
Property, Plant and Equipment	6	14
Total Non-Current Assets		14
TOTAL ASSETS		396
LIABILITIES		
Current Liabilities		
Accounts Payable & Accrued Expenses	7	39
Unearned Revenue	8	165
Provisions Employee Benefits	9	74
Provisions Other	10	8
Total Current Liabilities		287
Non-Current Liabilities		0
TOTAL LIABILITIES		287
NET ASSETS		109
EQUITY		
Capital	11	(7)
Accumulated Funds	11	116
TOTAL EQUITY		109

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

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

	NOTE	2004 \$000
CASH FLOWS FROM OPERATING ACTIVITIES		(Outflows)/ Inflows
Operating Receipts		
Receipts from Sales of Goods and Services		
Output Revenue Received		1 016
Other Agency Receipts		362
Receipt of Goods and Services Tax		11
Total Operating Receipts		1 389
Operating Payments		
Payments to Employees		(530)
Superannuation Benefits paid		(38)
Payments for Goods and Services		(429)
Payments for Goods and Services Tax		(22)
Total Operating Payments		(1019)
Net Cash from Operating Activities	12	370
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing Receipts		
Proceeds from Asset Sales		
Total Investing Receipts		
Investing Payments		
Purchase of Assets		(17)
Advances and Investing Payments		
Total Investing Payments		(17)
Net Cash Used in Investing Activities		(17)
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing Receipts		
Proceeds of Borrowings		
Equity Injection		17
Total Financing Receipts		17
Financing Payments		
Finance Lease Payments		
Equity Withdrawals		
Total Financing Payments		
Net Cash from Financing Activities		17
Net Increase in Cash Held		370
Cash at Beginning of Financial Year		1
CASH AT END OF FINANCIAL YEAR	4	371

The Statement of Cash Flows is to be read in conjunction with the notes to the Financial Statements

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Objectives and Funding

The Northern Territory Electoral Commission was established in March 2004. Prior to this date electoral services were conducted by the Northern Territory Electoral Office within the Department of the Chief Minister. The Commission was established to support government by providing a fair, impartial and professional electoral service and ensuring there is an opportunity for the people of the Northern Territory to participate in free and democratic elections. The Commission is responsible for conducting elections for the Legislative Assembly, Local Government, Community Government, and other organisations in an efficient and cost-effective manner consistent with legislative requirements.

The Commission is predominantly funded by Parliamentary appropriations. The Financial Statements encompass all funds through which the Commission controls resources to carry on its functions.

(b) Central Holding Authority

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

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

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

Territory Items

The Central Holding Authority is the body that recognises all Territory items. During the 2003-04 financial year, the Commission did not administer or manage any Territory items on behalf of Government.

(c) Basis of Accounting

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

Except where stated the Financial Statements have been prepared in accordance with the historical cost convention.

These Financial Statements do not comply with International Accounting Standards, as Australia is not adopting these requirements until reporting periods commencing on or after 1 January 2005. However the potential impact on accounting policies that will arise from the transition to AASB equivalents of IASB pronouncements is disclosed in note 20.

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

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

(d) Revenue Recognition

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

Output Revenue

Output Revenue represents Government funding for the Commission's operations and is calculated as the estimated net cost of the Commission's outputs after taking into account funding from the Commission's revenue.

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

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

Grants and Other Contributions

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

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

Sale of Goods

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

Rendering of Services

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

Sale of Non-Current Assets

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

The profit or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

(e) Goods and Services Tax

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

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payable in the Statement of Financial Position.

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the ATO.

(f) Cash and cash equivalents

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

(g) Receivables

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

(h) Property, Plant and Equipment

Acquisitions

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

Depreciation and Amortisation

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

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

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

	Period	2004
Buildings	Years	50
Infrastructure assets	Years	50
Plant and equipment	Years	5
Leased plant and equipment	Years	5
Cultural assets	Years	100
Intangibles	Years	3

(i) Payables

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

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

(j) Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of wages and salaries and annual leave expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

No provision has been made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken indicates that accumulated sick leave will never be paid.

Employee benefits expenses are recognised in respect of the following categories:

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

The Central Holding Authority assumed the long service leave liabilities of Government Agencies.

(k) Superannuation

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

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

(l) Rounding of Amounts

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

2. STATEMENT OF FINANCIAL PERFORMANCE BY OUTPUT GROUP

As the Commission only has the one Output Group, Electoral Services, reference should be made to the Commission's Statement of Financial Performance.

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

2004
\$000

3. OPERATING EXPENSES

The net operating surplus has been arrived at after charging the following expenses:

Administrative Expenses:	
Consultants (1)	25
Advertising (2)	26
Marketing and Promotion (3)	25
Document Production	38
Legal Fees	2
Recruitment (4)	0
Training and Study	2
Official Duty Fares	29
Travelling Allowance	12

- (1) Includes marketing and promotion 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 recruitment related advertising costs.

4 CASH AND DEPOSITS

Cash on hand	1
Cash at bank	370
Total	371

5 RECEIVABLES

Current	
GST receivable	11
Total	11

6 (a) PROPERTY, PLANT AND EQUIPMENT

Plant and Equipment	
At cost	39
less Accumulated depreciation	(25)
Total	14

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

6 (b) PROPERTY, PLANT AND EQUIPMENT (Continued) Reconciliations

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

	Land \$000	Buildings \$000	Capital Works in Progress \$000	Plant & Equipment \$000	Cultural Assets \$000	Leased Equipment & Software \$000	Property, Plant & Equipment \$000
Cost							
Balance at the beginning of the year	0	0	0	0	0	0	0
Additions				17			17
Disposals							
Transfers (net)				22			22
Revaluation (net)							
Balance at the end of the year				39			39
Accumulated Depreciation							
Balance at the beginning of the year	0	0	0	0	0	0	0
Depreciation and Amortisation				(3)			(3)
Disposals							
Transfers				(22)			(22)
Balance at the end of the year	Nil			(25)			(25)
Written Down Value							
Balance at the beginning of the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance at the end of the year				14			14

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

2004
\$000

6 (c) PROPERTY, PLANT AND EQUIPMENT (Continued)

Purchase of non-current assets	
Payments for capital works in progress	
Payments for acquisition of plant and equipment	17
Payments for acquisition of cultural assets	
Total Purchase Property, Plant and Equipment	17

7 ACCOUNTS PAYABLE

Trade creditors	39
Total	39

8 UNEARNED REVENUE

Election revenue received in advance	165
Total	165

9 PROVISIONS

Current	
Employee benefits	
Annual leave	67
Leave loading	7
Total	74

10 OTHER PROVISIONS

Fringe Benefits Tax	1
Payroll Tax	7
Total	8

11 EQUITY

(a) Capital

Equity at the beginning of year	
Equity injections	17
Equity Withdrawals	(24)
Balance at the end of year	(7)

(b) Accumulated Funds

Balance at the beginning of year	
Current year operating surplus / deficit	116
Balance at the end of year	116

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

2004
\$000

12 NOTES TO THE STATEMENT OF CASHFLOWS

Reconciliation of net operating surplus / deficit to net cash used in operating activities.

Net Operating Surplus/(Deficit)	116
Non-Cash Items	
Depreciation	3
Changes in Assets and Liabilities	
(Increase) in receivables	(11)
Increase in accounts payable & accrued expenses	29
Increase in unearned revenue	165
Increase in provision for employees	62
Increase in other provisions	6
Net cash flows from Operating Activities	370

13 SERVICES RECEIVED FREE OF CHARGE

Department of Corporate and Information Services	60
--	----

Additional corporate services received free of charge from the Department of the Chief Minister has not been brought to account as the value of such services cannot be readily determined and is considered immaterial.

14 FINANCIAL INSTRUMENTS

A financial instrument is any contract resulting in a financial asset of one entity and a financial liability of another entity. Financial assets and liabilities of the Commission include cash, receivables, creditors and borrowings.

(a) Interest Rate Risk

The Commission's exposure to interest rate risk and the average interest rate for classes of financial assets and financial liabilities is set out below.

	Weighted Average Interest	Variable Interest	Fixed Interest Maturity Under 1 year	1 to 5 years	Over 5 years	Non- Interest bearing	Total
	%	\$000	\$000	\$000	\$000	\$000	\$000
Financial Assets							
Cash assets						371	371
Receivables						11	11
Financial Liabilities							
Accounts payable						39	39
Unearned Revenue						165	165
Net Financial Assets/(Liabilities)							178

NORTHERN TERRITORY ELECTORAL COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004

(b) Credit Risk

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

The carrying amount of financial assets recorded in the Financial Statements, represents the Commission's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

(c) Net fair value

The carrying amount of financial assets and financial liabilities recorded in the Financial Statements represents their respective net fair values

16 COMMITMENTS

As at reporting date the Commission did not have any commitments under the following categories:

Capital expenditure commitments

Non-Cancellable Operating Lease Expense Commitments

Finance lease payment commitments

17 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at reporting date the Commission did not have any contingent assets or liabilities.

18 ACCOUNTABLE OFFICER'S TRUST ACCOUNT

The Commission did not have an Accountable Officer's Trust Account during the financial year.

19 WRITE OFFS, POSTPONEMENTS AND WAIVERS

The Commission did not have any transactions that were written off, postponed or waived during the year.

20 DISCLOSING THE IMPACT OF ADOPTING AASB TO IASB PRONOUNCEMENTS

AASB 1047 requires entities to disclose within their 30 June 2004 general-purpose Financial Statements the impact of adopting the AASB equivalents to International accounting standards.

At this point in time the Commission is managing the transition through attendances at workshops and seminars. Treasury, through its accounting policy branch, will identify and communicate changes required to Treasurer's Directions and future reporting requirements.

At this stage the likely key differences in accounting policy are anticipated to be:

Impairment Testing

Under AASB 136 *Impairment of Assets*, the recoverable amount of an asset is determined as the higher of net selling price and value in use. This will result in a change in the Commission's current accounting policy as currently under AAS 10 the recoverable amounts test does not apply to not-for profit entities.

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

OUTLOOK

Establishment of Commission

- Develop programs to deliver public awareness of electoral matters
- Identify research needs of Commission and provide research strategies
- Review structure of Commission to ensure electoral services are provided in the most effective manner.

Election Planning

- Undertake comprehensive planning for the next Legislative Assembly General election.
- Plan and conduct Community Government and other elections as required.

Provision of Advice

- Provide advice on electoral matters to Members of the Legislative Assembly and other persons as required.
- Provide advice and support to the Redistribution Committee.

OTHER INFORMATION

Outputs and Performance

Electoral Services

Provision of electoral services for the conduct of Legislative Assembly, local Government, community councils and other elections.

Outcome

Elections are conducted in accordance with legislative requirements.

Performance Measures	2003-04 Estimate	2003-04 Actual
Quantity		
Capacity to provide electoral services	\$0.87m	\$1.5m
Electors on the Northern Territory electoral roll	0.11m	0.11m
Quality		
Compliance with legislation	100%	100%
Timeliness		
Deadlines met	100%	100%
Cost		
Average cost per enrolled elector	\$8	\$5.36

CHIEF EXECUTIVE'S RESPONSIBILITIES

The Chief Executive as the Accountable Officer, advises to the best of his knowledge and belief, that pursuant to section 11 of the *Financial Management Act* and section 131 of the *Information Act*:

- (a) proper records of all transactions affecting the Agency are kept and that employees under my control observe the provisions of the *Financial Management Act*, the Financial Management Regulations, and Treasurer's Directions;
- (b) procedures within the Electoral Commission are such that they afford proper internal control and a current description of such procedures is recorded in the accounting and property manual which has been prepared in accordance with the requirements of the *Financial Management Act*;
- (c) there is no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from accounts and records;
- (d) in accordance with section 15 of the *Financial Management Act*, the internal audit capacity available to the Agency is adequate and results of internal audits have been reported to me;
- (e) the financial statement included in the Annual Report has been prepared from proper accounts and records and is in accordance with Treasurer's Directions Part 2 Section 5;
- (f) all Employment Instructions issued by the Commissioner for Public Employment have been satisfied; and
- (g) the Electoral Commission is working progressively towards compliance with the *Information Act*, Part 9 Records and Archives Management.

LEGISLATIVE FRAMEWORK

Acts and regulations administered by Agency.

Electoral Act 2004

Electoral Regulations 2004

Referendums Act

OUR PEOPLE

Staffing Profile

As required under section 28 of the *Public Sector Employment and Management Act*, a comparison of the Commission's staffing profile at 30 June 2003 and 30 June 2004 is as follows:

Designation	Actual Staff 30 June 2003	Actual Staff 30 June 2004
Executive Contract Officer 1	1	1
Administrative Officer 8	1	1
Administrative Officer 6	1	1
Administrative Officer 4	1	1
Administrative Officer 3	1	1
Total	5	5

REPRESENTATION ON NATIONAL COMMITTEES

Electoral Council of Australia

CONTACT INFORMATION

Northern Territory Electoral Commission

Second Floor, AANT Building

79 Smith Street

DARWIN NT 0800

Postal: GPO Box 2149

DARWIN NT 0801

Telephone: 08 8999 5617

Fax: 08 8999 5845

Email: mail.ntec.nt.gov.au

Web Site www.ntec.gov.au

Personal Assistant/Administrative Assistant

Charmaine Dilley

Assistant Divisional Returning Officer

Wendy Stow

Elections Systems Manager

Wayne Harlock

Divisional Returning Officer/Director Operations

Greg Davis

Electoral Commissioner/Chief Executive Officer

Barrie Hamilton