

Northern Territory Electoral Commission

2020-2021 Annual Report



**Northern Territory
Electoral Commission**
EVERY vote counts!



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CONTENTS

CONTENTS	i
GLOSSARY	iv
LETTER TO SPEAKER	1
AGENCY OVERVIEW	1
FOREWORD	2
AGENCY OVERVIEW	3
Purpose, vision, mission and values.....	3
Operating environment	3
Strategic goals	3
Legislative base.....	3
AGENCY PURPOSE AND FUNCTIONS	4
THE YEAR IN REVIEW	5
Enrolment	5
Elections	5
Public Awareness.....	5
Corporate	5
Covid-19 arrangements.....	6
THE YEAR AHEAD – 2021-22 TARGETS	7
Enrolment	7
Elections	7
Public awareness.....	7
Corporate	7
AGENCY FUNCTIONS	8
Enrolment	8
Objective	8
Roll maintenance.....	8
Electoral roll status	8
Direct enrolment.....	9
Electoral roll stimulation activities.....	9
Electoral education and engagement working groups.....	9
Enrolment statistics	10
Redistribution of Legislative Assembly boundaries.....	11
Reviews of representation by councils	11
Supply of electoral roll data	12
Enrolment targets for 2021-22.....	12
Elections	13
Objective	13
Legislative changes – <i>Electoral Act 2004</i>	13
Legislative changes - <i>Local Government Act 2019</i> and Local Government (Electoral) Regulations.....	13
NT Legislative Assembly election.....	13
NT local government elections	14
NT local government by-elections.....	14
Fee-for-service elections.....	15
Assistance for inter-jurisdiction elections.....	15
Party registration.....	16
Disclosure and compliance review	16
Elections targets for 2021-22	16
Public awareness	17
Objective	17
Website	17
Social media.....	17
Public Awareness for the 2020 Territory Election	18
Shows and expos.....	19
School and community visits.....	19
Democracy Dash	20
Reports and publications	20
Public awareness targets for 2021-2022	21

Corporate	22
Objective	22
Organisational structure as at 30 June 2021	22
The organisation	22
Business management	23
Staff development and recognition	23
Staffing	23
National representation	23
Agency management and reporting	23
Audits	24
Corporate plan	24
NTEC office premises	26
Digital services	26
Corporate targets for 2021-2022	27
FINANCIAL REPORT	28
FINANCIAL STATEMENT OVERVIEW	30
For the year ended 30 June 2021	30
Key responsibilities include:	30
CERTIFICATION OF THE FINANCIAL STATEMENTS	31
COMPREHENSIVE OPERATING STATEMENT	32
BALANCE SHEET	33
STATEMENT OF CHANGES IN EQUITY	34
CASH FLOW STATEMENT	35
INDEX OF NOTES TO THE FINANCIAL STATEMENTS	36
Note	36
Income	36
Expenses	36
Assets	36
Liabilities	36
Equity	36
Other disclosures	36
NOTES TO THE FINANCIAL STATEMENTS	37
1. Objectives and funding	37
2. Statement of significant accounting policies	37
3. Comprehensive operating statement by output group	40
4. Revenue	41
5. Goods and services received free of charge	43
6. Gain on disposal of assets	44
7. Purchases of goods and services	44
8. Interest expense	44
9. Write-offs, postponements, waiver, gifts and ex gratia payments	45
10. Cash and deposits	45
11. Cash flow reconciliation	45
12. Receivables	47
13. Advances and investments	48
14. Other assets	49
15. Property, plant and equipment	49
16. NTEC as a lessee	51
17. Intangibles	53
18. Assets held for sale	54
19. Payables	54
20. Borrowings and advances	54
21. Provisions	55
22. Other liabilities	56
23. Commitments	56
24. Reserves	56
25. Fair value measurement	56
26. Financial instruments	57
27. Related parties	59
28. Contingent liabilities and contingent assets	60
29. Events subsequent to balance date	60

30. Accountable officer’s trust account.....	61
31. Budgetary information	61
Comprehensive operating statement	61
Balance Sheet	62
Cash flow statement	63

LIST OF TABLES

Table 1: Estimated eligible voter participation on the electoral roll – 2012 to 2021	8
Table 2: Enrolment transactions – additions, deletions, transfers and amendments to the NT roll.....	10
Table 3: Enrolment by NT Legislative Assembly division – at 30 June 2021	11
Table 4: 2020 Territory Legislative Assembly Election	14
Table 5: Summary of NT local government by-elections conducted during 2020-2021.....	14
Table 6: Central Desert Regional Council by-election, Akityarre Ward	14
Table 7: MacDonnell Regional Council, Rodinga Ward	15
Table 8: Fee-for-service elections (not including enterprise agreements)	15
Table 9: Early voting services provided for inter-jurisdictional elections	15
Table 10: Registered political parties in the Northern Territory 2020-2021	16
Table 11: Key website statistics for 2020-2021 compared to 2019-2020.	17
Table 12: Facebook engagement stats for geo-targeted language ads in the 2020 Territory Election	18
Table 13: Electoral education sessions 2019-2020 and 2020-2021	19
Table 14: Core staff profiles 2016 – 2021	22
Table 15: Revenue from NT local government by-elections conducted 2020-2021	29
Table 16: Revenue from fee-for-service elections conducted 2020-2021.....	29
Table 17: 2020-21 and 2019-20 Actual Financial Performance	30

LIST OF GRAPHS

Graph 1: NTEC revenue versus expenditure – financial years 2014-2015 to 2020-2021.....	28
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GLOSSARY

AEC	Australian Electoral Commission
ANZ	Australia and New Zealand Bank
CAAMA	Central Australian Aboriginal Media Association
COMMISSIONER	NT Electoral Commissioner
COVID 19	2019 novel coronavirus
DCDD	Department of Corporate and Digital Development (NT)
DIPL	Department of Infrastructure, Planning and Logistics (NT)
DISCLOSURE	The disclosure of information to increase transparency and inform the public about the financial dealings of candidates, registered political parties, local branches/sub-party units and their associated entities, donors and other electoral participants
ECANZ	Electoral Council of Australia and New Zealand
eLAPPS	electronic Legislative Assembly Polling Place System
FDEU	Federal direct enrolment update
GST	Goods and services tax
HR	Human resources
ICT	Information and communication technology
ICTV	Indigenous Community Television
IT	Information technology
JOINT ROLL	The electoral roll or list of electors eligible to vote for Commonwealth, NT and local government elections

JRA	Joint roll arrangement
KMP	Key management personnel
LGRD	Local Government and Regional Development (within DCDD)
NT	Northern Territory
NTEC	Northern Territory Electoral Commission
NTG	Northern Territory Government
REDISTRIBUTION	A redistribution of NT Legislative Assembly boundaries Councils must review their structure and representation once each term to correct imbalances in elector numbers that develop over time between council wards. Adjustments are made to ensure all electors and communities have a fair say in council decision making.
REPRESENTATION REVIEWS	
RMANS	National Roll Management System
SLA	Service level agreement
TA	Treasurer's Advance
TEABBA	Top End Aboriginal Bush Broadcasting Association
TIGER	The Information Gateway to Electoral Resources (NTEC Election Management System)
WHS	Work Health and Safety

LETTER TO SPEAKER



The Hon N Ah Kit MLA
Speaker
Northern Territory Legislative Assembly
Parliament House
Darwin NT 0800

Madam Speaker

I am pleased to provide the Annual Report of the Northern Territory Electoral Commission for the 2020-2021 reporting year.

The report details the Commission's performance, key achievements and outlook for the year ending 30 June 2021. It was prepared in accordance with the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995* and the *Information Act 2002*.

Additional copies have been provided for tabling in the Legislative Assembly within three sitting days after its receipt.

A handwritten signature in black ink, appearing to be 'Iain Loganathan', written in a cursive style.

Iain Loganathan
Electoral Commissioner
29 October 2021

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FOREWORD



The 2020-2021 reporting year was dominated by the delivery of the 2020 Territory Election and planning for the 2021 Local Government Elections.

Both elections were to be, or were delivered against the backdrop of the continuing complications brought on by the COVID-19 Pandemic.

While conducting the Territory Election in the midst of a major pandemic proved challenging, measures such as single use pencils, regular cleaning of voting surfaces, mandatory use of masks for remote voting staff were designed to mitigate the risk of the election spreading the virus.

Additionally, early and postal voting were promoted to limit queuing on election day as directed by the Health Department.

Despite the obstacles which COVID-19 presented, turnout for the Territory Election was 0.9 per cent higher than the 2016 election.

However, a turnout of 74.9 per cent, is well short of what Territorians should be prepared to accept, even in the midst of a global pandemic.

Significant legislative reform prior to the Territory Election included increased disclosure of donations in an election year, introduction of election expenditure caps, registration requirements for third party campaigners and an enrolment savings provisions for eligible Territorians not on the electoral roll.

However, the NTEC struggled with the administration of the new disclosure laws because it does not possess adequate resources, particularly technology resources, to efficiently manage and promote the legislation.

Part 2 of the election report details recommendations to streamline political disclosure laws to provide clarity and make it easier for candidates and political parties to comply and still provide greater transparency. The Commission also supports the introduction of an election funding scheme so that candidates and political parties are not reliant on donations to fund their election campaign.

The election also highlighted the need to move the election management system to a modern platform that can better interface with the website, finance and HR systems. The current system will not be able to support major elections into the future and steps are underway to modernise the system prior to the 2024 Territory Election.

As part of the planning to ensure the Commission's relevance into the future, a review of the structure of the agency will be one of the major tasks undertaken in the coming year. This review will be conducted alongside a review and assessment of the Commission's systems and technology needs.

I want to acknowledge the assistance provided by the Department of Local Government with remote enrolment in the lead up to the election and the Department of Health in supporting the development of COVID-19 operational response resources. I would also like to thank my staff and for their commitment in 2020-21, especially to the task of conducting a successful general election during a global pandemic.

Iain Loganathan
Electoral Commissioner
29 October 2021

AGENCY OVERVIEW

PURPOSE, VISION, MISSION AND VALUES

The purpose of the Northern Territory Electoral Commission (NTEC, the commission) is to:

- provide quality electoral services to clients throughout the Northern Territory
- ensure the electoral system, especially the right to vote and to vote in secret, is fully accessible to all electors.

Vision

The NTEC's vision is for all Territorians to make an informed vote.

Mission

The NTEC's mission is to deliver lawful and accessible electoral services by being innovative, transparent and independent.

Values

The NTEC's values to achieving its strategic goals are:

- impartiality and integrity
- responsive and client-focused
- collaborative and independent
- leadership and innovation.

OPERATING ENVIRONMENT

The NT Electoral Commission operates in an environment that includes:

- a small, culturally diverse, dispersed and mobile population
- a broad charter of electoral operations and corporate governance responsibilities
- a small permanent staff structure
- a requirement to modernise and implement best practices
- close working relationships with the Australian Electoral Commission (AEC), interstate electoral authorities and other organisations.

STRATEGIC GOALS

The strategic goals of the agency are:

- diversify and increase electoral awareness and participation
- strengthen and build mutually beneficial partnerships and relationships with stakeholders
- enhance systems and research
- cultivate a workplace that promotes leadership and mutual respect.

LEGISLATIVE BASE

The following Acts and Regulations are administered by the Commission:

- The *Electoral Act 2004* and Regulations under that Act.
- The *Referendums Act 1998* and Regulations under that Act.
- Electoral provisions contained in the *Local Government Act 2019* and the Local Government (Electoral) Regulations 2021.

From 23 April 2015, amended legislation gave councils the option to determine their service provider for the conduct of by-elections. General elections remain the responsibility of the Electoral Commission.

Under the *Constitutional Convention (Election) Act 2011*, the NTEC is charged with conducting any election for delegates to a constitutional convention to discuss statehood for the Northern Territory.

General and financial management of the *Constitutional Convention (Election) Act 2011* remains with the Department of the Legislative Assembly.

AGENCY PURPOSE AND FUNCTIONS

The NTEC provides independent, impartial, quality and accessible electoral services to the people of the Northern Territory, the NT Legislative Assembly, local government municipal, regional and shire councils, and other organisations.

The NT Electoral Commissioner is the chief executive of the agency and an independent officer. Appointment to the position is by the Administrator following consultation by the responsible minister with the leader of each political party represented in the NT Legislative Assembly and all members of the Legislative Assembly who are not affiliated with a political party. The Commissioner is a member of the Redistribution Committee, which reviews and determines electoral boundaries for the NT Legislative Assembly.

The commission's functions are prescribed under section 309 of the *Electoral Act 2004* (the Act).

Key responsibilities include:

- maintaining the joint electoral roll for both the NT Legislative Assembly and NT local government elections in partnership with the AEC
- managing parliamentary and non-parliamentary elections including local government and, on request, fee-for-service elections
- delivering electoral awareness and education programs to the public
- providing advice and reports relating to electoral matters to the Legislative Assembly
- conducting electoral research
- providing support to redistribution committees reviewing parliamentary electoral boundaries and representation review processes for local councils.

NTEC activities include:

- developing and implementing enrolment stimulation strategies to improve roll quality and increase elector participation for Legislative Assembly and local government elections
- planning and implementing programs to conduct fixed term Legislative Assembly and local government general elections and periodic by-elections in the required timeframe and according to best practice principles
- developing and running programs for school students and the general public, including minority groups, to make them aware of their electoral rights and responsibilities
- supporting parliamentary electoral boundary redistributions and council representation reviews and, in conjunction with the AEC, coordinating and verifying changes on the electoral roll following the gazettal of changes
- fostering and nurturing inter-agency relationships to support the NTEC's core activities in an environment that demands specialist knowledge and impartiality in service delivery.

Since 23 May 2015, local government councils have had the option of running their own by-elections or appointing a third party provider to conduct them. To date, no council has opted to conduct a by-election themselves or appoint a third provider. The NTEC remains the prescribed provider of electoral services for local government general elections.

The commission also conducts ballots for government and non-government organisations on a fee-for-service basis.

THE YEAR IN REVIEW

ENROLMENT

- At 30 June 2021 there were 143,639 electors on the NT electoral roll.
- Of the total enrolment transactions processed in the reporting year, there were:
 - 12,499 additions to the roll, including 4,643 new enrolments
 - 992 re-enrolments
 - 13,260 changes of enrolled address within the NT
 - 6,856 transfers to the NT from interstate
 - 9,625 deletions, the majority (84%) for transfer of enrolment out of the NT.
- At 30 June 2021, the youth enrolment (18 to 24 years) participation rate was 63 per cent, compared to a national average of 84.5 per cent.
- The number of enrolled Territorians increased by 2,859 to 143,639. The enrolled participation rate in the NT is 85.6% compared to a national rate of 96.2%. There is an estimated 24,243 eligible Territorians not on the electoral roll.
- Federal direct enrolment update (FDEU) and online enrolment continue to be the main source of enrolment in the NT.
- Legislative amendments in 2019 created a savings provision that allows eligible electors who are not on the electoral roll to cast a declaration vote at voting centres. Once their enrolment has been processed by the AEC (immediately after election day) their vote is admitted to the count. This amendment enabled 1,709 declaration votes to be admitted to the 2020 Territory Election count.

ELECTIONS

- In the reporting year there was one Legislative Assembly general election and two local government by-elections.
- Delivering and reporting on the 2020 Territory Election and preparing for the 2021 Local Government Elections dominated the efforts of the commission.
- Development of online training resources to support both the Territory election and Local Government elections.
- In preparation for the local government elections, individual service level agreements were established outlining costs and agreed activities between the commission and individual councils.
- There was one fee-for-service election conducted.
- The NTEC provided assistance for inter-jurisdictional elections for New Zealand, Australian Capital Territory, Queensland, Western Australia and Tasmania.

PUBLIC AWARENESS

- The continued development and refinement of the NTEC's website, social media channels and digital platforms were key tasks undertaken in the reporting period in preparation for the 2020 Territory Election and 2021 Local Government Elections.
- Social media and digital platforms were used as the primary channels for the roll out of the 2020 Territory Election public awareness campaign strategy.
- Analysis of results from the 2020 Territory Election public awareness campaign were used to inform the development of the communication strategy for the 2021 Local Government Elections.
- The NTEC website front page was re-designed to serve as the primary launch pad for information for the 2020 Territory Election and 2021 Local Government Elections.
- A total of 145 education sessions were conducted involving 4,821 participants, 4 of which include the Democracy Dash education event.

CORPORATE

- To deliver the 2020 Territory Election, the agency's staff numbers, including permanent, temporary contract and casual, peaked at more than 550.
- Additional staff engaged to support the election were offered either short term or casual contracts and funded through the 2020 election appropriation.
- The revision of the commission's corporate plan commenced following the 2020 Territory Election.

- The Electoral Commissioner attended 7 virtual meetings of the Electoral Council of Australia and New Zealand (ECANZ). Four of the meetings were scheduled while a further three dealt with issues related to the COVID-19 pandemic.
- Employee expenses accounted for 53 per cent of the agency's total expenditure.
- NTEC staff were provided with development opportunities through events and training courses which included (amongst others):
 - ECANZ and Electoral Regulation Research Network conferences
 - Regulation of Australian Elections course run by the Electoral Regulation Research Network (ERRN) via Melbourne Law School, University of Melbourne
 - 2021 State Election and Legislative Council Elections – Tasmania (observer)
 - Professional Diploma in Digital Marketing
 - Punctuation unpacked/How to write in plain English workshops
 - No Woman Left Behind conference
- NTEC staff participated in the NTPS People Matter survey.

COVID-19 ARRANGEMENTS

- The NTEC was required to manage and deliver the 2020 Territory Election to comply with the directions and advice provided by the Commonwealth and Northern Territory governments in relation to the COVID-19 pandemic.
- A suite of publicly available documents were developed for the management of COVID-19 throughout the 2020 Territory Election. These included a management plan, policies, procedures and guidelines for managing and mitigating risks related to the spread of COVID-19. Documents included checklists for remote staff, procedures for unwell staff, voting centre operations and guidelines for candidates and campaigners.
- The management of COVID-19 in the 2020 Territory Election resulted in substantial spending increases, including the requirement to establish additional early voting centres and procurement of equipment to comply with hygiene protocols (gloves, hand sanitiser, wipes, single use pencils), as well as public awareness material. Additional resources were engaged as hygiene officers and queue controllers to support operation officers

THE YEAR AHEAD – 2021-22 TARGETS

ENROLMENT

- Enrolment stimulation initiatives in the lead up to the 2021 Local Government Elections.
- Continue to advocate expansion of AEC's FDEU to include rural and remote areas of NT.
- Conduct research on low enrolment participation.
- Commence first independent local government representation review as part of Local Government Representation Committee (June 2022).

ELECTIONS

- Conduct the 2021 Local Government Elections in August.
- Produce individual council reports on the conduct of the 2021 Local Government Elections.
- Write and submit (whole election) report on the conduct of the 2021 Local Government Elections with recommendations for procedural and legislative changes.
- Conduct fee-for-service elections, including NTPS enterprise agreements.
- Implement recommendations from the 2020 Territory Election Report.
- Evaluate the council delivery centre election service delivery model.

PUBLIC AWARENESS

- Implement the 2021 Local Government Elections communications plan.
- Improve and expand education and community engagement functions.
- Develop standard operating procedures and guidelines for all public awareness activities related to conducting elections.
- Refine and develop public awareness IT systems, including the website, to enhance public accessibility and transparency.
- Table the 2021 Local Government Elections report
- Develop a sustainable communications strategy to maintain electoral education and awareness in remote communities in the Northern Territory.

CORPORATE

- Review the organisational structure of the agency.
- Finalise the review of the 2021 – 2025 corporate and strategic plans.
- Commence work to move the election management system to a new, more modern platform.
- Continue working towards full transition to electronic records management, using the new standardised business classification scheme.

AGENCY FUNCTIONS

ENROLMENT

OBJECTIVE

Contribute to the maintenance and security of a joint roll of eligible Northern Territory electors.

ROLL MAINTENANCE

The enrolment provisions of the *Commonwealth Electoral Act 1918* apply for Northern Territory purposes. Therefore, if an eligible person residing in the Territory is enrolled on the Commonwealth electoral roll, he or she is automatically enrolled for NT Legislative Assembly and NT local government elections. This is in accordance with the *Northern Territory (Self-Government) Act 1978*. Amendments to the *Electoral Act 2004*, in force at 2 March 2016, included an express provision regarding compulsory enrolment.

Section 20 of the *Electoral Act 2004* provides for the Administrator to enter into an arrangement with the Governor-General for the maintenance of the joint Northern Territory and Commonwealth electoral roll. The present arrangement has been in place since 1994. The roll is maintained by the AEC and provided to the NTEC on request, in accordance with the Joint Roll Arrangement (JRA).

ELECTORAL ROLL STATUS

During the reporting period, the Northern Territory electoral roll increased by a net 2,874 electors to a total of 142,715 as at 30 June 2021. The increase is largely attributed to the enrolment activities associated with the 2020 Territory Election, and the legislative change that allowed, for the first time, eligible electors not on the electoral roll to cast a declaration vote at any voting centre, be enrolled in the following days and have their vote admitted to the count.

The Northern Territory's participation rate in relation to enrolment and voting has averaged between 10 to 15 per cent below that of most interstate jurisdictions and the national average; this equates to an estimated 24,243 eligible Territorians not enrolled. This is due to the younger average age of the eligible population, the high level of mobility in the community, and the difficulties in maintaining the roll in remote areas of the Northern Territory where enrolment and voting rates are significantly lower than in urban areas.

Table 1: Estimated eligible voter participation on the electoral roll – 2012 to 2021

Participation rates 2012 to 2021 ¹			
Year	Area	% Total enrolment	% 18-25 years enrolment
2012	NT ²	78.9	56.0
	National	90.6	73.0
2014	NT	80.8	60.8
	National	92.3	78.5
2016 ³	NT	81.4	63.4
	National	93.9	87.0
2017	NT	82.7	64.5
	National	95.0	85.7
2018	NT	83.9	64.7
	National	96.3	86.9
2019	NT	84.3	66.4
	National	97.1	88.9
2020 ⁴	NT	85.0	62.9
	National	96.5	85.8
2021	NT	85.7	63.0
	National	96.2	84.5

¹ Electoral Management Information System, Australian Electoral Commission

² Figures from before close of roll (COR) for the 2012 NT General Election August

³ Figures include the COR campaign for 2016 Federal Election

⁴ Figures from before COR for 2020 NT Territory Election

DIRECT ENROLMENT

The Federal Direct Enrolment and Update (FDEU) program which commenced in the Northern Territory in February 2013, uses data from trusted third parties to identify electors who have moved or need to be enrolled. Electors identified through this process are sent a letter informing them that the AEC will enrol or update their enrolment unless the person replies with further information.

If the AEC has any doubt about the validity of information it is not to be applied to the roll. As the FDEU program requires mail delivery to a street address, the program does not operate in rural and remote areas of the Northern Territory, including Tennant Creek and Nhulunbuy where mail can only be collected at post office boxes.

Since 2013, the AEC has gained extensive experience in operating the program and has conducted several major reviews. The FDEU and the online enrolment service are now the top two sources of enrolment.

In February 2021 the National Enrolment Forum, of which the NTEC is a member, reviewed the operation of the FDEU program and identified priority areas for enhancement which include expanding the coverage of the program to include mail that is delivered to a central mailing location, and a more detailed analysis on the reliability of mail delivery to remote Aboriginal communities.

Due to COVID-19, the FDEU program was suspended for two months.

The following statistics are from FDEU processing within the NT from 1 July 2020 to 30 June 2021:

- 9,558 FDEU letters sent
- 8,746 people were enrolled as a result of letters sent
- 739 people provided a suitable reason as to why their enrolment should not be updated (a crossover between electors enrolling and the mailing of FDEU letters is responsible for the numbers not balancing)
- 103 enrolment actions cancelled due to other reasons, including updating their enrolment by other actions, death notifications and requests for further information not provided.

The AEC does not record statistics on enrolment reversals for people who respond too late to the FDEU letter or who have other reasons.

ELECTORAL ROLL STIMULATION ACTIVITIES

In accordance with the JRA, the commission seeks opportunities to contribute to the maintenance of the electoral roll by undertaking strategic enrolment stimulation activities. Enrolment programs are always held prior to major elections; however due to the COVID-19 pandemic, planned remote enrolment and awareness programs in the lead up to the 2020 Territory Election had to be suspended for a few months.

In the time between elections, the NTEC maintains a consistent presence on social media and regularly posts enrolment related material. It also participates in public awareness opportunities such as the show circuit and defence expos when possible.

ELECTORAL EDUCATION AND ENGAGEMENT WORKING GROUPS

In June 2018, Cabinet decision No. 748 established two inter-departmental working groups for electoral education and electoral engagement. These groups enable collaboration between a number of NTG agencies to address low electoral education, enrolment and voting rates in remote communities.

A 2021 Local Government Elections steering committee, made up of staff from Local Government and Regional Development (LGRD) (part of the Department of the Chief Minister and Cabinet), the Local Government Association of the NT and the NTEC, was established to oversee the conduct of the 2021 Local Government Elections. Enrolment activities included using LGRD community development staff to promote enrolment when visiting remote communities, as part of the Your Voice, Your Community campaign. The enrolment support activities provided by LGRD staff provides invaluable support in the lead up to elections.

ENROLMENT STATISTICS

Table 2: Enrolment transactions – additions, deletions, transfers and amendments to the NT roll

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Enrolment at 1 July	132,258	136,473	137,280	139,108	139,841
AMENDMENTS					
Transfers between divisions	9,434	11,276	10,582	8,390	9,411
Changes within divisions	4,823	4,808	4,821	3,569	3,849
Amendments to elector details	2,497	4,790	3,477	1,602	3,618
ADDITIONS					
New enrolments	4,869	3,948	4,637	3,522	4,643
Re-enrolments	2,225	1,177	1,302	666	992
Re-instatements	118	98	9	3	8
Interstate transfers to NT	7,552	8,222	9,236	5,941	6,856
Total additions	+14,764	+13,445	+15,184	+10,132	+12,499
DELETIONS					
Removals by objection	1,286	885	793	822	557
Deaths	919	834	770	823	797
Duplications	518	166	48	328	164
Cancellations	12	18	11	30	40
Interstate transfers from NT	7,814	10,735	12,094	7,396	8,067
Total deletions	-10,549	-12,638	-13,716	-9,399	-9,625
Net increase/decrease	+4,215	+807	+1,468	+733	+2,874
Enrolment at 30 June	136,473	137,280	138,748	139,841	142,715

Notes

- **New enrolments** - all electors who enrolled for the first time.
- **Re-enrolments** - re-enrolling electors who previously had been enrolled.
- **Re-instatements** - the re-instatement of electors to the roll removed previously based on the receipt of new information that they still reside at their earlier enrolled address.
- **Interstate transfers to NT** - transfers of enrolment to a Northern Territory address from interstate.
- **Interstate transfers from NT** - electors previously enrolled in the Northern Territory transferring their enrolment to another jurisdiction.
- **Transfers within NT** - electors notifying a change of address to another Northern Territory LA division or within same division. Transfers within NT do not alter total enrolment.
- **Amendments** - changes to enrolment details other than name or enrolled address e.g. amendment to mail delivery address, council re-numbering of street addresses.
- **Removed by objection** - electors removed from the roll, generally on the ground that they are apparently no longer resident at their enrolled address.
- **Duplications** - removal of a duplicate entry on the roll due to an official error e.g. a transfer of enrolment not matched to an existing enrolment.
- **Cancellations** - removals of individuals from the electoral roll who have not maintained their eligibility status for enrolment under the Act.

Table 3: Enrolment by NT Legislative Assembly division – at 30 June 2021

Division		Division		Division	
Arafura	5,237	Drysdale	6,001	Namatjira	5,648
Araluen	5,791	Fannie Bay	5,560	Nelson	5,499
Arnhem	5,452	Fong Lim	5,574	Nightcliff	5,679
Barkly	5,635	Goyder	5,574	Port Darwin	5,928
Blain	5,808	Gwoja	5,341	Sanderson	5,494
Braitling	5,916	Johnston	5,654	Spillett	6,046
Brennan	5,793	Karama	5,570	Wanguri	6,213
Casuarina	5,693	Katherine	5,771	Total	142,715
Daly	5,658	Mulka	6,180		

REDISTRIBUTION OF LEGISLATIVE ASSEMBLY BOUNDARIES

Redistributions of Legislative Assembly electoral boundaries are undertaken by independent committees in all Australian jurisdictions following general elections.

Section 138 of the *Electoral Act 2004*, requires a redistribution of NT Legislative Assembly divisional boundaries two years and six months after the last general election.

The Redistribution Committee, comprised of the Electoral Commissioner, Auditor-General, Surveyor-General, and an appointed chairperson, last commenced proceedings in late February 2019. The final boundaries and division names determined by the Redistribution Committee took effect at the 2020 Territory Election. The next redistribution of divisional boundaries will commence in February 2023.

REVIEWS OF REPRESENTATION BY COUNCILS

Local government in the Northern Territory comprises five municipal councils, nine regional councils, two community government councils, and one shire council.

The *Local Government Act 2019* established a new Local Government Representation Committee consisting of the CEO of the Local Government Association of the NT, the Electoral Commissioner and the Surveyor-General. This committee is responsible for determining any division of a council area into wards or any changes to existing ward structures and boundaries. In making its determinations, the committee must conduct consultation with councils and the public in a similar way to the consultation conducted by the Redistribution Committee for Legislative Assembly boundaries. The inaugural Local Government Representation Committee will commence the first council representation reviews under this new legislation in June 2022, 10 months after election day of the next general election.

However, under the previous *Local Government Act 2008*, councils were responsible for their own representation reviews, and these commenced in 2019 (prior to the above legislative changes) in preparation for the 2021 Local Government Elections. In December 2020, changes to ward boundaries and structures within 3 council areas were officially gazetted. The councils were City of Darwin, Litchfield Council and West Arnhem Regional Council and the changes included:

- changes to ward boundaries within the [City of Darwin](#) local government area including: Fannie Bay, East Point (part) and Ludmilla (part) moved from Lyons Ward to Chan Ward; The Narrows and Woolner (part) moved from Waters Ward to Lyons Ward; Moil moved from Chan Ward to Waters Ward; and Wagaman moved from Richardson Ward to Waters Ward
- changes to ward structures in [Litchfield Council](#) with the creation of 3 wards (previously 4) and determination of 2 members for each ward
- changes to ward boundaries in the [West Arnhem Regional Council](#) local government area, creating the Minjilang and Warruwi wards and abolishing the Barrah Ward.

SUPPLY OF ELECTORAL ROLL DATA

The *Electoral Act 2004 (NT)* requires NTEC to keep a roll for each division. The roll extract is to be available for public inspection and can be provided in limited circumstances.

In accordance with the JRA, roll data was extracted from the AEC's National Roll Management system for the following:

- monthly updates of roll changes for supply to independent members of the NT Legislative Assembly and registered parties
- Alice Springs and Darwin jury lists
- council by-elections
- enrolment activities including the Your Voice, Your Community campaign conducted by LGRD community development staff, and NTEC attendance at Defence expos
- BreastScreenNT (health screening programs)

ENROLMENT TARGETS FOR 2021-22

- Enrolment stimulation initiatives in the lead up to the 2021 Local Government Elections.
- Continue to advocate the expansion of the AEC's FDEU to include rural and remote areas of NT.
- Conduct research on low enrolment participation.
- Commence process of local government representation reviews as part of first Local Government Representation Committee.

ELECTIONS

OBJECTIVE

Conduct elections that are impartial, efficient, transparent and in accordance with the law.

LEGISLATIVE CHANGES – *ELECTORAL ACT 2004*

The Electoral Legislation Further Amendment Bill passed by parliament in September 2019 included a number of financial and non-financial amendments to the *Electoral Act 2004*, to take effect on 1 January 2020.

Changes to disclosure laws include the introduction of a \$40,000 electoral expenditure cap per seat, registration of third party campaigners, increased disclosure reporting in financial years and the requirement to operate a separate bank account for NT elections.

Other amendments include extending the election timetable by 4 days to 24 days, an enrolment savings provision for unenrolled electors, increasing the nomination deposit from \$200 to \$500, removing the witness requirements for postal votes, creating a designated campaign area, within the 100 metre prohibition zone, at election day voting centres.

The 2020 Territory Election Report discusses the impact of these changes and recommends additional legislative amendments to simplify, modernise and improve election services.

LEGISLATIVE CHANGES - *LOCAL GOVERNMENT ACT 2019* AND **LOCAL GOVERNMENT (ELECTORAL) REGULATIONS**

The *Local Government Act 2019* was passed by parliament in November 2019 and the Local Government Amendments Bill 2021 was passed in May 2021. Collectively, these changes implement recommendations made in the NTEC's 2017 NT Council Elections Report, which include the following:

- 'on the day' voting for people who are unenrolled but otherwise eligible to be enrolled (the same savings provision introduced for Legislative Assembly elections)
- not requiring a witness for casting a postal vote
- extending the period for the receipt of postal votes by one week
- requiring one person to nominate a candidate (rather than three people)
- clarifying that a person can nominate to be a candidate for any ward within the council area in which they are enrolled
- modernised candidate photograph requirements to allow for electronic images as well as printed photographs
- changes to countback rules to minimise the chance of lots being drawn if candidates have the same number of votes.

The *Local Government Act 2019* also includes donation and loan disclosure requirements for local government candidates. This change will not apply to the 2021 Local Government Elections as they apply to general elections and by-elections from 1 July 2022 onwards. This will require candidates to provide a disclosure return if they receive a reportable donation or loan above the threshold within the relevant disclosure period.

NT LEGISLATIVE ASSEMBLY ELECTION

The 2020 Territory Election took place on Saturday, 22 August 2020. The major challenges in delivering this election were implementing the raft of legislative changes that affected many aspects of the election and the impact COVID-19 had on delivering voter services.

Table 4: 2020 Territory Election – a snapshot

Issue of writ	Thursday 30 July 2020						
Close of electoral roll	5pm, Friday 31 July 2020				Total enrolment: 141,225		
Close of nominations	12 noon, Thursday 6 August 2020				111 candidates: 70 male, 41 female		
Election day	Saturday 22 August 2020						
Casual staff employed	406						
Election costs	\$3.73 million (which equates to \$26.42 per enrolled elector)						
Voter turnout	74.9%						
Votes	Early	Postal	Mobile	Election day	Absent	Declaration	Total
	56,558 (53.4%)	6,692 (6.3%)	11,863 (11.2%)	17,801 (16.8%)	11,178 (10.6%)	1,741 (1.6%)	105,833

Details regarding the 2020 Territory Election are in the 2020 Territory Election report. The report discusses the impact of the legislative changes and COVID-19, as well as the 2019 electoral boundary redistribution, the public awareness campaign, voting services, voter turnout, the election management system, staffing, procurement and training. The report makes 10 recommendations to modernise electoral legislation and processes.

NT LOCAL GOVERNMENT ELECTIONS

The next NT local government elections are scheduled for 28 August 2021. Significant planning has been undertaken for this election with \$306,770 expended in pre-election costs.

NT LOCAL GOVERNMENT BY-ELECTIONS

Table 5: Summary of NT local government by-elections conducted during 2020-2021

Council	Ward	Election day	Number of vacancies	Number of nominations	Contest
Central Desert Regional Council	Akityarre	5 November	1	1	Uncontested
MacDonnell Regional Council	Rodinga	5 November	1	1	Uncontested

Central Desert Regional Council: Akityarre ward councillor

Notification of vacancy to NTEC: 24 May 2019

Table 6: Central Desert Regional Council by-election for Akityarre ward

Close of electoral roll	5:00 pm, Wednesday 4 September, 2020	Number enrolled: 253
Close of nominations	12:00 noon, Friday 16 October, 2020	Number of nominations received: 1
Election declared	16 October 2020	
Election costs	\$1,206	

As there was one nomination for one vacancy, no election was held and Jamie Webb was declared duly elected.

MacDonnell Regional Council: Rodinga ward councillor

Notification of vacancy to NTEC: 31 January 2020

Table 7: MacDonnell Regional Council by-election for Rodinga ward

Close of electoral roll	11:00 am, Wednesday 11 March, 2020	Number enrolled: 1,109
Close of nominations	12:00 noon, Friday 16 October, 2020	Number of nominations received: 1
Election declared	16 October 2020	
Election costs	\$1,206	

As there was one nomination for one vacancy, no election was held and Annie Young was declared duly elected.

FEE-FOR-SERVICE ELECTIONS

Section 309 (1)(h) of the *Electoral Act 2004* allows for a payment to provide electoral goods and services to individuals or organisations, using information or material in its possession or expertise acquired in the exercise of its functions.

Fee-for-service elections are conducted for government, non-government and community agencies and organisations that require decisions to be made by ballot. This includes enterprise agreements, the election of office holders and plebiscites.

These elections are charged at commercial rates, i.e. direct costs plus a 35 per cent management fee. The management fee is not charged when conducting elections for Northern Territory Government agencies.

Table 8: Fee-for-service elections 2020-21 (not including enterprise agreements)

Date	Ballot	Number of electors		% turnout
		Voters	Votes rec'd	
26 November 2020	Danila Dilba Health Services*	N/A	N/A	N/A

*This election was for board members. There were 4 positions open and all were elected unopposed, so no election was necessary.

ASSISTANCE FOR INTER-JURISDICTION ELECTIONS

The NTEC provides voting services, on request, for interstate and New Zealand electors visiting the Northern Territory.

Inter-jurisdictional support was provided for the following events:

Table 9: Early voting services provided for inter-jurisdictional elections

Jurisdiction	Election date	Election type
New Zealand	17 October 2020	General election and 2 referendums
Australian Capital Territory	17 October 2020	General election
Queensland	31 October 2020	General election
Western Australia	13 March 2021	General election
Tasmania	1 May 2021	General election

PARTY REGISTRATION

At 30 June 2021, there were eight political parties registered in the Northern Territory. There were no changes to the registered political parties in the NT in the reporting period.

Table 10: Registered political parties in the Northern Territory 2020-2021

Political party	Date of registration
Animal Justice Party	11 March 2020
Australian Labor Party NT Branch	18 April 2005
Ban Fracking Fix Crime Protect Water*	18 November 2015
Country Liberal Party of the Northern Territory**	30 March 2005
Federation Party Northern Territory***	27 February 2019
NT Greens	23 March 2005
Shooters and Fishers Party	27 February 2015
Territory Alliance	20 November 2019

* Formerly 1 Territory Party

** Formerly Northern Territory Country Liberal Party

***Formerly Australian Country Party

DISCLOSURE AND COMPLIANCE REVIEW

Accounting firm BDO (NT) were engaged to undertake a review of the political donations received and electoral expenditure by all entities in the 2020 Territory Election, and to evaluate the level of compliance with Part 10 of the Act. The compliance review selected a sample from the available candidates, registered political parties, associated entities, donors to political parties, donors to candidates and third-party campaigners, to verify the accuracy and completeness of the returns received.

The overall conclusion of BDO (NT) was that there was a satisfactory level of compliance with the provisions of the Act in relation to returns and electoral expenditure, by the selected candidates, registered political parties, associated entities and third-party campaigners.

ELECTIONS TARGETS FOR 2021-22

- Conduct the 2021 Local Government Elections in August.
- Produce individual council reports on the conduct of the 2021 Local Government Elections.
- Write and submit (whole election) report on the conduct of the 2021 Local Government Elections with recommendations for procedural and legislative changes.
- Conduct fee-for-service elections, including NTPS enterprise agreements.
- Implement recommendations from the 2020 Territory Election Report.
- Trial of extended voting services through council delivery centres in remote communities.

PUBLIC AWARENESS

OBJECTIVE

A community that is well informed about its electoral rights, responsibilities, processes and available services.

WEBSITE

Following a changeover to the new content management system Squiz Matrix in 2018, it was discovered during the 2020 Territory Election that the website would need to be re-developed to continue to accommodate high traffic engagement events such as the Legislative Assembly general elections.

The 2020 Territory Election, which was contained within the main website, provided a number of information pages relevant to the election. The website featured the election on its landing page for the duration of the election period through to 30 September.

This included an exceptionally high engagement phase on election night when 39,034 users, including 33,440 new users, visited the website generating 63,571 sessions and recording 221,028 page views.

During the entire previous reporting year, 45,428 new visitors to the website were identified, of which 11,705 were returning visitors.

By comparison, for this reporting year there were 157,709 visitors to the website, which included 152,770 new users.

Table 11: Key website statistics for 2020-2021 compared to 2019-2020.

Metric	2020-2021	2019-2020
Page views	909,399	221,028
Sessions	307,952	77,183
New users	152,855	33,723
Total users	157,709	45,428

The upward trend of visitors accessing the NTEC website through mobile phones also continued through the reporting period. In 2019-2020, 56.7 per cent of all visitors to the website engaged through mobile phones, while in 2020-2021 that figure increased to 61.2 per cent.

Historical election data continues to be added to the site together with legislative updates.

SOCIAL MEDIA

The commission continued to utilise social media platforms Facebook, Instagram, Twitter and YouTube, to communicate with stakeholders throughout the year.

Digital platforms such as EA Games were also trialled during the 2020 Territory Election to measure their effectiveness in communicating with the 18-24 year-old age group.

Targeted Facebook and Instagram posts were used throughout the reporting period to promote the NTEC's Democracy Dash education program, local government by-elections for MacDonnell and Central Desert regional councils and the 2020 Territory Election.

Short video formats continued to attract the highest engagement as they did in the previous reporting year.

The NTEC produced a total of 49 paid posts promoting topics such as awareness of the 2020 Territory Election, postal voting, in-language how to vote videos and Democracy Dash events. The paid posts, which cost \$6,198 to advertise, reached 111,752 people in the 17 and over age range and produced 643,153 page impressions throughout the reporting period.

During the same period the NTEC produced a further 114 organic (unpaid) Facebook posts promoting the commission's functions, events, services and election voting and result updates. These posts recorded a reach of 132,942.

The NTEC further commissioned the creative development of targeted advertisements in 8 Aboriginal languages and English to promote the 2020 Territory Election. This campaign was rolled out in three phases and was managed through the NTG's panel contract advertising booking agency. The results of the in-language campaign are outlined in the next section of this report.

The same approach was taken in the initial development phase of creative for the 2021 Local Government Elections in the latter half of the reporting period. However, following analysis of the effectiveness of video messaging in the 2020 Territory Election campaign, a greater emphasis was placed on the production of personalised video messages for the 2021 local government campaign.

PUBLIC AWARENESS FOR THE 2020 TERRITORY ELECTION

The 2020 Territory Election public awareness campaign was implemented in three phases: awareness, enrolment and action.

The awareness phase focused on informing potential electors about the timing of the upcoming election. The enrolment phase was aimed at ensuring that all eligible electors were correctly enrolled and the action phase focused on informing electors about how, when and where they could vote. Advertisements were developed for, and aired or broadcast across traditional media channels such as television, commercial radio and newsprint, as well as digital channels through the NewsXtend platform.

The key difference in the 2020 Territory Election campaign compared to previous Legislative Assembly campaigns was the development of in-language creative. The creative was developed in collaboration with Aboriginal media organisations First Nations Media and CAAMA. This collaboration resulted in the production of creative in 8 Aboriginal languages, which were developed for radio, television, digital and social media platforms. The in-language ads were run across the CAAMA, TEABBA and First Nations Media radio networks and the First Nations and ICTV television channels.

The popularity of social media, particularly Facebook, across the Territory presented the NTEC with the opportunity to geo-target electors in Aboriginal communities based on language groups. Table 12 outlines the engagement achieved by geo-targeted, in-language advertisements across Facebook during the 2020 Territory Election campaign for the period 1 July 2020 to the end of 22 August 2020 (election day).

Table 12: Facebook engagement statistics for geo-targeted in-language advertisements during the 2020 Territory Election

Language	Reach	Impressions	Frequency	Click through rate %
Arrernte	5,426	20,369	3.75	0.80
Kriol	80,064	630,618	7.88	0.61
Murrinh Patha	1,297	6,624	5.11	0.41
Pitjantjatjara/Luritja	987	4,919	4.98	0.59
Tiwi	51,999	344,258	6.62	0.55
Warlpiri	2,796	14,491	5.23	0.67
Warumungu	1,860	12,324	6.63	0.66
Yolngu Matha	6,112	41,173	6.74	0.44
Totals/averages:	150,541	1,074,776	5.86	0.59

The results for each language vary based on the size of the target audiences available in the language specific geographic areas.

Further detail on the 2020 Territory Election Public Awareness campaign can be found in the 2020 Territory Election Report [here](#).

SHOWS AND EXPOS

The traditional July Northern Territory show circuit for 2020 was cancelled due to the COVID-19 pandemic. The annual Welcome to the Top End Expo hosted by the Defence Community Organisation (DCO), was a national virtual event in 2021 with limited stakeholders, but the NTEC was able to attend the DCO's Welcome to Katherine Expo in person in February 2021. The expos are regularly attended to promote enrolment and upcoming election awareness to newly arrived defence personnel.

SCHOOL AND COMMUNITY VISITS

The NTEC has a full suite of school education programs that directly link to the Australian Curriculum for Civics and Citizenship for the following year levels:

- Years 3 and 4
- Years 5 and 6
- Year 7
- Years 8 and 9
- Stage 1 and 2 Legal Studies (Years 10 – 12).

There is also a generalised 'future voters' program tailored to students in Years 10, 11 and 12, as well as programs specifically designed for Aboriginal students in remote schools where English is not their first language. All the education programs are offered face-to-face or teachers can access a range of resources across each year group on the commission's website to run these programs themselves.

The NTEC also conducts student representative or house captain elections (or similar) for schools on request, or provides voting materials such as ballot boxes and voting screens. During 2020-2021, the NTEC conducted elections for 7 schools involving almost 1,100 voters, while 4 other schools borrowed materials to run their own elections.

Education programs are also available to adults and community groups, and there is a customised program for adults for whom English is a second language (although the demand for this program was nullified by COVID-19 during this financial year).

A new program was developed for adults, *2020 Territory Election: a quick guide*, to familiarise them with how votes are counted in the preferential voting and to provide information about the 2020 Territory Election. The program was offered to all election stakeholders but the main uptake was from public servants with sessions delivered face-to-face in Darwin and via video conference to Katherine and Alice Springs.

Table 13 shows the numbers of participants in the NTEC's electoral education programs for 2020-2021. The table does not include statistics for engagement events such as shows and expos.

Table 13: Electoral education sessions 2019-2020 and 2020-2021

Group	Number of sessions 2019-2020	Number of participants 2019-2020	Number of sessions 2020-2021	Number of participants 2020-2021
Darwin/Palmerston/rural area schools	79	2,003	104	2,922
Regional schools	11	263	8	213
Remote schools	4	77	1	11
Adult groups	5	87	21	224
ESL adult groups	6	65	0	0
School elections	7	1,139	7	1,096
Democracy Dash	3	201	4	355
Total	115	3,835	145	4,821

DEMOCRACY DASH

Democracy Dash is a free education event coordinated by the NTEC for school students in Years 9 -12 to enhance their learning of Civics and Citizenship or Legal Studies, with a particular emphasis on democracy. Its structure is similar to a scavenger hunt where small teams of students 'dash' across the city centre, visiting organisations whose work contributes to one or more of the four main elements of democracy: rights and freedoms, rule of law, majority rule, and democratic elections. At each stop, students must complete an activity to learn more about that organisation. In the reporting year, there were 2 Democracy Dash events held in Darwin and 2 in Alice Springs with over 350 participants across the 4 events.

Students and teachers receiving instructions before the start of a Democracy Dash in Darwin



Below is a list of organisations involved in Democracy Dash for 2020-21:

Democracy Dash in Darwin

- Amnesty International
- Legislative Assembly of NT
- NT Legal Aid Commission
- Office of the Children's Commissioner
- Youth Law Australia (via video conference)
- NT Library (venue)
- City of Darwin
- NT Anti-Discrimination Commission
- NT Local Court and Registry Office
- Senator Malarndirri McCarthy's electorate office
- Brown's Mart (venue)

Democracy Dash in Alice Springs

- Aboriginal Interpreter Service
- Alice Springs Town Council
- Dept. of the Chief Minister
- NT Legal Aid Commission
- Office of the Children's Commissioner
- Alice Plaza (venue)
- National Trust (venue)
- Alice Springs Local Court
- Amnesty International
- Legislative Assembly of NT
- NT Police
- Youth Law Australia (via video conference)
- Member for Gwoja electorate office (venue)

REPORTS AND PUBLICATIONS

- 2020 Division of Johnston By-election Report – tabled 20 October 2020
- Annual Report 2019-2020 – tabled 10 November 2020
- Submission to Joint Standing Committee on Electoral Matters – Inquiry on the future conduct of elections operating during times of emergency situations – submitted 12 November 2020
- 2020 Territory Election Report – tabled 24 June 2021

PUBLIC AWARENESS TARGETS FOR 2021-2022

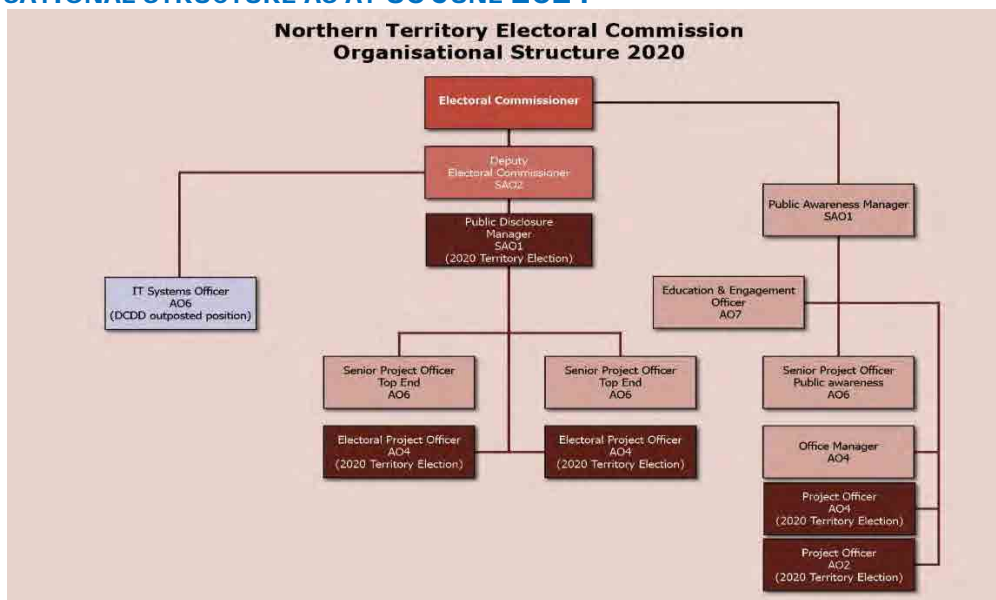
- Implement the 2021 Local Government Elections communications plan.
- Improve and expand education and community engagement functions.
- Develop standard operating procedures and guidelines for all public awareness activities related to conducting elections.
- Refine and develop public awareness IT systems, including the website, to enhance public accessibility and transparency.
- Table the 2021 Local Government Elections report
- Develop a sustainable communications strategy to maintain electoral education and awareness in remote communities in the Northern Territory.
- Develop a stakeholder engagement framework.

CORPORATE

OBJECTIVE

An operating environment that features continuous improvement, is open and supportive of staff, promotes professional growth, mutual respect and recognition of achievements.

ORGANISATIONAL STRUCTURE AS AT 30 JUNE 2021



THE ORGANISATION

The NTEC has 8 permanent staff, plus an IT Systems Officer who was transferred to the Department of Corporate and Digital Development (DCDD) under the 2019 machinery of government changes, but still works full time for the agency. DCDD also manage the financial functions of the agency, supported by the NTEC office manager.

The agency no longer has a permanent office in Alice Springs, but establishes temporary offices for major elections. For the 2020 Territory Election a temporary office was established for 4 months.

In the lead up to both the 2020 Territory Election and 2021 Local Government Elections, additional contract and casual staff were recruited. 3 contract staff who started in the previous reporting period for the lead up to the 2020 Territory Election, remained working at the agency during the months between elections, and will continue to work through the 2021 Local Government Elections period. These contract staff are included in the table below. The table does not include casual staff who were working for the agency as at 30 June.

Table 14: Core staff profiles 2016 – 2021

Designation	Number of staff at 30 June					
	2016	2017	2018	2019	2020	2021
Executive Contract Officer 3	1	1	1	1	1	1
Senior Administrative Officer 2	1	1	1	1	1	1
Senior Administrative Officer 1	2	2	1	1	2	1
Administrative Officer 7	0	1	1	1	1	1
Administrative Officer 6	5	4	3	4	4	3
Administrative Officer 5	1	0	0	1	1	0
Administrative Officer 4	1	1	0	0	4	3
Administrative Officer 3	2	2	2	1	0	0
Administrative Officer 2	0	0	0	0	1	1
Administrative Officer 1	0	0	0	0	0	0
Total	13 FTE	12 FTE	9 FTE	10 FTE	15 FTE	11 FTE

BUSINESS MANAGEMENT

The Office Manager is responsible for the processing of business management functions of the agency. This position assists in the processing of in-house financial matters including budgeting and corporate services, and finance staff at DCDD undertake the overall management of the business functions of the agency.

The IT Systems Officer manages the agency's IT functions with assistance from DCDD.

Assistance from other NT government agencies for business management functions is mainly provided by:

- DCDD for ITC, human resources (HR), payroll, procurement, property and recruitment support
- Department of Treasury and Finance for financial matters.

STAFF DEVELOPMENT AND RECOGNITION

Staff members attended the following development opportunities in 2020-2021:

- ECANZ and Electoral Regulation Research Network conferences
- Regulation of Australian Elections course run by the Electoral Regulation Research Network (ERRN) via Melbourne Law School, University of Melbourne
- 2021 State Election and Legislative Council Elections – Tasmania (observer)
- Professional Diploma in Digital Marketing
- Foundations of Public Sector Governance
- Emotional Intelligence training
- First aid training
- Punctuation unpacked/How to write in plain English workshops
- No Woman Left Behind conference

STAFFING

In 2020-2021, employee expenses were approximately \$2.935 million, which was 53.0 per cent of the total expenditure for the year.

Ongoing employee expenses are met from the annual appropriation with separate arrangements made for staff employed for by-elections, project work and secondments. In the years of general elections additional staff expenses are met from election budgets.

NATIONAL REPRESENTATION

The Electoral Council of Australia and New Zealand (ECANZ) is a consultative council of electoral commissions from the electoral authorities of the Commonwealth, states and territories and New Zealand. The council met for four scheduled meetings along with three additional meetings relating to COVID-19 in 2020-2021, with the NT Electoral Commissioner attending all seven virtual meetings. Matters discussed at these meetings were the development of a national election platform, cyber security and the expansion of the FDEU program. An equivalent forum operates for the deputy electoral commissioners.

AGENCY MANAGEMENT AND REPORTING

Report under Section 18 of the Public Sector Employment and Management Act

DCDD and OCPE provide advice on the application of HR legislation, instructions, guidelines and the implementation of the relevant HR policies, practices, terms and conditions under NTG employment terms and conditions.

Annual reporting is required to the Commissioner for Public Employment in relation to compliance with the prescribed NT Public Service principles of human resource management.

Equal opportunity

All appointments to positions are made in accordance with merit principles and, for election casuals, following review of any previous assessments recorded in the election management system.

All staff, including temporarily employed office casuals and electoral officials, are required to sign an undertaking that they are not a member of a political party or active in political affairs, and that they will retain this status during the period of their employment.

Equity and diversity

Staff are recruited based on their capacity to communicate and interact with the many and diverse communities of the Northern Territory and deal sensitively and respectfully with issues presented by gender, language, ethnicity, disadvantage or any physical or other impairment.

Election positions for both urban and remote locations are filled on the basis of the ability to deal with all voters fairly, courteously and without discrimination.

Freedom of information requests

There were no Freedom of Information requests to the commission in 2020-2021.

Work Health and Safety (WHS)

The *Work Health and Safety (National Uniform Legislation) Act* sets out the national WHS obligations for employers and employees and stipulates duties of care of employers and employees in relation to WHS.

The commission assesses accommodation, travel arrangements and electoral programs to ensure WHS compliance. It stipulates written adherence to voting premises' requirements by responsible officers with reminders of the stipulations in face-to-face training sessions.

No reportable safety issues were recorded during the year.

Insurance reporting

Over the course of 2020-2021 no self-insurance claims were made. Mitigation strategies were in place to reduce the insurable risk arising from agency operations. The agency complies with instructions as set out in the Accounting and Property Manual, which contains sections relating to insurance and litigation matters.

Drivers of commission vehicles are required to operate them according to guidelines set out in the NT Fleet handbook.

Service charters and Service Level Agreements (SLAs)

The commission outlines its objectives and services when conducting elections through service charters and SLAs that define the service level commitments to stakeholders. These include the key performance indicators that are used to evaluate election outcomes and they provide a basis for determining recommendations to improve electoral practices.

Service charters and SLAs demonstrate the commission's accountability and enhance operational transparency. They should also assist stakeholders (voters, candidates, councils and the media) with their election preparations and determine their expectations of, and interactions with, the commission.

AUDITS

The Auditor-General's office does not conduct a compliance audit in the year of a Legislative Assembly general election. A financial statement audit was conducted in July 2020 with no material issues raised.

CORPORATE PLAN

The revision of the corporate plan commenced but was delayed due to the conduct of major elections. The revision will be completed in the following financial year to reflect a revised organisational restructure. A summary of the objectives, strategies and performance measures for the four core business areas will be provided in the plan.

Enrolment

Contribute to the maintenance and security of a joint roll of eligible Northern Territory electors.

Strategies	Performance measures
Maintain an efficient and effective joint electoral roll with the AEC.	<ul style="list-style-type: none"> • An increase in the number of eligible electors correctly enrolled in the Territory. • Number of enrolment transactions and other information collected from enrolment activities. • Percentage of requests where accurate roll data was provided in a timely manner. • Level of compliance with commitments detailed in agreements with the AEC. • Redistribution data, that is quality assured, loaded into the AEC's national roll management database.
Undertake research to identify activities to complement the AEC's Continuous Roll Update and Federal Direct Enrolment Update programs.	
Implement enrolment stimulation activities in the lead up to major elections.	
Monitor enrolment performance in terms of completeness, accuracy and the timely update of the electoral roll.	
Provide support to the Redistribution Committee and effect changes following final boundary determinations from the committee and other sources.	
Provide roll data within legislative requirements.	

Elections

Conduct elections that are impartial, efficient, transparent and in accordance with the law.

Strategies	Performance measures
Provide best practice in conducting government and non-government elections.	<ul style="list-style-type: none"> • Number of disputed returns • Percentage of elections not conducted within statutory or required deadlines. • Cost of elections (actual v estimate). • Voter participation and informality rates. • Feedback received from client surveys on elections conducted. • Election management system meets business requirements.
Develop and maintain election policies, procedures and processes.	
Enhance NTEC's knowledge of the needs of our diverse client base to customise electoral services.	
Develop, review and maintain an electronic election management system.	

Public awareness

A community that is well informed about its electoral rights, responsibilities, processes and available services.

Strategies	Performance measures
Conduct targeted advertising/awareness campaigns.	<ul style="list-style-type: none"> • Number and effectiveness of advertising/awareness campaigns. • Number of education sessions conducted and students attending sessions. • Level of elector participation and satisfaction. • Level and nature of informality. • Number and nature of transactions logged on the NTEC website. • Number of reports and publications produced (actual v targeted).
Develop and deliver electoral education and information programs and services.	
Maintain and improve school based education programs	
Conduct electoral research to improve service and participation at electoral events.	
Coordinate the NTEC's public reporting.	
Undertake public awareness strategic planning for the 2020 Territory Election and the 2021 Local Government Elections.	
Develop and implement a revised advertising campaign.	

Corporate

An operating environment that features continuous improvement, is open and supportive of staff, promotes professional growth, mutual respect and recognition of achievements.

Strategies	Performance measures
Review and change the organisational structure to better meet the strategic challenges of the agency.	<ul style="list-style-type: none">• Number of policies reviewed to ensure they meet current business and public sector requirements.• Number of system enhancements made (actual vs targeted).• Improved staff responses in future staff surveys.• Level of participation in staff development opportunities.• Number of events held to celebrate staff achievements.
Document and implement policies and procedures that uphold the business requirements.	
Transfer the election management system to a platform that can modernise the business systems and improve integration with the website.	
Foster the professional development and expertise of staff.	
Recognise and celebrate the contribution of individuals and the team.	

NTEC OFFICE PREMISES

Darwin

When not required for major elections, the commission's conference room, the Boyd Room, is available to other government agencies or organisations for training and workshop purposes. During 2020-21 the Boyd Room was used for a total of 7 days by Police, Fire and Emergency Services, the Department of Education, DCDD and Communicate NT (private business running workshops for public servants). The Boyd Room was only available to other agencies from start of the November 2020 to the end of May 2021, outside of which it was used for election purposes.

Alice Springs

An office was opened in the old ANZ Bank building in Todd Mall, Alice Springs from June through to September for the 2020 Territory Election.

In preparation for the 2021 Local Government Elections, a temporary office space at the Arid Zone Research Institute was sourced via cost sharing arrangement with the Department of Industry, Tourism and Trade. The office was occupied from June 2021 had one full-time staff member and two casual staff.

DIGITAL SERVICES

Provision of services by DCDD and external ICT providers

Digital services are provided to the NTEC by DCDD. This support includes all infrastructure, cyber security, and management of ICT and end user computing needs.

Whole of government contracts determine providers for most telecommunications, hardware, generic software and helpdesk support. Specific agency hardware and software requirements are assessed on an 'as need' basis. Procurement of such items is carefully considered, as uncontracted purchases are not supported by the NTG or covered by established safeguards and procedures.

Across Government ICT services

In addition to the maintenance, support and governance of NTG corporate systems and standard operating assets, hardware required for the 2021 Local Government Elections was provided via an election specific project. This project was managed by the DCDD Project Management Office and included the deployment of 161 end users assets across 3 work sites.

Continued use of the across government learning management system MyLearning was provided to NTEC to assist in the training of casual election staff for the 2021 Local Government Elections.

NTEC business systems

Important security updates were made to the NTEC's electronic mark-off system (eLAPPS) in the lead up to the 2020 Territory Election. Increased resources compared to 2019-20 were also required to manage the systems use due to failing end of life hardware.

An upgraded version of the NTEC's fee-for-service voting system Netvote was deployed to a production state. The upgraded system allows NTEC to meet its cyber security requirements and expand electronic fee-for-service elections to accommodate preferential voting.

Significant enhancements were made to TIGER, the commission's election management system, throughout 2021-2020. These included major modifications to accommodate an influx of postal voting, along with other developments to ensure agency compliance with the recent amendments to the *Electoral Act 2004*.

NTEC continued its joint roll partner agreement with the AEC whereby the AEC maintained the NT electoral roll and its related digital services for the NTEC, including roll look-up facilities and statistical reporting. Additionally, NTEC established a new licensing agreement with the AEC for the ongoing use of the proportional vote counting software Easy Count. Due to unsupported software dependencies, remediation of Easy Count will be required for future use.

CORPORATE TARGETS FOR 2021-2022

- Review the organisational structure of the agency.
- Finalise the review of the 2021 – 2025 corporate and strategic plans.
- Commence work to move the election management system to a modern platform.
- Continue working towards full transition to electronic records management, using the new standardised business classification scheme.

FINANCIAL REPORT

FINANCIAL PERFORMANCE

NTEC funding arrangements

The NTEC is funded through an annual appropriation from Treasury. Additional revenue is received by the commission through the charging of a 15 per cent corporate overhead for conducting council by-elections and 35 per cent corporate overhead for fee-for-service elections.

Funding for specific events is undertaken as follows:

- NT Legislative Assembly elections and by-elections – through a Treasurer's Advance (TA). Traditionally the commission received reimbursement through a TA after the election occurred and when all expenses had been received. In recent years, only the difference between advance funding and final actual costs is recouped through a TA
- local government general elections and by-elections – from individual councils with a 15 per cent corporate overhead applied
- Legislative Assembly electoral boundary redistributions – through a TA
- major initiatives e.g. business specific IT developments approved by Cabinet – through a TA
- fee-for-service elections – conducted at NTEC commercial rates including a 35 per cent corporate overhead
- NTPS enterprise agreement ballots – funding provided by the department on a marginal cost recovery basis.

In a non-election year, major outgoing expenditure is attributed to staffing, property, IT, DCDD Free of Charge (FOC) notional expenses, and payments to the AEC for maintenance of the NT electoral roll under the JRA. The annual appropriation budget supports:

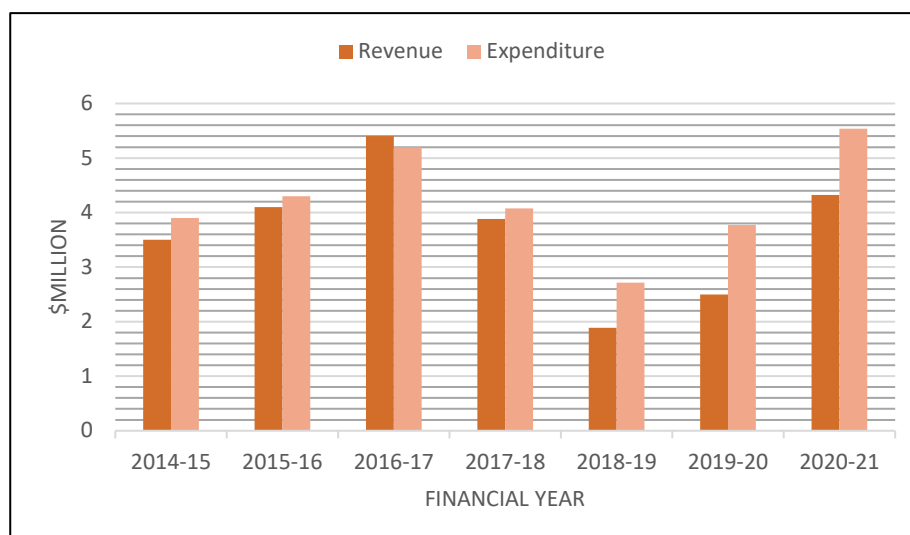
- Darwin office
- salaries for staff and one executive contract officer
- enrolment, election, public awareness and corporate governance functions including the payment of \$0.121 million to the AEC for annual JRA costs.

Historical revenue and expenditure variations

The following graph shows revenue and expenditure fluctuations over the last few financial years. The major costs for each year can be explained as follows:

- 2015-2016 – finalisation of the 2015 redistribution, pre-NT Legislative Assembly election expenditure
- 2016-2017 – the conduct of the 2016 NT Legislative Assembly election
- 2017-2018 – the conduct of the 2017 NT Council elections and 2018 City of Palmerston election
- 2018-2019 – conduct of the 2019 NT Electoral Boundary Redistribution
- 2019-2020 – finalisation of the 2019 redistribution and pre-2020 Territory Election expenditure
- 2020-2021 – the conduct of the 2020 NT Legislative Assembly election

Graph 1: NTEC revenue versus expenditure – financial years 2014-2015 to 2020-2021



2020 - 2021 outcomes

The NTEC's appropriation for 2020-2021 was \$4.324 million, which included \$2.5 million for the conduct of the 2020 Territory Election. Additionally, a further \$0.303 million was provided, through a TA, to cover unexpected one-off operational expenses required to manage compliance activities associated with COVID-19 health directions.

Total actual expenditure (including depreciation and amortisation) for the 2021-2021 financial year amounted to \$5.540 million. Included in this was \$2.935 million in staff costs, \$1.670 million for administrative expenses and \$0.797 million for goods and services received free of charge (the latter funded through DCDD). The agency recorded a \$0.72 million deficit.

Revenue from local government by-elections and fee-for-service elections

Changes to the *Local Government Act* in 2015 allows councils to conduct their own by-elections if a vacancy becomes available, or appoint an alternative provider. During the reporting year, there were two council vacancies and the NTEC was appointed to conduct both by-elections. These generated \$2,413 in revenue. This includes the election costs plus a 15 per cent corporate overhead. An additional \$450 was received from the conduct of one fee-for-service election.

Table 15: Revenue from NT local government by-elections conducted 2020-2021

Date	By-election	Revenue
5 November 2020	Central Desert Regional Council – Akityarre ward	\$1,206
5 November 2020	MacDonnell Regional Council – Rodinga ward	\$1,206
Total		\$2,413

Table 16: Revenue from fee-for-service elections conducted 2020-2021

Date	Fee-for-service election	Revenue
26 November 2020	Danila Dilba Health Service	\$450
Total		\$450

FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2021

The Northern Territory Electoral Commission (NTEC, the Commission) provides an independent service to the people of the Northern Territory, the Northern Territory Legislative Assembly, municipal and regional councils (mandated) and other organisations (by appointment).

KEY RESPONSIBILITIES INCLUDE:

- contributing to the maintenance of the Northern Territory electoral roll
- managing parliamentary and non-parliamentary elections including local government and fee for service elections
- delivering public electoral awareness and education programs
- providing advice and reports relating to electoral matters to the Legislative Assembly
- conducting electoral research
- providing support to the Redistribution Committees which redistribute electoral boundaries.

Financial Performance

NTEC's financial performance has been compared with the actual financial performance in 2019-20 as set out in the table below:

Table 17: 2020-21 and 2019-20 Actual Financial Performance

	2021 \$000	2020 \$000	Variance
Income	5 468	3 303	2 165
Expenses	5 540	3 773	1 767
NET SURPLUS/ (DEFICIT)	(72)	(470)	398

NTEC's financial performance for 2020-21 reflects a deficit of \$0.07 million compared with the prior year deficit of \$0.47 million.

NTEC's income increased by \$2.1 million compared to prior year due to increased appropriation of \$1.8 million and an accrued revenue of \$0.3 million in relation to 2021 Local Government Elections expenditure. Expenses were incurred in 2020-21 in preparation for the local government elections to be held in August 2021, and these costs will be recovered from the local government councils in the next financial year.

The increase in income was offset by a significant increase in expenditure of \$1.8 million due to the 2020 Territory Election held in August 2020 and the preparation for the 2021 Local Government Elections. These elections increased employee expenditure by \$0.9 million, purchase of goods and services by \$0.8 million and shared service charges by \$0.07 million, reflecting increase in demand for resources to deliver outcomes in line with organisational objectives.

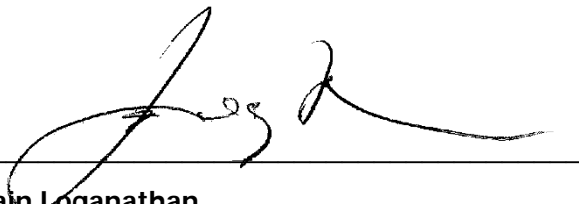
The result is an overall improvement of \$0.4 million in the actual financial performance, in comparison with the 2019-20 financial year.

CERTIFICATION OF THE FINANCIAL STATEMENTS

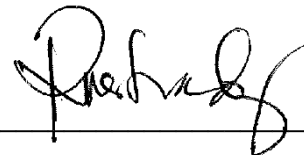
We certify that the attached financial statements for the Northern Territory Electoral Commission have been prepared based on proper accounts and records in accordance with the prescribed format, the *Financial Management Act 1995* and Treasurer's Directions.

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 2021 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.



Iain Loganathan
Electoral Commissioner
August 2021



Rina Estandarte
Business Manager
August 2021

COMPREHENSIVE OPERATING STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$000	2020 \$000
INCOME			
Grants and subsidies revenue			
Current	4a	-	2
Appropriation			
Output	4b	4 324	2 498
Sales of goods and services	4c	343	75
Goods and services received free of charge	5	797	724
Other income	4d	4	4
TOTAL INCOME	3	5 468	3 303
EXPENSES			
Employee expenses		2 935	2 000
Administrative expenses			
Property management		64	26
Purchases of goods and services	7	1606	881
Repairs and maintenance		-	-
Depreciation and amortisation	16,17,18	138	140
Other administrative expenses ¹		797	726
Interest expenses		-	-
TOTAL EXPENSES	3	5 540	3 773
NET SURPLUS/(DEFICIT)		(72)	(470)
COMPREHENSIVE RESULT		(72)	(470)

¹ Includes DCDD service charges and DIPL repairs and maintenance service charges.

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

BALANCE SHEET

As at 30 June 2021

	Note	2021	2020
		\$000	\$000
ASSETS			
Current assets			
Cash and deposits	10	399	69
Receivables	12	322	37
Total current assets		721	106
Non-current assets			
Property, plant and equipment	15,16,17	85	197
Intangibles	17	116	142
Total non-current assets		201	339
TOTAL ASSETS		921	445
LIABILITIES			
Current liabilities			
Payables	19	76	114
Borrowings and advances – lease	20	-	21
Provisions	21	198	255
Total current liabilities		274	390
TOTAL LIABILITIES		274	390
NET ASSETS		647	55
EQUITY			
Capital		2 721	2 057
Accumulated funds		(2 074)	(2 002)
TOTAL EQUITY		647	55

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 2021

	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
2020-21					
Accumulated funds		(2 055)	(72)	-	(2 127)
Transfers from reserves		53	-	-	53
		(2 002)	(72)	-	(2 074)
<Reserves>	24	-	-	-	-
Capital – transactions with owners					
Equity injections					
Capital appropriation		17	-	-	17
Equity transfers in		1 257	-	-	1 257
Other equity injections		1 081	-	664	1 745
Equity withdrawals					
Capital withdrawal		(298)	-	-	(298)
Equity transfers out		-	-	-	-
		2 057	-	664	2721
TOTAL EQUITY AT END OF FINANCIAL YEAR		55	(72)	664	647
2019-20					
Accumulated funds		(1 585)	(470)	-	(2 055)
Transfers from reserves		53	-	-	53
		(1 532)	(470)		(2 002)
<Reserves>	24	-	-	-	-
Capital – transactions with owners					
Equity injections					
Capital appropriation		17	-	-	17
Equity transfers in		1 257	-	-	1 257
Other equity injections		1 081	-	-	1 081
Equity withdrawals					
Capital withdrawal		(298)	-	-	(298)
Equity transfers out		-	-	-	-
		2 057			2 057
TOTAL EQUITY AT END OF FINANCIAL YEAR		525	(470)	-	55

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 2021

	Note	2021 \$000	2020 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Grants and subsidies received			
Current		-	2
Appropriation			
Output		4 324	2 498
Receipts from sales of goods and services		195	151
Interest received		-	-
Total operating receipts		4 519	2 651
Operating payments			
Payments to employees		(2 987)	(1 900)
Payments for goods and services		(1 845)	(902)
Grants and subsidies paid			
Current			
Capital			
Community service obligations			
Interest paid		-	-
Total operating payments		(4 832)	(2 802)
Net cash from/(used in) operating activities	11	(313)	(151)
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Deposits received		-	-
Equity Injections		664	-
Total financing receipts		664	-
Financing payments			
Finance lease payments	20	(21)	(25)
Total financing payments		(21)	(25)
Net cash from/(used in) financing activities	11	643	(25)
Net increase/(decrease) in cash held		330	(176)
Cash at beginning of financial year		69	245
CASH AT END OF FINANCIAL YEAR	10	399	69

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

INDEX OF NOTES TO THE FINANCIAL STATEMENTS

NOTE

1. Objectives and funding
2. Statement of significant accounting policies
3. Comprehensive operating statement by output group

INCOME

- 4a. Grants and subsidies revenue
- 4b. Appropriation
- 4c. Sales of goods and services
- 4d. Other income
5. Goods and services received free of charge
6. Gain on disposal of assets

EXPENSES

7. Purchases of goods and services
8. Interest expenses
9. Write-offs, postponements, waivers, gifts and ex gratia Payments

ASSETS

10. Cash and deposits
11. Cash flow reconciliation
12. Receivables
13. Advances and investments
14. Other assets
15. Property, plant and equipment
16. NTEC as lessee
17. Intangibles
18. Assets held for sale

LIABILITIES

19. Payables
20. Borrowings and advances – lease liabilities
21. Provisions
22. Other liabilities
23. Commitments

EQUITY

24. Reserves

OTHER DISCLOSURES

25. Fair value measurement
26. Financial instruments
27. Related parties
28. Contingent liabilities and contingent assets
29. Events subsequent to balance date
30. Accountable officer's trust account
31. Budgetary information

NOTES TO THE FINANCIAL STATEMENTS

1. OBJECTIVES AND FUNDING

The Northern Territory Electoral Commission (NTEC, the commission) was established in March 2004 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 and other organisations (if appointed), in an efficient and cost-effective manner, consistent with legislative requirements.

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

For the conduct of Legislative Assembly elections, a Treasurer's Advance is generally sought at the conclusion of the event. For a local government general election, councils are charged the margin cost and have the option to pay prior or after the event. For local government by-elections, councils are charged a 15 per cent corporate overhead in addition to the marginal cost and invoiced after the event. The financial statements encompass all funds through which the commission controls resources to carry on its functions and deliver outputs.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer's Directions. The *Financial Management Act 1995* requires NTEC 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:

- (i) a certification of the financial statements
- (ii) a comprehensive operating statement
- (iii) a balance sheet
- (iv) a statement of changes in equity
- (v) a cash flow statement and
- (vi) applicable explanatory notes to the financial statements.

(b) Basis of accounting

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

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

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

STANDARDS AND INTERPRETATIONS EFFECTIVE FROM 2020-21

Several amending standards and AASB interpretations have been issued that apply to the current reporting periods, but are considered to have no impact on public sector reporting.

STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

No Australian accounting standards have been early adopted for 2020-21. Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on public sector reporting.

(c) Reporting entity

The financial statements cover the Commission as an individual reporting entity. NTEC is a Northern Territory commission established under the *Interpretation Act 1978 and Administrative Arrangements Order*.

The principal place of business of the commission is: Level 3 TCG Centre, 80 Mitchell Street, Darwin. NTEC has no controlled entities.

(d) NTEC and Territory items

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

(e) Central Holding Authority

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

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

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

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

(f) Comparatives

Where necessary, comparative information for the 2019-20 financial year has been reclassified to provide consistency with current year disclosures.

(g) 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.

(h) Changes in accounting policies

There have been no changes to accounting policies adopted in 2020-21 as a result of management decisions. Changes in policies and management decisions relating to COVID-19 are disclosed in **k)** below.

(i) Accounting judgments and estimates

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

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

Judgments and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements.

(j) Goods and services tax

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

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

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

(k) Contributions by and distributions to government

NTEC may receive contributions from government where the government is acting as owner of the NTEC. Conversely, NTEC 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.

(l) Impact of COVID-19

The Territory Government modified its debt recovery process and postponed the payment date for a number of regulatory fees and charges to ease financial hardship faced by individuals and businesses as a result of COVID-19.

COVID-19 had a minimal impact in NTEC's 2020-21 financial performance. It is anticipated that the cost of complying with directions from the Chief Health Officer in response to COVID-19 will increase the cost of delivering the 2021 Local Government Elections in August and any other upcoming elections.

3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

	Note	Electoral Services		Corporate and Governance		Total	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000
INCOME							
Grants and subsidies revenue	4a						
Current		-	2	-	-	-	2
Appropriation	4b						
Output		4 324	2 498	-	-	4 324	2 498
Sales of goods and services	4c	343	75	-	-	343	75
Interest revenue		-	-	-	-	-	-
Goods and services received free of charge	5	-	-	797	724	797	724
Other income	4d	4	4	-	-	4	4
TOTAL INCOME		4 671	2 580	797	724	5 468	3 303
EXPENSES							
Employee expenses		2 836	1 876	99	124	2 935	2 000
Administrative expenses							
Property management		64	26	-	-	64	26
Purchases of goods and services	7	1 586	861	20	20	1 606	881
Repairs and maintenance		-	-	-	-	-	-
Depreciation and amortisation	15,16	138	140	-	-	138	140
Other administrative expenses ¹		-	2	797	724	797	726
Interest expenses	8	-	-	-	-	-	-
TOTAL EXPENSES		4 624	2 905	916	868	5 540	3 773
NET SURPLUS/(DEFICIT)		47	(325)	(119)	(144)	(72)	(470)
OTHER COMPREHENSIVE INCOME							
Items that will not be reclassified to net surplus/deficit							
Asset revaluation reserve		-	-	-	-	-	-
Transfers from reserves		-	-	-	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME		-	-	-	-	-	-
COMPREHENSIVE RESULT		47	(325)	(119)	(144)	(72)	(470)

¹ Includes DCDD service charges and DIPL R&M

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

4. REVENUE

Income encompasses both revenue and gains.

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

(a) Grants and subsidies revenue

	2021			2020		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Current grants	-	-	-	2	-	2
TOTAL GRANTS AND SUBSIDIES REVENUE	-	-	-	2	-	2

Grants revenue is recognised at fair value exclusive of the amount of GST.

Grant revenue, passed on from a Territory Government-controlled entity with the exception of the Central Holding Authority, is recognised upfront on receipt, irrespective of which revenue accounting standard it may fall under in accordance with the Treasurer's Direction on income.

There is no grant revenue recognised for 2020-21 financial year.

(b) Appropriation

	2021			2020		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Output	-	4 324	4 324	-	2 498	2 498
TOTAL APPROPRIATION	-	4 324	4 324	-	2 498	2 498

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 recognised on receipt of funds.

Where appropriation received has an enforceable contract with sufficiently specific performance obligations as defined in AASB 15, 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. NTEC, through output appropriation, provides election management services to the people of the Northern Territory.

(c) Sales of goods and services

	2021			2020		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
ACCRUED REVENUE – 2021 LOCAL GOVERNMENT ELECTION EXPENSE						
	307	-	307	-	-	-
Non-voter fines	33	-	33	-	-	-
Election services - other	3	-	3	75	-	75
TOTAL SALES OF GOODS AND SERVICES	343	-	343	75	-	75

(d) Rendering of services

NTEC's sales of goods and services income primarily relate to the provision of election services to various clients. Revenue from rendering of services is recognised as NTEC satisfies its performance obligation when election services are performed, with payments typically due a month after.

Revenue from these sales are 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.

In 2020-21, NTEC accrued revenue amounting to \$0.3 million in relation to the expenditure incurred in the financial year for the local government general elections in August 2021. This will be recovered from the local government councils in the next financial year once the service level agreements were finalised.

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.

	2021	2020
	\$000	\$000
Type of good and service:		
Service delivery	343	75
Total revenue from contracts with customers by good or service	343	75
Type of customer:		
Australian Government entities	1	-
NT local government councils	307	64
Non-government entities	35	11
Total revenue from contracts with customers by type of	343	75
Timing of transfer of goods and services:		
Overtime	-	-
Point in time	343	75
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS BY TIMING OF TRANSFER	343	75

(e) Other income

	2021			2020		
	\$000	\$000	\$000	\$000	\$000	\$000
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
Reimbursement of election related costs	2	-	2	2	-	2
Other income	2	-	2	2	-	2
TOTAL OTHER INCOME	4	-	4	4	-	4

NTEC's other income in 2020-21 comprise of reimbursement of election related fees and the 2019-20 FBT refund. In 2019-20, other income comprised of election registration related fees and Aboriginal Employment Program incentive from DCDD. Revenue is recognised as NTEC satisfies its performance obligation when election registration services are performed, with payments typically due a month after.

Revenue from contracts with customers for the 2020-21 financial year 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.

	2021	2020
	\$000	\$000
Type of good and service:		
Other	4	4
Total revenue from contracts with customers by good or service	4	4
Type of customer:		
Australian Government entities	2	-
State and territory governments	-	2
Non-government entities	2	2
Total revenue from contracts with customers by type of customer	4	4
Timing of transfer of goods and services:		
Overtime	-	-
Point in time	4	4
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS BY TIMING OF TRANSFER	4	4

5. GOODS AND SERVICES RECEIVED FREE OF CHARGE

	2021	2020
	\$000	\$000
Corporate and information services	796	718
Repairs and maintenance	1	6
	797	724

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.

Repairs and maintenance expenses and associated employee costs are centralised and provided by the Department of Infrastructure, Planning and Logistics and forms part of goods and services free of charge of the agency.

In addition, corporate services staff and functions are centralised and provided by Department of Corporate and Digital Development and forms part of goods and services free of charge of the agency.

6. GAIN ON DISPOSAL OF ASSETS

NTEC has no gain on disposal of assets in 2020-21 and in 2019-20.

7. PURCHASES OF GOODS AND SERVICES

	2021	2020 ⁴
	\$000	\$000
The net surplus/(deficit) has been arrived at after charging the following expenses:		
Goods and services expenses:		
Consultants ¹	48	42
Advertising ²	-	-
Marketing and promotion ³	246	145
Document production	78	38
Legal Expenses	3	-
Agent service arrangements	124	123
Training and study	14	31
Official duty fares	160	43
Accommodation	107	14
Travelling allowance	95	21
Audit fees	49	26
Motor Vehicle Expenses	115	24
Information technology charges and communications	255	137
Information technology hardware and software	56	106
Other	256	131
	1 606	881

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 2020 figures were revised from the published version for comparability with 2021 disclosures.

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.

8. INTEREST EXPENSE

	2021	2020
	\$000	\$000
Interest from lease liabilities ¹	-	-
TOTAL	-	-

¹ NTEC had one leased property and incurred very minimal interest expense (less than \$500) in 2020-21 and 2019-20.

9. WRITE-OFFS, POSTPONEMENTS, WAIVER, GIFTS AND EX GRATIA PAYMENTS

	Agency		2020	No. of trans.
	2021	No. of trans.		
	\$000		\$000	
Write-offs, postponements and waivers under the Financial Management Act 1995	1	1	3	1
Represented by:				
<i>Amounts written off, postponed and waived by the Treasurer</i>				
Irrecoverable amounts payable to the Territory or an agency written off	-	-	-	-
Losses or deficiencies of money written off	1	1	3	1
Public property written off	-	-	-	-
Waiver or postponement of right to receive or recover money or property	-	-	-	-
TOTAL WRITTEN OFF, POSTPONED AND WAIVED BY THE TREASURER	1	1	3	1

10. CASH AND DEPOSITS

	2021	2020
	\$000	\$000
Cash on hand	-	-
Cash at bank	399	69
TOTAL	399	69

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 30.

11. CASH FLOW RECONCILIATION

(f) Reconciliation of cash

The total of agency 'Cash and deposits' of \$399 000 recorded in the balance sheet is consistent with that recorded as 'Cash' in the cash flow statement.

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

	2021	2020
	\$000	\$000
Net surplus/deficit	(72)	(470)
<i>Non-cash items:</i>		
Depreciation and amortisation	138	140
<i>Changes in assets and liabilities:</i>		
Decrease/increase in receivables ¹	(285)	-
Decrease/increase in payables	(38)	96
Decrease/increase in provision for employee benefits	(48)	72
Decrease/increase in other provisions	(8)	11
NET CASH FROM OPERATING ACTIVITIES	(313)	(151)

¹ The 2019-20 change in receivables included prepayments and restates it to a net zero movement.

(g) Reconciliation of liabilities arising from financing activities

2020-21

	Cash flows						Other		
	1 July	Loans and advances	Equity Injections/withdrawals	Lease liabilities repayments	Other	Total cash flows	Other	Total other	30 June
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Borrowings and Advances	21	-	-	(21)	-	(21)	-	-	-
Provisions	255	-	-	-	-	-	(57)	(57)	198
Equity Injections/Withdrawals	-	-	664	-	-	664	-	-	664
TOTAL	276	-	664	(21)	-	643	(57)	(57)	862

2019-20

	Cash flows								Other		
	1 July	Recognised on AASB 16 adoption	Adjusted 1 July	Loans and advances	Securities	Lease liabilities repayments	Other	Total cash flows	Other	Total other	30 June
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Borrowings and advances	-	46	46	-	-	(25)	-	(25)	-	-	21
Provisions	171	-	171	-	-	-	-	-	84	84	255
TOTAL	171	46	217	-	-	(25)	-	(25)	84	84	276

(h) Non-cash financing and investing activities

Lease transactions

During the financial year, the agency recorded right-of-use asset for the lease of a building with an aggregate value of \$23 748 (2019: \$21 769). The lease was terminated in May 2021 and was not renewed.

12. RECEIVABLES

	2021	2020
	\$000	\$000
Current		
Accounts receivable	6	6
Less: loss allowance	(6)	(6)
	-	-
Accrued contract revenue	307	-
Interest receivables	-	-
GST receivables	15	26
Prepayments	-	11
Other receivables	-	-
	322	37
	-	-
TOTAL RECEIVABLES	322	37

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.

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.

Accrued contract revenue

Accrued contract revenue arise from contracts with customers where the agency's right to consideration in exchange for goods transferred to customers or works completed have arisen but have not been billed at the reporting date. Once the agency's rights to payment becomes unconditional, usually on issue of an invoice, accrued contract revenue balances are reclassified as contract receivables. Accrued revenue that does not arise from contracts with customers are reported as part of other receivables.

NTEC has accrued revenue amounting to \$0.3 million in relation to the 2021 Local Government Elections expenditure incurred in 2020-21 financial year. This will be recovered from the local government councils in the next financial year after service level agreements are finalised.

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, including macroeconomic factors.

In accordance with the provisions of the FMA, receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery includes a failure to make contractual payments for a period greater than 182 days past due.

Due to COVID-19, the agency's credit risk exposure has increased and is reflected in the expected credit losses reported. To ease financial hardship faced by individuals and businesses as a result of the COVID-19, the Territory Government modified its debt recovery process and postponed the payment date for a number of regulatory fees and charges. This has been reflected in the expected credit loss recorded within the reporting period.

The loss allowance for receivables and reconciliation as at the reporting date is disclosed below.

Loss allowance for receivables

	2021				2020			
	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 receivables								
Not overdue								
Overdue for less than 30 days								
Overdue for 30 to 60 days								
Overdue for more than 60 days	6	100%	6	-	6	100%	6	-
TOTAL EXTERNAL RECEIVABLES	6	100%	6	-	6	100%	6	-

Total amounts disclosed exclude statutory amounts and include contract receivables and accrued contract revenue.

Reconciliation of loss allowance for receivables

	2021	2020 ¹
	\$000	\$000
External receivables		
Opening balance	6	27
Receivables in the reporting year	6	82
Written off during the year	(1)	-
Recovered during the year	(5)	(103)
Increase/decrease in allowance recognised in profit or loss	-	-
TOTAL EXTERNAL RECEIVABLES	6	6

¹ 2019-20 data was adjusted from the published version to align with 2020-21 figures.

Prepayments

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

There are no prepayments for NTEC in 2020-21 financial year.

13. ADVANCES AND INVESTMENTS

NTEC had no advances paid, equity accounted investments and investments in shares for the 2020-21 and 2019-20 financial year.

14. OTHER ASSETS

b) Agency as a lessor

NTEC is not a lessor and therefore, does not have any finance lease or sublease arrangements. There is no lease receivables for 2020-21 and 2019-20.

c) Contract cost asset

For the 2020-21 and 2019-20 reporting period, no costs were capitalised as a contract cost asset.

15. PROPERTY, PLANT AND EQUIPMENT

Total property, plant and equipment

	2021	2020
	\$000	\$000
Plant and equipment		
At fair value	1 229	1 251
Less: accumulated depreciation	(1 144)	(1 076)
	85	175
Leased property, plant and equipment ¹		
At capitalised cost	-	46
Less: accumulated depreciation	-	(24)
	-	22
TOTAL PROPERTY, PLANT AND EQUIPMENT	85	197

¹ NTEC has no concessionary leases.

2021 Property, plant and equipment reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2020-21 is set out below:

	Plant and equipment	Leased property, plant and equipment	Total
	\$000	\$000	\$000
Adjusted carrying amount as at 1 July 2020	175	22	197
Additions	-	-	-
Additions of right-of-use assets	-	-	-
Disposals	-	-	-
Depreciation expense – asset owned	(90)	-	(90)
Amortisation expense – right-of-use asset	-	(22)	(22)
CARRYING AMOUNT AS AT 30 JUNE 2021	85	-	85

2020 Property, plant and equipment reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2019-20 is set out below:

	Plant and equipment \$000	Leased property, plant and equipment \$000	Total \$000
Adjusted carrying amount as at 1 July 2019	265	46	311
Additions	-	-	-
Additions of right-of-use assets	-	-	-
Disposals	-	-	-
Depreciation expense – asset owned	(90)	-	(90)
Amortisation expense – right-of-use asset	-	(24)	(24)
CARRYING AMOUNT AS AT 30 JUNE 2020	175	22	197

Acquisitions

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

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

Complex assets

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

Subsequent additional costs

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

Construction (work in progress)

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

Revaluations and impairment

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

For right-of-use assets, the net present value of the remaining lease payments is often an appropriate proxy for the fair value of relevant right-of-use assets at the time of initial recognition. Subsequently, right-of-use assets are stated at cost less amortisation, which is deemed to equate to fair value.

Depreciation and amortisation expense

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

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

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

	2021	2020
Plant and equipment	3-6 years	3-6 years
Right-of-use assets ¹	Lease term	Lease term
Intangibles (Computer software)	10 years	10 years

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

¹ Further information on right-of-use assets is disclosed in Note 16.

16. NTEC AS A LESSEE

NTEC currently leases a storage facility with a contract for a fixed period of 3 years. 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. NTEC does not provide residual value guarantees in relation to leases.

Extension and termination options are included in NTEC 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 NTEC 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).

NTEC 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.

Right-of-use asset

The following table presents right-of-use assets included in the carrying amounts of property, plant and equipment at Note 15.

The lease was terminated as at May 2021 and there is NIL recorded right-of-use asset as at 30 June 2021.

	Buildings	Plant and equipment	Total
	\$000	\$000	\$000
Balance as at 1 July 2020	22	-	22
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(22)	-	(22)
Revaluation increments/decrements including re-measurement	-	-	-
CARRYING AMOUNT AS AT 30 JUNE 2021	-	-	-

	Buildings	Plant and equipment	Total
	\$000	\$000	\$000
Balance as at 1 July 2019	46	-	46
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(24)	-	(24)
Revaluation increments/decrements including re-measurement	-	-	-
CARRYING AMOUNT AS AT 30 JUNE 2020	22	-	22

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

	2021 \$000	2020 \$000
Amortisation expense of right-of-use assets	22	24
Interest expense on lease liabilities	-	-
Expense relating to short-term leases	88	-
Intergovernmental leases	24	-
TOTAL AMOUNT RECOGNISED IN THE COMPREHENSIVE OPERATING STATEMENT	134	24

Recognition and measurement

NTEC assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

NTEC recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

NTEC recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Inter-governmental leases

NTEC applies the inter-governmental leases recognition exemption as per the Treasurer's Direction – Leases and recognise 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 (DCDD). Consequently all lease liabilities and right-of-use assets relating to these arrangements are recognised by DCDD and not disclosed within these financial statements.

17. INTANGIBLES

	2021	2020
	\$000	\$000
Carrying amount		
Intangibles with a finite useful life		
Other intangibles		
At cost	262	262
Less: accumulated amortisation	(146)	(120)
Written down value – 30 June	116	142
TOTAL INTANGIBLES	116	142

Intangible valuations

Intangible assets for NTEC are comprised of computer software. Intangible assets are stated at historical cost less depreciation, which is deemed to equate to fair value.

Impairment of intangibles

Due to the method of valuation of NTEC assets, no assessment for impairment was deemed necessary as at 30 June 2021, and therefore, no impairment adjustments were required.

	2021	2020
	\$000	\$000
Reconciliation of movements		
Intangibles with a finite useful life		
Other intangibles		
Carrying amount at 1 July	142	168
Additions	-	-
Disposals	-	-
Depreciation/ amortisation	(26)	(26)
CARRYING AMOUNT AS AT 30 JUNE	116	142

18. ASSETS HELD FOR SALE

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction or a grant agreement rather than continuing use. Assets held for sale consist of those assets that management has determined are available for immediate sale or granting in their present condition and their sale is highly probable within one year from the date of classification.

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are not depreciated. Non-current assets held for sale have been recognised on the face of the financial statements as current assets.

NTEC had no assets held for sale in 2020-21 and 2019-20.

19. PAYABLES

	2021	2020
	\$000	\$000
Accounts payable	35	22
Accrued expenses	41	92
TOTAL PAYABLES	76	114

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

20. BORROWINGS AND ADVANCES

	2021	2021
	\$000	\$000
Current		
Lease liabilities	-	21
TOTAL BORROWINGS AND ADVANCES	-	21

Lease liabilities

At the commencement date of the lease where NTEC is the lessee, NTEC 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
- amounts expected to be paid under residual value guarantees
- exercise price of a purchase options reasonably certain to be exercised by the agency
- payments of penalties for terminating the lease, if the lease term reflects the agency exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate 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.

The 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.

The following table presents liabilities under leases.

	2021	2020
	\$000	\$000
Balance at 1 July	21	46
Additions/remeasurements	-	-
Interest expenses	-	-
Payments	(21)	(25)
BALANCE AT 30 JUNE	-	21

The commission had total cash outflows for leases of \$21,186 in 2020-21 and \$24,736 in 2019-20.

The commission had no future lease payments under non-cancellable leases not recorded as liability for 2020-21 and 2019-20 financial years.

21. PROVISIONS

	2021	2020
	\$000	\$000
Current		
<i>Employee benefits</i>		
Recreation leave	154	200
Leave loading	19	22
<i>Other current provisions</i>		
Other provisions	25	33
	<u>198</u>	<u>255</u>
TOTAL PROVISIONS	<u>198</u>	<u>255</u>

The commission employed 11 permanent and contract staff as at 30 June 2021 (25 employees as at 30 June 2020).

The decrease in FTE numbers relate to the termination of short term contract positions for the August 2020 Territory Election.

Employee benefits

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

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

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

- 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 NTEC and therefore no long service leave liability is recognised in agency financial statements.

Superannuation

Employees' superannuation entitlements are provided through the:

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

NTEC 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 NTEC's financial statements.

22. OTHER LIABILITIES

NTEC has no other liabilities for the 2020-21 and 2019-20 financial years.

Financial guarantee contracts

NTEC had no financial guarantee contracts for 2020-21 and 2019-20 financial years.

Unearned contract revenue

NTEC had no unearned contract revenue for 2020-21 and 2019-20 financial years.

23. COMMITMENTS

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

Disclosures in relation to capital and other commitments are detailed below:

	2021		2020	
	Internal	External	Internal	Exter
	\$000	\$000	\$000	\$000

d) Capital expenditure commitments

NTEC had no capital expenditure commitments for 2020-21 and 2019-20.

e) Other expenditure commitments

Other non-cancellable expenditure commitments are related to short-term leases for the elections. They are not recognised as liabilities are payable as follows:

Within one year	10	11	-	80
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	10	11	-	80

24. RESERVES

Asset revaluation surplus

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the asset revaluation surplus.

NTEC had no movements to asset revaluation surplus as at 30 June 2021 and 30 June 2020.

25. FAIR VALUE MEASUREMENT

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

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

NTEC property, plant and equipment, computer software and computer hardware are recognised at cost less depreciation or amortisation. The carrying amounts of these financial assets and liabilities approximates their fair value.

26. FINANCIAL INSTRUMENTS

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

Financial assets and liabilities are recognised on the balance sheet when NTEC becomes a party to the contractual provisions of the financial instrument. NTEC's financial instruments include cash and deposits, receivables, payables and finance lease liabilities.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments: Presentation. These include statutory receivables arising from taxes including GST and penalties.

NTEC 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.

(i) Categories of financial instruments

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

	Fair value through profit or loss		Amortised cost	Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value			
	\$000	\$000	\$000	\$000	\$000
2020-21					
Cash and deposits	-	-	399	-	399
Receivables ¹	-	-	-	-	-
Total financial assets	-	-	399	-	399
Payables ¹	-	-	35	-	35
Lease liabilities	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES	-	-	35	-	35
2019-20					
Cash and deposits	-	-	69	-	69
Receivables ¹	-	-	-	-	-
Total financial assets	-	-	69	-	69
Payables ¹	-	-	22	-	22
Lease liabilities	-	-	21	-	21
TOTAL FINANCIAL LIABILITIES	-	-	43	-	43

¹ Total amounts disclosed here exclude statutory amounts and accrued contract revenue

Categories of financial instruments

NTEC's financial instruments are classified in accordance with AASB 9.

Financial assets are classified under the following categories:

- amortised cost

Financial liabilities are classified under the following categories:

- amortised cost

Financial assets at amortised cost

Financial assets are classified at amortised cost when they are held by the agency 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. NTEC's financial assets categorised at amortised cost include cash and deposits and receivables.

Financial assets at fair value through other comprehensive income

NTEC does not have any financial assets under this category.

Financial assets at fair value through profit or loss

NTEC 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 and lease liabilities.

Financial liabilities at fair value through profit or loss

NTEC does not have any financial liabilities under this category.

Derivatives

NTEC does not trade on derivatives.

(j) Credit risk

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

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the 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 12.

(k) Liquidity risk

Liquidity risk is the risk NTEC will not be able to meet its financial obligations as they fall due. NTEC'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 NTEC bank account to meet various current employee and supplier liabilities. NTEC'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.

2021 Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
Liabilities					
Payables ¹	35	35	-	-	35
Lease liabilities	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES	35	35	-	-	35

¹Total amounts disclosed here exclude statutory amounts and accrued contract revenue

2020 Maturity analysis for financial liabilities

	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
Liabilities					
Payables ¹	22	22	-	-	22
Lease liabilities	21	21	-	-	21
TOTAL FINANCIAL LIABILITIES	43	43	-	-	43

(l) 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.

NTEC has relatively limited exposure to market risk.

f) Interest rate risk

NTEC is not exposed to interest rate risk as agency financial assets and financial liabilities are non-interest bearing.

g) Price risk

NTEC is not exposed to price risk as it does not hold units in unit trusts.

h) Currency risk

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

27. RELATED PARTIES

i) Related parties

The Northern Territory Electoral Commission 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 KMP's or the portfolio minister, or controlled or jointly controlled by their close family members.

j) Key management personnel (KMP)

Key management personnel of NTEC are those persons having authority and responsibility for planning, directing and controlling the activities of commission. These include the Chief Minister and the Electoral Commissioner.

k) 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 NTEC is set out below:

	2020-21	2019-20
	\$000	\$000
Short-term benefits	259	252
Post-employment benefits	25	25
Long-term benefits	-	-
Termination benefits	-	-
TOTAL	284	277

l) 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.

2021

Related party	Revenue from related parties \$000	Payments to related parties \$000	Amounts owed by related parties \$000	Amounts owed to related parties \$000
<i>All NTG departments</i>	5 121	1 226	-	11

2020

Related party	Revenue from related parties \$000	Payments to related parties \$000	Amounts owed by related parties \$000	Amounts owed to related parties \$000
<i>All NTG departments</i>	803	1 226	6	80

The Commission's transactions with other government entities are not individually significant.

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.

28. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

NTEC had no material contingent liabilities or contingent assets in 2020-21 and 2019-20.

29. 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 these financial statements.

30. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the *Financial Management Act 1995*, an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust.

A summary of activity is shown below:

Nature of trust money	Opening balance 1 July 2020	Receipts	Payments	Closing balance 30 June 2021
Retention money	-	-	-	-
Bond money	-	-	-	-
Security deposits	-	56 000	(56 000)	-
Unclaimed money	-	-	-	-
	-	56 000	(56 000)	-

31. BUDGETARY INFORMATION COMPREHENSIVE OPERATING STATEMENT

	2020-21 Actual	2020-21 Original budget	Variance	Note
	\$000	\$000	\$000	
INCOME				
Grants and subsidies revenue				
Current				
Appropriation				
Output	4 324	4 021	303	1
Sales of goods and services	343	50	293	2
Goods and services received free of charge	797	716	81	
Other income	4	-	4	
TOTAL INCOME	5 468	4 787	681	
EXPENSES				
Employee expenses	2 935	1 158	(1 777)	3
Administrative expenses				
Purchases of goods and services	1 606	2 892	1 286	4
Property management	64	-	(64)	
Repairs and maintenance	-	-	-	
Depreciation and amortisation	138	113	(25)	
Other administrative expenses	797	716	(81)	
Interest expenses	-	-	-	
TOTAL EXPENSES	5 540	4 879	(661)	
NET SURPLUS/(DEFICIT)	(72)	(92)	20	
OTHER COMPREHENSIVE INCOME	-	-	-	
COMPREHENSIVE RESULT	(72)	(92)	20	

Notes:

1. Increased budget following Treasurer's Advance funding at the end of the financial year.
2. Accrued revenue recognised in 2020-21 relating to total expenditure incurred for the Local Government Councils election in August 2021.
3. Increased budget following Treasurer's Advance funding and a category of cost adjustment from purchase of goods and services to align budget capacity to match anticipated actuals.
4. Category of cost adjustment to employee expenses to align budget capacity to match anticipated actuals.

BALANCE SHEET

	2020-21 Actual	2020-21 Original budget	Variance	Note
	\$000	\$000	\$000	
ASSETS				
Current assets				
Cash and deposits	399	69	330	1
Receivables	322	38	284	2
Total current assets	721	107	614	
Non-current assets				
Property, plant and equipment	85	84	1	
Intangibles	116	142	(26)	
Total non-current assets	201	226	(25)	
TOTAL ASSETS	921	333	589	
LIABILITIES				
Current liabilities				
Payables	76	115	39	3
Borrowings and advances- <i>lease liabilities</i>	-	-	-	
Provisions	198	255	57	4
Total current liabilities	274	370	96	
TOTAL LIABILITIES	274	370	96	
NET ASSETS	647	(37)	685	
EQUITY				
Capital	2 721	2 056	665	
Reserves	-	-	-	
Accumulated funds	(2 074)	(2 094)	20	
TOTAL EQUITY	647	(37)	685	

Notes:

1. Variations are detailed in the cash flow statement and notes thereto. Key variation reflects the equity funding provided by the Department of Treasury and Finance. This occurred due to higher than anticipated expenditure incurred for the 2021 Local Government Elections in August.
2. Accrued revenue recognised in 2020-21 relating to total expenditure incurred for the 2021 Local Government Elections in August.
3. Reflects timely payment of invoices.
4. Lower than anticipated provisions due to employee entitlements being used during the financial year.

CASH FLOW STATEMENT

	2020-21 Actual	2020-21 Original budget	Variance	Note
	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Grants and subsidies received				
Current				
Appropriation				
Output	4 324	4 021	303	1
Receipts from sales of goods and services	195	50	144	2
Interest received	-	-	-	
Total operating receipts	4 519	4 071	447	
Operating payments				
Payments to employees	(2 987)	(1 158)	(1 829)	3
Payments for goods and services	(1 845)	(2 892)	1 047	4
Interest paid	-	-	-	
Total operating payments	(4 832)	(4 050)	(782)	
Net cash from/(used in) operating activities	(313)	21	(335)	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Equity injections				
Other equity injections	664	-	664	5
Total financing receipts	664	-	664	
Financing payments				
Finance lease payments	(21)	(21)	(42)	
Total financing payments	(21)	(21)	(42)	
Net cash from/(used in) financing activities	643	(21)	622	
Net increase/(decrease) in cash held	330	-	330	
Cash at beginning of financial year	69	69	-	
CASH AT END OF FINANCIAL YEAR	399	69	330	

Notes:

1. Increased budget following Treasurer's Advance funding provided at the end of the financial year.
2. The variance relates to GST receivables from the Australian Tax Office that are not budgeted.
3. Increased budget following Treasurer's Advance funding and a category of cost adjustment from payments for goods and services to align budget capacity to match anticipated actuals.
4. Category of cost adjustment to payments to employees to align budget capacity to match anticipated actuals and an unbudgeted GST creditor.
5. Department of Treasury and Finance provided equity funding at the end of the financial year due to higher than anticipated expenditure incurred for the 2021 Local Government Elections in August.

