

Department of Education

# Annual Report

2017-18



WARNING: This report may contain images and stories of deceased persons.

Published by the Department of Education

© Northern Territory Government, 2018

Apart from any use permitted under the Copyright Act, no part of this document may be reproduced without prior written permission from the Northern Territory Government through the Department of Education.

Northern Territory Department of Education  
Level 10, Mitchell Centre  
55-59 Mitchell Street  
DARWIN NT 0800

GPO Box 4821  
Darwin NT 0801

Phone: (08) 8999 5659  
[infocentre.det@nt.gov.au](mailto:infocentre.det@nt.gov.au)  
[www.education.nt.gov.au](http://www.education.nt.gov.au)

Contact details for all Northern Territory government schools are available on our website:  
<https://education.nt.gov.au/contact>

ISSN: 2202-929X

**EXECUTIVE**

Level 14, Mitchell Centre  
55-59 Mitchell Street, Darwin  
**Postal address** GPO Box 4821  
DARWIN, NT, 0801  
**Tel** (08) 8999 5857  
**Fax** (08) 8999 3537  
[Vicki.Baylis@nt.gov.au](mailto:Vicki.Baylis@nt.gov.au)

The Honourable Selena Uiibo MLA  
Minister for Education  
Parliament House  
DARWIN NT 0800

28 September 2018

Dear Minister

**RE: Department of Education 2017–18 Annual Report**

I am pleased to present this report on the activities of the Northern Territory Department of Education from 1 July 2017 to 30 June 2018 in accordance with section 28 of the *Public Sector Employment and Management Act*, section 22 of the *Education Act*, section 12 of the *Financial Management Act* and section 131 of the *Information Act*.

To the best of my knowledge and belief as the Accountable Officer, pursuant to section 13 of the *Financial Management Act*, the system of internal control and audit provides reasonable assurance that:

- a) Proper records of all transactions affecting the agency are kept and the department's employees observe the provisions of the *Financial Management Act*, the Financial Management Regulations and Treasurer's Directions.
- b) Department procedures provide proper internal control, and a current description of those procedures is recorded in the Accounting and Property Manual, which has been prepared in accordance with the requirements of the *Financial Management Act*.
- c) No indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists.
- d) In accordance with the requirements of section 15 of the *Financial Management Act*, the internal audit capacity available to the agency is adequate, and the results of internal audits have been reported.
- e) The financial statements in this annual report have been prepared from proper accounts and records and are in accordance with the Treasurer's Directions.
- f) In accordance with the requirements of section 18 of the *Public Sector Employment and Management Act*, all Employment Instructions issued by the Commissioner for Public Employment have been satisfied and reported for 2017–18.
- g) Procedures within the department complied with the requirements of the *Information Act*.

In addition, the Chief Executive of the Department of Corporate and Information Services (DCIS) has advised that in relation to items a) and e), and to the best of her knowledge and belief, proper records are kept of transactions undertaken by DCIS on behalf of Treasury, and the employees under her control observe the provisions of the *Financial Management Act*, the Financial Management Regulations and Treasurer's Directions.

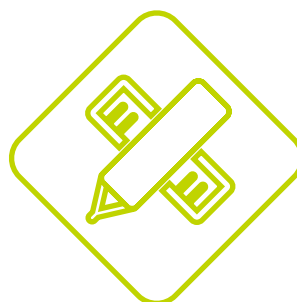
The Auditor-General has conducted compliance audits during the year to provide audit assurance that DCIS has maintained appropriate controls and record-keeping practices.

Yours sincerely



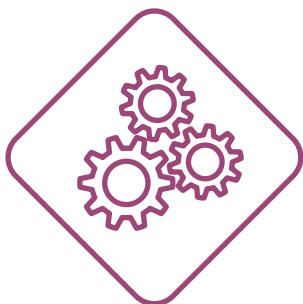
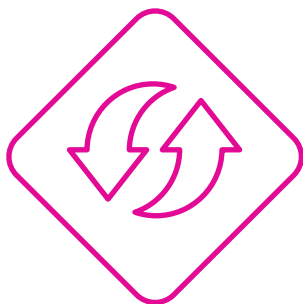
**Vicki Baylis**  
Chief Executive

# Table of Contents



<b>OVERVIEW</b>	<b>4</b>	<b>EARLY CHILDHOOD</b>	<b>16</b>	<b>SCHOOLING</b>	<b>22</b>	<b>OUR PEOPLE</b>	<b>36</b>
About the Annual Report	6	Introduction	18	Introduction	24	Introduction	38
About Us	6	Ensuring Accessible, Quality Early Childhood Education Services	18	Delivering a Contemporary Curriculum	24	Attracting and Recruiting Quality People	38
Our Context	8	Engaging Families and Communities in their Child's Learning and Development	19	Closing the Gap in Educational Outcomes for Aboriginal Students	26	Developing our People	40
Chief Executive's Foreword	9	Integrating Early Childhood Services	20	Engaging Students in Education	27	Retaining, Supporting and Valuing our People	43
Our Performance Overview	10	Supporting Children's Attendance in Preschool and Transition to Schooling	20	Supporting Inclusion and Wellbeing	28		
Our Challenges and Future Priorities	12	Driving Improvement in Quality Early Childhood Education through Regulatory Processes	21	Improving Learning Outcomes by Focussing on Student Progress	30		
Our Organisation	13			Supporting Students to Transition to Further Education, Training and Employment	31		
Our Executive Team	14			Investing in Government School Education	32		
				Connecting Students at the Global Level	33		
				Supporting Non-Government Education	34		
				Fostering Strong Partnerships	35		





## **SUSTAINABILITY 46**

Introduction	<b>48</b>
Supporting Environmental Sustainability	<b>48</b>
Fostering Social Sustainability	<b>49</b>
Building Economic Sustainability	<b>52</b>

## **CORPORATE GOVERNANCE 54**

Introduction	<b>56</b>
Transparency	<b>56</b>
Accountability	<b>58</b>
Stewardship	<b>62</b>
Integrity	<b>63</b>

## **FINANCIAL STATEMENT OVERVIEW 64**

Introduction	<b>66</b>
Financial Highlights	<b>66</b>

## **APPENDICES 69**

Appendix 1 – Early Childhood Performance	<b>70</b>
Appendix 2 – Schooling Performance	<b>72</b>
Appendix 3 – Our People	<b>79</b>
Appendix 4 – Sustainability	<b>89</b>
Appendix 5 – Corporate Governance	<b>91</b>
Appendix 6 – Financial Statements	<b>104</b>
Appendix 7 – Contact Us	<b>149</b>
Appendix 8 – Acronyms and Glossary	<b>150</b>



## Chapter

# 1

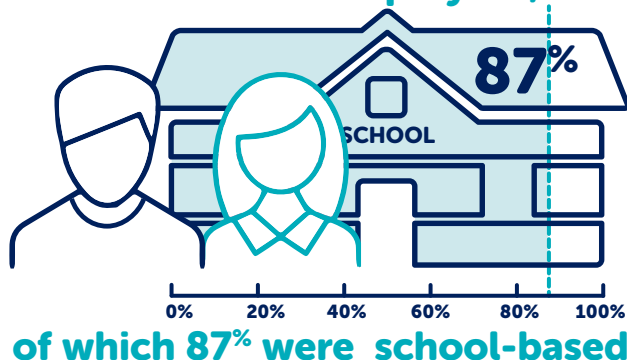
# Overview

## Contents

About the Annual Report	6
About Us	6
Our Context	8
Chief Executive's Foreword	9
Our Performance Overview	10
Our Challenges and Future Priorities	12
Our Organisation	13
Our Executive Team	14



Delivered education services to **34 150** government school students who were supported by **4285** FTE employees,



**\$153.3M**

in new and improved school classrooms and facilities



**\$65.1M**

in early childhood education, including



**\$10.1M**

to expand the Families as First Teachers program to



Developed our Strategic Framework and Education NT Strategy 2018-2022

setting our future direction in delivering a strong public education system that gives every child the opportunity to engage, grow and achieve



A record

**947**

government school students attained a

Northern Territory Certificate of Education and Training





## ABOUT THE ANNUAL REPORT

The Department of Education's annual report summarises our activities in 2017–18 and our achievement of planned strategies, key actions and performance measures against our Strategic Plan for 2016–18, 'Growing Success Together' and our 'Education NT Strategy 2018–22'.

The annual report also highlights the department's new Strategic Framework 2018–2022 which sets our strategic direction for the next five years.

This and earlier annual reports are available on our website: [www.education.nt.gov.au](http://www.education.nt.gov.au)

### LEGISLATIVE REQUIREMENTS

In line with section 28 of the *Public Sector Employment and Management Act*, section 22 of the *Education Act*, section 12 of the *Financial Management Act* and section 131 of the *Information Act*, this report contains information about the department's:

- primary functions and responsibilities
- unique education context and challenges, legislative and organisational governance, workforce and strategic intent
- specific activities undertaken during the year against budget outputs
- significant achievements and outcomes
- financial management and performance relative to the budget.

### PROVIDING FEEDBACK

The department is committed to accountability and transparency in our reporting to the community, and we value your feedback on the annual report. Please email [infocentre.det@nt.gov.au](mailto:infocentre.det@nt.gov.au)

## ABOUT US

### OUR VISION

Every child in the Northern Territory has the best start in life and through early learning and school education gains a bright future.

### OUR PARTNERS AND STAKEHOLDERS

Northern Territory children and their families are our primary stakeholders. To give every child the best possible start in life and the opportunity to achieve their potential, we work with a wide range of government and non-government organisations to deliver services and education from the early years of life through to the senior years of schooling.

### OUR CULTURE

Our culture is underpinned by a set of shared values and beliefs that guide how we approach our work:

- We value working together to achieve our common purpose.
- We celebrate success and share feedback to help each other learn and improve.
- We value our people, especially the positive impact they have on the lives of children and students.
- We take a holistic approach in supporting children and students who are central to our collective work.
- We value diversity and the benefit that different perspectives and experiences bring to our work.

### OUR STRATEGIC DIRECTION

The department is focussed on ensuring that children are engaged in their education, that they are learning at school, and that, as they progress through school, they achieve the best possible outcomes.

The Northern Territory's key challenge remains closing the gap between Aboriginal and non-Aboriginal student outcomes. Our ability to translate pockets of excellence into system-wide best practice, supported by a structure that ensures our teaching staff can achieve the best results in the classroom, is critical to our success.

To improve learning outcomes, the department worked with stakeholders both inside and outside the education system to develop a new vision and strategic framework that builds on our strengths and identifies areas for improvement.



The resulting [Strategic Framework 2018–2022](#) sets the future direction of the department, with the Education NT Strategy as its centrepiece. The framework also recognises our partnerships with government and non-government organisations at the national and international levels, including our support and regulation of the early childhood education and care and non-government school sectors to ensure that every child has access to quality education services. The Education NT Strategy commenced in 2018 for our government schools and places schools at the centre of what we do. This ensures we are best positioned to achieve improved outcomes for children and students.

### EDUCATION NT STRATEGY GOALS

The Education NT Strategy commits to a strong public education system that ensures equity and gives every child in the Northern Territory the opportunity to:

- 1 Engage** Engage in education from birth to Year 12 and maximise their participation
- 2 Grow** Achieve at least one year of growth for one year of education
- 3 Achieve** Leave school with the maximum number of options available to achieve their aspirations.

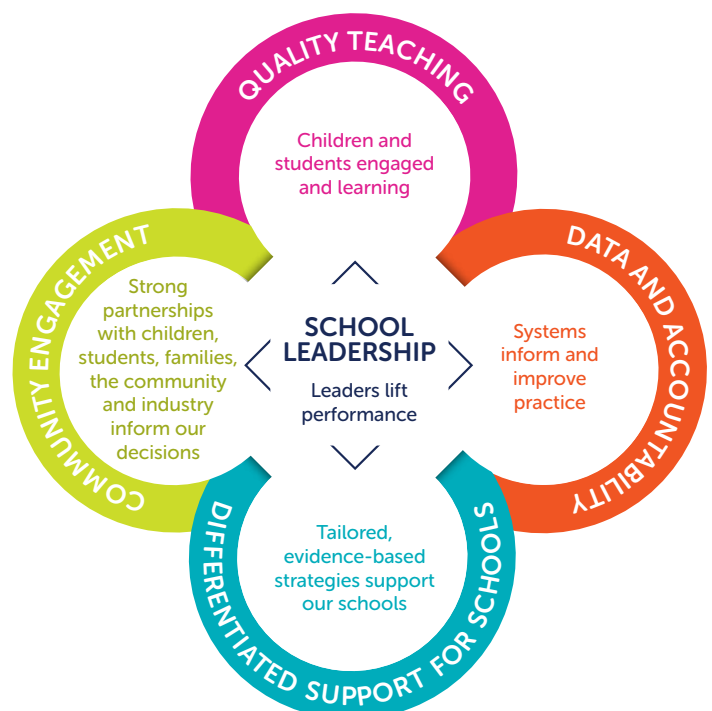
We will accelerate school improvement by ensuring schools' priorities are focussed and that the system supports schools' needs to help them achieve better outcomes for children and students. Over the next five years, the [Education NT Strategy](#) will reframe the department's activity in all areas. The intended result is a stronger public education system intent on school and system improvement, where Northern Territory students are engaged in their learning and supported to grow and achieve.

### EDUCATION NT STRATEGY FOCUS AREAS

To support schools in achieving these three goals, the Education NT Strategy identifies five areas for the department to focus its efforts on, including an action plan outlining how we will achieve that focus.



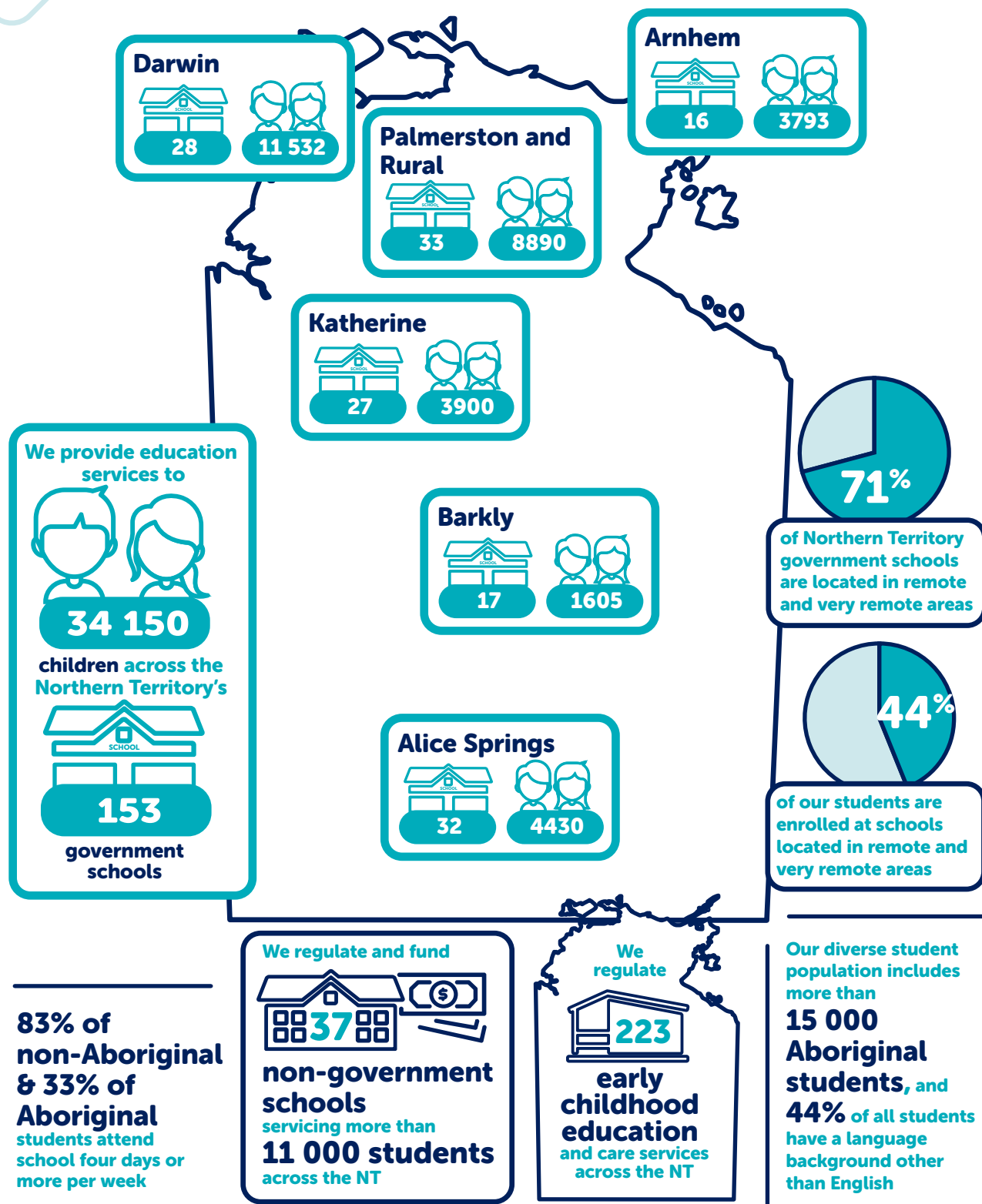
Figure 1: Education NT Strategy 2018–2022 focus areas



## OUR CONTEXT

The department's unique operating environment contributes to the complexity of delivering education across the Northern Territory.

Figure 2: Our context at a glance



## CHIEF EXECUTIVE'S FOREWORD

I am pleased to present the Department of Education's annual report for 2017–18. It has been another year of significant achievement for the department.

During the year, we strengthened our purpose and focus as an agency through development of our Strategic Framework 2018–2022 and committed to delivering a strong public education system that ensures equity and gives every child the opportunity to engage, grow and achieve. These three powerful words underpin our new Education NT Strategy 2018–22, which will assist us to achieve our ambition of giving every child the best possible start to life and, through early learning and school education, the opportunity to achieve their full potential. In developing this strategy, we have worked hard to understand what it is that makes the biggest difference to student outcomes and how we can use that to better support our students and schools.

Our focus starts in the first years of a child's life, because we know that those years are vital to lifelong learning. The Northern Territory early childhood development plan, Starting Early for a Better Future, was released, and we have made a significant contribution to this plan through continued investment in early childhood education programs. We expanded our Families as First Teachers program and we continue to provide the early childhood services subsidy to increase participation in early learning programs and assist families with childcare costs.

As children move into their schooling years, we have made sure schools are equipped to provide for their learning and wellbeing needs. In 2018, we invested \$506 million to meet the costs of operating government schools, and \$430.4 million of this was distributed directly to schools. We began implementing the recommendations of an independent review of school resourcing which will ensure schools are provided improved support and fairer and more transparent funding to meet student needs.

We are continuing to invest in quality programs and initiatives that we know are making a positive difference, including targeted professional learning and a focus on improved teaching and learning strategies based on effective data analysis. A particular focus was on increasing teacher capability and student engagement in science, technology, engineering and mathematics to provide students with the knowledge and skills essential for future careers.

Closing the gap in educational outcomes between Aboriginal students and their non-Aboriginal peers remains a challenge that requires concerted effort. We continued implementing our 'Indigenous Education Strategy 2015–2024', a long-term approach to ensuring Aboriginal students are successful in their education journey.

Student performance continued to improve, with promising signs for our schools in the 2017 NAPLAN results. We saw our largest Year 12 cohort to date completing a Northern Territory Certificate of Education and Training.

To address the challenges many of our students and families experience, we have provided further support and opportunities for vulnerable children. We have expanded our early intervention specialist support teams and programs for children with additional needs, and continued to grow flexible learning pathways and alternative education programs to re-engage students in their education.

We want to make sure our schools are safe and happy learning environments, so we have delivered \$153.3 million in new and improved school classrooms and facilities. This included delivering Round 1 of the Building Better Schools program, providing \$300 000 for every Northern Territory school for new and improved school facilities.

Our students are supported by a workforce of more than 4200 employees, including more than 3700 school based employees. At 13.6 per cent, the department's proportion of Aboriginal employees is higher than the overall Northern Territory Government rate, and we remain committed to growing this number.

I am immensely proud of the work we do and of the dedicated employees who strive in everything they do to make a positive contribution to the lives of Northern Territory children. I also acknowledge the contribution of families, communities and our partners who support the education and delivery of services to our children.

It is a privilege to be leading our department and to have the opportunity to showcase some of our achievements over the past 12 months. I look forward to continuing our school improvement journey and embracing the opportunities that lie ahead as we continue to enrich the lives of our children, families and communities.



**Vicki Baylis**  
Chief Executive  
28 September 2018

## OUR PERFORMANCE OVERVIEW

The table below summarises the department's performance against the previous strategic plan, *Growing Success Together 2016–18*, as well as the key performance indicators set out in the Northern Territory Budget 2017–18 Budget Paper No. 3.

**TABLE 1: SUMMARY OF PERFORMANCE AGAINST KEY ACTIONS IN OUR STRATEGIC PLAN**

Early Childhood	STRATEGIC PLAN KEY ACTIONS FOR 2017 <i>(key actions are developed by calendar year to align with schools' operation)</i>	COMPLETED	DETAILS
	Lift the quality rating of early childhood education and care services to meeting or exceeding national quality standards.	✓	Driving improvement in quality early childhood education through regulatory processes – <b>page 21</b>
	Continue to expand the delivery of Families as First Teachers (FaFT) program into urban areas and additional remote communities.	✓	Ensuring accessible, quality, early childhood education services – <b>page 18</b>
	Improve attendance of families and children in early childhood programs.	✓	Engaging families and communities in their child's learning and development – <b>page 19</b> Ensuring accessible, quality, early childhood education services – <b>page 18</b>
Schooling	STRATEGIC PLAN KEY ACTIONS FOR 2017 <i>(key actions are developed by calendar year to align with schools' operation)</i>	COMPLETED	DETAILS
	Implement a school-wide positive behaviour framework to provide a consistent approach to behaviour and wellbeing in schools and provide timely interventions that support the learning needs of students.	✓	Supporting inclusion and wellbeing – <b>page 28</b>
	Continue the rollout of agreed whole-school approaches to literacy and numeracy in schools.	✓	Delivering a contemporary curriculum – <b>page 24-25</b> Closing the gap in educational outcomes for Aboriginal students – <b>page 26</b>
	Provide support and pathways to all students in the middle and senior years to increase Northern Territory Certificate of Education and Training completions.	✓	Supporting students to transition to further education, training and employment – <b>page 31</b>
	Provide alternative education and enriched educational experiences through a range of arts, sporting programs and cultural activities, with a particular focus on disengaged students.	✓	Engaging students in education – <b>page 27</b>
	Coordinate efforts across government agencies and non-government organisations to support children and student wellbeing and attendance.	✓	Engaging students in education – <b>page 27</b> Supporting inclusion and wellbeing – <b>page 28</b>
	Scope the development of a teaching framework for the NT that articulates how we deliver high-quality, evidence-based and consistent teaching strategies and approaches in schools.	✓	Delivering a contemporary curriculum – <b>page 24-25</b>
	Review the student needs-based funding model and provide financial management support to school leaders and administrators.	✓	Investing in government school education – <b>page 32</b>
	Develop and deliver improved data systems to support school and system effectiveness and continuous improvement.	✓	Improving learning outcomes by focussing on student progress – <b>page 30</b>

## Schooling (continued)

Collaborate with families, communities and stakeholders, including industry and service providers, to increase local decisions regarding the delivery of early childhood and education services, particularly in remote and very remote communities.	✓	Closing the gap in educational outcomes for Aboriginal students – <b>page 26</b>
Work with the Teacher Registration Board to update the <i>Teacher Registration (Northern Territory) Act</i> to support national reforms.	✓	Fostering strong partnerships – <b>page 35</b>
Work with the Australian Government to establish sustainable funding for schools and early childhood education and care services.	✓	Fostering strong partnerships – <b>page 35</b>

## Our People

STRATEGIC PLAN KEY ACTIONS FOR 2017 <i>(key actions are developed by calendar year to align with schools' operation)</i>	COMPLETED	DETAILS
Strengthen and support the professional development for middle leaders, and aspiring and practising principals to ensure they have the necessary knowledge and skills to lead and manage a school.	✓	Developing the skills and capabilities of our leaders and future leaders – <b>page 42-43</b>
Provide support and professional learning to equip early career teachers with the knowledge and skills to meet the learning needs of students.	✓	Driving quality recruitment – <b>page 38-39</b> Supporting our employees to upskill and develop their capability – <b>page 40-41</b>
Provide training to educators to support effective use of data to improve student outcomes.	✓	Supporting our employees to upskill and develop their capability – <b>page 40-41</b>
Implement quality assurance processes to ensure consistency in assessment of student learning.	✓	Supporting our employees to upskill and develop their capability – <b>page 40-41</b>
Implement the workforce and career development strategy to build the capability of our workforce, including a focus on developing and increasing the number of Aboriginal employees.	✓	Strategic Workforce Plan – <b>page 38</b> and activities as outlined in the 'Our People' chapter.

## Sustainability

STRATEGIC PLAN KEY ACTIONS FOR 2017 <i>(key actions are developed by calendar year to align with schools' operation)</i>	COMPLETED	DETAILS
Develop and commence a five-year strategy to prioritise and deliver multiple work projects to upgrade and contemporise school infrastructure.	✓	Building economic sustainability – <b>page 52-53</b> Supporting environmental sustainability – <b>page 48</b>

## Financial Statement Overview

STRATEGIC PLAN KEY ACTIONS FOR 2017 <i>(key actions are developed by calendar year to align with schools' operation)</i>	COMPLETED	DETAILS
Provide funding and support to schools that assists the recruitment of staff to meet the needs of their students and school community.	✓	Financial highlights – <b>page 66</b>  Investing in government school education – <b>page 32</b>



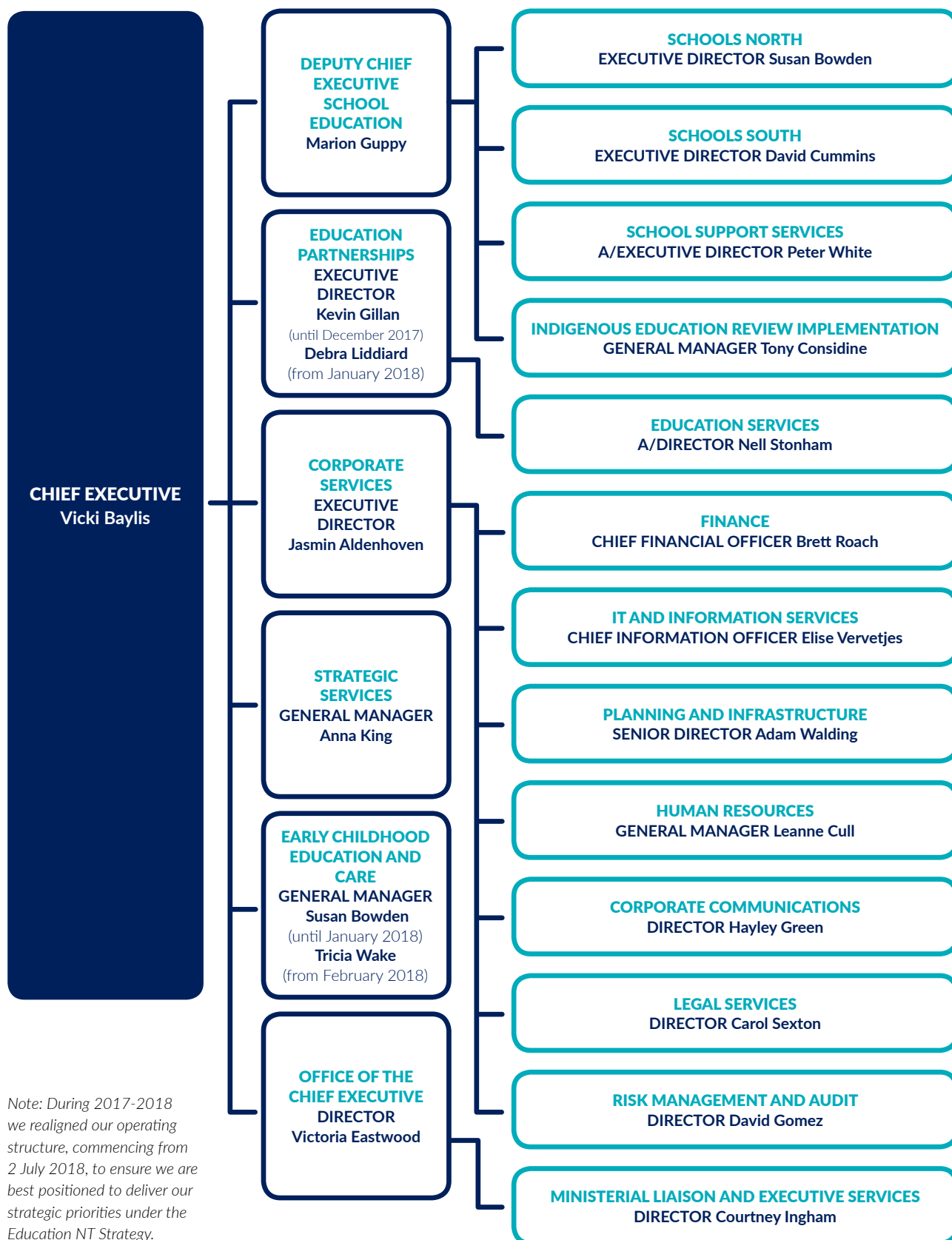
## OUR CHALLENGES AND FUTURE PRIORITIES

Our priorities moving forward focus on addressing our challenges so that we can maximise outcomes for all of our students.

**TABLE 2: OUR CHALLENGES AND FUTURE PRIORITIES**

	Our Challenges	Our Future Priorities
Quality Teaching	Building a sustainable teaching workforce to ensure quality teachers are recruited and retained in Northern Territory government schools.	<ul style="list-style-type: none"> <li>Establishing a system of coaching and mentoring to build teacher and school leader capability.</li> <li>Supporting schools to effectively attract, retain and manage their staff.</li> </ul>
Community Engagement	Engaging effectively with families and communities to promote student engagement and reduce barriers to attendance.	<ul style="list-style-type: none"> <li>Empowering communities to be more involved in the education of their children.</li> <li>Implementing the Community-Led Schools initiative.</li> </ul>
School Leadership	Building school leadership capability and teams of effective leaders to support quality teaching, progress school growth and improve student achievement.	<ul style="list-style-type: none"> <li>Building distributive and adaptive leadership capability.</li> <li>Developing pathways to attract and grow future leaders.</li> </ul>
Differentiated Support	Ensuring resources are targeted to where schools need them to support them in their improvement journey.	<ul style="list-style-type: none"> <li>Developing and implementing a school improvement methodology and service delivery model.</li> <li>Targeting investment to the right support for schools.</li> </ul>
Data and Accountability	Improving accessibility to data and accountability systems to improve school performance and assist schools and communities to make the best decisions for student learning and growth.	<ul style="list-style-type: none"> <li>Developing and implementing quality standards for school and system performance.</li> <li>Targeting investment in technologies to drive data informed decision making from the classroom to the boardroom.</li> </ul>

## OUR ORGANISATION



Note: During 2017-2018 we realigned our operating structure, commencing from 2 July 2018, to ensure we are best positioned to deliver our strategic priorities under the Education NT Strategy.

## OUR EXECUTIVE TEAM

The Executive team provides strategic direction to ensure we deliver quality educational services to achieve our vision of every child in the Northern Territory having the best start in life and, through early learning and school education, gaining a bright future.



**VICKI BAYLIS**  
**CHIEF EXECUTIVE**

Vicki started with the department in 2010 as the Executive Director, Schools – Arnhem and Palmerston and Rural regions. She has more than 30 years experience in the education sector. Vicki has extensive experience working with Aboriginal students, families and school communities. She has implemented and delivered a range of strategic initiatives through developing strong internal and external partnerships.



**MARION GUPPY**  
**DEPUTY CHIEF  
EXECUTIVE,  
SCHOOL EDUCATION**

Marion has worked in education for more than 25 years. She began her career in Victoria before moving to the Northern Territory, where she has worked in regional and remote schools across the Territory. Marion has performed Regional Director and Executive Director roles within the department.

In mid-2015, Marion assumed her current role of Deputy Chief Executive for School Education.



**ANNA KING**  
**GENERAL MANAGER,  
STRATEGIC SERVICES**

Since the late 1970s, Anna has lived in the Northern Territory, raising a family and working in remote towns across the Top End before moving to Darwin in 1999. Anna has worked collaboratively to produce a range of reviews and strategies for the department over the years. Anna is currently the General Manager, Strategic Services.



**SUSAN BOWDEN**  
**EXECUTIVE DIRECTOR,  
SCHOOLS NORTH**

Susan has worked in education for more than 30 years. She began her career in Queensland and for the last 14 years has worked in the Northern Territory as a principal and in senior corporate positions including General Manager, Student Services and Senior Director, Centre for School Leadership. Susan held the position of General Manager, Early Childhood Education and Care until January 2018. Susan is currently the Executive Director of Schools North.



**DAVID CUMMINS**  
**EXECUTIVE DIRECTOR,**  
**SCHOOLS SOUTH**

David has worked in educational leadership for more than 40 years. After many years in Victoria, David has spent the last eight years in the Northern Territory in senior corporate positions, including Regional Director, Katherine; Executive Director, Schools South; and Senior Director, Intervention and Support at Kormilda College. David is currently the Executive Director of Schools South.



**JASMIN ALDENHOVEN**  
**EXECUTIVE DIRECTOR,**  
**CORPORATE SERVICES**

Jasmin joined the department in September 2014 as Chief Financial Officer/Executive Director, Corporate Services. In that role, she oversaw financial services, planning and infrastructure, and information technology. In November 2016, Jasmin's role broadened to also oversee the majority of corporate areas across the department as Executive Director, Corporate Services.



**DR KEVIN GILLAN**  
**EXECUTIVE DIRECTOR,**  
**EDUCATION**  
**PARTNERSHIPS**

Kevin was a former District Director and principal in various regions of Western Australia before joining the department in 2006. In the Territory, Kevin has been General Manager of Schools (Palmerston and Rural), Executive Director of Schools North and Head of School Education and Training Operations. Kevin retired from his position of Executive Director of Education Partnerships in December 2017.



## Chapter

# 2

# Early Childhood

## Contents

Introduction	18
Ensuring Accessible, Quality Early Childhood Education Services	18
Engaging Families and Communities in their Child's Learning and Development	19
Integrating Early Childhood Services	20
Supporting Children's Attendance in Preschool and Transition to Schooling	20
Driving Improvement in Quality Early Childhood Education through Regulatory Processes	21





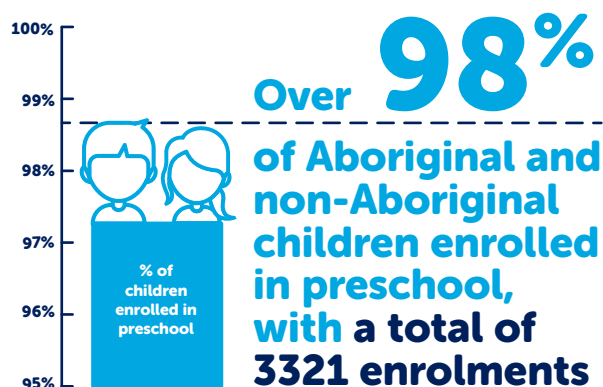
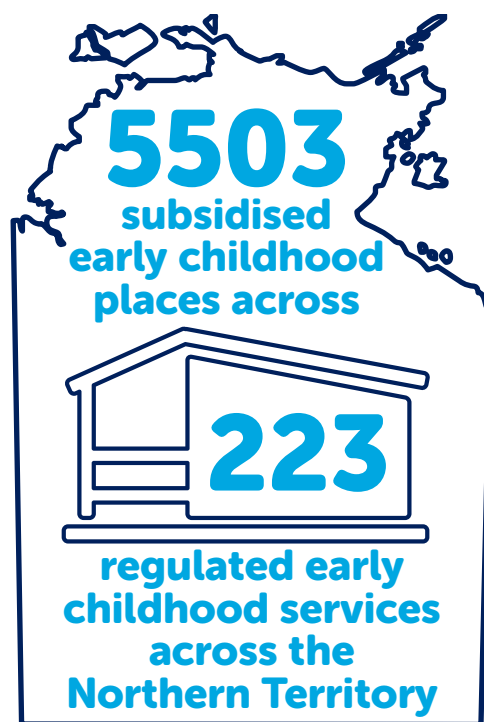
Invested **\$10.1M**  
to expand the Families as  
First Teachers program to



Invested **\$65.1M**



to meet the costs of operating  
early childhood and care services



## INTRODUCTION

We are committed to engaging children in early childhood education, helping them learn in a nurturing and stimulating environment, and supporting their successful transition to school.

The 2016 Australian Census reported that there were 19 356 children from birth to four years of age living in the Northern Territory's diverse communities. Of these, around 37 per cent (7229) were Aboriginal.

We worked closely with other Northern Territory Government agencies on the development of the 'Starting Early for a Better Future – Early Childhood Development Plan 2018–2028'. It was launched in April 2018.

This framework for improving outcomes for all Northern Territory children outlines the Northern Territory Government's strategic direction to build our early childhood development services into a more comprehensive, high quality, integrated sector. The Department of Education takes a lead role for the strategies related to education services.



**Families as First Teachers (FaFT) program awarded the 2017 Chief Minister's Award for Excellence in the Public Sector for 'Improving Aboriginal and Torres Strait Islander Employment Outcomes'**



## ENSURING ACCESSIBLE, QUALITY EARLY CHILDHOOD EDUCATION SERVICES

We worked with families, communities, the Commonwealth and Northern Territory governments, other government agencies and non-government organisations to improve child wellbeing and prepare children for school. We placed special emphasis on supporting children from disadvantaged communities and Aboriginal children living in remote and very remote areas.

### Key achievements in 2017–18:

- provided more than 5500 subsidised early childhood places for Northern Territory children to support increased access to education and care services
- supported more than 3300 children to access and participate in quality preschool programs, exceeding our estimate<sup>1,2</sup>
- invested \$10.1 million to continue to expand the Families as First Teachers (FaFT) program, establishing seven new FaFT sites across the Northern Territory and bringing the total number of sites to 38 (33 in remote and very remote communities and five urban sites)
- increased children's participation in the FaFT program by 22 per cent from 2016–2017, demonstrating the success of our efforts to connect home and early childhood learning
- increased the connection of young parents to early childhood services and supported their capacity building through the continuation of the 'Young Mothers, Strong Mothers' program in Palmerston and the development of the 'Literacy for Parents' program across child and family centres in remote areas
- implemented a developmental screening tool—ASQTRAK (Ages and Stages Questionnaire – Talking about Raising Aboriginal Kids)—in our FaFT program, enabling early childhood educators to respond effectively to children's individual needs.

<sup>1</sup> Budget Paper Number 3

<sup>2</sup> For more information about our preschool outputs, please see Appendix 1

## ENGAGING FAMILIES AND COMMUNITIES IN THEIR CHILD'S LEARNING AND DEVELOPMENT

Families and communities play a critical role in children's learning and development. The FaFT program engages parents and carers in their children's education to enhance their children's motivation and confidence as learners and nurture a positive attitude towards education.

### Key achievements in 2017–18:

- increased parent and carer participation in the FaFT program by 23 per cent from 2016–17, demonstrating the success of our efforts to engage them through parent and carer focussed activities
- continued building the confidence of parents and families as children's first educators by using the evidence-based Abecedarian approach across 38 FaFT sites, adapted to be culturally meaningful for our remote and very remote communities
- employed 84 staff across 38 FaFT sites, representing a nine per cent increase on the previous year, with 55 per cent of staff being Aboriginal community members.

## Families as First Teachers (FaFT) Program

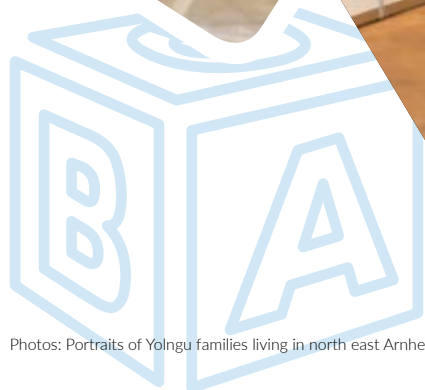
The FaFT program is an evidence-based, quality early learning and family support program that improves lifelong education, health and wellbeing outcomes for children from birth to age four.

The program partners with a range of early childhood education and care, health and family support programs to ensure parents and carers are engaged in and support their children's learning and development from birth.

The program's success is built on its responsiveness to the needs of families in remote communities, alignment with local community values and involvement of families and local Aboriginal staff in planning initiatives to encourage families to participate.

To celebrate the 40th anniversary of Territory Day, Yirrkala FaFT created the Gurrutu'mi Mala Wungili – Family on Country Portrait Project, featuring 29 portraits of Yolngu families living in north east Arnhem Land.

The large portraits were displayed on easels made by students from Nhulunbuy High School. Families and students from Yirrkala School painted some of the easels with totems and Dreaming stories. The exhibition celebrates the strength, beauty and connection of the community in Yirrkala and north east Arnhem Land.



Photos: Portraits of Yolngu families living in north east Arnhem Land

## INTEGRATING EARLY CHILDHOOD SERVICES

We established partnerships with families, communities and service providers to create holistic, individualised services to provide positive and engaging experiences in early learning.

### Key achievements in 2017–18:

- offered integrated early years services through six purpose-built child and family centres throughout the Northern Territory, supporting children's and their families' access to quality, culturally responsive programs to strengthen children's education outcomes
- started construction of a \$6.5 million Childhood Integrated Learning Centre in Tennant Creek
- provided support programs that build families' capacity and help them prepare for preschool and school
- delivered the Commonwealth Government's 'Connected Beginnings' program, supporting the integration of early childhood, maternal and child health, and family support services in disadvantaged Aboriginal communities.

## SUPPORTING CHILDREN'S ATTENDANCE IN PRESCHOOL AND TRANSITION TO SCHOOLING

Every child can access a free preschool program for 15 hours per week under the National Partnership Agreement on Universal Access to Early Childhood Education in the year before they commence full-time schooling. We provided access to 15 hours of preschool per week for children aged from four years in urban areas and from three years in remote and very remote areas.

### Key achievements in 2017–18:

- invested \$41.33 million into preschool education
- exceeded our 2018 strategic plan target of 95 per cent of non-Aboriginal and Aboriginal children enrolled in preschool, demonstrating the success of our family and community engagement strategies
- continued to implement the Northern Territory preschool curriculum across preschool, long day care and family day care services
- developed and implemented the 'Northern Territory Assistant Teacher Preschool Package', designed to deliver quality preschool programs in small remote and very remote schools
- commenced a partnership with Little Scientists Australia, supporting educators to engage children in preschool through discovering science, technology, engineering and maths (STEM) in a nurturing and playful setting
- launched Preschool Maths Games to engage preschool children with diverse levels of maths and language competencies, supporting their future learning.



**Developed the Northern Territory Early Childhood Transitioning Package to strengthen schools' engagement with children and their families and provide a strong transition for children to preschool**



## DRIVING IMPROVEMENT IN QUALITY EARLY CHILDHOOD EDUCATION THROUGH REGULATORY PROCESSES

It is our priority to continue to improve the quality of early childhood education and care services across the Northern Territory by ensuring regulated early childhood services operate in a way that safeguards children's health, safety and wellbeing.

### Key achievements in 2017–18:

- regulated more than 220 approved centre-based services and long day care schemes throughout the Northern Territory<sup>3</sup>
- ensured quality assurance and continued improvement of education and care services
- improved regulatory practice by continuing to implement the 'Driving Quality Action Plan' to increase the number of services and preschools meeting the National Quality Standard, with 62 per cent rated as meeting or exceeding the National Quality Standard<sup>4</sup>
- increased the number of education and care services rated as exceeding the National Quality Standard by 22 to a total of 39, affirming the positive impact of our focus on the quality of education and care services
- delivered several forums and workshops in partnership with the Australian Children's Education and Care Quality Authority (ACECQA) to outside school hours care operators to prepare them for changes to quality ratings under the National Quality Standard.

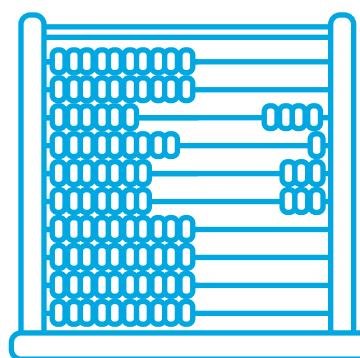
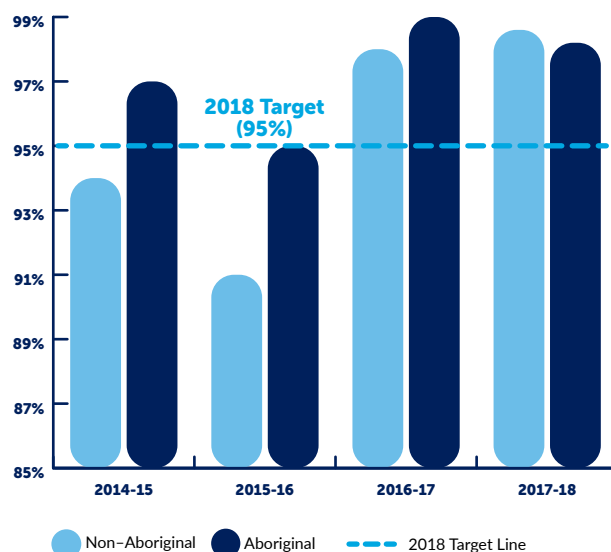


**Quality Education and Care NT received the 2017 Chief Minister's Award for Excellence in the Public Sector for 'Driving Quality in Education and Care Services'**

<sup>3</sup> For more information about the regulated education and care services in the Northern Territory, please see Appendix 1.

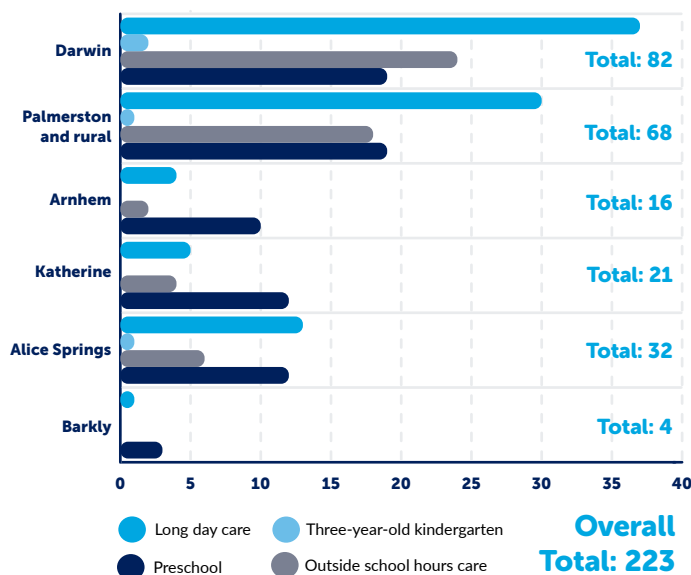
<sup>4</sup> For more information about our National Quality Standard performance, please see Appendix 1.

**Figure 3: Strategic Plan targets by 2018 - proportion of NT children enrolled in preschool**



**Invested \$41.33M into preschool education**

**Figure 4: Number of regulated education and care services across the Northern Territory**







## Chapter

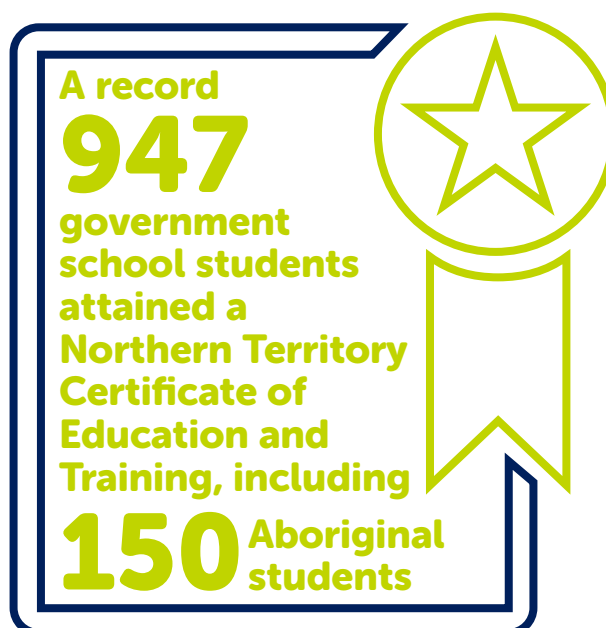
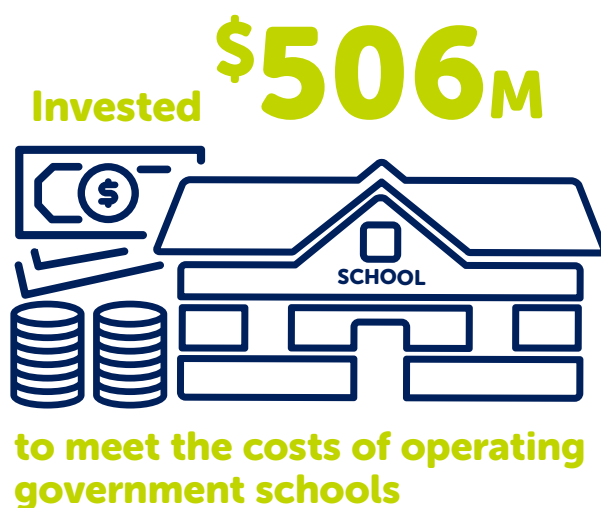
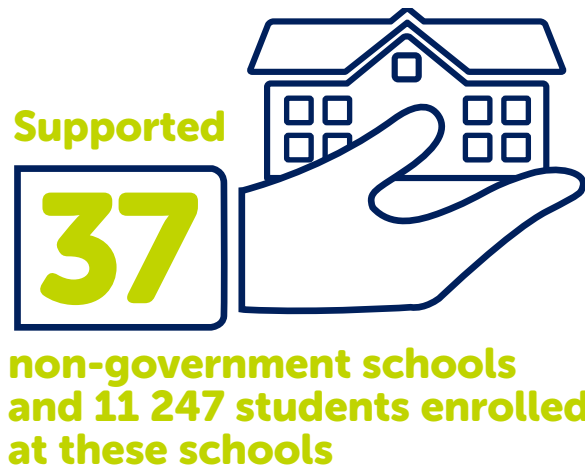
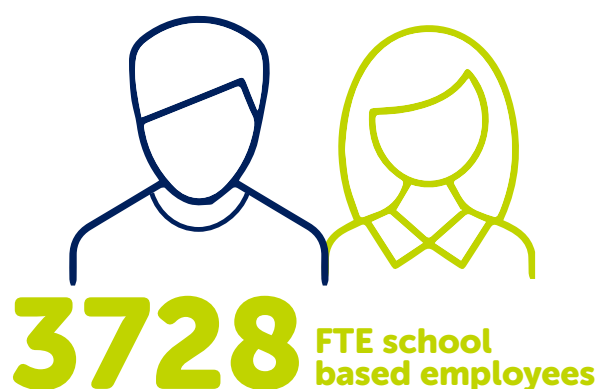
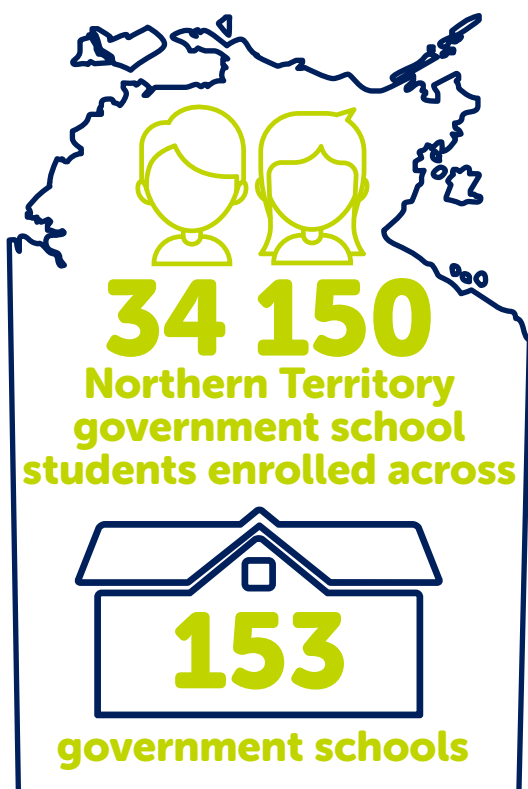
# 3

# Schooling

## Contents

Introduction	24
Delivering a Contemporary Curriculum	24
Closing the Gap in Educational Outcomes for Aboriginal Students	26
Engaging Students in Education	27
Supporting Inclusion and Wellbeing	28
Improving Learning Outcomes by Focussing on Student Progress	30
Supporting Students to Transition to Further Education, Training and Employment	31
Investing in Government School Education	32
Connecting Students at the Global Level	33
Supporting Non-Government Education	34
Fostering Strong Partnerships	35





## INTRODUCTION

**Every student in every school deserves the opportunity to achieve their full potential through quality learning programs and supportive, inclusive school environments that ensure they gain the skills and qualities they need for a bright future.**

## DELIVERING A CONTEMPORARY CURRICULUM

We delivered a contemporary curriculum through evidence-based teaching methods and learning programs that are tailored to meet individual needs, so that students can be engaged and challenged to reach a higher level of achievement.

### Key achievements in 2017–18:

- continued to implement the Australian Curriculum in all Northern Territory government schools and developed a Northern Territory teaching and learning framework
- delivered a range of science, technology, engineering and mathematics (STEM) initiatives to increase student engagement in STEM learning so they become innovative, agile and self-motivated thinkers ready to meet present and future challenges in our constantly changing, technology-driven world
- developed the 'Northern Territory Indigenous Languages and Cultures Curriculum', detailing the cultural knowledge content and achievement standards for six different language pathways to support the learning and teaching of Aboriginal languages and cultures. As at 30 June 2018, 3237 students were enrolled and assessed in an Aboriginal languages and culture program
- established the 'Innovation Fund for School Improvement', providing grant funding to schools to support inter-school collaboration on innovative programs and projects focussed on school improvement, such as the use of emerging technologies. We awarded 12 grants to a total of 57 Northern Territory schools
- delivered bilingual education programs in nine



**Developed the Northern Territory Indigenous Languages and Cultures Curriculum to support the teaching and learning of Aboriginal languages and cultures**

schools, with customised programs delivered to each school/community in 10 Aboriginal languages to support learning of English and all areas of the Australian Curriculum through students' first language

- delivered online and distance educational services to 645 students through Alice Springs School of the Air, Katherine School of the Air and the Northern Territory School of Distance Education
- through the Darwin Languages Centre, delivered language and cultural studies in Mandarin, Japanese and Indonesian to 26 primary and middle schools
- through the Alice Springs Language Centre, delivered language programs in Chinese, Indonesian, Japanese, Spanish and Arrernte to 11 remote and very remote primary and middle schools
- continued to support 14 government schools to operate as independent public schools, providing them the flexibility to introduce additional educational programs and activities to improve student outcomes, such as integrated health services and career development programs.

Photo: Driver Primary School students using code to operate a drone

**Delivered a range of STEM initiatives to increase student engagement and skills in emerging technologies**



## Promoting and Expanding STEM Education

Expanding our science, technology, engineering and mathematics (STEM) skills base is essential for growth and prosperity in the Northern Territory. We have continued to develop the way STEM is taught in our schools, and key STEM activities in 2017–18 included:

- a 'Skills 2021' expo held in September 2017, giving students opportunities to learn about new technologies and future careers such as robotics, 3D multimedia, printing and gaming
- robotics programming workshops for students across the Northern Territory with the department's programmable humanoid, NAO Robot
- coding workshops in schools using the Hour of Code website followed by practical learning with the department's programmable Sphero robots
- a drone awareness program and course delivery program
- the first LEGO League competition: a STEM robotics competition with 11 school teams participating
- the Darwin RoboCup competition, with 98 school teams across the Northern Territory competing in 2017
- a Digital Focus Technologies project conducted across 10 schools in partnership with the Australian Curriculum, Assessment and Reporting Authority (ACARA) to support schools to further engage with technology
- made 18 kits containing robotic equipment and lesson plans mapped to the Australian Curriculum available for schools to borrow
- a drone camp for girls in Years 5 to 12 held in Darwin and Katherine from 10 to 14 July 2017, with more than 160 students participating.



## CLOSING THE GAP IN EDUCATIONAL OUTCOMES FOR ABORIGINAL STUDENTS

We are committed to improving educational outcomes for Aboriginal students. Our 'Indigenous Education Strategy 2015–2024' is a long-term approach to ensuring Aboriginal students are successful and confident in their education journey and have real career choices and options, both within and outside their communities.

The strategy is now in its fourth year of implementation, with \$42.8 million invested in 2017–18. Key achievements to date have included the expansion of the FaFT program, a new preschool curriculum, mandated literacy and numeracy programs, development of the Employment Pathways program and the completion of the \$20 million 'Dawurr' boarding facility in Nhulunbuy.

### Key achievements in 2017–18:

- established a community engagement and local decision-making unit and commenced implementing a community-led schools model so Aboriginal people in remote communities can be more involved in making decisions about their children's learning
- implemented Literacy and Numeracy Essentials (LaNE) in 73 remote and very remote schools, an explicit teaching model that incorporates elements for English as an additional language for dialect learners and learning progressions to inform teaching and learning programs
- continued to implement the explicit teaching method of Direct Instruction (planned lessons and prescribed teaching tasks) at seven remote and very remote primary schools
- commenced working with the Northern Territory Council of Government School Organisations to develop improved governance arrangements in remote communities and identify collaborative capacity-building opportunities
- expanded the Employment Pathways program to 30 remote and very remote communities, providing a suite of differentiated teaching and learning resources focussed on industry areas in the community and students' wellbeing and life skills
- through the Transition Support Unit, supported 892 students in Year 6 and 7 from 70 schools in remote and very remote communities to enrol in secondary schools outside their local communities, securing enrolment of 279 students and assisting a further 186 students to apply for boarding in 2018
- awarded 10 Transition Support Unit Excellence Scholarships to students to study at interstate boarding schools, with a total of \$150 000 allocated in 2018.

### Navigating New Pathways to Employment

Maritime Academy students from east Arnhem Land learned firefighting, boat safety, and life raft and water survival as part of a nationally recognised ship safety course that offers students new pathways to employment.

Students from Shepherdson College in Galiwin'ku, Nhulunbuy High School, Yurrwi School and Yirrkala School came together to complete the Elements of Shipboard Safety Course to give them the skills needed to work on a commercial vessel.

The course was held at Nhulunbuy High School's Trade Training Centre, and the students learned how to set off flares, use fire extinguishers, tread water, inflate life rafts and safely tow a boat. There was also theory on occupational health and safety and written assessments.

The training gives students the skills they need to undertake further training or get jobs in the maritime industry such as commercial fishing, transport and logistics, tourism, and conservation and land management with the local sea rangers.

Photo: Maritime Academy students undertaking the Elements of Shipboard Safety course





## ENGAGING STUDENTS IN EDUCATION

We provided a range of flexible and engaging programs to maximise the participation and engagement of students in education to improve student outcomes.

We support children's learning and participation in education through effective partnerships with families, communities, industry, educational institutions and government agencies.

### Key achievements in 2017–18:

- developed and implemented the 'Middle Years Transition Framework' to improve educational outcomes for students by supporting schools to develop effective transition programs that enable positive movement of students and support continued engagement of students between phases of schooling
  - established the Palmerston Re-engagement campus and enrolled 28 students, giving them options to re-engage in schooling or transition to training or employment
  - continued to re-engage students through the Malak Re-engagement campus and Tivendale campus, with 101 students enrolled at the Malak campus and 34 students at Tivendale campus
  - combined the re-engagement campuses and the Youth Inpatient Program based at Royal Darwin Hospital under the one umbrella organisation, the Top End Flexible Learning Centre
  - commenced the 'Healthy Life, Creative Life' program for middle and senior students, providing alternative education pathways and re-engagement activities to enable students to return to mainstream schooling or progress to training or employment at two new engagement centres:
- the Juno Training Centre in Tennant Creek, with more than 200 students from nine schools across the Barkly region participating in programs such as agriculture, engineering, construction and hospitality
  - the Katherine Flexible Learning and Engagement Centre in partnership with other support agencies, supporting 20 students through an intensive literacy and numeracy program, and wrap-around support such as counselling.
- ran the Clontarf Foundation program in 13 government schools to engage male Aboriginal students from Years 5 to 12 in education, with an average of 949 students participating, 66 who completed Year 12 and 46 who attained an NTCET
  - ran the STARS Foundation and Role Models Leaders Australia program with 807 students participating, 67 who completed Year 12—a 96 per cent completion rate—and 50 who attained an NTCET
  - supported 30 829 enrolled primary, middle and senior students<sup>1</sup>, with total enrolments increasing by 915, exceeding the estimate in Budget Paper No. 3 by 84 students and Aboriginal student enrolments increasing by 400 to 13 706, exceeding the estimate in Budget Paper No. 3 by two students
  - started developing new initiatives to improve school attendance, with a focus on working with all stakeholders, including families and students
  - continued to work with families and students and in partnership with the Commonwealth Government to improve school attendance, including through community events, reward programs and the 'Remote School Attendance Strategy'
  - in consultation with families, developed 1018 attendance plans and issued 863 compliance and 287 infringement notices, successfully re-engaging 1018 students in their education<sup>2</sup>.



**Developed and implemented the Middle Years Transition Framework, ensuring effective student transition into and from the middle years**

<sup>1</sup> This figure does not include 3321 preschool students enrolled across the Northern Territory.

<sup>2</sup> For more information about our enrolment and attendance outputs, please see Appendix 2.

## STARS Program Closes the Gap in School Attendance and Boosts Year 12 Completion Rates

The STARS program is an evidence-based youth engagement program for Aboriginal girls from primary school to Year 12. The program operates in schools throughout the Northern Territory and focusses on four key areas: healthy lifestyles; wellbeing; education, training and employment; and community, culture and leadership.

The program builds on the abilities, interests and strengths of each student and offers activities such as sport and physical activities, creative arts, music and dance.

Data from 2017 shows the STARS program had a positive impact on both school attendance and Year 12 completion rates. Across the Northern Territory, the STARS program has closed the gap in school attendance by 39%, which equates to four additional weeks of school. In remote and very remote regions, where attendance is a particular challenge for Aboriginal students, STARS closed the gap by 55%, which equates to eight more weeks of school. STARS program students have also achieved significantly higher rates of Year 12 completion, with 96% of students enrolled in STARS in 2017 completing Year 12.

The gains in educational outcomes are significant to closing the gap for Northern Territory Aboriginal students, as we know that achieving a higher level of education is one of the key factors that is likely to reduce Aboriginal disadvantage.

## SUPPORTING INCLUSION AND WELLBEING

We created safe and inclusive learning environments that foster a culture of high expectations and support students in their learning and wellbeing. We supported all students to be successful in their education journey, including our most vulnerable students and those with additional needs.

### Key achievements in 2017-18:

- drafted a school-wide positive behaviour framework that will be further informed by a national approach to student wellbeing
- developed a social and emotional program to assist schools to build safe and supportive environments that support student learning and wellbeing, including the teaching of social and emotional skills
- reviewed the school counselling service to consolidate it and more effectively allocate and place school counsellors
- placed 28 school counsellors across the Northern Territory to work with school leaders to support students' mental health, and social and emotional wellbeing
- gave special schools and centres access to the Abilities Based Learning and Education Support (ABLES) program, helping teachers make the necessary adjustments to programs so students with complex needs can participate in education and training and achieve their goals



Photo: Yirrkala community STARS students at their Year 12 graduation evening, 2017

- commissioned a review of department policy and practices for students with additional needs (SwAN), from which we will develop a five-year SwAN framework
- expanded, by an additional eight officers, the multi-disciplinary specialist support team that provides early intervention approaches for children with a disability, including strategies to minimise the impact of conductive hearing loss, speech language and communication delays, sensory processing and self-regulation issues
- supported 330 employees to complete online training through six courses that enhance curriculum access and pathway planning for students with a disability
- expanded our autism spectrum intervention programs from three to six programs to provide early intervention and support for students and help them transition back to their mainstream school. Autism spectrum programs are operating at Braitling Primary School in Alice Springs, MacFarlane Primary School in Katherine, Malak Primary School in Darwin, Moulden Primary School in Palmerston and two autism spectrum programs at Mimik-Ga Centre, including a positive learning centre for primary school students.



**Expanded our early intervention services and programs for children with additional needs**

Photo: Children engaging in cooking activities at the Mimik-Ga Centre



## Mimik-Ga Centre: Enhancing Access to Early Intervention Services

Established in 2017, the Mimik-Ga Centre gives Darwin families access to early intervention services for children aged from birth to 12 years.

The centre has three programs for students, families and schools:

- Families as First Teachers program, giving children from birth to five years and their families early learning and family support, especially families with children with identified needs and delays
- autism spectrum classes, which provide a positive and supportive environment for children on the autism spectrum and their families to develop skills for mainstream schooling
- Positive Learning Centre programs for primary-aged students, providing guidance and advice about social and emotional behaviour needs.

Early intervention is the key to success at Mimik-Ga, with increasing recognition worldwide that the first few years of a child's life are critical in the process of their development, behaviour, social and self-regularity capacities, and physical health.

## IMPROVING LEARNING OUTCOMES BY FOCUSING ON STUDENT PROGRESS

We implemented a range of robust assessment programs to monitor student learning progress and give teachers accurate information about what their students know and are ready to learn next so they can tailor teaching to meet their students' needs.

We also continued to implement our data reform agenda to improve data availability for schools, regions and corporate areas to enable better-informed decisions for continuous improvement.

### Key achievements in 2017–18:

- embedded the Foundations of Early Literacy Assessment (FELA) assessment tool, which takes different pronunciations and ways of talking into account, making it suitable for students who speak English as an additional language or dialect
- assessed 2749 students from 116 schools across Transition to Year 3 using FELA, with results highlighting strengths and weaknesses in foundation literacy skills and areas where students may benefit from extra teaching support
- administered progressive achievement tests (PAT) in Semester 2, 2017 and Semester 1, 2018 in reading comprehension and mathematics for Years 1 to 10, enabling teachers to monitor student growth and tailor learning to individual needs, and allowing student performance to be compared to national norms
- supported 59 schools to access eWrite as an optional assessment tool for students from Years 4 to 9 to enable teachers to monitor student writing progress using independent marking
- completed phase 1 of the development of eDash, a data dashboard that will provide a single point of access to data on school and student activity, achievement, behaviour and performance in the classroom at school, regional and department level. Access to this information assists every teacher to make efficient and effective decisions about their students' needs, maximising the learning for every student

- conducted NAPLAN assessments in Years 3, 5, 7 and 9 as part of the nationwide assessment program<sup>3</sup>. Key achievements included:
  - reached the highest proportion of government school students at or above the national minimum standard (NMS) in numeracy for Year 5 non-Aboriginal students and Year 9 Aboriginal and non-Aboriginal students
  - improved government school students' performance at or above NMS from 2016 in reading for Year 5 Aboriginal and non-Aboriginal students and in numeracy for Aboriginal and non-Aboriginal students in Years 5 and 9 and Aboriginal students in Year 7
  - achieved or exceeded 2018 strategic plan targets for the proportion of government school students achieving at or above NMS in reading for Year 3 non-Aboriginal students and in numeracy for Year 3, 5 and 9 non-Aboriginal students and Year 9 Aboriginal students
  - achieved or exceeded the Budget Paper No. 3 estimate for government school students achieving at or above NMS in reading for Year 5 non-Aboriginal students and in numeracy for Year 5, 7 and 9 non-Aboriginal students and Year 9 Aboriginal students.



**Set highest proportion of government school students at or above NMS in numeracy for Year 5 non-Aboriginal students and Year 9 Aboriginal and non-Aboriginal students**



<sup>3</sup> For more information about NAPLAN outputs, please see Appendix 2.



## SUPPORTING STUDENTS TO TRANSITION TO FURTHER EDUCATION, TRAINING AND EMPLOYMENT

We invested \$6.4 million to deliver nationally accredited vocational training programs and \$3.8 million to support students to complete a Northern Territory Certificate of Education and Training (NTCET).

### Key achievements in 2017–18:

- set a new record for the number of government school students attaining an NTCET, with 947 completions, an increase of 25 from 2016, (including 150 Aboriginal students), exceeding the Budget Paper No.3 estimate by eight students and the 2018 strategic plan target for the number of non-Aboriginal student completions by nine students
- delivered vocational education and training (VET) to secondary government school students, funding 27 different skill sets and 154 courses across the Northern Territory, with 1576 students achieving one or more VET competencies in 2017, an increase of 197 completions from 2016 and exceeding the Budget Paper No. 3 estimate by 170 students. VET programs providing students with the skills needed to support them to an employment pathway included Northern Territory Police, Fire and Emergency Services Cadets, Learning on Country, Maritime Academy and Pastoral Futures<sup>4</sup>
- supported 86 government school students to undertake school-based apprenticeships or traineeships (VET in schools), achieving the Budget Paper No. 3 estimate
- established new partnerships with employers and schools to create new employment pathways for Northern Territory students, with 325 government school students undertaking structured work placements.

 **797 non-Aboriginal government school students attained an NTCET, exceeding the 2018 target**

**Achieved the 2018 target of 90% of Year 3 non-Aboriginal students achieving NAPLAN national minimum standard in reading**



 **Achieved or exceeded the 2018 target for students achieving NAPLAN national minimum standard in numeracy for Year 3, 5 and 9 non-Aboriginal students and Year 9 Aboriginal students**



**1576** VET student completions, an increase of 197, exceeding target by 170.

<sup>4</sup> For more information about our senior years education outputs, please see Appendix 2.

## A Celebration of Success

The Northern Territory Chief Minister's Literacy Achievement Award demonstrates the Northern Territory Government's commitment to improving the literacy outcomes for students across the Northern Territory. The awards, established in 2006, promote to students, parents and the community the importance of developing literacy life skills.

All Northern Territory primary and middle school principals celebrate literacy and recognise the achievements of their Transition to Year 9 students by nominating one student in every class for an award in any one of the award categories: Most Imaginative, Most Outstanding or Most Improved.

Awards can be conferred across a range of literacy areas such as communication in the community, drama performance, visual communication, written communication, oral language and reading.

All successful students receive a letter of congratulations from the Chief Minister as well as an award certificate to mark their success, presented at end-of-year school ceremonies.

## INVESTING IN GOVERNMENT SCHOOL EDUCATION

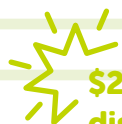
We invested \$506 million in 2018 to meet the costs of operating Northern Territory government schools, and we are improving the way we resource schools to make funding more transparent.

### Key achievements in 2017-18:

- continued distribution of an extra \$20 million in funding to schools for extra teachers and classroom resources
- completed the independent review of the global school budget funding model to ensure equitable, transparent, efficient and needs-based distribution of funding
- developed the 'School Resourcing Model – Action plan for the future' in response to the recommendations of that review, which will be implemented over three years. The action plan has 22 projects to be delivered under four solution themes: better support for schools, improving budget certainty, better budget management and targeting funds to student need. Key achievements to date include:
  - published the rate per student and total funding for every Northern Territory government school on our website
  - added \$4 million in one-off funding in 2018 to school funding in recognition of legacy issues
  - fixed the base rate for per-student funding and applied indexation to ensure student funding grows in real terms for the next four years
  - expanded departmental support for schools to help them manage potential budget management issues as early as possible
  - commenced an expanded program of capability building for school leaders and business managers to help with budget management.



Photo: Palmerston College student engaging in literacy classes



**\$20 million in additional funding distributed to schools**

Aa



## CONNECTING STUDENTS AT THE GLOBAL LEVEL

We established and strengthened international education partnerships and provided students with the opportunity to learn in a global context.

### Key achievements in 2017–18:

- developed and implemented the 'International School Education Plan 2018–2022', which guides programs and activities for overseas students studying in the NT, the ongoing development of international school partnerships and professional development to build the capacity of school leaders to implement effective international education programs
- strengthened government school partnerships with international schools: eight in China, four in Timor-Leste and three in Japan
- supported three schools to participate in reciprocal study tours with schools in Kamitonda and Aridagawa, Japan
- hosted a forum for department leaders and educational leaders from Anhui Province, China, to share knowledge on good educational practices
- hosted three associate Chinese teachers from Anhui Province, China, who contributed to the language and culture programs at Parap Primary School, Bakewell Primary School and Darwin Middle School
- formed a Framework for Collaboration with the Province of Negros Occidental, Philippines, to identify opportunities for reciprocal educational partnerships
- continued to facilitate the SenaiNT English language program in Dili, Timor-Leste, building skills of young Timorese people to participate in the Australian seasonal worker program, with 24 students participating in the program and 302 students graduating with VET English language qualifications since 2015
- hosted two students and a teacher from Indonesia at Darwin High School as part of our cultural exchange and language programs
- enrolled 55 full fee paying international students in government schools, exceeding the Budget Paper No. 3 estimate.<sup>5</sup>



**Developed and implemented the International School Education Plan**



<sup>5</sup> For more information about international education outputs, please see Appendix 2

## SUPPORTING NON-GOVERNMENT EDUCATION

We continued to work closely with the non-government education sector to provide education choices for Northern Territory families.

### Key achievements in 2017–18:

- supported 37 non-government schools and 11 247 primary, middle and senior students enrolled at these schools, achieving the Budget Paper No. 3 estimate for Aboriginal student enrolments
- provided \$44.82 million in Northern Territory Government funding (including student allowances, capital subsidies and grants) and \$165.1 million in Commonwealth Government funding to those schools

- non-government schools achieved their highest attendance rate of 92 per cent for non-Aboriginal students and achieved the Budget Paper No. 3 estimate
- non-government schools achieved their highest number of Aboriginal students attaining an NTCET (76 students) and achieved the Budget Paper No. 3 estimate
- worked with the non-government school sector to help register and open Haileybury Rendall School, which offers educational programs from early learning to Year 12, including the Victorian Certificate of Education (VCE).

**Supported 11 247 primary, middle and senior students enrolled at non-government schools**



## FOSTERING STRONG PARTNERSHIPS

We continued to work collaboratively with communities, educational institutions, industry and government agencies, to improve access to education, services and outcomes for Northern Territory children.

### Key achievements in 2017–18:

- continued to support collaborative policy development with the Commonwealth Government through national discussions on early childhood, school education, VET and higher education
- negotiated an extension of the National Partnership on Universal Access to Early Childhood Education with the Commonwealth Government, securing early childhood education and care services funding for Northern Territory children until the end of 2019
- engaged with the Commonwealth Government around a new Children and Schooling Implementation Plan under the National Partnership on Remote Aboriginal Investment, which will provide funding for implementation of the 'Indigenous Education Strategy 2015–2024'
- established a new partnership agreement with Charles Darwin University (CDU) to support a range of shared objectives to ensure a thriving university, including teaching and research that supports economic, social and environmental development for the overall benefit of the Northern Territory
- provided CDU with an operating grant of \$7.1 million to help it deliver programs to remote communities and a \$2.1 million operating grant for the Waterfront campus to increase international partnerships and international student enrolments at the business school
- established new VET partnerships with industry organisations including the Halikos Group ('grow your own' traineeships), Motor Traders Association, Indigenous Allied Health Australia and Aboriginal Medical Services Alliance Northern Territory, and Arnhem Land Progress Aboriginal Corporation and Swinburne University
- continued to work collaboratively with the Teacher Registration Board to update the *Teacher Registration (Northern Territory) Act*
- partnered with CDU on a population and school enrolment forecasting methods research project, with the final report informing education infrastructure planning
- continued to work with the Batchelor Institute of Indigenous Tertiary Education in the delivery of quality education and training for Aboriginal people, including in senior years VET, training for assistant teachers and learning support for students completing CDU's online Primary and Early Childhood teaching degree courses
- supported evidence-based research into improved educational outcomes for Northern Territory children through collaborations with other state and territory government agencies and research institutions
- concluded a three-year partnership project with Menzies School of Health Research and the Aboriginal Medical Services Alliance Northern Territory, with the final report enabling evidence-based decisions for policy and program delivery.



**Established new VET partnerships with industry organisations**

Schooling



Chapter

# 4

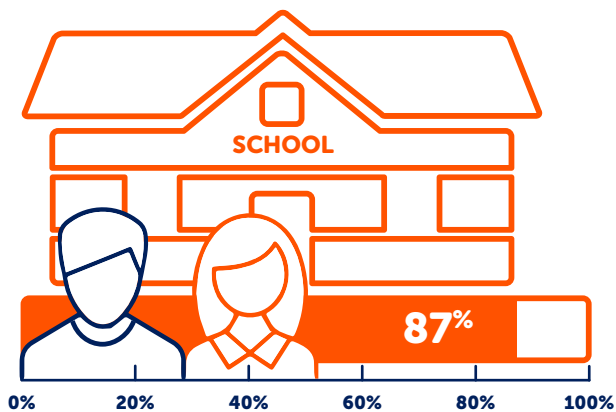
## Our People

### Contents

Introduction	38
Attracting and Recruiting Quality People	38
Developing our People	40
Retaining, Supporting and Valuing our People	43

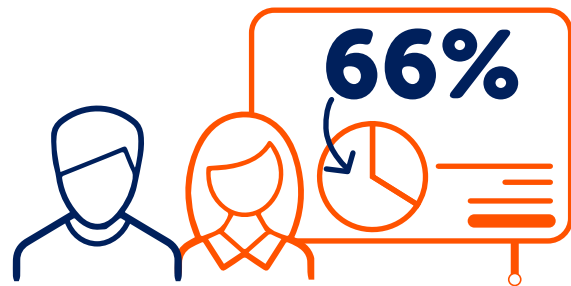






**4285** FTE employees, of which 87% were school-based

**45** was the average age of all employees



of employees classified as teachers, assistant teachers and principals

**13.6%**

Department of Education Aboriginal employees

**10.4%**

NT Public Sector Aboriginal employees

13.6% of all employees across the department are Aboriginal, exceeding the Northern Territory Public Sector rate of 10.4%

**\$5.06M** Invested



## INTRODUCTION

A high-performing education system relies on quality leadership, quality staff and maintaining high expectations and standards in all schools, non-school workplaces and early childhood and care services. Recruiting, developing and retaining quality staff across all parts of the department is essential for delivering high-quality education services and improving educational outcomes for students.

Figure 5: Workforce Planning Framework



Our Workforce Planning Framework aims to achieve a capable, professional and resilient workforce and increase the number of Aboriginal employees in the department. Our Strategic Workforce Plan 2016–2018 outlines how we are working towards achieving our three key priorities: attracting and recruiting the right people, developing our staff, and retaining, supporting and valuing our staff.

## ATTRACTING AND RECRUITING QUALITY PEOPLE

We implemented a range of recruitment strategies and programs to ensure that we attract and recruit the right people to deliver high-quality education to children in the Northern Territory.

### DRIVING QUALITY RECRUITMENT

We implemented key initiatives and fostered partnerships to attract and recruit new teachers to teach in Northern Territory government schools.

#### Key achievements in 2017–18:

- implemented a number of initiatives to attract and recruit quality teachers and promote teaching in the Northern Territory, including a new department LinkedIn profile, a new Teaching in the Territory careers website and online advertising campaigns through social media and education and career websites such as Seek and Career One
- supported 344 professional experience placements for pre-service teachers across 63 schools as part of our renewed Teaching Schools Partnership Agreement with Charles Darwin University, building the capacity of our future teachers through quality mentoring
- implemented the More Aboriginal Education Professionals Plan, focussing on increasing the number of Aboriginal teachers and education professionals
- implemented several scholarship initiatives to support aspiring educators, with a view to recruiting these graduates into our schools in the future

TABLE 3: SUMMARY OF SCHOLARSHIPS OFFERED, 2017–18

Scholarship Program	Number of participants
Teaching – Growing our Future scholarship	12
Northern Territory Department of Education and Early Childhood Teaching Scholarships	10
More Indigenous Teachers Initiative	3
Teacher Education Scholarship	1

Source: Department of Education



- supported early careers in the education and care sector through the Prepare-Trial-Hire project in partnership with Industry Skills Australia, where disengaged youth were given employability skills in education and care prior to applying for internships
- implemented an induction program for new assistant teachers to help them start their career in a supportive environment
- developed a suite of hard-copy and online induction resources to support school leaders to implement, monitor and document induction programs for their new staff
- provided 250 newly recruited staff and school leaders with an orientation to the department through one- and two-day orientation programs outlining our context, the curriculum, our services and our new Education NT Strategy
- implemented several early career employment initiatives, including traineeships and graduate programs to support people pursuing careers in schools and the Northern Territory Government.

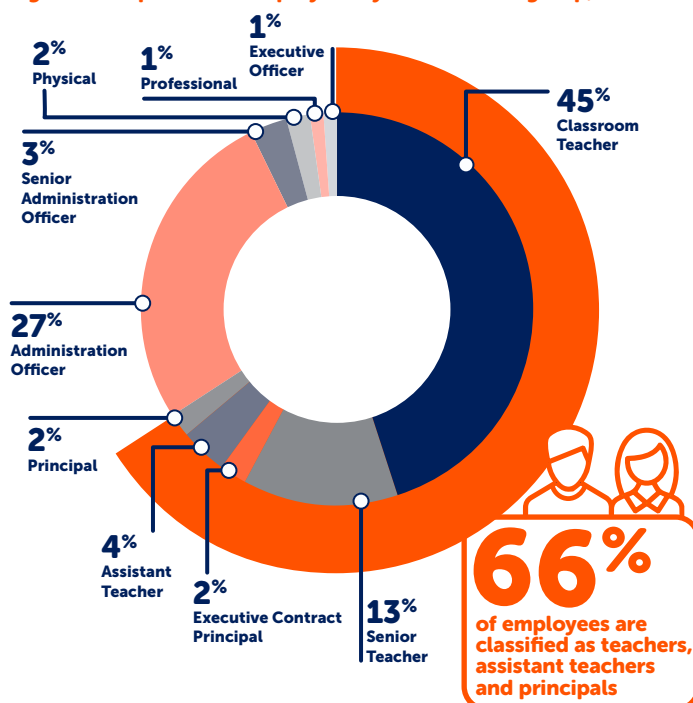
**TABLE 4: SUMMARY OF EARLY CAREERS PROGRAMS, 2017–18**

Program	Number of participants
Northern Territory Government traineeship and Indigenous traineeship	8
School-based apprentices/trainees	2
Workplace Integrated Learning Scholarship	12
Vacation employment program	1
Graduate Development Program	10

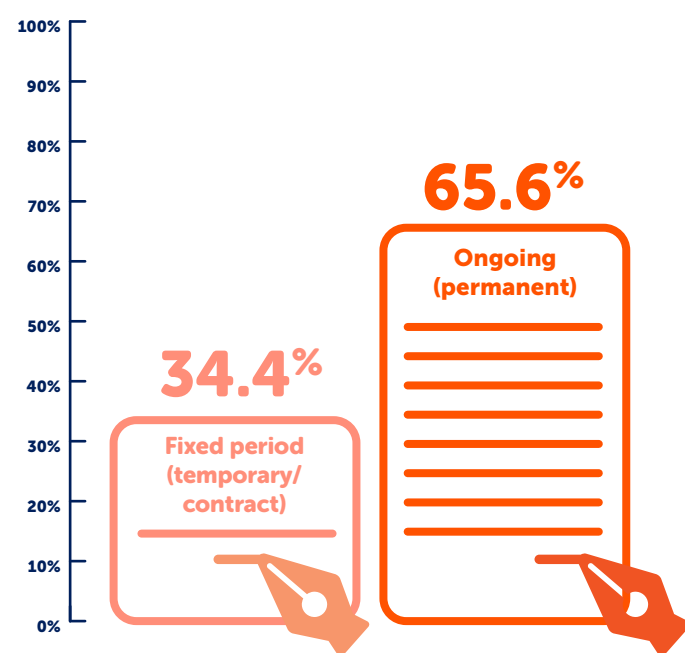
Source: Department of Education

**Supported 344 professional experience placements for pre-service teachers**

**Figure 6: Proportion of employees by classification group, 2017–18**



**Figure 7: Proportion of ongoing and fixed period (temporary/contract) employees**





## DEVELOPING OUR PEOPLE

We value our people and are committed to building a professional growth culture that supports our diverse workforce and positions our department as an employer of choice. We implemented a range of initiatives to strengthen the capabilities of our employees and ensure they are supported to achieve professional growth.

### SUPPORTING OUR EMPLOYEES TO UPSKILL AND DEVELOP THEIR CAPABILITY

We invested \$5.06 million in learning and development programs to support our employees and leaders to grow their skills, capabilities and professional knowledge<sup>1</sup>.

#### Key achievements in 2017–18:

- supported 71 assistant teachers to undertake accredited training, with seven assistant teachers completing a Diploma of Education Support and four assistant teachers completing a Certificate IV in Education Support
- supported 12 high-performing government school teachers to complete their Masters of Teaching through our partnership with Teaching for Australia. Eleven of these graduates have remained teaching in government schools
- continued to support 24 registered teachers and diploma-qualified long day care workers to upgrade their qualifications to a four-year degree in early childhood teaching through two scholarship programs, with 15 of these teachers graduating in 2017
- awarded 40 Northern Territory teachers (30 from government schools and 10 from non-government schools) scholarships to undertake an online Graduate Certificate in Education (Special Education) through the 'Supporting NT Students with Additional Needs Teacher Scholarship'. This scholarship helps our teachers develop their capacity to cater for the learning needs of our students with additional needs
- provided a range of programs and professional learning opportunities, such as coding workshops, for teachers to be up-skilled in digital literacy to better engage students in coding and digital technologies

## Upskilling our Teachers in Digital Technology

We provide regular opportunities for teachers to be up-skilled in technology to engage and prepare students for the challenges of the digital economy.

In 2017–18, we continued to enhance the way science, technology, engineering and mathematics is taught in our schools. Key activities included:

- skills 2021 expo, giving teachers the opportunity to directly engage with experts from the technology sector and learn about new technologies through hands-on experience
- thirteen SPARK coding workshops covering coding applications and robotics held across the Northern Territory, with 68 teachers participating, including via webinars
- two-day coding workshops conducted in Darwin by the Australian Computer Academy for primary and middle school teachers
- one-day coding workshop conducted by Code Club Australia in Darwin and Alice Springs to support teachers to run coding clubs in schools, with more than 20 teachers participating
- RoboCup specialised coding workshops held in Darwin and Alice Springs to help teachers support the 98 school teams competing in the RoboCup competitions, with more than 50 teachers participating
- delivered professional development for teachers and lessons for students in STEM, demonstrating new technologies across Northern Territory government schools
- ran fortnightly online digital technology workshops in partnership with the University of Adelaide, supplemented by online training modules, which were accessed by 98 teachers from 27 schools across the Northern Territory
- delivered Computational Thinking and Algorithmic Design for Coding Elements workshops, in partnership with Education Services Australia in Darwin, Katherine and Alice Springs
- delivered several Office 365 Phase 3 workshops to support teachers in collaborating within a digital hub, with more than 30 teachers taking part.

<sup>1</sup> Please see Appendix 3 for more detail about learning and development expenditure.

- implemented our 'Assistant Teacher Performance and Development Guidelines' to support assistant teachers in meeting their professional development and career goals
- launched a new performance and development intranet site, providing differentiated information and resources to support our corporate and school-based employees to grow their skills and professional knowledge
- implemented targeted professional learning for teachers to support effective use of data to improve student outcomes
- implemented the Quality Assurance Assessment Cycle, an ongoing process for ensuring high-quality assessment and consistent teacher judgement of student learning against Australian Curriculum achievement standards
- implemented the Age Appropriate Pedagogies Program across 20 Northern Territory primary schools, supporting Transition teachers to share their learning and expertise with each other around teaching approaches that support improved outcomes for young children
- delivered training for Read, Write, Inc., a structured approach to teaching literacy, to 240 staff across 48 Northern Territory schools, supporting the contextual teaching of literacy through stories rather than disconnected concepts
- developed and launched a mentoring guide and online mentoring resources as part of an early years of teaching mentoring program to support senior and experienced teachers to pass on the skills they have learnt during their careers to early career teachers

2+3=



Photo: Chief Executive, Department of Education and teachers at Bradshaw Primary School

## Age-Appropriate Pedagogies Program Achieving Outstanding Success

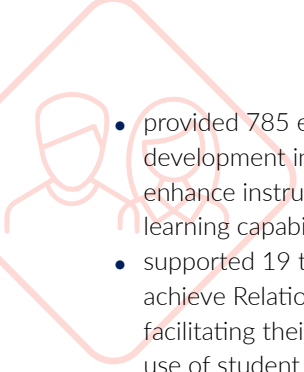
The Age-Appropriate Pedagogies program is being implemented in schools across the Northern Territory over three years. It uses an engaged, learner-focussed teaching approach and supports Transition teachers to share their learning and expertise with each other to help students in the early years of school to be successful learners.

The program has seen increased student attendance, engagement and parent input at Bradshaw Primary School in Alice Springs. The school's research-based project was on improving the early literacy results of Aboriginal students informed by FELA testing results. The Transition students at Bradshaw Primary School achieved outstanding results, with students' literacy improving by a whole year's worth of learning in only 10 weeks.

Student behaviour at school also improved, and it helped to close the gap in school attendance in 10 weeks, with Aboriginal student attendance rates increasing above those of non-Aboriginal students.



Photo: Katherine High School students and their teacher flying a drone that they had programmed

- 
- provided 785 employees with professional development in the Visible Learning program to enhance instructional leadership and teaching and learning capability
  - supported 19 teachers and school leaders to achieve Relationships Based Learning accreditation, facilitating their capacity to mentor their peers in the use of student and community voice to guide school and classroom relationships and practices
  - commissioned the development of a Collaborative Impact Framework, to be delivered through professional learning programs over the next three years, applying evidence of what works to grow capability across our school system to maximise student progress and achievement.

### **Developed the Mentoring and Coaching Framework for principals**

## **DEVELOPING THE SKILLS AND CAPABILITIES OF OUR LEADERS AND FUTURE LEADERS**

We implemented a number of initiatives to ensure our school leaders and future leaders have access to quality mentoring, coaching training and professional development to build their capabilities, deliver quality educational outcomes and engage effectively with communities.

### **Key achievements in 2017–18:**

- developed and implemented a Mentoring and Coaching Framework for principals, which helps to identify individual training and mentoring needs and matches principals with mentors and coaching programs based on their identified needs. Eighty-two principals engaged in a range of mentoring and coaching programs and 46 principals had mentors
- developed the Principal Toolkit for new and current principals to provide a clear, succinct guide to the most frequently used human resources and financial management processes, allowing principals greater time to focus on school improvement
- established the Leadership Pipeline Project program in the Darwin region, in partnership with the Australian Institute for Teaching and School Leadership and the Queensland Education Leadership Institute, focussing on school leaders aspiring to be a principal. The program aims to create leaders who are aware of their strengths and can support the development of others in a variety of contexts, equipping them with the skills and knowledge required to lead teams, schools and system

## *Highly Accomplished and Lead Teachers Sharing Their Expertise*

The 'Northern Territory Highly Accomplished and Lead Teachers Forum' was held in September 2017, attracting more than 50 attendees from across the Northern Territory.

Teachers who are certified as Highly Accomplished and Lead Teachers (HALT) are recognised as leaders of excellence in teaching. HALTs are valuable instructional leaders in our schools through modelling effective teaching practices and mentoring using activities that develop knowledge and professional engagement.

The two-day forum was an opportunity for HALT-certified teachers to celebrate and share their achievements. The annual event is also a networking and professional development opportunity for HALTs to share their expertise and improve collective practice.

At the forum, participants worked together to build a strong and collaborative learning culture in schools to improve student outcomes.



improvement in student outcomes. The first cohort of 17 leaders commenced the program

- supported capability development for 12 new and early career principals through the Executive Development for Educational Leaders program and 19 assistant principals, new principals and teaching principals through the Tomorrow's School Leaders Program, enhancing the capability of participants to lead effective teaching, school improvement, innovation and reform
- developed the Education Leadership Strategy and Framework, which will inform future principal development programs for emerging leaders
- started researching the development of a leadership and technical capability program for prospective teaching principals in remote schools
- supported 94 employees to participate in leadership development programs to develop their leadership skills and capability<sup>2</sup>
- supported our teachers to achieve Highly Accomplished and Lead Teacher (HALT) certification in partnership with the Northern Territory Teacher Registration Board, with 57 certified HALTs employed by the department at the end of 2017, an increase of two compared to the previous year
- developed the Guidelines for Maximising the Impact of Highly Accomplished and Lead Teachers, supporting HALTs in their mentoring of fellow teachers and building their distributive leadership capability.



Photo: Educators participating in the Highly Accomplished and Lead Teachers Forum

<sup>2</sup> Please see Appendix 3 for further details on the leadership programs completed by staff.

## RETAINING, SUPPORTING AND VALUING OUR PEOPLE

Ensuring our employees' wellbeing is essential in providing high-quality teaching and learning for Northern Territory students. We implemented a range of initiatives to retain our quality people and ensure they are recognised, valued and supported in a fair, safe, rewarding and inclusive work environment.

### RETAINING OUR PEOPLE

We implemented various initiatives to create a secure and stable workforce, particularly when it comes to our teachers and to provide consistency in the classroom.

Our commitment to valuing our employees and creating inclusive, safe and positive work environments is affirmed by our overall employee retention rate of 84 per cent, including a school-based employee retention rate of 85 per cent<sup>3</sup>.

#### Key achievements in 2017–18:

- developed the 'Teacher Permanency Strategy', in consultation with the Australian Education Union, focussed on increasing job security and retention of teachers in government schools. The strategy includes a simplified process for schools to enable them to appoint existing and eligible fixed term teachers to permanent positions, with 189 teaching positions approved for permanent appointment since implementation
- provided 14 teachers in remote and very remote schools with financial assistance to undertake a Graduate Certificate Teaching English to Speakers of Other Languages, providing them with the opportunity for professional development and developing their capability to maximise outcomes of students who have English as their second language
- recruited 18 graduate teachers to permanent positions in government schools through the Charles Darwin University High Achieving Teaching Graduate Program
- offered the Special Study Leave Initiative, providing paid study leave to 51 teachers and principals after four years of working in a remote or very remote location
- supported 12 high-performing graduates completing a Masters of Teaching through our partnership with Teach for Australia to work as teachers with a reduced teaching load of 80 per cent in Northern Territory government schools. Eleven of these graduates remained teaching in Northern Territory government schools.

<sup>3</sup> Please see Appendix 3 for further details regarding employee retention.



## SUPPORTING A DIVERSE AND INCLUSIVE WORK ENVIRONMENT

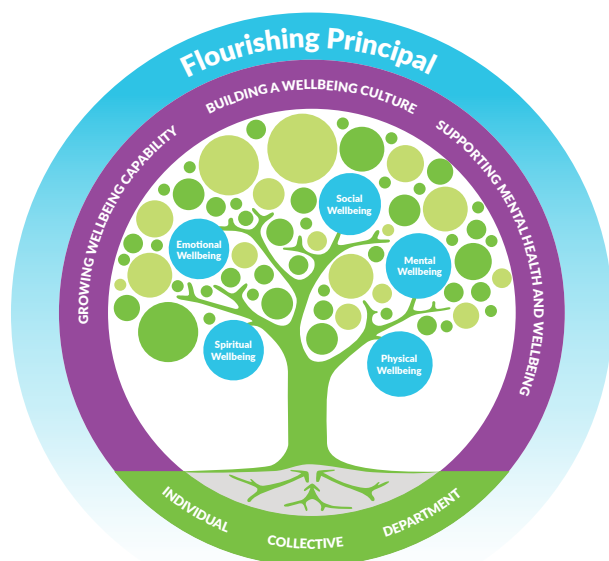
We value the diversity of our workforce and are committed to the principle of equal opportunity and creating an inclusive work environment where people are valued for their diverse cultures, experiences, skills, knowledge and capabilities.

### Key achievements in 2017–18:

- implemented our Indigenous Employment and Workforce Strategy (2016–2020) and a special measures recruitment plan, resulting in the employment of 271 Aboriginal applicants since its commencement in June 2016. The proportion of the department's Aboriginal workforce is 3.2 percentage points higher than the overall Northern Territory Public Sector rate of 10.4 per cent<sup>4</sup>
- developed the Cultural Competency Standards and Training Framework, setting our expected standards for working with different cultural groups, including Aboriginal students, their families and communities, and supporting employees to incorporate culturally responsible attitudes, values and behaviours into their everyday work
- continued to support a diverse and inclusive work environment, including 41 employees identifying as having a disability and 225 identifying as being from a non-English speaking background<sup>5</sup>.



## Launched the Education NT Principal Wellbeing Framework



<sup>4</sup> Please see Appendix 3 for further details regarding Aboriginal employees.

<sup>5</sup> Please see Appendix 3 for further details relating to the diversity of our workforce.

## STRENGTHENING FAIR AND FLEXIBLE WORK PRACTICES AND WELLBEING

We supported employees to balance the demands of work with the needs of family, community commitments and general health and wellbeing.

### Key achievements in 2017–18:

- collaborated with the Office of the Commissioner for Public Employment to negotiate two new enterprise agreements: the Northern Territory Public Sector 2017–2021 Enterprise Agreement and the Northern Territory Public Sector Teachers and Assistant Teachers 2017–2021 Enterprise Agreement, both incorporating various provisions for improved remuneration and flexible working conditions for our employees
- supported 516 employees to work under part-time work arrangements and 483 employees to take parental leave, demonstrating our commitment to flexible work practices
- launched the Education NT Principal Wellbeing Framework, developed in partnership with the Northern Territory Principals Association, providing direction for maintaining healthy, adept and resilient principals to lead our schools
- launched the inaugural Principal Wellbeing Grant, providing \$600 to every principal and assistant principal to support them to grow their wellbeing capability, with 285 school leaders receiving the grant

## Focussing on Wellbeing

Employee wellbeing is a key focus for the department, with 430 teachers from nine schools within the Casuarina Education Precinct recently attending a wellbeing conference. The one-day forum, 'Wellbeing – is it possible?', examined topics ranging from stress and sleep management to workplace energy, diet, trauma, mental illness and anxiety in children.

The teachers found the discussions and strategies for personal and team wellbeing, resilience and better mental health awareness highly beneficial to improve not only their own wellbeing, but also that of their students.



- held the first Northern Territory Principals Online Wellbeing Forum to support the health and wellbeing of school leaders and grow social capital through networking, with 86 principals participating
- continued to actively promote the Northern Territory Government Employee Assistance Program, supporting 599 employees or their families to access counselling services at a total cost of \$218 437.

### PROVIDING A SAFE AND HEALTHY WORKPLACE

We maintained safe learning and work environments and provided key initiatives to support the health and wellbeing of our employees.

Our commitment to workplace health and safety is underpinned by our safety management processes, including policies and guidelines that comply with the *Northern Territory Work Health and Safety (Uniform National Legislation) Act* and the *Public Sector Employment and Management Act*.

#### Key achievements in 2017–18:

- reviewed and enhanced our Safety Management System and related processes and resources
- offered training to support employees to understand their work health and safety obligations in maintaining safe learning and work environments. We actively promoted the department's online incident reporting system, resulting in an increase of 50 incidents being reported by employees, including those not resulting in injuries<sup>6</sup>
- increased the number of workers' compensation claims closed by 38, reflecting the department's improved claims management processes
- provided 1627 employees across 65 onsite clinics access to a free flu vaccination, reducing the impact of seasonal flu in the workplace
- continued to ensure effective work practices in compliance with Northern Territory and national employment instruments.<sup>7</sup>

## Chief Minister's Medal

Felicity Faull from Henbury School was awarded a Chief Minister's Medal in 2017. Felicity has significantly contributed to improving students' outcomes, engagement and wellbeing through coordinating meaningful post-school transition pathways and supporting transition to work programs.

### RECOGNISING AND ACKNOWLEDGING EXCELLENCE AND COMMITMENT

During the year, we recognised and acknowledged employee achievements, good performance and commitment to our organisation, the Northern Territory Public Sector and the early childhood education and care sector.

#### Key achievements in 2017–18:

- supported the annual Northern Territory Education and Care Awards, recognising early childhood educators and services that are innovative and exhibit an outstanding commitment to ensuring quality outcomes for children and their families. Five award recipients, comprising three educators and two early childhood services, each received \$3000 towards their professional learning objective or professional development of staff and implementation of quality improvements in their services
- held the annual Teaching in the Territory Excellence Awards, recognising the contribution of principals, school leaders, teachers, educators, trainers and support staff to quality education and student learning<sup>8</sup>
- acknowledged all employees who have ever reached 10, 20, 30, 35 and 40+ years of service in recognition of the department's value of its employees. Nineteen employees who reached 30, 35 and 40+ years of service were recognised at the 2017 'Recognising Service Milestone' awards held by the Office of the Commissioner for Public Employment
- recognised the service of six retiring employees who retired from the department with a letter from the Minister, a certificate of acknowledgment and a gift.

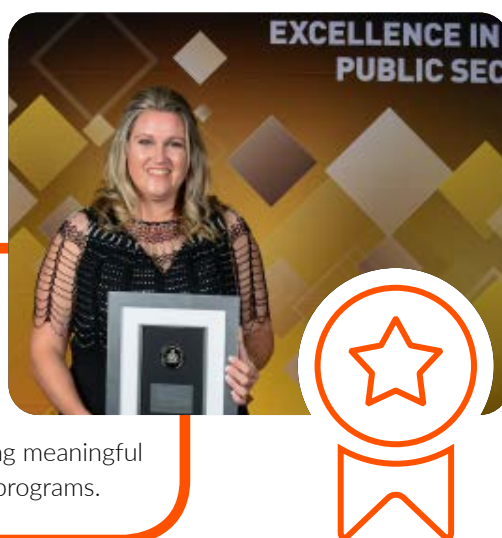
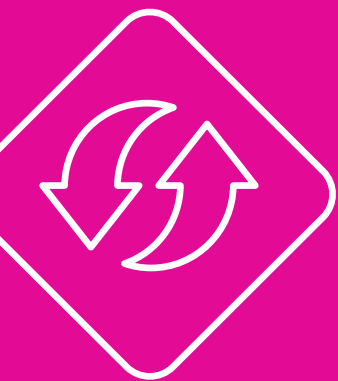


Photo: Felicity Faull, winner of the Chief Minister's Medal 2017

<sup>6</sup> Please see Appendix 3 for further details about incidents reported.  
<sup>7</sup> Performance against Employment Instructions, as per the Public Sector Employment and Management Act (PSEMA), are reported in Appendix 3.

<sup>8</sup> Please see Appendix 3 for a list of 2017 Northern Territory Education and Care Awards and Teaching in the Territory Excellence Awards recipients.



Chapter

5

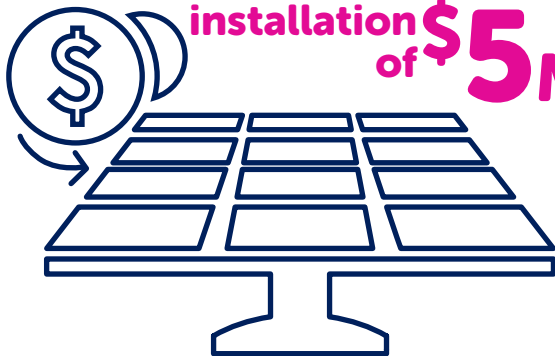
# Sustainability

## Contents

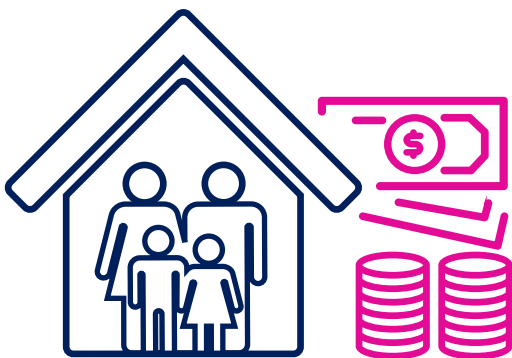
Introduction	48
Supporting Environmental Sustainability	48
Fostering Social Sustainability	49
Building Economic Sustainability	52



Commenced planning for the installation of **\$5M**



in rooftop solar panels to schools over three years



**\$78.58M**

in grant funding to families, community and non-government organisations

**\$153.31M**

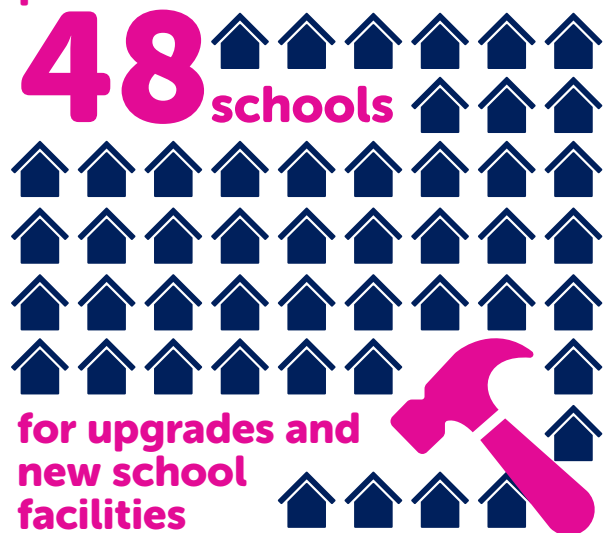
in new and improved school classrooms and facilities



**\$300 000**

provided to

**48** schools



for upgrades and new school facilities

## INTRODUCTION

**We support the three pillars of sustainability: environmental sustainability by conserving and efficiently using energy and materials and managing our environmental impact and waste; social sustainability by supporting social equity and social needs, and engaging with the community; and economic sustainability by providing pathways to prosperity through inclusive education, developing skills for jobs and creating and enhancing employment opportunities.**



## SUPPORTING ENVIRONMENTAL SUSTAINABILITY

We worked towards creating a better environment now and into the future by reducing our everyday impacts, using our resources more efficiently and teaching students how to use resources in environmentally sustainable ways.

### Key achievements in 2017–18:

- provided education and training opportunities to students to promote and enhance sustainable practices. Students learned how to care for the environment through an action-based approach to environmental education for sustainability, and schools promoted learning through incorporation of environmental initiatives in their everyday operations
- commenced planning for the delivery of Round 1 of the Rooftop Solar in Schools program. Five million will be invested over three years, commencing in 2018–19, to install rooftop solar panels to many school buildings across the Northern Territory. The solar panel systems include monitoring and measuring equipment that will be used to deliver innovative school-based educational programs, teaching students about solar technology
- continued to promote electronic viewing and distribution of documents instead of printing, with staff using electronic devices to view documents where possible, including at all executive board meetings
- incorporated energy-efficient and environmentally sustainable design features such as low 'e' glazing, shading and building sealing and renewable energy sources in all major infrastructure projects. Continued to implement other energy-efficient measures in our buildings, including automated switch off for lighting and air conditioning systems outside business hours
- recycled paper, cardboard, printer toners and cartridges with total recycling and waste expenditure reducing from the previous year by \$3967 to \$30 897, which reflects our promotion of electronic document creation and storage to reduce paper consumption.



**Commenced planning for the installation of \$5 million in rooftop solar panels to schools over three years**



## Recycling for Sustainable Living

Maningrida College students bagged thousands of bottles and cans and loaded them on the Sea Swift barge for delivery to Envirobank Recycling in Darwin.

The recycling scheme is part of the national 'Beating the Drum for a Healthier Environment' initiative.

The community clean up project demonstrates resource conservation and recycling, and earned students five cents per can or bottle. The students learned about sustainable living, civic responsibility, and how to employ mathematics, be enterprising and entrepreneurial.

This project had robust links to traditional Aboriginal values and practices that characterise responsible land and sea custodianship.

## FOSTERING SOCIAL SUSTAINABILITY

We made a positive social contribution including through providing community funding and sponsorships and undertaking a range of community engagement activities.

### Key achievements in 2017–18:

- supported various charitable and non-government organisations through activities organised by schools and employees and donated funds raised to worthy causes
- provided grant funding<sup>1</sup> to families, private and community organisations, and non-government organisations, including:

**Back to school grants to Northern Territory families, providing \$150 per student to assist with back to school expenses**  
**\$6.94 million**

**VET in schools program**  
**\$5.12 million**

**Early childhood services subsidy**  
**\$5.02 million**

**Closing the Gap programs**  
**\$1.8 million**

**Girls engagement and mentoring program**  
**\$1.19 million**

**Education organisations**  
**\$1.15 million**

<sup>1</sup> For more information about grants paid, please see Appendix 4.



- provided a total of \$12 516 funding for awards including the NT Board of Studies Excellence Awards, Youth Business Awards and Minister's Choice Awards
- enhanced our digital communications network including through social media (Facebook and YouTube) and our website, enabling effective consultation and engagement with stakeholders; distribution of timely and factual information about important issues, programs and activities; and promotion of good news stories. Schools continued to grow their social media presence to celebrate student and staff achievement, promote upcoming school events and as an additional communication network to distribute important messages to families and the community
- engaged with and sought input from the community on various initiatives, particularly where community and student outcomes can be enhanced, including as part of:
  - development of our Strategic Framework and Education NT Strategy 2018–22, setting the direction for the delivery of a strong public education system that gives all children the opportunity to engage in education, grow in their learning and achieve success
  - development of the implementation plan for Stage 2 of our Indigenous Education Strategy 2015–2024 with a focus on local decision making.
- engaged with the community at various expos and events, including attending:
  - Northern Territory Show Circuit, promoting early childhood education and government school education
  - Garma Festival, promoting our Indigenous Education Strategy 2015–2024 and educational opportunities for Aboriginal students
  - the Little People Big Dreams Conference, promoting and providing information on Northern Territory early childhood education and care programs, initiatives and achievements.

## Eco-Schools Australia Silver Award

Eco-Schools Australia is a school-based environmental sustainability education framework and awards program promoting learning for a litter-free and sustainable Australia.

Parap Primary School claimed the Eco-Schools Australia silver award, a testament to its dedication to environmental education and the ethos of resource sustainability.

The 'Eco-Warriors' are passionate students at the school from various year levels who meet once a week to tackle all sorts of environmental topics. The Eco-Warriors identify and research an environmental issue at the school or community level and consider ways they can make a positive

change and design a solution the entire school can commit to.

The Eco-Warriors have addressed matters ranging from litter control and waste management to energy and water conservation and biodiversity.

Thirty-two Northern Territory schools have joined the Eco-Schools Australia scheme.

Photo: Students and teacher Ms Chelsea Collins at Parap Primary School with their Eco-Schools Australia silver award



**Engaged with the community and stakeholders across the NT to co-create our Strategic Framework and Education NT Strategy, setting the future direction of government education that gives every child the opportunity to engage, grow and achieve**



**Increased our Education NT Facebook followers to 4762**



## Seat of Caring

Six Territory schools participated in the Sustainability Education Art Teamwork (SEAT) Project, a program engaging the social consciousness of children to create a better world.

Students made small stools from bamboo offcuts provided by Thanh Hoa, a sustainably operated factory south of Hanoi, Vietnam, that burns the offcuts to power the entire factory.

Students made biodegradable stools for distribution to communities in need, including those in third world countries. The stools can also be auctioned and the money donated to disadvantaged societies.

Students at Nakara Primary School researched likely recipients by referring to projects operated by the humanitarian, not-for-profit Helping Hands for Humanity and donated to other underprivileged communities.

The SEAT Project at Nakara Primary School formed part of the Humanities and Social Sciences curriculum in Term 2, 2018, and will be extended to Term 3 to identify how recipients of the stools have benefited.

## STEAM Centre at Taminmin College

The new science, technology, engineering, arts and mathematics (STEAM) centre at Taminmin College was completed for the start of the 2018 school year.

The state-of-the-art STEAM centre won the Northern Territory Master Builders award in its project category and the highly regarded Judge's Choice award.

The building is designed to minimise energy use through 3D sunshade modelling, a selection of insulation materials and energy efficient engineering systems such as air conditioning, lifts and lighting.

The new STEAM centre gives students access to a well-equipped, modern facility enabling them to gain valuable skills and knowledge and preparing them for future careers in STEAM. The building includes six classrooms and six science laboratories, increasing the school's capacity to cater for 1500 students.

Local company, Probuild NT, constructed the STEAM centre, at a cost of \$8.81 million, with 349 people employed during the project, including 46 Aboriginal people.

## BUILDING ECONOMIC SUSTAINABILITY

We delivered education and training programs and support for students to enhance their education and employment outcomes and the economic sustainability of the Northern Territory. We enhanced learning environments for students and created local jobs to enable economic growth of the Northern Territory through the delivery of \$153.31 million in new and improved school infrastructure.

### Key achievements in 2017–18:

- delivered education and training programs to enhance students' education and employment outcomes including senior secondary schooling options and VET programs that reflect the Northern Territory's skill shortage<sup>2</sup>
- launched a LinkedIn page for the department which had 1271 followers at year end, to attract and recruit educators to the Northern Territory and promote employment opportunities in the department



**Launched  
LinkedIn page for  
the department to  
attract educators  
to the NT**



Photo: Award winning STEAM centre at Taminmin College

<sup>2</sup> For more information on education, training and engagement programs that prepare students for further education and employment, please see Chapter 3 (Schooling).

- commenced development of three-year strategic direction plans for 16 secondary schools, which include infrastructure master plans, to guide planning and infrastructure development
- delivered our 2017–18 infrastructure program which includes capital works, minor new works, and repairs and maintenance to schools, with projects including:
  - delivery of round 1 of the Building Better Schools program, providing \$300 000 for every Northern Territory school for new and improved school facilities. Thirty-eight government schools and 10 non-government schools were included in round 1
  - completion of the new \$8.81 million science, technology, engineering, arts and mathematics centre at Taminmin College
  - commencement of the \$20.7 million science, technology, engineering, arts and mathematics building at Darwin High School, with the construction tender awarded to local Darwin company Sunbuild. This forms stage 1 of the \$39 million Bullocky Point Education Precinct projects to be delivered over five years
  - investment of \$1 million for refurbishment and upgrade of homeland schools. Works were completed at Gangan Homeland School, and works commenced in the Yirrkala region at Garrthalala, Dhalinybuy and Wandawuy homeland schools
  - commencement of construction of a \$6.5 million preschool and integrated early childhood and family centre in Tennant Creek
  - commencement of construction of \$6.3 million redevelopment and new integrated early learning centre at Ludmilla Primary School with the construction tender awarded to Northern Territory company, PTM Group Pty Ltd.<sup>3</sup>

**\$300 000 provided to 48 schools for upgrades and new facilities**

<sup>3</sup> For more information on information on our infrastructure projects, please see Appendix 4.



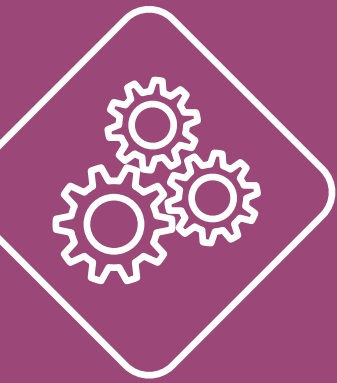
Photo: Maningrida School students, CDU course trainer and Bawinanga Aboriginal Corporation nursery manager

## Advancing Towards a Career as Environmental Custodians

Seven Maningrida School students moved closer to a career as Djelk Rangers after completing Certificate I, Conservation and Land Management, a significant achievement for the students and the school.

The Learning on Country program is a partnership between Maningrida School and the Djelk Bawinanga Rangers. It develops the knowledge, skills and confidence of students interested in a career as an Aboriginal ranger.

There is a theory component to the course, and students are also expected to learn practical aspects such as occupational health and safety, basic machinery operation and maintenance, nursery tasks, basic chemical safety practices, and natural area conservation work.



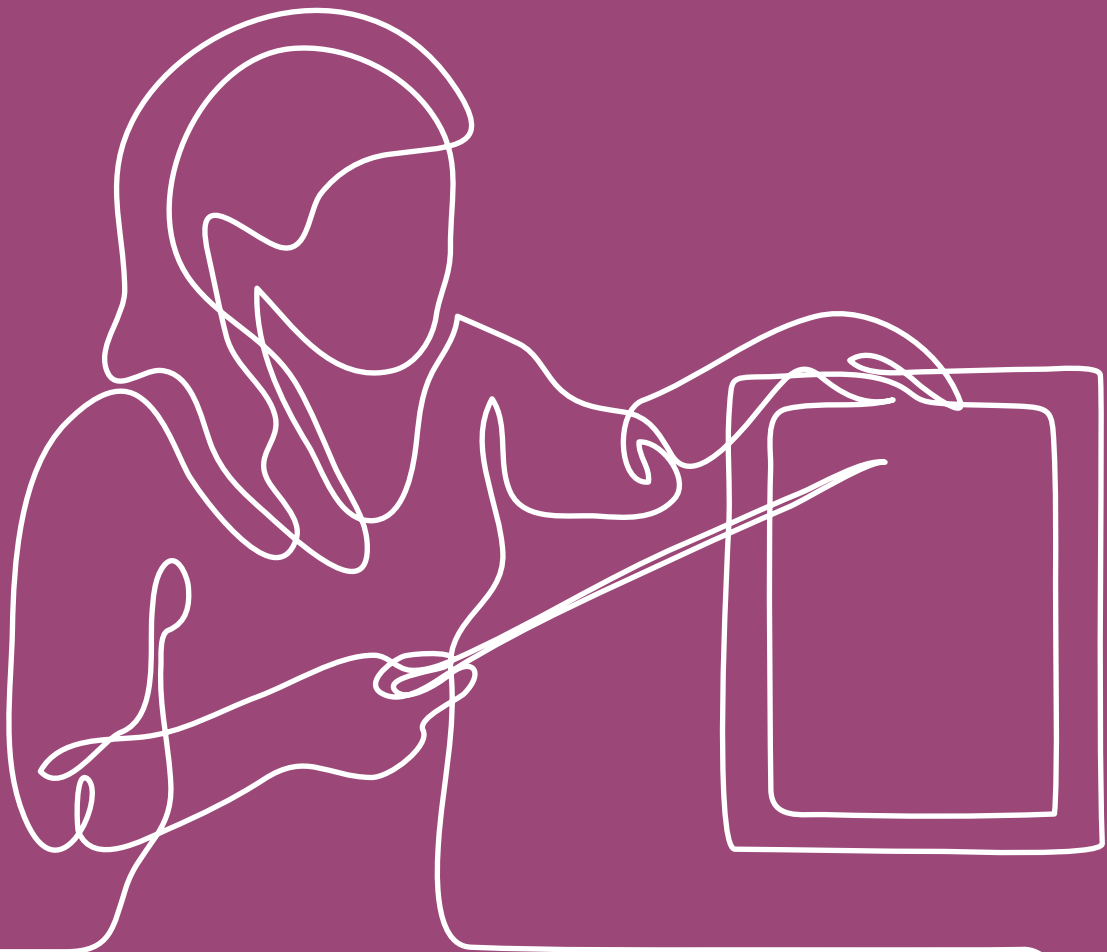
Chapter

6

# Corporate Governance

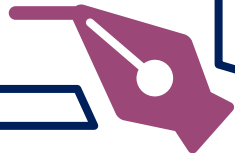
## Contents

Introduction	56
Transparency	56
Accountability	58
Stewardship	62
Integrity	63





Developed our  
**Strategic  
Framework and  
Education NT  
Strategy 2018-22**  
strengthening our  
corporate governance  
framework



Reviewed  
our operating  
and  
governance  
structures



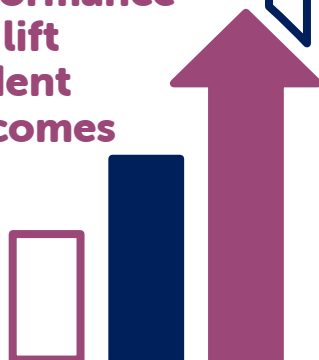
to strengthen  
effective decision  
making and support delivery  
of our Education NT Strategy



Supported  
sustainable  
procurement  
with **52%** of all  
contracts  
valued at  
\$15 000 or  
above awarded  
to local  
businesses

**2018**

- ✓ Set annual priorities
- ✓ for schools to measure our performance and lift student outcomes
- ✓
- ✓



**Day 30**

**92%**

of invoices paid  
within 30 days  
exceeding the  
Northern Territory  
Government target  
of 90%



## INTRODUCTION

**We are committed to sound principles of corporate governance that promote the interests of Northern Territory children, strengthen board and management accountability, and help build public trust.**

**Our Corporate Governance Framework reflects the core principles of sound corporate governance. Our governance processes guide us to achieve our purpose; comply with relevant legislation, policy and ethical obligations; and meet public expectations of transparency, accountability and integrity. In line with this, we maintain a strong focus on stakeholder engagement and open communication, with detailed information reported in the 'sustainability' chapter of this annual report.**

**We use the four key components identified by the Governance Institute of Australia as the basis for reporting and disclosing our corporate governance activities:**

- transparency
- accountability
- stewardship
- integrity.

## TRANSPARENCY

We take an open and transparent approach to reporting our operational and financial performance. Our annual report informs our stakeholders and the public of our progress, expenditure of government funds and any significant issues.

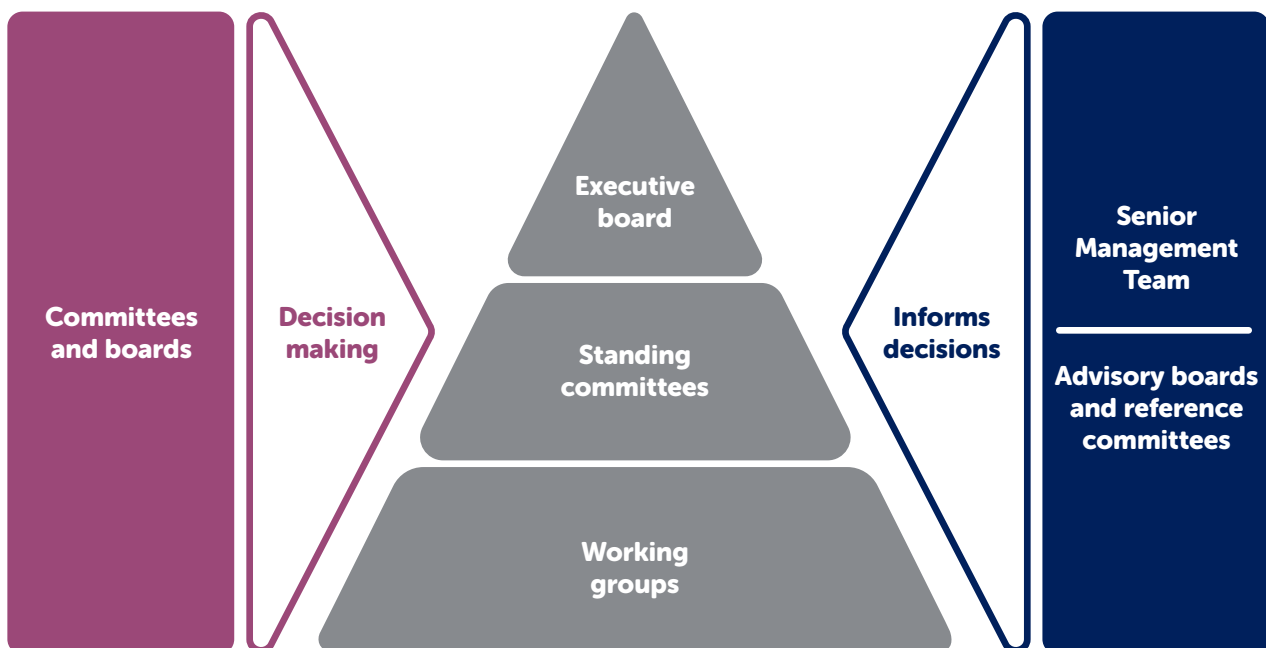
### CORPORATE GOVERNANCE FRAMEWORK

Our corporate governance framework directs and manages our business activities to optimise performance, achieve regulatory compliance and deliver efficient and effective services to our stakeholders. It enables us to govern with transparency, accountability and integrity.



**Our corporate governance framework reflects the core principles of good corporate governance. Our governance processes guide us to achieve our purpose; comply with relevant legislation, policy and ethical obligations; and meet public expectations of transparency, accountability and integrity.**

Figure 4: Corporate governance framework



## STRATEGIC DIRECTION

Our strategic direction is driven by an outcome-focussed ambition to ensure every child in the Northern Territory has the best start in life and through early learning and school education, gains a bright future.

### Key achievements in 2017–18:

- strengthened our governance framework by developing a new long-term strategic framework including a strategic plan: Education NT Strategy 2018–22. The strategic plan outlines five areas of focus that will drive the activity of all areas of the department to achieve a whole-system commitment to strong public education, ensuring children are engaged in education, grow in their learning and achieve success.

## MONITORING AND REPORTING OUR PERFORMANCE

We monitored and transparently reported our performance as part of our commitment to continuous disclosure and transparency.

### Key achievements in 2017–18:

- monitored performance against our strategic plan and achievement of our performance measures. The Executive Board and the Audit and Risk Committee met quarterly to review milestones and performance measures and track progress towards achieving overall outcomes
- published an overview of our performance against the strategic plan and school performance reports on the education services provided and student outcomes for each school on our website
- published our annual report, taking an open and transparent approach to reporting our operational and financial performance to inform our stakeholders of our progress, expenditure of government funds and any significant issues
- set annual priorities for schools to focus on in line with the Education NT Strategy and linked to our goals of 'engage, grow and achieve' to lift student outcomes and school performance.

## INTERNAL AUDITS

We provided objective assurance of our activities through our internal audit function with reports provided to the Audit and Risk Committee. Each internal audit resulted in suggested improvements with the aim of strengthening internal controls and improving efficiency.

### Key achievements in 2017–18:

- conducted audits of official travel transactions to ensure compliance with travel policies
- audited our complaints management process relating to school activities to assess compliance with policies and to develop and implement improvements
- audited our procurement practices to assess compliance with the Northern Territory Government's procurement rules for the Buy Local Plan<sup>1</sup>.

## EXTERNAL AUDITS

The Auditor-General of the Northern Territory conducted audits on our compliance and internal controls, procedures and practices in accordance with the *Audit Act*. The Auditor-General's opinion was reported to the Legislative Assembly and provided to the department, with the Audit and Risk Committee monitoring and reviewing progress of actions resulting from the audits.

### Key achievements in 2017–18:

- The 2017–18 Agency Compliance Audit found the department's systems and processes to be compliant with legislated and mandated requirements<sup>2</sup>.

## SCHOOLS' END-OF-YEAR EXTERNAL AUDITS

In line with the Education Regulations, our schools must be audited annually by a suitably qualified auditor. The audit report is an assurance tool where the auditor provides an opinion about whether the financial statements present fairly the financial position and the financial performance of the school at year end, in accordance with accounting policies, applicable accounting standards and legislation.

### Key achievements in 2017–18:

- Independent audits of all schools were undertaken for the 2017 calendar year.

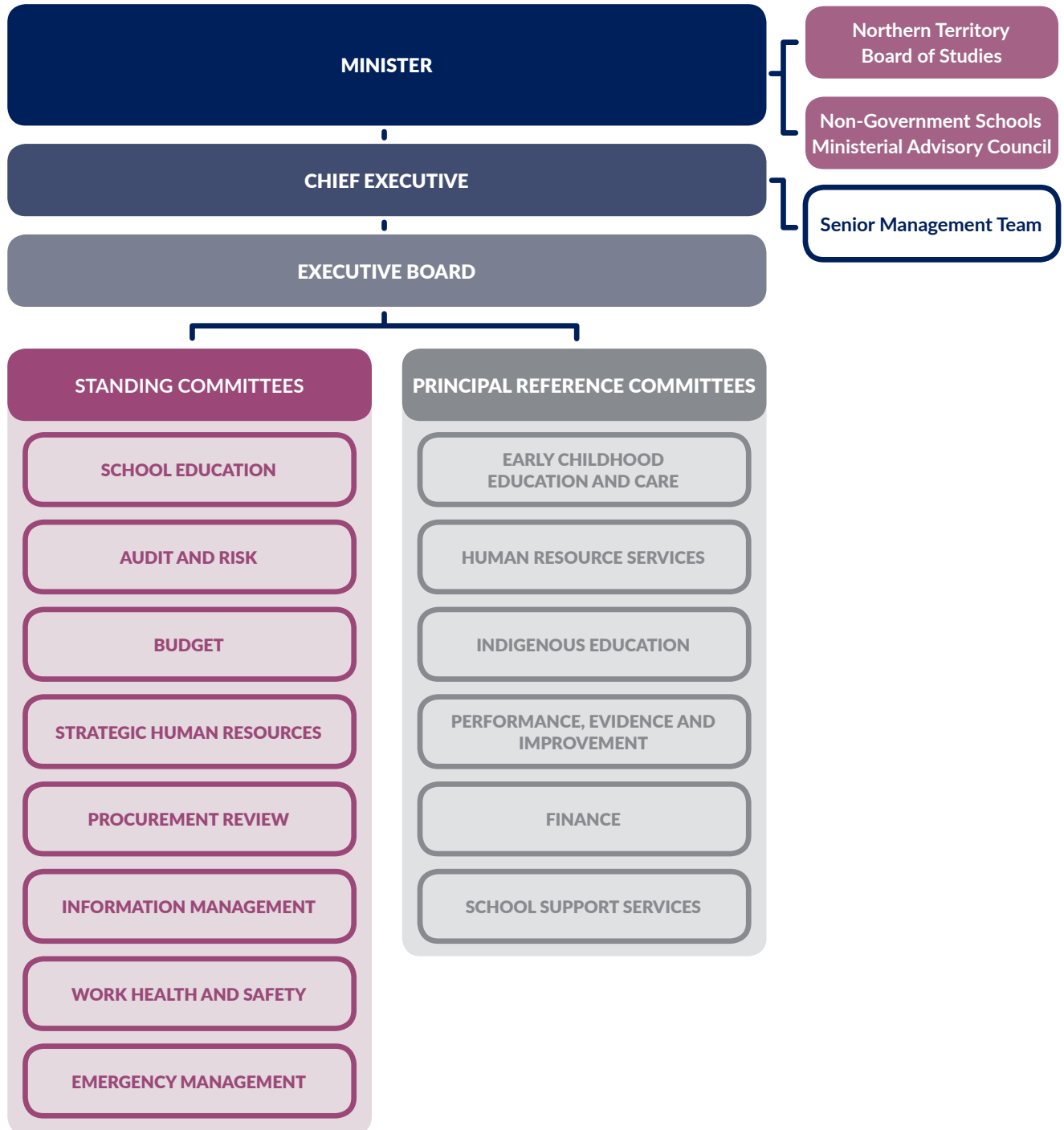
<sup>1</sup> A summary of internal audits conducted is provided in Appendix 5.

<sup>2</sup> A summary of external audits conducted and their outcome is provided in Appendix 5.

## ACCOUNTABILITY

We are committed to accountability across the department. Our Accountability and Performance Improvement Framework provides a system of accountability for the whole department, including schools. It gives us consistent tools and processes to support planning, monitoring and reporting and ensures systems are aligned across all levels of the department to meet our strategic direction.

**Figure 5: Corporate governance structure as at 30 June 2018**



## CORPORATE GOVERNANCE STRUCTURE

Our corporate governance structure informs how decisions are made and assigns delegation of accountability and responsibility within and outside the department.

The Chief Executive may establish boards and committees to oversee and support the department's strategic agenda and provide advice and/or make decisions relating to the department's business. The department's Executive Board is our peak decision-making body and is responsible for delivering the strategic direction of the agency and setting policy.

A number of boards and committees in the department provide advice on policy and program development. Several internal standing committees contribute to good governance and effective leadership in strategic and operational areas<sup>3</sup>.

Advisory boards typically have members with specialist knowledge and expertise and provide an avenue for feedback and advice between the department and key stakeholders. Principal reference committees enable a school perspective to be provided, which informs the department's policy and direction about its services and systems. Input and feedback from committee members is used to frame advice provided to the Chief Executive and the Executive Board.

### Key achievements in 2017–18:

- reviewed our functional and operational structure, and our governance framework and structure to support delivery of our Education NT Strategy, our school improvement focus and effective decision making. New strengthened governance arrangements will be implemented in 2018–19.



**Our accountability and performance improvement framework provides a system of accountability for the whole department, including schools.**

## ACCOUNTABILITY AND PERFORMANCE IMPROVEMENT FRAMEWORK

Our accountability and performance improvement framework provides a system of accountability for the whole department, including schools.

The framework aims to ensure:

- there are consistent tools and processes that support planning, monitoring and reporting across the department
- systems are aligned across all levels of the department to meet its strategic direction
- accountability is distributed across the department.

The framework process diagram shows the connection between the system, regions, directorates, division/business units, staff and the framework.

## STRATEGIC AND BUSINESS PLANNING

To keep us accountable, our strategic plan outlines our strategic direction, goals, focus areas, key actions and performance measures and aligns with government's goals and objectives.

Our integrated approach to planning is based on input from partners, stakeholders, families, students and employees. The strategic plan is the basis for directorate, division, regional, school and employee performance plans, ensuring all activities are aligned with our strategic direction.

### Key achievements in 2017–18:

- consulted with stakeholders to develop the Department of Education Strategic Framework and the Education NT Strategy 2018–2022. Consultations were also conducted to inform the development of key actions and performance measures related to the strategic plan
- strategic and business plans were developed by directorates, regions, divisions/business units and schools aligned with our strategic plan and government priorities.

<sup>3</sup> Information on the key activities and achievements of the department's standing committees, advisory boards and councils is available in Appendix 5.



## MONITORING, REVIEW AND ANALYSIS

We regularly monitor and review our performance to determine the effectiveness of strategies and actions and to guide decisions and future actions. Performance reviews involve structured and critical analysis of systemic, directorate, divisional, regional and school quantitative and qualitative information.

### Key achievements in 2017–18:

- monitored performance against our strategic plan through the Executive Board and the Audit and Risk Committee and published progress in a six-monthly report card and in our annual report
- reviewed and assessed the performance of 55 government schools to identify areas for improvement
- reviewed the performance of directorates, regions, divisions and employees
- monitored our financial management and operational performance on a monthly basis through the Executive Board and standing committees.

## DELEGATION OF AUTHORITY

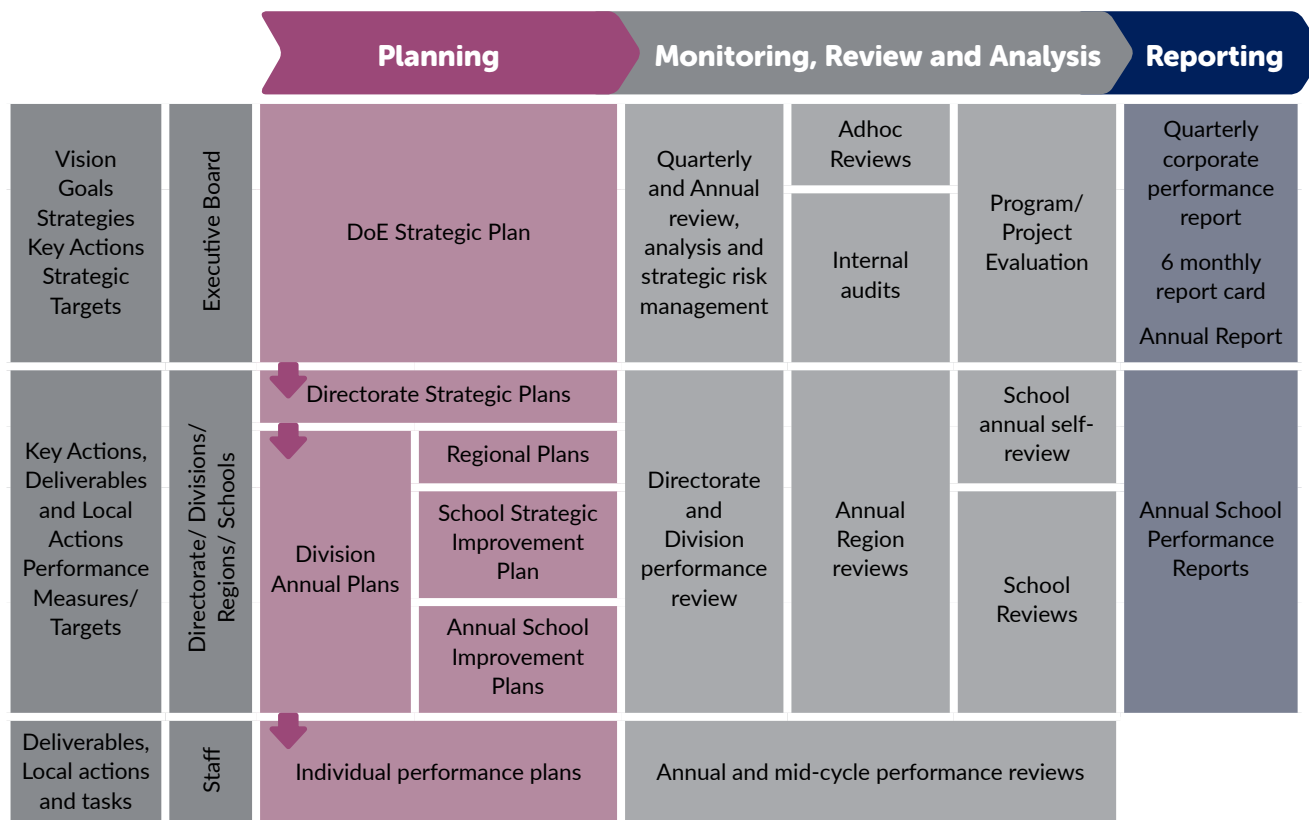
The Chief Executive is responsible for strategic leadership and management of the department and may delegate powers or functions to other employees under the *Financial Management Act*, the *Public Sector Employment and Management Act*, the *Contracts Act* and the *Procurement Act 1995*. To authorise employees to carry out their daily activities, the Chief Executive has established the following instruments of delegation:

- financial delegations
- human resource delegations
- procurement and contract delegations.

### Key achievements in 2017–18:

- reviewed and updated all instruments of delegation to reflect amendments to legislative requirements, ministerial directions and changes to delegation levels and authorised positions.

Figure 6: Accountability and performance improvement framework process



## RISK MANAGEMENT

We are committed to managing risk as an integral part of our culture and operations, focussing on strategies to minimise risks to the achievement of department's vision and business objectives. The Audit and Risk Committee oversees the department's risk management processes.

The department has a risk management framework in place that clarifies roles and responsibilities across the department. Its purpose is to set a common approach for all staff to manage and report risk in a structured and consistent manner, as well as to improve the department's risk culture, where the process of managing risk is seen as essential and valuable.

### Key achievements in 2017–18:

- conducted strategic risk assessments of the department's ability to meet performance measures and targets outlined in the strategic plan as part of quarterly corporate performance review and monitoring by the Executive Board
- maintained our risk management policies, guidelines and procedures to ensure effective management of risks in delivering education services and corporate support to schools
- ensured effective management of risks associated with our activities, including for emergency management, work health and safety, information management, human resources, financial management and procurement.

## FINANCIAL MANAGEMENT

We maintain the highest standards of financial management.

We maintained a comprehensive Accounting and Property Manual in 2017–18, which contains accounting and financial management policies and procedures. These documents communicate accountability for procedures within various responsibility areas and enhance our level of internal control. The manual enables management and internal and external auditors to monitor compliance with established policies and procedures.

### Key achievements in 2017–18:

- operated within budget for the last three financial years
- prepared monthly financial reports to monitor progress against key financial performance indicators, which were assessed by the Executive Board and Budget Committee

- provided our comprehensive financial statements for the financial year and monthly operating statements to the Department of Treasury and Finance
- paid 92 per cent of all invoices received within 30 days, exceeding the whole of government target of 90 per cent.

## INSURANCE

The department self-insures in accordance with Northern Territory Government policy. The department self-insures for risk exposure under the categories of workers' compensation, property and assets, public liability and indemnities.<sup>4</sup>

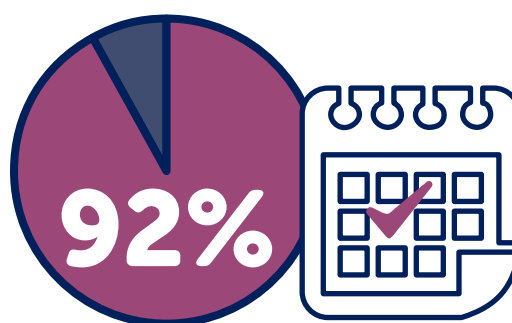
### Key achievements in 2017–18:

- continued to self-insure in line with government policy, processing 140 building insurance claims, a reduction of 11 claims and a decrease of \$2.5 million on the total value of claims compared to the previous year. Claims were lodged by schools for: building, painting, plumbing and electrical repairs; vandalism; and pruning and tree removal.<sup>5</sup>

## LEGISLATION ADMINISTERED

On behalf of the Minister for Education, the department is responsible for administering several Acts and subordinate legislation. They are:

- *Education Act* and *Education Regulations*
- *Education and Care Services (National Uniform Legislation) Act* and *Education and Care Services National Regulations*
- *Higher Education Act* and *Higher Education Regulations*
- *Teacher Registration (Northern Territory) Act* and *Teacher Registration (Northern Territory) Regulations*.



**of invoices paid within 30 days  
exceeding the Northern Territory  
Government target of 90%**

<sup>4</sup> For further information on insurable risk categories identified in Treasurer's Direction M2.1 and mitigation strategies, please see Appendix 5.

<sup>5</sup> For further details in relation to insurance claims, please see Appendix 5.



## STEWARDSHIP

We develop and maintain community-wide recognition that the department is managed for the benefit of Northern Territory children, taking account of the interests of our other stakeholders.

### RECORDS MANAGEMENT

The long-term retention of records is a critical aspect of stewardship. We establish and maintain full and accurate records of our activities in line with relevant policy, standards and guidelines about making and keeping public records, pursuant to the Northern Territory *Information Act* and Northern Territory Records Management Standards.

#### Key achievements in 2017–18:

- progressed our transition to the use of electronic records using the Northern Territory Government's HP Content Manager (TRM) system for corporate records and the School Central records management tool for school information
- delivered records management training to employees, ensuring proper preservation of records and compliance with the *Northern Territory Information Act* and Northern Territory Records Management Standards
- implemented new administration and document management processes for schools and supported them to move their student records into the new 'School Central' record storage system.

### FREEDOM OF INFORMATION AND PRIVACY

The department operates in accordance with the requirements of the Northern Territory *Information Act* to ensure government and personal information is appropriately managed in line with the Information Privacy Principles.

Policies and procedures set out how we manage requests to access information and correct government records and personal information.

Our website has a guide on how to obtain documents from us under the Act and which information or documents are available without a formal application.

#### Key achievements in 2017–18:

- accepted 20 applications to access personal information and eight applications to access government information, in line with the *Information Act*<sup>6</sup>
- delivered a number of awareness sessions and provided training and information for staff on using and disclosing personal information under the NT *Information Act*. The department did not receive any privacy complaints.

### COMPLAINTS MANAGEMENT

We are committed to actively seeking and using feedback to improve our performance and services.

We recognise the rights of our stakeholders to complain and provide an accessible, fair and equitable complaints-handling process. Information about our process is available on our website.

#### Key achievements in 2017–18:

- recorded, monitored and facilitated resolution of 142 complaints received centrally in compliance with our policies and guidelines.

### PROCUREMENT

We implemented procurement policies and procedures in line with the Northern Territory Government Procurement Framework, including the Buy Local Plan, which is designed to support Northern Territory businesses.

#### Key achievements in 2017–18:

- strengthened procurement policies and procedures, including ensuring all our tender documents and tender assessments include buy local provisions
- awarded 68 contracts (valued at \$15 000 or above) with a total approved contract value of \$47.7 million, with 35 contracts awarded to local businesses, delivering benefits to the Northern Territory community and economy
- reviewed and ensured compliance of procurement activities with the Northern Territory Government Procurement Framework through fortnightly Procurement Review Committee meetings. Only four complaints were received and addressed in relation to our procurement practices, reflecting fair and equitable procurement processes.

<sup>6</sup> For more information in relation to applications under the *Information Act*, please refer to Appendix 5.

## INTEGRITY

We develop and maintain a culture committed to ethical practice and compliance with the law.

### OUR VALUES AND CODE OF CONDUCT

The Northern Territory Public Sector Code of Conduct, the general principles in the *Public Sector Employment and Management Act*, and our Code of Conduct for schools guide the way we work and establish our responsibilities and standards of workplace behaviour.

All employees are responsible for their own conduct and for their interactions with our stakeholders, students, the community and with each other. Our culture principles reflect our values, and our operating principles underpin the work of the department. They look at how we operate as we work towards achieving our ambition of ensuring every child in the Northern Territory has the best start in life and through early learning and school education, gains a bright future.

#### Key achievements in 2017–18:

- provided induction training and delivered regular communication to employees in relation to their responsibility to act in accordance with our codes of conduct.

### CONFLICTS OF INTEREST

We are committed to ensuring all staff perform their duties in the best interest of the public. Our staff must be seen as being open and accountable and their actions defensible when dealing with conflict of interest situations.

All employees are responsible for disclosing actual, potential or perceived conflicts of interest, including financial or other interests. As a minimum, all Executive Contract Officers, Executive Contract Principals, employees involved in managing procurement processes, tenders and contracts, or in a position where their decisions could be influenced by an external party must complete an annual disclosure of interests declaration form declaring they either have or do not have private interests and other associations that may give rise to a conflict of interest.

#### Key achievements in 2017–18:

- maintained the department's Conflict of Interest Register. As part of the declaration process, appropriate conflict management measures were identified and agreed upon by the Chief Executive for all perceived or actual conflicts declared by our employees.

### ACCEPTANCE OF GIFTS AND BENEFITS

The Code of Conduct under the *Public Sector Employment and Management Act* outlines specific principles to guide all Northern Territory Public Sector employees in deciding whether to accept gifts or benefits.

The department has developed clear guidelines to help employees decide whether to accept gifts or benefits and later declaring any gift or benefit offered, regardless of acceptance or refusal. We also give school-based employees information about receiving gifts from parents, guardians, carers or students.

#### Key achievements in 2017–18:

- maintained the department's gifts and benefits register, with 17 gifts and benefits declared by staff and formally recorded.

### FRAUD PREVENTION

We have zero tolerance for fraud, and we are committed to minimising the incidence of fraud through implementation of our Fraud Control Framework. The framework comprises our policy on fraud, fraud control strategies, fraud reporting and response procedures, and a fraud awareness fact sheet that covers preventing, detecting and responding to fraud.

#### Key achievements in 2017–18:

- No instances of suspected fraud against the department were detected.



**52% of all contracts valued at \$15 000 or above were awarded to local businesses, delivering benefits to the Northern Territory community and economy**



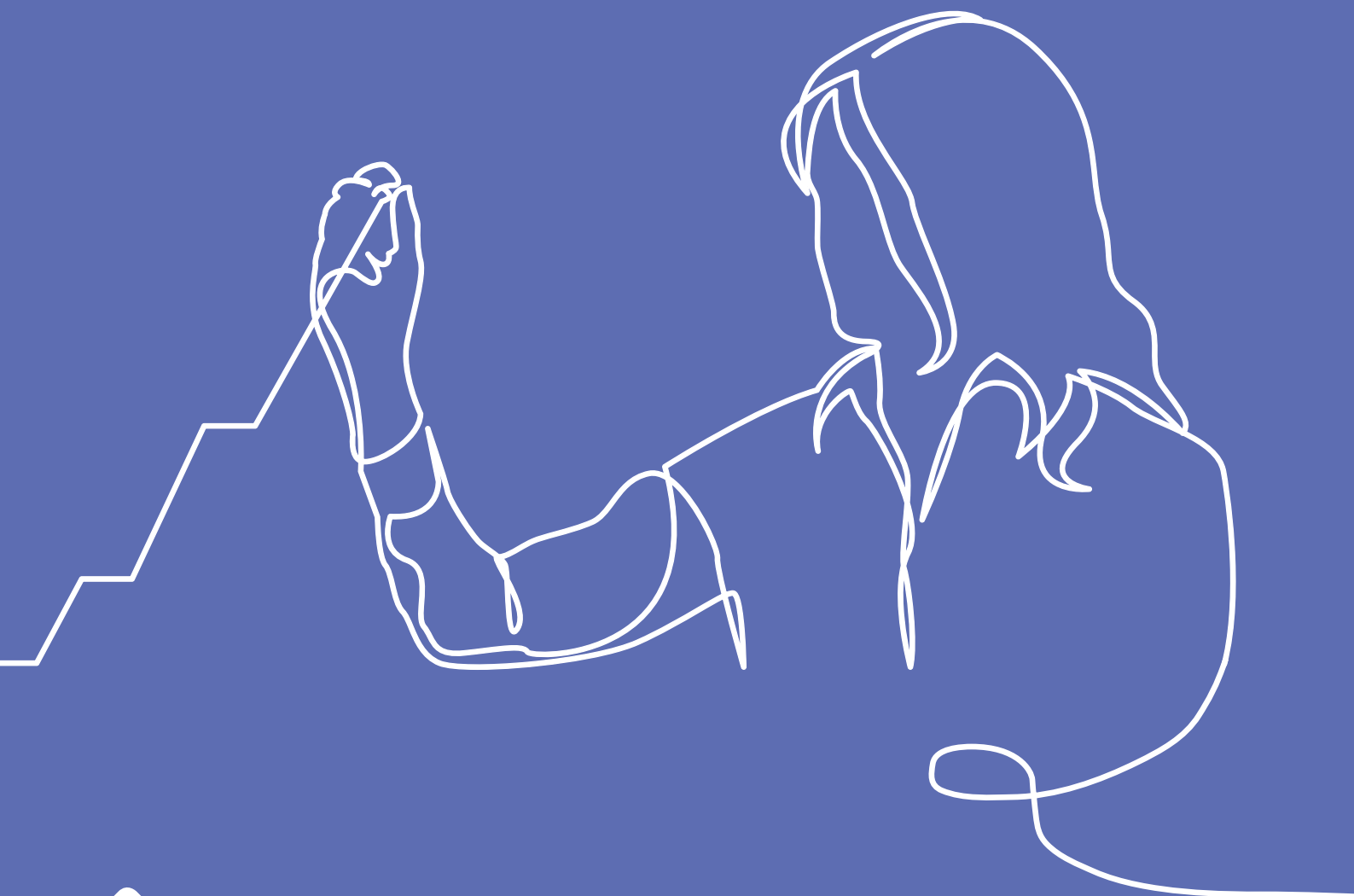
Chapter

7

# Financial Statement Overview

## Contents

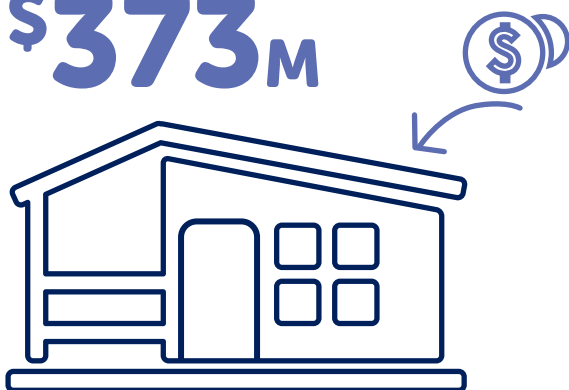
Introduction	66
Financial Highlights	66



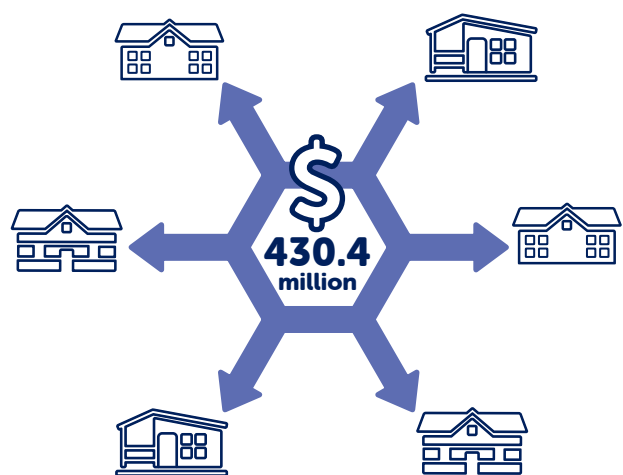




**\$373<sub>M</sub>**

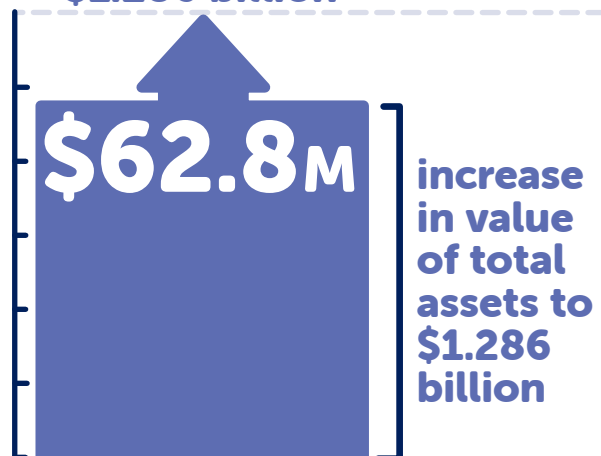


in grants and subsidies provided  
to support the delivery of  
education and services



**\$430.4 million distributed  
directly to schools to manage**

**\$1.286 billion**



## INTRODUCTION

**Our commitment is to provide a strong public educational system that ensures equity and gives every child the opportunity to engage, grow and achieve, delivering resources to improve outcomes in the most equitable and efficient manner possible. In 2017–18 the department's final approved budget was \$1.028 billion.**

**Providing resources directly to schools ensures they are managed and used effectively at the local level. Distribution of available direct school resources, using a student needs-based funding model, such as the model used by the department, is seen as industry best practice and ensures resources are delivered fairly and equitably on the basis of need.**

**We prepared our financial statements on an accrual basis in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions and the Australian Accounting Standards. They provide information in respect of the financial operations and position, changes in equity and cash flow of the department for the year.<sup>1</sup> The financial statements inform our stakeholders and the public of our performance, expenditure of government funds and any significant issues.**



**\$430.4 million distributed directly to schools to manage, boosted by the continuation of an extra \$20 million**

## FINANCIAL HIGHLIGHTS

The department ended the 2017–18 financial year with an operating surplus of \$7.3 million. This was the net effect of unspent school funding in Semester 1, 2018 (schools operate on a calendar year rather than a financial year basis), offset by increased investment in repairs and maintenance expenses in schools.

School funding managed by principals and school representative bodies totalled \$430.4 million, equating to 42 per cent of the department's total budget.

Based on the combined operating and asset results, the department achieved its overall budget responsibilities in 2017–18.

### OPERATING INCOME

- The department received \$960 million in revenue, an increase of \$1.7 million from last year.
- The department received revenue from two main sources, being Northern Territory Government appropriation (\$572.5 million) and Commonwealth Government appropriation (\$353.1 million). Together, these sources represent 96.4 per cent of the department's total revenue in 2017–18.
- Other sources of income included grants and subsidies totalling \$13.7 million, notional income of \$15.1 million, to recognise the value of corporate services provided free of charge by the Department of Corporate and Information Services and other minor sources of income totalling \$5.6 million.<sup>2</sup>

### OPERATING EXPENSES

- The department's total expenses for 2017–18 were \$1.020 billion, an increase of \$25.4 million from last year.
- Employee expenses remain the department's major expense component at \$483.8 million making up 47.4 per cent of total expenses. The \$12.4 million increase in employee expenditure was budgeted.
- Grants and subsidies of \$373 million, accounting for 36.6 per cent of the department's total expenditure, were provided to support the provision of education and related services in 2017–18.

<sup>1</sup> For the comprehensive 2017–18 financial report for the department comprising Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to the financial statements, please refer to Appendix 6.

<sup>2</sup> The Comprehensive Operating Statement details revenue sources for the department at Appendix 6.

## NET ASSETS

- The department's net assets as at 30 June 2018 were \$1.204 billion. This comprised \$1.286 billion in total assets against \$82.5 million in total liabilities.
- The department's total assets increased by \$62.8 million compared to last year. This was mainly as a result of a number of capital and minor new infrastructure projects completed during the year and transferred from the Department of Infrastructure, Planning and Logistics and an upward revaluation in land and building values.
- The majority of our assets are in property, plant and equipment, valued at \$1.215 billion.
- There was a decrease in the department's cash position due to anticipated Northern Territory Remote Aboriginal Investment (NTRAI) grant income not received, but subsequently receipted in July 2018.
- The department held liabilities totalling \$82.5 million at 30 June 2018, an increase of \$11.5 million when compared to last year. This was due to an increase in creditors, of which \$2.2 million was for laptops for teachers and accrued employee expenses, of which \$5.5 million was for salary backpay relating to the Teachers and Educators Enterprise Bargaining Agreement. The remainder was in relation to an increase in employee provisions.



Figure 12: Composition of Operating Income for 2017–18

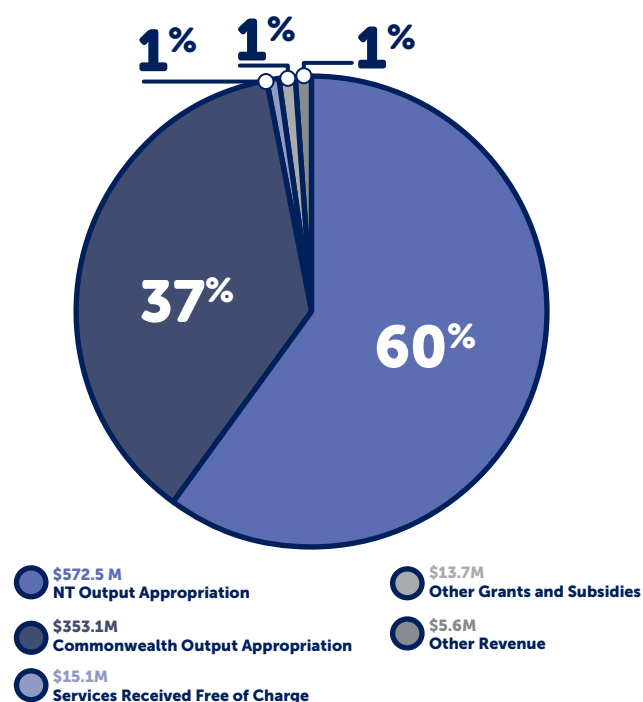
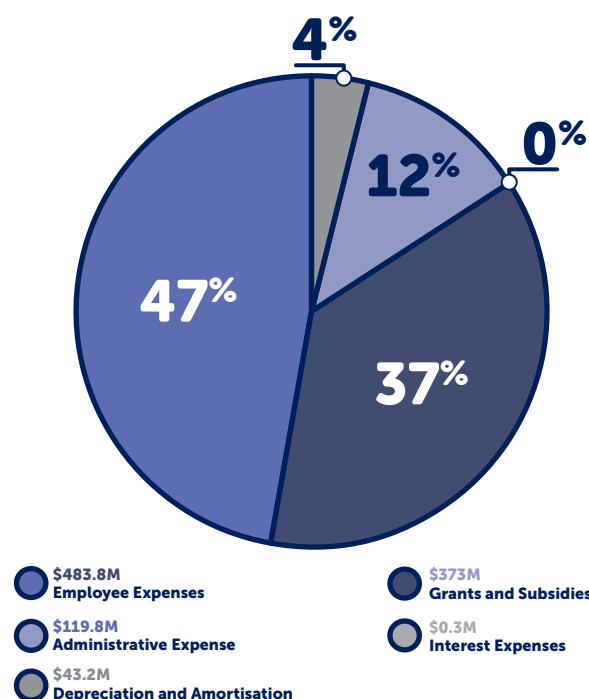


Figure 13: Operating Expenses for 2017–18





# Appendices

## Contents

Appendix 1 – Early Childhood Performance	70
Appendix 2 – Schooling Performance	72
Appendix 3 – Our People	79
Appendix 4 – Sustainability	89
Appendix 5 – Corporate Governance	91
Appendix 6 – Financial Statements	104
Appendix 7 – Contact Us	149
Appendix 8 – Acronyms and Glossary	150



# Appendix 1 – Early Childhood Performance

**Table 5: Subsidised early childhood places – Output Budget Paper Number 3 key deliverables**

Performance measures	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2017–18 estimate	2017–18 actual
Subsidised early childhood places	4 401	5 169	5 419	4 944	5 394	5 503

**Sources:** Department of Education and 2013–14, 2014–15, 2015–16, 2016–17 and 2017–18 Budget Paper No. 3

**Notes:** 1. Approved long day care and family day care places, excluding budget-based remote services funded by the Commonwealth Government.  
2. The 2017–18 estimate figures reflect planned figures from Budget Paper No.3.

**Table 6: Preschool education in government schools – Output Budget Paper Number 3 key deliverables and strategic plan performance measures**

Performance measures – BP3	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2017–18 estimate <sup>2</sup>	2017–18 actual
Total preschool student enrolments <sup>1</sup>	3 461	3 247	3 370	3 396	3 287	3 321
Aboriginal preschool student enrolments <sup>2</sup>	1 446	1 261	1 305	1 302	1 331	1 326
Total preschool attendance rates						
– non-Aboriginal	88%	88%	87%	87%	88%	88%
– Aboriginal	60%	61%	60%	59%	61%	57%
Performance measure – strategic plan	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2018 target	2017–18 actual
Proportion of children enrolled in preschool the year before full-time schooling for 600 hours per year						
– non-Aboriginal	-	94.4%	91.3%	98.2%	95%	98.6%
– Aboriginal	-	96.7%	94.5%	98.6%	95%	98.0%

**Sources:** Department of Education and 2013–14, 2014–15, 2015–16, 2016–17 and 2017–18 Budget Paper No. 3

**Notes:** 1. Enrolment numbers are sourced from the Age Grade Census, which is taken in August each year and is not comparable to average annual attendance data.  
2. The 2017–18 estimate figures reflect planned figures from Budget Paper No. 3

## Appendix 1 – Early Childhood Performance

**Table 7: Number of regulated education and care services across the Northern Territory**

Service type	Darwin	Palmerston and rural	Arnhem	Katherine	Alice Springs	Barkly	Total
Long day care	37	30	4	5	13	1	90
Three-year-old kindergarten	2	1	0	0	1	0	4
Outside school hours care	24	18	2	4	6	0	54
Preschool	19	19	10	12	12	3	75
<b>Total</b>	<b>82</b>	<b>68</b>	<b>16</b>	<b>21</b>	<b>32</b>	<b>4</b>	<b>223</b>

Source: National Quality Agenda IT system

Note: Family day care services are included in the above table; however, they are not issued with a maximum number of places

**Table 8: Proportion of Education and Care Services and Government Preschools meeting or above the National Quality Standard**

Performance measure – strategic plan	20 13–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2018 target	2017–18 actual
Proportion of education and care services meeting or above the National Quality Standard						
– All education and care services	19%	21%	39%	59%	70%	62%
– Government preschools	7%	19%	45%	59%	80%	62%

Source: National Quality Agenda IT system

## Appendix 2 – Schooling Performance

**Table 9: Enrolment and attendance in government schools Budget Paper No. 3 key deliverables**

<b>Performance measures – BP3</b>	<b>2013–14 actual</b>	<b>2014–15 actual</b>	<b>2015–16 actual</b>	<b>2016–17 actual</b>	<b>2017–18 estimate<sup>3</sup></b>	<b>2017–18 actual</b>
Total primary, middle and senior student enrolments	29 969	30 107	29 359	29 914	30 913	30 829
Aboriginal primary, middle and senior student enrolments	13 410	13 567	13 241	13 306	13 704	13 706
Primary, middle and senior attendance rates						
– Non-Aboriginal	90%	90%	90%	89%	90%	88%
– Aboriginal	66%	69%	68%	67%	71%	65%
Primary, middle and senior students attending at least four or more days per week						
– Non-Aboriginal	87%	88%	88%	86%	89%	84%
– Aboriginal	38%	40%	36%	36%	43%	33%
<b>Performance measure – strategic plan</b>	<b>2013–14 actual</b>	<b>2014–15 actual</b>	<b>2015–16 actual</b>	<b>2016–17 actual</b>	<b>2018 Target</b>	<b>2017–18 actual</b>
Proportion of preschool to Year 12 students attending four days or more per week						
– Non-Aboriginal	87%	88%	87%	86%	91%	83%
– Aboriginal	37%	37%	36%	35%	57%	33%

**Sources:** DoE and 2013–14, 2014–15, 2015–16, 2016–17 and 2017–18 Budget Paper No. 3.

- Notes:**
1. Enrolment numbers are sourced from the Age Grade Census, which is taken in August each year and is not comparable to average annual attendance data.
  2. 2014–15 attendance figures are not comparable to previous years due to a break in series. Reporting systems for this measure have been improved and replaced, providing greater accuracy.
  3. The 2017–18 estimate figures reflect planned figures from Budget Paper No.3.

## Appendix 2 – Schooling Performance

**Table 10: NAPLAN students achieving national minimum standard in government schools – Budget Paper No. 3 key deliverable**

Performance measures – BP3	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2017–18 estimate	2017–18 actual
<b>STUDENTS ACHIEVING AT OR ABOVE MINIMUM STANDARD IN NAPLAN <sup>1,2,3</sup></b>						
<b>Reading – non-Aboriginal students</b>						
– Year 3	89%	86%	89%	92%	94%	90%
– Year 5	94%	89%	89%	90%	92%	93%
– Year 7	89%	90%	93%	89%	94%	88%
– Year 9	89%	88%	89%	88%	91%	87%
<b>Reading – Aboriginal students</b>						
– Year 3	54%	38%	44%	48%	52%	48%
– Year 5	57%	33%	48%	31%	50%	42%
– Year 7	37%	38%	55%	40%	55%	35%
– Year 9	44%	35%	33%	41%	45%	39%
<b>Numeracy – non-Aboriginal students</b>						
– Year 3	92%	91%	93%	94%	94%	93%
– Year 5	90%	89%	93%	92%	92%	95%
– Year 7	91%	91%	94%	93%	93%	93%
– Year 9	84%	91%	93%	93%	93%	94%
<b>Numeracy – Aboriginal students</b>						
– Year 3	53%	52%	53%	56%	58%	54%
– Year 5	43%	38%	53%	46%	54%	48%
– Year 7	52%	51%	61%	50%	61%	58%
– Year 9	37%	50%	61%	52%	61%	72% <sup>4</sup>

**Source:** DoE and 2013–14, 2014–15, 2015–16, 2016–17 and 2017–18 Budget Paper No. 3.

**Notes:** 1. NAPLAN results, year to year, are volatile due to small cohorts of students. Projections for 2017–18 estimate are based on trend data.

2. NAPLAN results are not published until December each year; therefore, 2018 results will be reported in next year's annual report.

3. The 2017–18 estimate figures reflect planned figures from Budget Paper No.3.

4. The variation in 2017–18 actual is an exception to the general trend over time.

## Appendix 2 – Schooling Performance

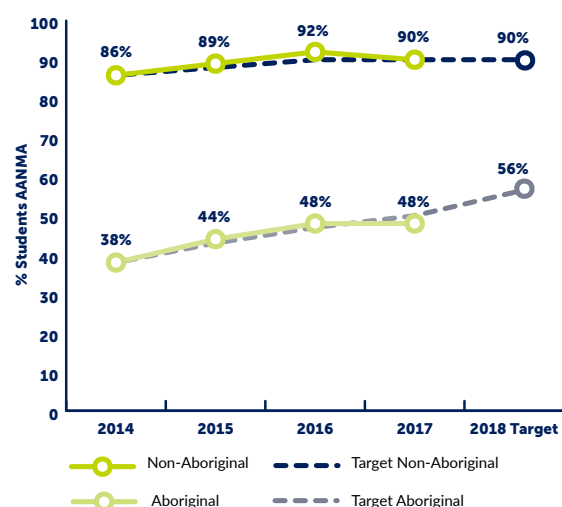
### NAPLAN RESULTS

#### YEAR 3

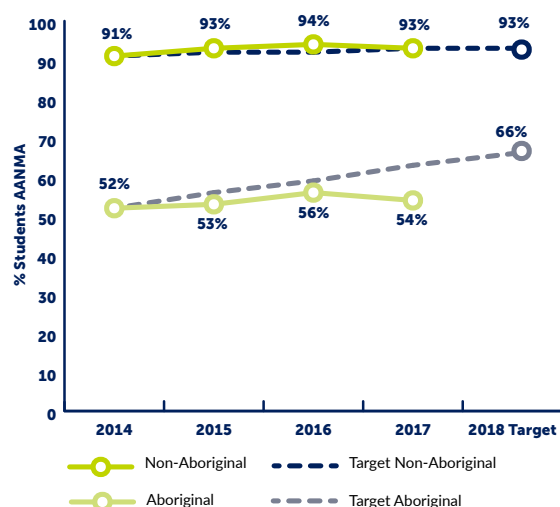
The proportion of Aboriginal students achieving at or above national minimum standard in 2017 remained steady for reading; however, it decreased by two percentage points for numeracy in comparison with 2016. Both results are below projections to meet the 2018 targets.

The proportion of non-Aboriginal students achieving at or above national minimum standards decreased by two percentage points for reading and one percentage point for numeracy. Student results for 2017 achieved the strategic plan targets for 2018.

**Figure 7: Strategic plan targets by 2018 – Proportion of Year 3 NT government school students at or above national minimum standard in reading**



**Figure 8: Strategic plan targets by 2018 – Proportion of Year 3 NT government school students at or above national minimum standard in numeracy**

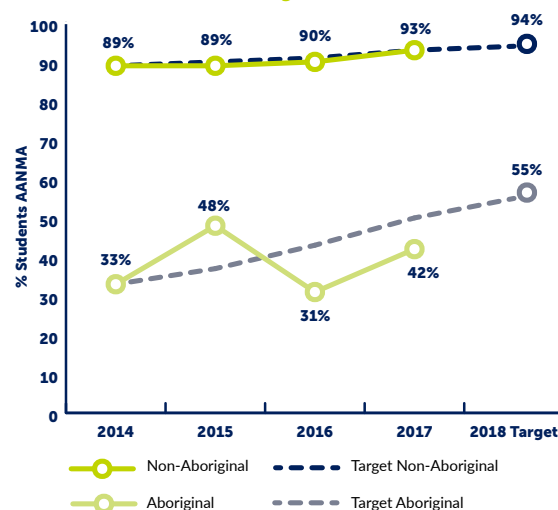


#### YEAR 5

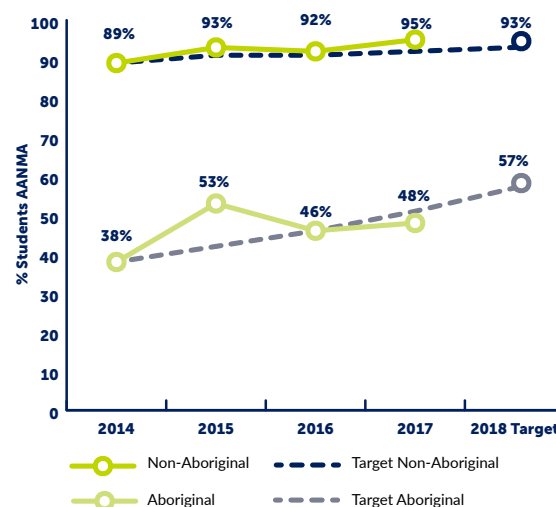
The proportion of Aboriginal students achieving at or above the national minimum standard in 2017 increased substantially – by 11 percentage points- for reading and two percentage points for numeracy compared to 2016. Both results are currently below projections to meet the 2018 targets.

The proportion of non-Aboriginal students achieving at or above national minimum standard increased by three percentage points for both reading and numeracy. Results for 2017 in numeracy exceeded the strategic plan targets for 2018 and for reading are on track to meet the 2018 strategic plan target.

**Figure 9: Strategic plan targets by 2018 – Proportion of Year 5 NT government school students at or above national minimum standard in reading**



**Figure 10: Strategic plan targets by 2018 – Proportion of Year 5 NT government school students at or above national minimum standard in numeracy**



Source: Department of Education

Notes: 1. NAPLAN results, year to year, are volatile due to small cohorts of students. Projections for the 2017–18 Budget are based on trend data.  
2. NAPLAN results are not published until December each year; 2018 results will be reported in next year's annual report



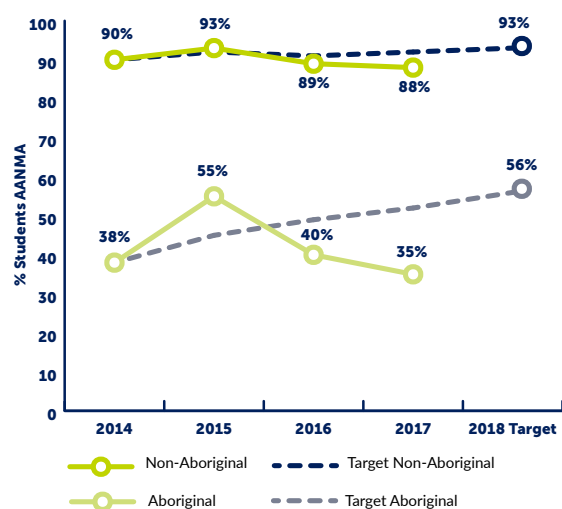
## Appendix 2 – Schooling Performance

### YEAR 7

The proportion of Aboriginal students achieving at or above national minimum standard in 2017 decreased by five percentage points for reading and increased by eight percentage points for numeracy compared with 2016. Both 2017 results are below projected results required to meet 2018 targets.

The proportion of non-Aboriginal students achieving at or above national minimum standard in 2017 decreased by one percentage point for reading and remained steady for numeracy compared with 2016. Reading results for 2017 are below the projected results required to meet the strategic plan target for 2018. Numeracy results for 2017 are on track to meet the strategic plan target for 2018.

**Figure 11: Strategic plan targets by 2018 – Proportion of Year 7 NT government school students at or above national minimum standard in reading**

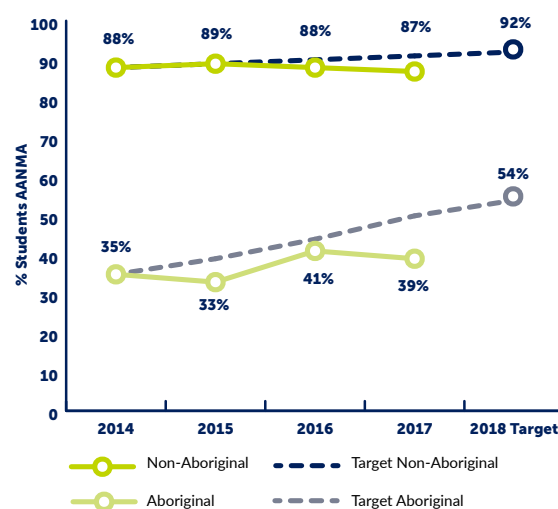


### YEAR 9

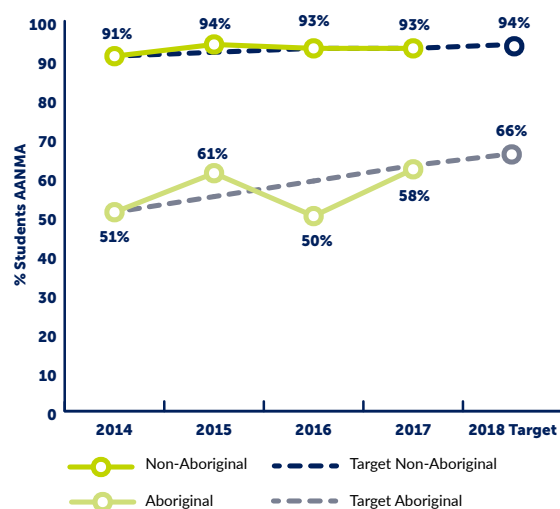
The proportion of Aboriginal students achieving at or above national minimum standard in 2017 decreased by two percentage points for reading and increased by 20 percentage points for numeracy compared to 2016. Reading results for 2017 are below projected results required to meet 2018 targets. Numeracy results exceeded the strategic plan target for 2018 by nine percentage points.

The proportion of non-Aboriginal students achieving national minimum standard in 2017 decreased by one percentage point for reading and increased by one percentage point for numeracy. Reading results for 2017 are below the projected results required to meet the strategic plan target for 2018. The numeracy results for 2017 exceeded the 2018 strategic plan target by one percentage point.

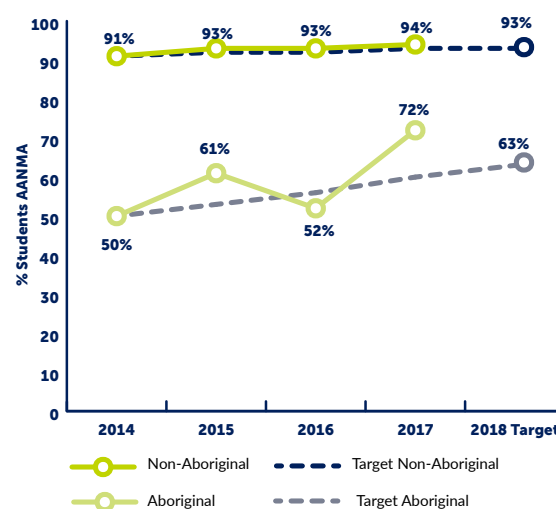
**Figure 13: Strategic plan targets by 2018 – Proportion of Year 9 NT government school students at or above national minimum standard in reading**



**Figure 12: Strategic plan targets by 2018 – Proportion of Year 7 NT government school students at or above national minimum standard in numeracy**



**Figure 14: Strategic plan targets by 2018 – Proportion of Year 9 NT government school students at or above national minimum standard in numeracy**



Source: Department of Education

Notes: 1. NAPLAN results, year to year, are volatile due to small cohorts of students. Projections for the 2017–18 Budget are based on trend data.  
2. NAPLAN results are not published until December each year; therefore, 2018 results will be reported in next year's annual report.

## Appendix 2 – Schooling Performance

**Table 11: Senior years education – outputs in government schools Budget Paper No. 3 key deliverables and strategic plan performance measures**

Performance measures – BP3	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2017–18 estimate	2017–18 actual
Students attaining an NTCET <sup>1</sup>	813	885	837	922	939	947
Aboriginal students attaining an NTCET	134	121	132	156	159	150
Students who achieved one or more VET competencies <sup>2</sup>	1 588	1 554	1 019	1 379	1 406	1 576
Students who completed a certificate I, II, III or IV qualification <sup>3,4,5</sup>	-	-	730	931	949	679
Students enrolled in school-based apprenticeships or traineeships	161	151	87	84	86	86
Performance measures – strategic plan	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2018 Target	2017–18 actual
Non-Aboriginal students completing an NTCET (number and proportion) <sup>6</sup>	679 (74.9%)	764 (73.5%)	705 (76.4%)	766 (79.6%)	788 (80.0%)	797 (80.1%)
Aboriginal students completing an NTCET (number and proportion)	134 (34.3%)	121 (34.8%)	132 (38.2%)	156 (42.5%)	200 (54.0%)	150 (38.4%)
Non-Aboriginal senior secondary students attaining an ATAR score of 90 or above (number and proportion) <sup>4</sup>	-	63 (10.0%)	70 (15.0%)	65 (14.0%)	102 (16.0%)	70 (14.1%)
Aboriginal senior secondary students attaining an ATAR score of 90 or above (number and proportion) <sup>7</sup>	-	1 (2.0%)	0 (0.0%)	2 (6.9%)	6 (6.0%)	0 (0%)
Students who achieved one or more VET competencies	1 588	1 554	1 019	1 379	1 632	1 576
Students who completed a certificate I, II or III qualification	593	701	540	906	722	676
Students enrolled in school-based apprenticeships or traineeships	161	151	87	84	156	86

**Sources:** 2013–14, 2014–15, 2015–16, 2016–17 and 2017–18 Budget Paper No. 3 and strategic plan; Schools Online (number of NTCET completions and Age Grade Census (Year 12 enrolments))

- Notes:**
1. The increase in 2016–17 BP3 figures reflects a focus on targeted support for secondary school-aged students in government schools. This figure may not match what has been published in BP3 as further validation has occurred after publication.
  2. The increase in 2016–17 partly reflects an expanded data collection, including additional registered training organisations.
  3. New measure.
  4. Validated data for Certificate IV completions is not available for 2013–14 and 2014–15. Proportion is calculated by dividing the number of students who achieved an ATAR score of 90 by the total number of students who achieved at ATAR score.
  5. The variation in 2017–18 reflects the cyclical trend of VET completions. This variation is also attributed to an increase in the delivery of skill sets or unit clusters. Skill sets or unit clusters are groups of units of competency that relate to a specific job task or function that is targeted at industry needs but do not amount to a full qualification.
  6. The South Australian Certificate of Education Board commenced reporting this data set in 2014; therefore, data cannot be reported prior to 2014. Proportion is calculated by dividing the number of students who completed at NTCET by the number of Year 12 enrolments.
  7. The 2017–18 estimate figures reflect planned figures from Budget Paper No.3. Proportion is calculated by dividing the number of students who achieved an ATAR score of 90 by the total number of students who achieved at ATAR score.

## Appendix 2 – Schooling Performance

**Table 12: International education outputs Budget Paper No. 3 key deliverables**

Performance measures – BP3	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2017–18 estimate	2017–18 actual
Full fee-paying international students in Northern Territory government schools <sup>1</sup>	56	189	47	55	51	55
Full fee-paying international students in Northern Territory non-government schools <sup>2</sup>	N/A	53	81	85	98	85

Source: DoE; 2013–14, 2014–15, 2015–16, 2016–17 and 2017–18 Budget Paper No. 3 and Providers Registration for International Students Management System.

Notes: 1. 2017–18 estimate figures reflect planned figures from Budget Paper No.3.

2. The 2015–16 actual figure is not comparable to the 2014–15 figures due to a break in the series. Calculation methodology has been changed to provide greater accuracy.

**Table 13: Primary, middle and senior years education – outputs in non-government schools outputs Budget Paper No. 3 key deliverables**

Performance measures – BP3	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2017–18 estimate	2017–18 actual
Total primary, middle and senior student enrolments <sup>1</sup>	11 094	11 311	11 662	11 602	11 395	11 247
Aboriginal primary, middle and senior student enrolments	3 255	3 173	3 353	3 259	3 166	3 221
Attendance rate: <sup>6</sup>						
non-Aboriginal students <sup>2</sup>	87%	86%	87%	85%	92%	92%
Aboriginal students	72%	71%	70%	66%	72%	64%
Students attaining an NTCET	442	431	501	483	489	484
Aboriginal students attaining an NTCET	40	51	55	66	69	76
Students who achieved one or more VET competencies	623	931	678	795	810	763
Students who completed a certificate I, II or III or IV qualification <sup>3,4</sup>	-	-	357	394	401	306 <sup>5</sup>
Students enrolled in school-based apprenticeships or traineeships	84	101	70	65	67	35

Sources: DoE and 2013–14, 2014–15, 2015–16 and 2016–17 Budget Paper No. 3.

Notes: 1. Enrolment numbers are sourced from the Age Grade Census, which is taken in August each year and is not comparable to average attendance data.

2. “non-Aboriginal” is a new measure in 2017–18. This was reported as “all students” in previous years.

3. New measure. In previous years, this was reported as students who had completed a Certificate I, II or III.

4. Validated data for Certificate IV completions is not available for 2013–14 and 2014–15.

5. The variation in the actual 2017–18 figures from the estimate reflects the cyclical trend of VET completions. This variation is also attributed to an increase in the delivery of skill sets or unit clusters. Skill sets or unit clusters are groups of units of competency that relate to a specific job task or function that is targeted at industry needs but do not amount to a full qualification.

6. Attendance rate data is the average attendance rate across the year.

## Appendix 2 – Schooling Performance

**Table 14: Tertiary education output budget paper No. 3 key deliverables**

Performance measures – BP3	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2017–18 estimate	2017–18 actual
Operating grant to CDU	\$6.8M	\$7.0M	\$7.2M	\$7.4M	\$7.1M	\$7.1M
Operating grant to Waterfront campus	N/A	\$1.5M	\$2.1M	\$2.1M	\$2.1M	\$2.1M

**Sources:** DoE and 2013–14, 2014–15, 2015–16, 2016–17, 2017–18 Budget Paper No. 3.

**Note:** The 2017–18 estimate figures reflect planned figures from Budget Paper No.3

## Appendix 3 – Our People

**Table 15: Number of staff by classification group**

Classification group	2013–14 FTE	2014–15 FTE	2015–16 FTE	2016–17 FTE	2017–18 FTE
Administration Officer	1 123.1	1 065.8	1 105.8	1 154.2	1 182.0
Assistant Teacher	165.7	153.0	157.9	167.8	155.86
Classroom Teacher	1 972.9	1 909.0	1 876.8	1 952.0	1 914
Executive Contract Officer	35.0	37.9	33.9	31.9	33.3
Executive Contract Principal	85.2	81.0	87.4	89.0	86.0
Executive Officer	-	1.0	2.0	1.0	1.0
Physical	99.2	95.7	93.1	92.5	83.3
Principal	88.1	88.7	82.5	74.4	81.5
Professional	44.5	46.8	43.8	43.8	48.4
Senior Administration Officer	82.1	91.1	110.2	111.5	116.7
Senior Teacher	557.7	546.2	532.9	549.0	573.1
Technical	3.0	2.8	3.0	2.7	3.0
Trainee and Apprentice	31.1	29.4	13.1	13.8	6.7
<b>Total</b>	<b>4 287.6</b>	<b>4 148.4</b>	<b>4 142.3</b>	<b>4 283.5</b>	<b>4 284.8</b>

**Sources:** PIPS Pay 26 2011–12; 2012–13; 2013–14; 2014–15, Pay 27 2015–16 and Pay 26 2016–17 and 2017–18

**Note:** Calculations are based on precise data; therefore, some FTE totals may not correspond with the sum of separate figures due to rounding

**Table 16: Learning and development expenditure 2013–14 to 2017–18**

Learning and development expenditure	2013–14	2014–15	2015–16	2016–17	2017–18
Total learning and development expenditure	\$5.012M	\$4.674M	\$5.022M	\$6.176M	\$5.06M
Learning and development costs as a percentage of employee expenditure	1.2%	1.1%	1.1%	1.3%	1.0%
Average training expenditure per full-time equivalent (FTE) employee	\$1 169	\$1 128	\$1 212	\$1 442	\$1 181

**Source:** Department of Education



## Appendix 3 – Our People

**Table 17: Leadership programs in 2017–18**

Program	Target	Number of participants	Program aims
Future Leaders Program	AO7 – SAO2 (or equivalent)	7	Develop our talented people into leaders for the future, improve succession planning and promote mobility and learning across the Northern Territory Public Sector.
Public Sector Management Program	Middle and senior managers	3	Enhance the existing knowledge, skills, attitudes and behaviours of middle and senior managers to improve public sector outcomes.
Future Leaders Network	Staff under 30 and whose characteristics align with level 7 of the NTG Capability and Leadership Framework (CLF7)	7	A whole-of-government initiative that provides a forum for exceptional leaders under the age of 30 to provide feedback on significant policy, program and service delivery.
Practical Public Policy Design	Middle and senior managers	10	Assist managers to design and deliver good public policy.
Performance Management	AO5 level and above (or equivalent)	2	Provide an understanding of the Northern Territory Public Sector performance management system and helps to constructively address performance and build confidence when giving performance feedback in the workplace.
Machinery of Government	All staff	6	Develop an understanding of the context and influence of government environments, the requirements of public sector governance and the role of Northern Territory public servants.
Lookrukin – Indigenous Women's Leadership Program	AO4 level and above (or equivalent)	1	Provide high-level, significant learning experience for Aboriginal and Torres Strait Islander women employed in the Northern Territory Public Service.
Australia and New Zealand School of Government – Advancing Leadership Program	Mid-level executives who are developing towards senior executive leadership roles	4	Give participants an understanding of the dynamics of exercising leadership on complex programs.
Australia and New Zealand School of Government – Executive Master of Public Administration	SAO2/ECO1 to ECO3 or equivalent	2	Prepare emerging leaders for the demands and challenges of delivering value to the community in an increasingly complex public service environment.
Executive Development for Educational Leaders Program*	Principals and system leaders	15	Strengthen participants' capacities to lead school improvement; adapt to changing policy environments; and engage, influence and collaborate at the highest levels with the school and the broader education and professional community. This program includes an international study tour.
Tomorrow's School Leaders Program*	Early career principals and aspiring principals	19	Develop and enhance participants' ability to lead effective teaching and learning, and school improvement, innovation and reform.
Leading Teaching Science, Technology, Engineering and Mathematics*	Teachers	7	Develop and enhance participants' ability to teach and lead STEM education and support participants to take a leadership role in whole-school strategic improvement and teacher skill development in STEM education.
Leading Teaching Early Childhood Education*	Teachers	3	Develop participants' early childhood leadership capability and leadership skills in democratic decision making, problem solving and collaborative negotiation.
Indigenous Teacher Leadership Program*	Aboriginal teachers who aspire towards a school leadership role	2	Prepare Aboriginal teachers for school leadership roles through enhancing personal leadership capabilities, strategic thinking and opportunities for networking and mentoring.

## Appendix 3 – Our People

**Table 18: Retention of employees**

	2013–14 actual	2014–15 actual	2015–16 actual	2016–17 actual	2017–18 actual
All employees <sup>1</sup>	82.2%	81.9%	84.8%	85.0%	84.3%
Non-school-based employees <sup>1</sup>	80.3%	82.0%	85.1%	83.7%	80.2%
School-based employees <sup>1</sup>	82.6%	81.7%	84.8%	85.2%	84.8%

Sources: PIPS Term 2, week 8, 2013, 2014, 2015, 2016 and 2017 and 2013–14, 2014–15, 2015–16, 2016–17 and 2017–18 Budget Paper Number 3 and DoE

Note: 1. Reflects the annual change in the number of staff who remained in the department/schools as at week 8, Term 2.

### REPRESENTATION OF ABORIGINAL EMPLOYEES

As at 30 June 2018, the department had 608 Aboriginal employees, a decrease of 26 Aboriginal employees compared to the previous year.

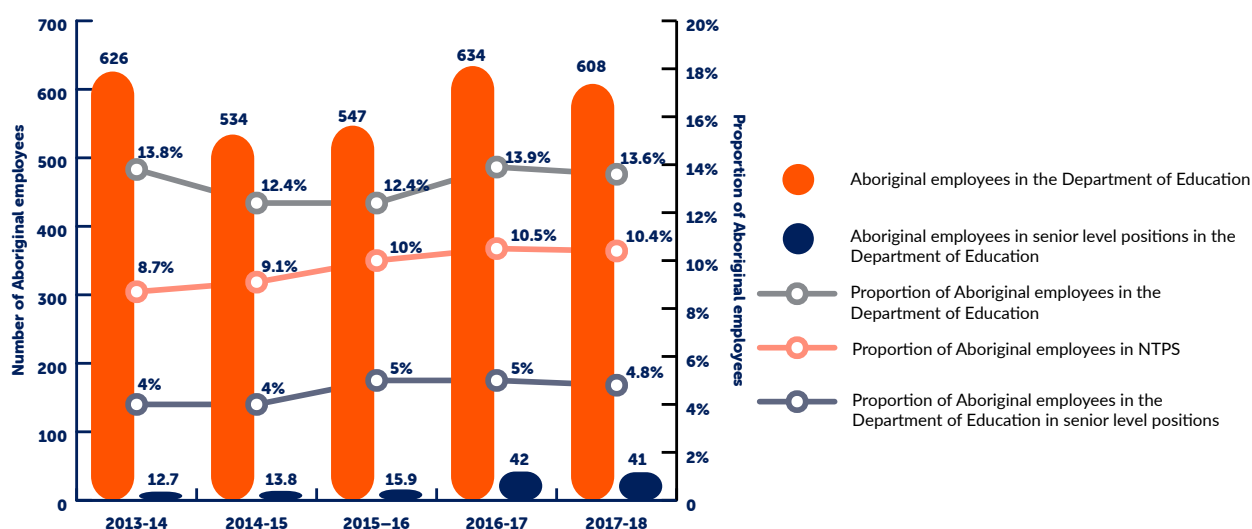
The proportion of Aboriginal employees in the department's workforce is 13.6 per cent, a decrease of 0.3 per cent from 2016-17 and 3.2 percentage points below the department's target of 16.8 per cent as set by the Office of the Commissioner for Public Employment. The department's proportion of Aboriginal employees is 3.2 percentage points higher than the overall Northern Territory Public Sector rate of 10.4 per cent.

At year end, there were 41 Aboriginal employees in senior positions, representing 4.8 per cent of the department's senior level positions, which was 1.7 percentage points below the department's June 2018 target of 6.5 per cent.

Aboriginal employee figures are based on the number of employees who have self-identified as Aboriginal or occupy positions designated for Aboriginal people, such as assistant teachers, Aboriginal Islander Education Workers or principals in training. It is likely that some Aboriginal employees have chosen not to identify as Aboriginal, and therefore that these figures are understated. In addition to department staff, Aboriginal people are employed by school councils, particularly in remote schools, which is not reflected in these figures.

To increase the number of Aboriginal employees, the department is implementing the Indigenous Employment and Workforce Strategy 2016-2020 which includes implementation of a range of initiatives such as the 'More Aboriginal Education Professionals Plan' to increase the number of Aboriginal teachers and education professionals.

**Figure 15: Aboriginal Employees**



## Appendix 3 – Our People

**Table 19: Employees with a disability**

	2013–14	2014–15	2015–16	2016–17	2017–18
Department employees with a disability	55	40	39	39	41
Proportion of department employees with a disability	1.2%	0.9%	0.9%	0.9%	0.9%
Proportion of employees with a disability in the NTPS	1.1%	1.0%	1.0%	1.0%	1.1%

Sources: PIPS Term 2 week 8, 2013, 2014, 2015, 2016 and 2017 (head count).

Note: Nominating equal opportunity status continues to be voluntary for all staff.

**Table 20: Employees from a non-English-speaking background**

	2013–14	2014–15	2015–16	2016–17	2017–18
Department employees from non-English-speaking background (head count)	219	196	208	232	225
Proportion of employees from non-English-speaking background in the department	4.8%	4.5%	4.7%	5.1%	5.0%

Sources: PIPS Term 2 week 8, 2013, 2014, 2015, 2016 and 2017.

Note: Nominating equal opportunity status continues to be voluntary for all staff.

## Appendix 3 – Our People

**Table 21: Actions against the Public Sector Employment Instructions**

Employment Instruction	Actions
<b>Number 1</b> <b>Filling vacancies</b> Chief Executive must develop a procedure for the filling of vacancies.	<ul style="list-style-type: none"> <li>The department requires that all selection panel members, unless they have a legitimate reason, will have completed the NTPS eLearning Selection Training course or other selection training offered or approved by OCPE.</li> <li>Merit selection training opportunities are available for employees and are delivered by OCPE. An online training module is also available.</li> </ul>
<b>Number 2</b> <b>Probation</b> Chief Executive must develop a probation procedure.	<ul style="list-style-type: none"> <li>Probation procedures are available for teaching and non-teaching staff.</li> <li>The initial period of probation for new teachers is 12 months. For experienced teachers with at least five years of successful practice, the probation period may be completed in a period of six months.</li> </ul>
<b>Number 3</b> <b>Natural justice</b> A person who may be adversely affected by an impending decision must be afforded natural justice before a final decision is made.	<ul style="list-style-type: none"> <li>The principles of natural justice are applied to dealings with employees, and employment policies and procedures reflect these principles.</li> <li>As part of the orientation process, employees are made aware of the principles of natural justice.</li> </ul>
<b>Number 4</b> <b>Employee performance management and development systems</b> Chief Executive must develop and implement an employee performance management and development procedure.	<ul style="list-style-type: none"> <li>The department's performance management policy, guidelines and performance frameworks inform the performance development and management process. The Capability and Leadership Framework is used to frame performance discussions for non-teaching employees. The teacher and principal frameworks are underpinned by professional standards for teachers and principals, developed by the Australian Institute for Teaching and School Leadership. The NT Assistant Teacher Standards underpin performance and development processes for assistant teachers.</li> <li>Performance agreements address learning and development needs of staff.</li> <li>In 2017–18, 1 per cent of the department's annual employee budget was used for formal learning and development activities.</li> <li>In 2017–18, continued revision of processes and systems occurred to support staff performance development processes. New performance and development processes and associated resources were developed for assistant teachers and principals.</li> </ul>
<b>Number 5</b> <b>Medical examinations</b> Chief Executive may engage a health practitioner to undertake an examination of an employee in the case of inability, unsatisfactory performance or breach of discipline matters.	<ul style="list-style-type: none"> <li>Human Resource Services provides advice and support to managers in determining when it may be appropriate for a staff member to be asked to attend a medical examination.</li> <li>In 2017–18, seven employees undertook a medical examination for a range of matters, including assessment for fitness for duty and to inform employee inability matters.</li> </ul>
<b>Number 6</b> <b>Employee performance and inability</b> Chief Executive may develop employee performance and inability procedures.	<ul style="list-style-type: none"> <li>Policy on inability to discharge duties and guidance on unsatisfactory performance are accessible by all staff.</li> <li>Two employees commenced assessment for inability under the PSEMA Act in 2017–18, both of which resulted in termination.</li> </ul>
<b>Number 7</b> <b>Discipline</b> Chief Executive may develop discipline procedures.	<ul style="list-style-type: none"> <li>The department has a policy on inappropriate workplace behaviours, including disciplinary processes where required. These are accessible to all staff.</li> <li>In individual matters, the provisions of the PSEMA and Employment Instruction 7 are provided to employees to ensure understanding of the process.</li> <li>12 discipline processes were commenced with staff in 2017–18, resulting in:               <ul style="list-style-type: none"> <li>five formal cautions, of which two were directed to attend training or counselling and one resulted in a reduction in salary</li> <li>one matter resolved through mediation</li> <li>one matter foreshadowed termination, resulting in a resignation</li> <li>one matter finalised with no further action</li> <li>four matters are ongoing.</li> </ul> </li> </ul>

## Appendix 3 – Our People

Employment Instruction	Actions
<b>Number 8</b> <b>Internal agency complaints and section 59 grievance reviews</b> Chief Executive must develop an internal employee grievance-handling policy and procedure.	<ul style="list-style-type: none"> <li>The department has policies and procedures in place for handling employee complaints, and these are accessible by all staff.</li> <li>As part of the orientation process, employees are made aware of their rights to seek review of decisions affecting them.</li> <li>In 2017–18, 17 grievances were lodged with the department for internal review, of which three matters were not accepted, seven matters are ongoing and seven matters were resolved.</li> </ul>
<b>Number 9</b> <b>Employment records</b> Chief Executive is responsible for keeping employees' records of employment.	<ul style="list-style-type: none"> <li>Employee personnel files are maintained by the Department of Corporate and Information Services.</li> <li>Employment records held by the department are maintained in accordance with the Northern Territory Government General Administrative Records Management Schedule.</li> </ul>
<b>Number 10</b> <b>Equality of employment opportunity programs</b> Chief Executive must develop an equality of employment opportunity program integrated with corporate, strategic and other agency planning processes.	<ul style="list-style-type: none"> <li>As part of the orientation process, employees are made aware of the department's equal employment policies and programs.</li> <li>Equality of employment opportunity principles are built into relevant policies and procedures and the department's values.</li> <li>The department continued to support the application of the Special Measures Plan (approved by the NT Commissioner for Public Employment), giving priority consideration to Aboriginal and Torres Strait Islander applicants for all advertised vacancies.</li> <li>Cross-cultural training programs are available to all staff, including online through the employee orientation program. The Human Resources Aboriginal Employment and Workforce Development unit is reviewing the previous cross-cultural training model and its relevance to present circumstances.</li> <li>In October 2016, the department's Indigenous Employment and Workforce Strategy 2016–2020 (was launched, and the department is in the process of implementing key actions of the strategy. The strategy aims to increase the department's Aboriginal workforce in line with the Aboriginal employment targets set by OCPE.</li> </ul>
<b>Number 11</b> <b>Occupational health and safety standards program</b> Chief Executive must ensure the application of appropriate occupational health and safety standards and programs, and report annually on these programs.	<ul style="list-style-type: none"> <li>A range of initiatives were advanced in 2017–18 to support employees in understanding their responsibilities and meeting compliance requirements, including:</li> <li>formation of the WHS Steering Committee, with representatives from all regions and the corporate site (Mitchell Centre, Darwin). The committee provides a link between the regional and corporate WHS committees and Executive Board to provide oversight over strategic WHS matters</li> <li>continued enhancement of the existing safety management processes and resources</li> <li>development of a SAFE campaign and training program to help employees understand their safety responsibilities.</li> </ul>
<b>Number 12</b> <b>Code of conduct</b> Chief Executive may issue an agency-specific code of conduct.	<ul style="list-style-type: none"> <li>As part of the orientation process, employees are made aware of the Code of Conduct and the department's values.</li> <li>Performance and conduct principles are reflected in relevant policies and procedures.</li> </ul>
<b>Number 13</b> <b>Appropriate workplace behaviour</b> Chief Executive must develop and implement an agency policy and procedure to foster appropriate workplace behaviour and a culture of respect, and to deal effectively with inappropriate workplace behaviour and bullying.	<ul style="list-style-type: none"> <li>The values that underpin the department's culture and behaviours are professionalism, respect, innovation, diversity and excellence.</li> <li>Policy and procedures are in place for dealing with inappropriate workplace behaviour, including bullying, and are accessible to all staff.</li> <li>Direct support is offered to provide advice on matters associated with inappropriate workplace behaviours.</li> </ul>
<b>Number 14</b> <b>Redeployment and redundancy procedures</b>	<ul style="list-style-type: none"> <li>The department continued to support three formal redeployees, one of which accepted a voluntary redundancy.</li> </ul>



## Appendix 3 – Our People

Employment Instruction	Actions
<b>Number 15</b> Special measures	<ul style="list-style-type: none"> <li>The department adopted a Special Measures Plan on 1 June 2016, which provided Aboriginal and Torres Strait Islander people with priority consideration for job vacancies.</li> <li>Special measures were applied to positions across the department. This included school-based positions (excluding non-advertised fixed-term vacancies for teachers) in all government schools, including independent public schools.</li> <li>The implementation of the department's Special Measures Plan has been supported through the provision of training by the Office of the Commissioner for Public Employment and an online training package.</li> </ul>

Source: DoE

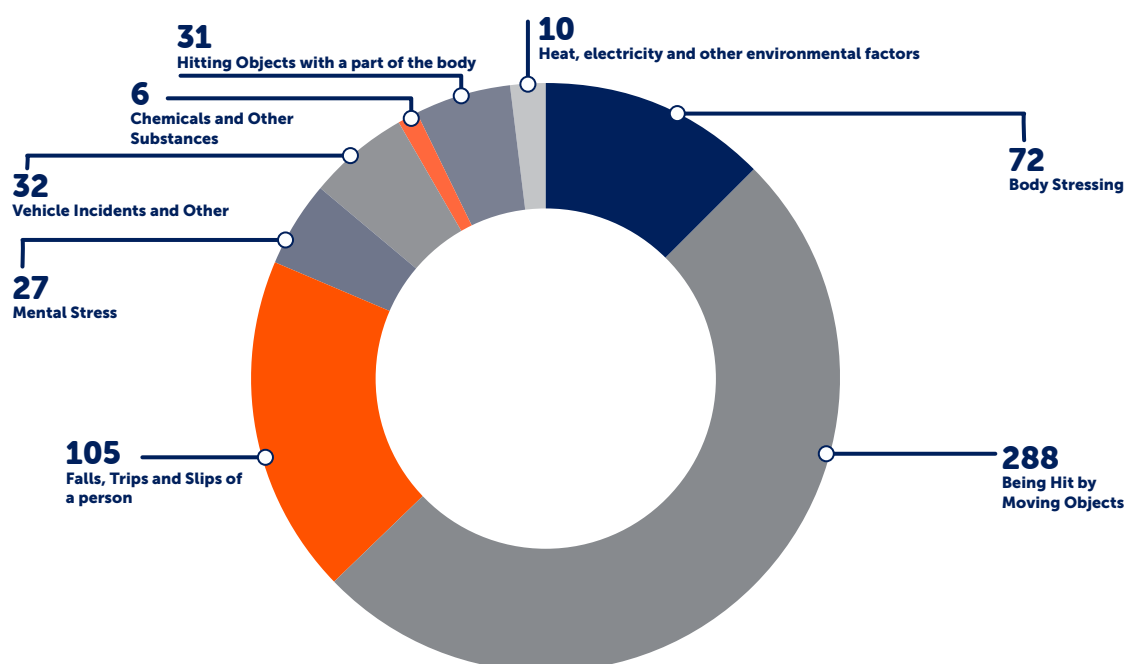
**Table 22: Reported work health and safety incidents, 2014 to 2018**

Incidents	June 2014	June 2015	June 2016	June 2017	June 2018
Number of employee-reported incidents	322 <sup>1</sup>	363 <sup>1</sup>	445 <sup>1</sup>	521 <sup>1</sup>	571 <sup>2</sup>
Proportion of all employees in the department that reported an incident	6% <sup>3</sup>	8.3% <sup>3</sup>	9.6% <sup>3</sup>	12.2% <sup>4</sup>	13.3% <sup>4</sup>

Source: Department of Education Online Reporting System

- Notes:
- 2014 – 2017 data was retrieved from the DCIS HR reporting system – BOXI.
  - 2018 data was retrieved from the department's internal incident reporting system.
  - 2014–2016 percentage of employees was calculated as a proportion of head count.
  - 2017–2018 percentage of employees was calculated as FTE.

**Figure 16: Reported work health and safety incidents by category 2017-18**



## Appendix 3 – Our People

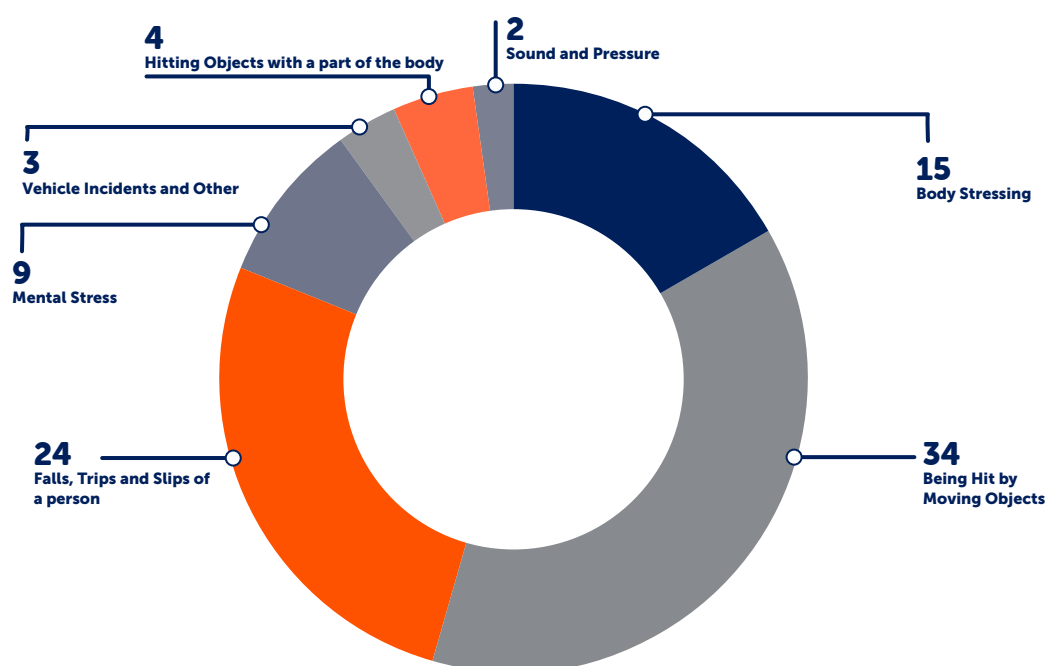
**Table 23: Workers' compensation claims**

Claims	June 2014	June 2015	June 2016	June 2017	June 2018
Total costs <sup>1</sup>	\$5.544M	\$6.135M	\$5.858M	\$4.934M	\$7.974M
Cost attributed to finalising prior-year claims	\$0.431M	\$1.888M	\$2.022M	\$0.808M	\$3.823M
New claims	108	95	61	77	91

Source: Department of Corporate and Information Services FIGTREE Incident Management System.

Notes: 1. Includes costs attributed to finalising prior-year claims.

**Figure 17: Work health and safety claims by category 2017-18**



**Table 24: Northern Territory Education and Care Award Winners**

Award category	Award winner
Outstanding Leadership	Mariann Reu, Schools South, Northern Territory Department of Education
Outstanding Educator	Michelle Leonard, Alekarenge Preschool
Emerging Educator	Stacey Williamson, Nightcliff Outside School Hours Care (OSHC)
Outstanding Achievement in Innovative Practice	Nightcliff Community Early Learning Centre
Outstanding Achievement in Community Engagement	Yirrkala Families as First Teachers

## Appendix 3 – Our People

**Table 25: 2017 Teaching in the Territory Excellence Awards Recipients**

Early Childhood and Primary Teacher of the Year Awards		
<b>Overall Northern Territory winner</b>		
Early Childhood and Primary Teacher of the Year	Simon Rowlands	Bradshaw Primary School
<b>Regional winners</b>		
Darwin region	Karla Kennedy	Stuart Park Primary School
Palmerston and rural region	Sophie Liddle	Howard Springs Primary School
Alice Springs region	Simon Rowlands	Bradshaw Primary School
Arnhem region	Lauren Zahoran	Numbulwar School
Barkly region	Brittany Dunn	Alpururulam School
Katherine region	Bernice McPhee	Casuarina Street Primary School
Secondary Teacher of the Year Awards		
<b>Overall Northern Territory winner</b>		
Secondary Teacher of the Year	Wendy Troe	Nhulunbuy High School
<b>Regional winners</b>		
Darwin region	Marnie Foster	Darwin High School
Palmerston and rural region	Daniel Townsend	Taminmin College
Alice Springs region	Laryssa Montgomery	Centralian Middle School
Arnhem region	Wendy Troe	Nhulunbuy High School
Barkly region	Kaija Keski-Nummi	Tennant Creek High School
Katherine region	Justin Mililo	Katherine High School
Principal of the Year Awards		
<b>Overall Northern Territory winner</b>		
Principal of the Year	Sandy Cartwright	Alawa Primary School
<b>Regional winners</b>		
Darwin region	Sandy Cartwright	Alawa Primary School
Palmerston and rural region	Robyn Thorpe	Batchelor Area School
Alice Springs region	Wendy Hanes	Acacia Hill School
Arnhem region	Irene Singleton	Alyarrmandumanja Umbakumba School
Barkly region	Maisie Floyd	Tennant Creek High School
Katherine region	Sharni Wilson	Katherine School of the Air
School Leader of the Year Awards		
<b>Overall Northern Territory winner</b>		
School Leader of the Year	Donna Capes	Clyde Fenton Primary School
<b>Regional winners</b>		
Darwin region	Jill Finch	Nightcliff Primary School
Palmerston and rural region	Jemma Rust	Girraween Primary School
Alice Springs region	Tim O'Sullivan	Gillen Primary School
Arnhem region	Jessica Goveas	Shepherdson College
Barkly region	Pauline Davenport	Tennant Creek High School
Katherine region	Donna Capes	Clyde Fenton Primary School

## Appendix 3 – Our People

### Support Person of the Year Awards

#### Overall Northern Territory winner

Support person of the Year	Coralie James	Tennant Creek High School
----------------------------	---------------	---------------------------

#### Regional winners

Darwin region	Linda Hubt	Malak Re-engagement Centre
Palmerston and rural region	Maureen Ogden	Mamaruni School
Alice Springs region	Tully Lowson	Centralian Senior College
Arnhem region	Aylsa Mitchell	Nhulunbuy Primary School
Barkly region	Coralie James	Tennant Creek High School
Katherine region	Bronwyn Barrow	Katherine High School

### Aboriginal Educator of the Year Awards

#### Overall Northern Territory winner

Aboriginal Educator of the Year	Jodii Waterbury	Jabiru Area School
---------------------------------	-----------------	--------------------

#### Regional winners

Darwin region	Natalie Althouse	Henbury School
Palmerston and rural region	Jodii Waterbury	Jabiru Area School
Alice Springs region	Dylan Barry	Sadadeen Primary School
Katherine region	Lynnelle Rankine	Clyde Fenton Primary School

### Special Educator of the Year

#### Overall Northern Territory winner

Special Educator of the Year	Demelza Canuto	Rosebery Primary School
------------------------------	----------------	-------------------------

#### Regional winners

Darwin region	Lisa Doyle	Parap Primary School
Palmerston and rural region	Demelza Canuto	Rosebery Primary School
Alice Springs region	Kelly Leonard	Acacia Hill School

## Appendix 4 – Sustainability

**TABLE 26: 2017 - 18 Grants paid by the Department of Education to families and non-government organisations.**

Service provided	2017–18
Grants to non-government schools	\$44.82M
Tertiary providers assistance	\$9.19M
Back – to – school grants to NT families	\$6.94M
VET in schools	\$5.12M
Early childhood services subsidy	\$5.02M
Closing the gap	\$1.80M
Girls engagement and mentoring program	\$1.19M
Grants to education organisations	\$1.15M
Edmund Rice Foundation	\$0.70M
School sport programs	\$0.55M
The Centre for School Leadership, Learning and Development	\$0.44M
Student assistance scheme grants to eligible NT families	\$0.33M
COGSO regional governance officers	\$0.30M
Foundation for young Australians	\$0.19M
Early childhood programs and partnerships	\$0.17M
Indigenous Education Review Implementation	\$0.16M
NT Toy and Equipment Grant for regulated early childhood services	\$0.15M
Long day care building upgrade	\$0.14M
Other	\$0.22M
<b>Total</b>	<b>\$78.58M</b>



## Appendix 4 – Sustainability

### MAJOR INFRASTRUCTURE PROJECTS

The department's major infrastructure projects, including the 2017 – 18 infrastructure program and infrastructure partnership projects, are outlined below.

### CHILD AND FAMILY CENTRES

#### UNDERWAY:

- Tennant Creek Primary School – construction of a new preschool and integrated early childhood and family centre (\$6.5 million).

### NEW FACILITIES

#### COMPLETED:

Taminmin College – new science, technology, engineering, arts and mathematics centre (completed January 2018, \$8.81 million).

#### UNDERWAY:

- Acacia Hill School – new reception, administration, therapy space, classrooms, change rooms and flood mitigation works (\$6.8 million)
- Braitling Primary School – Stage 2 new early childhood precinct (\$3.6 million)
- Darwin High School – redevelopment and expansion – stage 1 of the Bullocky Point Precinct projects (\$20.7 million)
- Zuccoli School – Stage 1 of the new government primary school (\$9 million)
- infrastructure upgrades to schools (formerly Boosting Our Economy) – Acacia Hill School new school facility located in Corella Creek (\$1 million).

### SCHOOL UPGRADES, INCLUDING SPECIAL EDUCATION SCHOOLS AND FACILITIES

#### COMPLETED:

- Leanyer Primary School – preschool upgrade (completed August 2017, \$0.884 million)<sup>1</sup>
- Wagaman Primary School – assembly hall upgrade (completed September 2017, \$1 million)<sup>1</sup>
- Bees Creek Preschool – preschool extension (completed September 2017, \$1.32 million)
- Mimik - Ga – replace beyond economical repair central chiller and associated works (completed March 2018, \$0.57 million)
- Angurugu School – replacement of school buildings including preschool, combined kitchen/dining facility and shade sail structure to playground (completed June 2018, \$7.7 million)<sup>2</sup>.

#### UNDERWAY:

- Ramingining School – multipurpose hall/cyclone shelter (\$5.5 million)<sup>2</sup>
- Ross Park Primary School – assembly hall upgrade (\$1 million)
- Ludmilla Primary School – Stage 1 of the master plan of a redevelopment to create contemporary learning environments including vibrant integrated early learning centre (\$6.3 million).
- Mimik - Ga Centre – refurbishment of Blocks E and F to make them suitable to accommodate Vision, Hearing and Transition to Work teams including removal of all asbestos – containing material (\$1.02 million)
- Taminmin College – refurbishment of science and art blocks (\$3.88 million)
- Anula Primary School – stage 2 upgrades to ablutions (\$0.8 million)
- Lajamanu, Titjikala, Mungkarta, Alekarenge, Ntaria, Yuendumu, Haasts Bluff, Alpururulam, Ampilatwatja, Tennant Creek primary schools – infrastructure to support the teaching and learning of eye health and prevention of trachoma in primary school children in remote and very remote schools (\$1.19 million)
- Nightcliff Middle School – replace beyond economical repair air conditioning plant with chiller system (\$1.5 million)
- Sanderson Middle School – canteen refresh and associated mechanical works (\$0.674 million)
- Lajamanu School – ablutions block for students (\$0.55 million)
- Howard Springs Primary School – replace beyond economical repair air cooled chiller unit (\$0.62 million)
- Girraween Primary School – two general learning areas including mechanical services and veranda (\$0.75 million)
- Gunbalanya School – new transportable building, roof for outdoor basketball area (\$0.756 million)
- new classrooms for the pool of transportable infrastructure to support period enrolment peaks and provide better learning environments for students and teachers (\$8 million)
- infrastructure upgrades to schools (formerly Boosting Our Economy) – Centralian Middle School gym upgrade (\$1.32 million).

1. Funding provided through the Department of Infrastructure, Planning and Logistics.

2. Joint Northern Territory Government and Commonwealth Government funding.

## Appendix 5 – Corporate Governance

**Table 27: Summary of internal audits, 2017–18**

Internal audit	Scope
Official Travel	Audits were conducted to determine, on a sample basis, whether official travel complies with the department's Official Duty Travel Policy and the Northern Territory Government Air Travel Policy for the periods 1 January to 30 June 2017.
Complaints Handling	An audit was conducted to assess the efficiency and effectiveness of the complaints-management process relating to school activities to assess compliance with the relevant internal policies and procedures and to make recommendations for improvement of the existing processes and develop a roadmap to implement enhancements.
Value for Territory	An audit was conducted to assess the department's compliance with the Northern Territory Government's procurement rules relating to the Buy Local Plan through interviews with key procurement staff and testing a sample of procurement activities between 1 July 2017 and 31 December 2017.

**Table 28: Summary of external audits**

External audit	Scope/progress
2017–18 End-of-Year Review	<p>The objective of the audit was to review the adequacy of selected aspects of the end-of-financial-year controls over reporting, accounting and material financial transactions and balances.</p> <p>The department's accounting and control procedures were found to be generally satisfactory; however, one significant matter was identified during the audit relating to recognition of improvements to existing non-current assets.</p> <p>The results of the audit were published in the Auditor-General's November 2017 report to the Legislative Assembly.</p>
2017–18 Agency Compliance Audit	<p>The Auditor-General of the Northern Territory conducted an Agency Compliance Audit for the year ending 30 June 2018. The audit examined selected systems used by the department as required, in particular by Treasurer's Direction Part 3, Section 1 and Procurement Directions, which outline the responsibilities of accountable officers, with the objective of obtaining reasonable assurance that those selected requirements were being achieved.</p> <p>No matters were identified to report from the audit.</p>
Assessment of Salary Overpayments	<p>The Auditor-General of the Northern Territory conducted an assessment of salary over payments during the period 1 July 2017 to 31 January 2018 to provide information to management for review and follow up.</p> <p>The review identified that of the salary overpayments totalling \$376 749 outstanding as at 31 January 2018, \$148 095 had been recovered and \$168 384 remained outstanding. The department is taking action to recover the outstanding amounts.</p>

# Appendix 5 – Corporate Governance

**Table 29: Executive Board membership**

EXECUTIVE BOARD	
<p><b>PURPOSE</b></p> <p>Primary responsibility for strategic leadership and management of the Department of Education rests with the Chief Executive, who is supported by the Executive Board. The Executive Board is the key strategic planning and decision-making body for the department. It determines strategic directions, key performance indicators and policies at the highest level, oversees department operations, monitors performance and manages outcomes.</p> <p><b>PROTOCOL</b></p> <p>Regional directors attend each Executive Board meeting on a rotating basis. Observers, including school principals, are invited to attend and participate in Executive Board meetings. In addition, staff or external stakeholders may be invited to address the board on particular issues.</p> <p><b>MEETINGS</b></p> <p>The Executive Board met 12 times in 2017–18.</p> <p><b>2017–18 ACHIEVEMENTS</b></p> <ul style="list-style-type: none"> <li>• approved the release of the Online Training for Mentors and Mentees training package for school staff</li> <li>• approved a range of strategic and operational policies, guidelines and procedures, including the 'Work Health and Safety Policy Framework', the 'Indigenous Languages and Cultures Guidelines' and the 'International School Education Plan 2018–22'</li> <li>• actively supported cultural competency training in schools through the approval of the 'Cultural Competency Standards and Training Framework'</li> <li>• established the Asset Planning and Infrastructure Steering Committee</li> <li>• monitored the implementation of the department's 'Education NT Strategic Framework 2018-22', including providing oversight to the realignment process</li> <li>• monitored the implementation of the <i>Education Act</i></li> <li>• monitored the School Autonomy Project</li> <li>• monitored progress of NT English Language Centre in Timor-Leste as part of the 'NT International Education Strategy 2014–2024'</li> <li>• monitored the implementation of key initiatives of the 'Indigenous Education Strategy 2015–2024'</li> <li>• monitored monthly finance reports, procurement processes, and media and communications forecasts</li> <li>• monitored progress of the National Partnership Agreement on Northern Territory Remote Aboriginal Investment – Children and Schooling Implementation Plan</li> <li>• monitored planning and infrastructure works</li> <li>• monitored Risk and Audit Committee outcomes</li> <li>• monitored NAPLAN and NTCET outcomes</li> <li>• approved the new Department of Education Strategic Framework and Education NT Strategy for 2018–2022</li> <li>• endorsed terms of reference for the Information Management Committee and the Work Health and Safety Steering Committee.</li> </ul>	<p><b>MEMBERSHIP AT 30 JUNE 2018</b></p> <p><b>Vicki Baylis</b>, Chief Executive (Chair)</p> <p><b>Marion Guppy</b>, Deputy Chief Executive, School Education</p> <p><b>Jasmin Aldenhoven</b>, Executive Director, Corporate Services</p> <p><b>Debra Liddiard</b>, Acting Executive Director, Education Partnerships</p> <p><b>Susan Bowden</b>, Acting Executive Director, Schools North</p> <p><b>David Cummins</b>, Executive Director, Schools South</p> <p><b>Maree Garrigan</b>, Acting Executive Director, School Support Services</p> <p><b>Brett Roach</b>, Chief Financial Officer</p> <p><b>Leanne Cull</b>, General Manager, Human Resource Services</p> <p><b>Anna King</b>, General Manager, Strategic Services</p> <p><b>Tricia Wake</b>, Acting General Manager, Early Childhood Education and Care</p> <p><b>Adam Walding</b>, Acting Senior Director, Planning and Infrastructure</p> <p><b>Tony Considine</b>, General Manager, Indigenous Education Review Implementation</p> <p><b>Elise Vervetjes</b>, Chief Information Officer</p> <p><b>Victoria Eastwood</b>, Director, Office of the Chief Executive</p> <p><b>Hayley Green</b>, Director, Corporate Communications</p> <p><b>Janeen Bulsey</b>, Acting Assistant Director, Indigenous Aboriginal Employment and Workforce Development</p> <p><b>Brenton Toy</b>, Senior Transitions Manager</p>

## Appendix 5 – Corporate Governance

**Table 30: Standing Committee membership**

SCHOOL EDUCATION COMMITTEE	
<p><b>PURPOSE</b></p> <p>The School Education Committee is a standing committee of the department's Executive Board. It provides guidance and direction on matters of importance in the delivery of school education and is a mechanism for strengthening the strategic and operational alignment between corporate business areas, schools, regions and directorates.</p> <p>The committee has the mandate to approve operational policies that affect school management and education delivery in the Northern Territory. It may also endorse policies for referral to Executive Board.</p> <p><b>MEETINGS</b></p> <p>The School Education Committee comprised 12 members and met nine times in 2017–18.</p> <p><b>2017–18 ACHIEVEMENTS</b></p> <ul style="list-style-type: none"> <li>provided oversight and direction in relation to school finances</li> <li>approved six policies and 22 sets of guidelines</li> <li>endorsed two policies and seven sets of guidelines for progression to Executive Board for approval</li> <li>provided direction to a range of other school education-related matters.</li> </ul>	<p><b>MEMBERSHIP AT 30 JUNE 2018</b></p> <p><b>Marion Guppy</b>, Deputy Chief Executive, School Education (Chair)</p> <p><b>Richard Hunt/David Cummins</b>, Executive Director, Schools South</p> <p><b>Anthony Roberts/Susan Bowden</b>, Executive Director, Schools North</p> <p><b>Maree Garrigan</b>, Acting Executive Director, School Support Services</p> <p><b>Aderyn Chatterton</b>, Regional Director, Darwin</p> <p><b>Laurie Andrew</b>, Regional Director, Katherine</p> <p><b>Bill Armstrong/Lynette English</b>, Regional Director, Barkly</p> <p><b>Sue Beynon</b>, Regional Director, Arnhem</p> <p><b>Bryan Hughes</b>, Regional Director, Palmerston and Rural</p> <p><b>Sasha Robinson/Trevor Read</b>, Regional Director, Alice Springs</p> <p><b>Tony Considine</b>, General Manager, Indigenous Education Review Implementation</p>

## Appendix 5 – Corporate Governance

### AUDIT AND RISK COMMITTEE

#### PURPOSE

This is a high-functioning committee and one of the key drivers in improving the department's risk maturity and its accountability and performance monitoring.

The Audit and Risk Committee provides strategic advice to the Chief Executive and Executive Board on emerging risks as well as on financial accountability, compliance and risk management controls of the department. To achieve this, the committee:

- oversees and reviews the internal audit function and external audit process
- serves as an independent and objective party in reviewing the department's annual report
- monitors the effectiveness of the internal control structure associated with the department's activities
- reviews the appropriateness of and compliance with the policies and procedures established by management to enable compliance with relevant legislation and policies of the Northern Territory Government and the department
- provides feedback on risk assessments and suggested mitigation strategies during the development of new major projects and programs.

#### MEETINGS

The Audit and Risk Committee comprised six members and two advisors and met four times in 2017–18.

#### 2017–18 ACHIEVEMENTS

- reviewed and provided feedback on the draft annual report for 2016–17
- reviewed and provided feedback on quarterly corporate performance reports and advice on the associated strategic risk assessment approach
- endorsed the updated 2018 internal audit work plans
- monitored progress of actions agreed as part of implementation of 2017 and 2018 internal audit work plans
- monitored progress of actions resulting from the Auditor-General's audits and a number of operational reviews commissioned by management
- monitored reporting on and/or progress of additional reporting related to reputational risk, Aboriginal employment, ICT Plan implementation and the privacy action plan.

#### MEMBERSHIP AT 30 JUNE 2018

**John Cossons**,  
External Member (Chair)

**Peter Plummer**, External Member

**Shelley Withers**, External Member,  
Attorney-General and Justice

**Marion Guppy**, Deputy Chief  
Executive, School Education

In addition to the membership,  
advisory officers are invited to attend  
meetings.

#### ADVISORS

**Brett Roach**,  
Chief Financial Officer

**David Gomez**, Director,  
Risk Management

## Appendix 5 – Corporate Governance

### BUDGET COMMITTEE

#### PURPOSE

The Budget Committee advises and decides on effective resource allocation, controls and measures to prevent budget deficits.

#### MEETINGS

The Budget Committee comprised five members and four advisors and met 10 times in 2017–18.

#### 2017–18 ACHIEVEMENTS

- managed the allocation of budgets for schools and corporate to provide the most efficient educational outcomes with the funds available
- monitored resource consumption against budgets monthly and initiated actions when expenditure was not tracking to the budget
- considered requests for funding during the year and made decisions on allocation of resources, including Australian Government funding programs.

#### MEMBERSHIP AT 30 JUNE 2018

**Vicki Baylis**, Chief Executive (Chair)

**Jasmin Aldenhoven**, Executive Director, Corporate Services

**Marion Guppy**, Deputy Chief Executive, School Education

**Brett Roach**, Chief Financial Officer

**Anna King**, General Manager, Strategic Services

**Debra Liddiard**, Acting Executive Director, Education Partnerships

In addition to the membership, advisory officers are invited to attend meetings.

#### ADVISORS

**Sophia Tutton**, Director, Financial Policy and Projects

**Kosta Boubaris**, Director, Budget Development and Management

**Vicki McAskill**, Manager, Budget Services



## Appendix 5 – Corporate Governance

### STRATEGIC HUMAN RESOURCES COMMITTEE

#### PURPOSE

The Strategic Human Resources Committee monitors and oversees the strategic human resource planning and management for the department.

#### MEETINGS

The Strategic Human Resources Committee comprised eight members and met twice in 2017–18.

#### 2017–18 ACHIEVEMENTS

- monitored and oversaw the implementation of the HR strategy and expenditure on behalf of the Chief Executive
- monitored, reviewed and analysed staffing and workforce strategies at a system level and intervened as appropriate in response to workforce data and analysis
- addressed staffing trends and provided strategic guidance relating to managing emerging issues and related staffing expenditure
- provided strategic oversight and advice to assist with the management of unattached and case managed employees
- monitored and reviewed other strategic human resource issues as required and intervened as appropriate.

#### MEMBERSHIP AT 30 JUNE 2018

**Jasmin Aldenhoven**, Executive Director, Corporate Services (Chair)

**Marion Guppy**, Deputy Chief Executive, School Education

**Leanne Cull**, General Manager, Human Resources

**Susan Bowden**, Acting Executive Director, Schools North

**David Cummins**, Executive Director, Schools South

**Janeen Bulsey**, Assistant Director, Aboriginal Employment and Workforce Development

**Brett Roach**, Chief Financial Officer

**Fiona Roche**, Director, Workforce Operations

### PROCUREMENT REVIEW COMMITTEE

#### PURPOSE

The Procurement Review Committee monitors and oversees procurement planning and activities for the department.

#### MEETINGS

The Procurement Review Committee comprised four members and met 16 times and had 30 out-of-session requests in 2017–18.

#### 2017–18 ACHIEVEMENTS

- provided oversight of the development and implementation of the Annual Procurement Management Plan
- independently reviewed procurement activities undertaken by the department to ensure compliance with the NT Government Procurement Framework
- endorsed all procurement activities required under the procurement and contract delegations and provided advice to the CE as required
- provided advice or direction on procurement matters referred to the committee
- monitored the department's performance against established NT Government key performance indicators.

#### MEMBERSHIP AT 30 JUNE 2018

**Jasmin Aldenhoven**, Executive Director, Corporate Services (Chair)

**Trevor Read**, Regional Director, Alice Springs

**Maree Garrigan**, Acting Executive Director, School Support Services

**Brett Roach**, Chief Financial Officer

In addition to the membership, advisers are invited to attend meetings

#### ADVISORS

**Carol Sexton**, Director, Legal Services  
**Elise Vervetjes**, Chief Information Officer

Other senior executives as requested by the Chair.

## Appendix 5 – Corporate Governance

### INFORMATION MANAGEMENT COMMITTEE

#### PURPOSE

The Information Management Committee provides advice on information management and information technology and investment recommendations for the Executive Board and the Chief Executive. The committee ensures information management activities align with the department's strategic directions and priorities.

The committee also reviews and prioritises major information management, information technology and data management projects and monitors their progress against agreed budgets and schedules. It reviews emerging technologies and their potential to enhance the department's business capabilities and monitors compliance with information technology risk management, records management, and security and privacy policies.

#### MEETINGS

The Information Management Committee comprised 10 members and met three times in 2017–18.

#### 2017–18 ACHIEVEMENTS

- provided leadership for the establishment of strong project and program governance, including the establishment of the Expertise Leadership Group as a subcommittee of the IMC
- progressed the draft Digital and Data Strategy and key initiatives including the Digital and Data Risk Management Framework
- oversaw development of significant digital and data projects and monitored their progress.

#### MEMBERSHIP AT 30 JUNE 2018

**Jasmin Aldenhoven**, Executive Director,  
Corporate Services (Chair)

**Tricia Wake**, General Manager, Early Childhood Education and Care

**Anna King**, General Manager, Strategic Services

**Elise Vervetjes**, Chief Information Officer

**Maree Garrigan**, Senior Director, School Support Services

**Phillippe Monforte**, Acting Director, IT Services (Secretariat)

**Doug Cooke**, Senior Director, DCIS ICT Policy and Governance

**Brett Roach**, Chief Financial Officer

**Aderyn Chatterton**, Regional Director, Darwin

**Trevor Read**, Regional Director, Alice Springs

## Appendix 5 – Corporate Governance

### EMERGENCY MANAGEMENT COMMITTEE

#### PURPOSE

The Emergency Management Committee reviews risks and reviews and promotes preparedness for major emergency events in accordance with the Northern Territory all hazards emergency management arrangements. The department has the lead responsibility in government for public cyclone shelters. The Chief Executive is a member of the Territory Emergency Management Committee.

#### MEETINGS

The Emergency Management Committee comprised 13 members and met six times in 2017–18.

#### 2017–18 ACHIEVEMENTS

- continued to oversee preparedness of designated emergency public shelters and provided advice and guidance on proposed new emergency shelters to be constructed as multi-purpose facilities on school sites
- oversaw the ongoing training and support of staff to ensure resources were in place to activate the emergency shelter plan upon request by the Territory Emergency Management Committee. A successful Emergency Shelter Volunteer recruitment campaign was conducted to boost the pool of available respondents in an emergency. An information session was held for both existing and new shelter managers and volunteers, with an additional session held for new volunteers
- reviewed emergency shelter plans and preparedness for seasonal and catastrophic events during 2017–18. Inspections of Darwin and Alice Springs shelters were conducted from October to December 2017 to ensure sufficient provisions of supplies for each shelter at the start of the wet season
- worked collaboratively with the Department of Infrastructure, Planning and Logistics to coordinate and undertake repair works to schools due to damage caused by Cyclone Marcus.

#### MEMBERSHIP AT 30 JUNE 2018

**Jasmin Aldenhoven**, Executive Director,  
Corporate Services (Chair)

**Ken Lehmann**, Assistant Director,  
Infrastructure Operations  
(Shelter Group Leader)

**Susan Bowden**, Executive Director,  
Schools North

**Hayley Green**, Director,  
Corporate Communications

**Adam Walding**, Acting Senior  
Director, Planning and Infrastructure  
(Deputy Group Leader)

**Victoria Eastwood**, Director,  
Office of the Chief Executive

**Elise Vervetjes**, Chief Information  
Officer

**Marion Guppy**, Deputy Chief  
Executive, School Education

**David Cummins**, Executive Director,  
Schools South

**Richard Hunt**, Director, School  
Operations South

**Pauline Ford**, Director,  
Schools Operations North

**Leanne Cull**, General Manager,  
Human Resources

## Appendix 5 – Corporate Governance

### WORK HEALTH AND SAFETY COMMITTEE

#### PURPOSE

This is a strategic committee and one of the key drivers of improvement of the department's safety management system.

The Work Health and Safety Committee approves consultation and communication processes that ensure employees are considered in work health and safety matters. The committee's focus is to ensure safety and employee wellbeing are considered in all Department of Education decisions at all workplaces.

#### MEETINGS

The Work Health and Safety Steering Committee comprised 12 members and one observer and met six times in 2017–18.

#### 2017–18 ACHIEVEMENTS

- endorsed the 2017 safety management action plan
- reviewed and provided feedback on the refreshed safety management system
- reviewed and provided feedback on the communications strategy, including training to be provided by an external provider
- monitored regional/corporate committee activity
- monitored incident reports.

#### MEMBERSHIP AT 30 JUNE 2018

**Marion Guppy**, Deputy Chief Executive, School Education (Chair)

**Susan Bowden**, Executive Director, Schools North

**Sue Beynon**, Chair, Arnhem Region WHS Committee

**Aderyn Chatterton**, Chair, Darwin Region WHS Committee

**Laurie Andrew**, Chair, Katherine Region WHS Committee

**Bryan Hughes**, Chair, Palmerston and Rural Region WHS Committee

**David Cummins**, Executive Director Schools South

**Trevor Read**, Chair, Alice Springs Region WHS Committee

**Lynette English**, Chair, Barkly Region WHS Committee

**Jasmin Aldenhoven**, Chair, Corporate (Mitchell Centre) WHS Committee

**Leanne Cull**, General Manager, Human Resources

**Adam Walding**  
Senior Director, Planning and Infrastructure

#### OBSERVER

**David Gomez**, Director, Risk Management.

## Appendix 5 – Corporate Governance

**Table 31: Advisory Boards and Councils membership**

NORTHERN TERRITORY BOARD OF STUDIES	
<p><b>PURPOSE</b></p> <p>The Northern Territory Board of Studies is an independent authority that provides advice on curriculum, assessment, reporting and certification to the Minister for Education, Chief Executive of the department and all schools in the Northern Territory. The board also works with other authorities on education matters, issues certificates of educational attainment and maintains records on student achievement.</p> <p><b>MEETINGS</b></p> <p>The Northern Territory Board of Studies comprised 11 members and met three times in 2017–18.</p> <p><b>2017–18 ACHIEVEMENTS</b></p> <ul style="list-style-type: none"> <li>continued to monitor the development and implementation of the Australian Curriculum in the Northern Territory and provide responses to the Australian Curriculum, Assessment and Reporting Authority</li> <li>considered other matters that affect Territory education, the Northern Territory Certificate of Education and Training, and Vocational Education and Training</li> <li>developed policies</li> <li>held annual award ceremonies to recognise the achievement of students in Northern Territory government and non-government schools.</li> </ul>	<p><b>MEMBERSHIP AT 30 JUNE 2018</b></p> <p><b>Ralph Wiese</b>, Independent Chair, nominated by the Minister for Education as an expert</p> <p><b>Cheryl Salter</b>, Association of Independent Schools of the Northern Territory representative</p> <p><b>Christopher Pollard</b>, Catholic Education Office, Northern Territory representative</p> <p><b>Marion Guppy</b>, Department of Education nominee</p> <p><b>Greg Bicknell</b>, employer representative</p> <p><b>Pauline Schober</b>, Indigenous representative</p> <p><b>Annette Gillanders</b>, nominated by the minister as an expert</p> <p><b>Charles Richardson</b>, nominated by the minister as an expert</p> <p><b>Rachel Boyce</b>, nominated by the minister as an expert</p> <p><b>Tabitha Fudge</b>, parent representative</p> <p><b>Anne Donnelly</b>, teacher representative.</p>
NON-GOVERNMENT SCHOOLS MINISTERIAL ADVISORY COUNCIL	
<p><b>PURPOSE</b></p> <p>The Non-Government Schools Ministerial Advisory Council was established under Section 19 of the Education Act in 2002 to provide policy advice to the Minister for Education on the registration, regulation and standards of non-government schools.</p> <p><b>MEETINGS</b></p> <p>The Non-Government Schools Ministerial Advisory Council comprised seven members and met four times in 2017–18.</p> <p><b>2017–18 ACHIEVEMENTS</b></p> <ul style="list-style-type: none"> <li>contributed to the development of a new model for allocating Northern Territory Government supplementary boarding funding to non-government boarding schools</li> <li>disseminated information to the non-government school sector, including about NAPLAN Online and Northern Territory Government funding</li> <li>provided support and guidance to the department and Minister for Education on matters relevant to the non-government school sector.</li> </ul>	<p><b>MEMBERSHIP AT 30 JUNE 2018</b></p> <p><b>Vicki Stokes</b>, Independent Chair</p> <p><b>Gail Barker</b>, Association of Independent Schools of the Northern Territory</p> <p><b>Greg O'Mullane</b>, Northern Territory Catholic Education Office, Diocese of Darwin</p> <p><b>Rachel Boyce</b>, Lutheran Schools Association of South Australia, Northern Territory and Western Australia</p> <p><b>Debra Twartz</b>, Northern Territory Christian Schools Association</p> <p><b>Debra Liddiard</b>, Department of Education</p> <p><b>Anna King</b>, Department of Education</p>

## Appendix 5 – Corporate Governance

### PRINCIPAL REFERENCE COMMITTEES

The committees enable principals to provide a school perspective and inform departmental policy and direction of key services and systems.

### MEETINGS

Principal reference committees are expected to meet at least once a term; however, the committees may determine more regular meetings if they are required to provide advice on key issues affecting schools. Business unit managers lead meetings and provide secretariat support. Input and feedback from committee members is used to frame advice provided to the Chief Executive and Executive Board.

**Table 32: Principal reference committee membership**

EARLY CHILDHOOD EDUCATION AND CARE		INDIGENOUS EDUCATION	
Belinda Pearson	Braitling Primary School	Daryll Kinnane	Maningrida School
Brenda Jolley	Larapinta Primary School	Esther Djayhgurrnga	Gunbalanya School
Joe Hewett	Shepherdson College	Jess Robinson	Jilkminggan School
John Young	Our Lady of the Sacred Heart Thamarrurr College	Kathryn Leo	Milikapiti School
Karen Koehler	Good Shepherd Lutheran College – Leanyer Campus	Marcia Harvey	NT School of Distance Education
Leah Crockford	Leanyer Primary School	Miranda Watt	Maningrida School
Renee Buckingham	Belyuen School	Sabina Smith	Nhulunbuy High School
Sue McAvoy	Ramingining School	Stephen Hill	Katherine High School
Susan Kilgour	Wulagi Primary School	Stephen Nimmo	Arlparra School
		Sue Trimble	Gunbalanya School
		Trish Noy	Mutitjulu School
SCHOOL SUPPORT SERVICES		PERFORMANCE, EVIDENCE AND IMPROVEMENT	
Caroline Edwards	Henbury School	Sandy Cartwright	Alawa Primary School
Gail Smith	Rosebery Primary School	Jen Coad	Wanguri Primary School
Marg Chamberlain	Kintore Street School	John Cleary	Casuarina Street Primary School
Vanessa Haw	Nhulunbuy Primary School	Joanne Jefferson	Durack Primary School
Paul van Holsteyn	Bradshaw Primary School	Paul van Holsteyn	Bradshaw Primary School
Wendy Haynes	Acacia Hill School	Philip Hearnden	Baniyala Garrangali School
Miriam McDonald	Taminmin College	Tania Kolomitsev	Alyangula Area School
Petrina Hayward	Tennant Creek Primary School	Kerrie Russell	Alice Springs School of the Air
Annie Keighran	Forrest Parade School	Sue Healy	Palmerston Senior College
		Liz Veel	Sanderson Middle School
		Hannah Switzer	Berry Springs Primary School



## Appendix 5 – Corporate Governance

HUMAN RESOURCE SERVICES	
Jess Gallagher	Ampilatwatja School
Lorraine Evans	Malak Primary School
Miranda Watt	Berry Springs Primary School
Sue Neal (Assistant Principal)	Darwin Middle School
Jill Hazeldine	Darwin High School
Alessa Fremmer	Milyakburra School
Belinda Pearson	Braitling Primary School
Bernie Bree	Stuart Park Primary
Clarice Oleary	Gapuwiyak School
Marcia Harvey	NT School of Distance Education
Miriam McDonald	Taminmin College
Paul Nyhuis	Bakewell Primary School
Sharni Wilson	Katherine School of the Air
Tim Morgan	Karama Primary School

FINANCE	
Liz Veel	Sanderson Middle School
Marcia Harvey	NT School of Distance Education
Kathryn Leo	Milikapiti School
Wendy Jordan	Moulden Primary School
Rebekah Stapleton	Gray Primary School
Paul Van Holsteyn	Centralian Middle School
Lorraine Hodgson	Nemarluk School
Daryll Kinnane	Maningrida School
Jedda Trueman	Timber Creek School
Robyn Thorpe	Dripstone Middle School
Carin Symonds	Jingili Primary School
Clarice Oleary	Gapuwiyak School
John Sarev	Nhulunbuy High School

**Table 33: Insurable risk and mitigation strategies**

Insurable risk category	Mitigation strategies
Workers' compensation	<ul style="list-style-type: none"> <li>early intervention strategies</li> <li>health and wellbeing strategies, including employee assistance services</li> <li>suite of work health and safety policies, including hazard management, emergency management, incident reporting, induction and training, communication and consultation, including health and safety committees.</li> </ul>
Property and assets	<ul style="list-style-type: none"> <li>Northern Territory Government construction contracts ensure contractors and service providers have appropriate levels of skill and insurance</li> <li>capital works and minor new works are managed by the Department of Infrastructure, Planning and Logistics</li> <li>a repairs and maintenance program is in place for property and asset management and is implemented by both the Department of Infrastructure, Planning and Logistics and schools.</li> </ul>
Public liability	<ul style="list-style-type: none"> <li>processes and procedures are in place to regulate use of Northern Territory Government school assets by the broader community</li> <li>policy governing extension of insurance arrangements to schools has been reviewed in conjunction with the move to global school budgets, increasing school autonomy and establishment of independent public schools.</li> </ul>
Indemnities	<ul style="list-style-type: none"> <li>risk assessment is conducted for each new agreement and includes legal review, and policies and processes for recording, monitoring and reporting.</li> </ul>

## Appendix 5 – Corporate Governance

**Table 34: New applications under the Information Act**

Application type	2013–14	2014–15	2015–16	2016–17	2017–18
Access government information <sup>1,2,3</sup>	7	13	10	11	8
Access personal information <sup>3</sup>	18	11	12	19	20
Correct personal information	0	0	0	0	0
Internal review	2	11	3	0	3

Source: DoE

Notes: 1. All applications lodged in the reporting period are counted.

2. Applications may be dealt with and finalised over several reporting periods but are only counted in the reporting period in which they were accepted.

3. Applications that requested both government and personal information were counted as government information access requests.

**Table 35: Claims – self-insured risks**

Self-insured risks	2013–14	2014–15	2015–16	2016–17	2017–18
Property and assets – vehicles					
Total value of claims	\$3 000	\$8 100	\$9 900	\$11 500	\$11 200
Number of claims	2	5	4	6	5
Average cost of claims	\$1 500	\$1 620	\$2 475	\$1 900	\$2 240
<b>Property and assets – buildings (annual claims by schools)</b>					
Total value of claims	\$10.2M	\$8.9M	\$8.1M	\$10.8M	\$8.3M
Number of claims	97	146	153	151	140
Average cost of claims	\$105 000	\$61 000	\$53 000	\$72 000	\$59 000

Source: DoE

## Appendix 6 – Financial Statements

FOR THE YEAR ENDED 30 JUNE 2018

### CERTIFICATION OF THE FINANCIAL STATEMENTS

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

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements presents fairly the financial performance and cash flows for the year ended 30 June 2018 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.



**Vicki Baylis**  
Chief Executive



**Brett Roach**  
Chief Financial Officer

28 August 2018

28 August 2018

# Appendix 6 – Financial Statements

FOR THE YEAR ENDED 30 JUNE 2018

## COMPREHENSIVE OPERATING STATEMENT

For the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
<b>INCOME</b>			
Taxation revenue		-	-
Grants and subsidies revenue			
Current		13 732	7 287
Capital		-	-
Appropriation			
Output		572 505	577 616
Commonwealth		353 108	354 220
Sales of goods and services		4 305	2 890
Goods and services received free of charge <sup>(1)</sup>	4	15 067	15 992
Loss on disposal of assets	5	-	-
Other income		1 281	249
<b>TOTAL INCOME</b>	<b>3</b>	<b>959 998</b>	<b>958 254</b>
<b>EXPENSES</b>			
Employee expenses	6	483 805	471 367
Administrative expenses			
Purchases of goods and services	7	64 659	52 052
Repairs and maintenance		34 803	39 679
Property management		5 181	4 510
Depreciation and amortisation	8	43 213	36 293
Services received free of charge <sup>(1)</sup>		15 067	15 992
Other administrative expenses		82	138
Grants and subsidies expenses			
Current		363 156	350 655
Capital		9 824	23 712
Finance expenses			
Interest expenses		332	347
<b>TOTAL EXPENSES</b>	<b>3</b>	<b>1 020 122</b>	<b>994 745</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(60 124)</b>	<b>(36 491)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to net surplus/deficit</b>			
Asset revaluation reserve	18	15 486	(906)
Transfers from reserves		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>15 486</b>	<b>(906)</b>
<b>COMPREHENSIVE RESULT</b>	<b>3</b>	<b>(44 638)</b>	<b>(37 397)</b>

(1) Includes Department of Corporate and Information Services service charges.

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

## Appendix 6 – Financial Statements

### FOR THE YEAR ENDED 30 JUNE 2018

#### BALANCE SHEET As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	10	64 349	69 995
Receivables	11	3 785	3 358
Loans and advances	20	2 000	2 000
Prepayments		1 642	1 111
<b>Total Current Assets</b>		<b>71 776</b>	<b>76 464</b>
<b>Non-Current Assets</b>			
Loans and advances	20	-	-
Property, plant and equipment	12	1 214 636	1 147 115
<b>Total Non-Current Assets</b>		<b>1 214 636</b>	<b>1 147 115</b>
<b>TOTAL ASSETS</b>		<b>1 286 412</b>	<b>1 223 579</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits held		5	5
Payables	14	15 687	6 283
Borrowings and advances	15	121	117
Provisions	16	55 872	52 634
Other liabilities		-	-
<b>Total Current Liabilities</b>		<b>71 685</b>	<b>59 039</b>
<b>Non-Current Liabilities</b>			
Borrowings and advances	15	8 223	8 492
Provisions	16	2 636	3 531
<b>Total Non-Current Liabilities</b>		<b>10 859</b>	<b>12 023</b>
<b>TOTAL LIABILITIES</b>		<b>82 544</b>	<b>71 062</b>
<b>NET ASSETS</b>		<b>1 203 868</b>	<b>1 152 517</b>
<b>EQUITY</b>			
Capital		1 431 006	1 335 017
Asset revaluation reserve	18	209 513	194 027
Accumulated funds		(436 651)	(376 527)
<b>TOTAL EQUITY</b>		<b>1 203 868</b>	<b>1 152 517</b>

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

## Appendix 6 – Financial Statements

FOR THE YEAR ENDED 30 JUNE 2018

### STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

	Note	Equity at 1 July \$'000	Comprehensive result \$'000	Transactions with owners in their capacity as owners \$'000	Equity at 30 June \$'000
<b>2017-18</b>					
<b>Accumulated Funds</b>					
Transfers from reserves		(374 438)	(60 124)	-	(434 562)
Correction of prior period errors		(1 906)	-	-	(1 906)
Transfers from reserves		(183)	-	-	(183)
<b>Total Accumulated Funds</b>		<b>(376 527)</b>	<b>(60 124)</b>	<b>-</b>	<b>(436 651)</b>
<b>Reserves</b>					
Asset revaluation reserve	18	194 027	15 486	-	209 513
<b>Capital – Transactions with Owners</b>					
Equity injections					
Capital appropriation		34 010	-	-	34 010
Equity transfers in		1 392 966	-	95 990	1 488 956
Other equity injections		25 971	-	-	25 971
Specific purpose payments		35 365	-	-	35 365
Equity withdrawals					
Capital withdrawal		(85 643)	-	-	(85 643)
Equity transfers out		(67 653)	-	-	(67 653)
<b>Total Capital – Transactions with Owners</b>		<b>1 335 017</b>	<b>-</b>	<b>95 990</b>	<b>1 431 006</b>
<b>Total Equity at End of Financial Year</b>		<b>1 152 517</b>	<b>(44 638)</b>	<b>95 990</b>	<b>1 203 868</b>
<b>2016-17</b>					
<b>Accumulated Funds</b>					
Accumulated funds		(337 946)	(36 491)	-	(374 438)
Correction of prior period errors		(1 906)	-	-	(1 906)
Transfers from reserves		(183)	-	-	(183)
<b>Total Accumulated Funds</b>		<b>(340 035)</b>	<b>(36 491)</b>	<b>-</b>	<b>(376 527)</b>
<b>Reserves</b>					
Asset revaluation reserve	18	194 933	(906)	-	194 027
<b>Capital – Transactions with Owners</b>					
Equity injections					
Capital appropriation		34 010	-	-	34 010
Equity transfers in		1 311 660	-	81 305	1 392 966
Other equity injections		25 939	-	32	25 971
Specific purpose payments		35 365	-	-	35 365
Equity withdrawals					
Capital withdrawal		(85 643)	-	-	(85 643)
Equity transfers out		(67 653)	-	-	(67 653)
<b>Total Capital – Transactions with Owners</b>		<b>1 253 679</b>	<b>-</b>	<b>81 337</b>	<b>1 335 017</b>
<b>Total Equity at End of Financial Year</b>		<b>1 108 577</b>	<b>(37 398)</b>	<b>81 337</b>	<b>1 152 517</b>

Note: The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.



# Appendix 6 – Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2018

### CASH FLOW STATEMENT

#### For the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current		13 732	7 287
Capital		-	-
Appropriation			
Output		572 505	577 616
Commonwealth		353 108	354 220
Receipts from sales of goods and services		17 421	16 751
<b>Total Operating Receipts</b>		<b>956 766</b>	<b>955 874</b>
<b>Operating Payments</b>			
Payments to employees		475 845	468 154
Payments for goods and services		112 967	110 089
Grants and subsidies paid			
Current		363 156	350 655
Capital		9 824	23 712
Interest paid		332	347
<b>Total Operating Payments</b>		<b>962 124</b>	<b>952 957</b>
<b>Net Cash From/(Used in) Operating Activities</b>	19	<b>(5 358)</b>	<b>2 917</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing Receipts</b>			
Proceeds from asset sales	5	-	-
Repayment of advances		-	-
<b>Total Investing Receipts</b>		<b>-</b>	<b>-</b>
<b>Investing Payments</b>			
Purchases of assets		156	340
Advances and investing payments		-	-
<b>Total Investing Payments</b>		<b>156</b>	<b>340</b>
<b>Net Cash From/(Used in) Investing Activities</b>		<b>(156)</b>	<b>(340)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Deposits received		-	5
Equity injections			
Capital appropriation		-	-
Commonwealth appropriation		-	-
Other equity injections		-	32
<b>Total Financing Receipts</b>		<b>-</b>	<b>37</b>
<b>Financing Payments</b>			
Finance lease payments		132	125
Equity withdrawals		-	-
<b>Total Financing Payments</b>		<b>132</b>	<b>125</b>
<b>Net Cash From/(Used in) Financing Activities</b>		<b>(132)</b>	<b>(88)</b>
Net increase/(decrease) in cash held		(5 646)	2 488
Cash at beginning of financial year		69 995	67 507
<b>CASH AT END OF FINANCIAL YEAR</b>	10	<b>64 349</b>	<b>69 995</b>

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

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 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**
4. Goods and services received free of charge
5. Loss on disposal of assets
- EXPENSES**
6. Employee expenses
7. Purchases of goods and services
8. Depreciation and amortisation
9. Write-offs, postponements, waivers, gifts and ex-gratia payments
- ASSETS**
10. Cash and deposits
11. Receivables
12. Property, plant and equipment
13. Fair value measurement of non-financial assets
- LIABILITIES**
14. Payables
15. Borrowings and advances
16. Provisions
17. Commitments
- EQUITY**
18. Reserves
- OTHER DISCLOSURES**
19. Notes to the Cash Flow Statement
20. Financial instruments
21. Related parties
22. Contingent liabilities and contingent assets
23. Events subsequent to balance date
24. Accountable Officer's Trust Account
25. Schedule of Administered Territory Items
26. Budgetary information
27. Budgetary information: Administered Territory Items

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 1. OBJECTIVES AND FUNDING

The Department of Education is committed to a strong public education system that ensures equity and gives every child the opportunity to engage, grow and achieve. Additional information in relation to the department and its principal activities may be found in earlier sections of this report.

The department is predominantly funded by, and is dependent on, the receipt of parliamentary appropriations. The financial statements encompass all funds through which the department controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the department are summarised into three output groups as follows:

- government education
- non-government education
- corporate and governance

Note 3 provides summary financial information in the form of a Comprehensive Operating Statement by output group.

### 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* and related Treasurer's Directions. The *Financial Management Act* requires the department to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of department financial statements is to include:

- a Certification of the Financial Statements
- a Comprehensive Operating Statement
- a Balance Sheet
- a Statement of Changes in Equity
- a Cash Flow Statement
- 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 intraagency transactions and balances have been eliminated.

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

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

The following new and revised accounting standards and interpretations were effective for the first time in 2017–18:

#### **AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107**

This standard applies to the not-for-profit sector for the first time in 2017-18. The accounting amendment AASB 2016-2 requires the disclosure of information that enable users of financial statements to evaluate changes in liabilities arising from financing activities. This disclosure is illustrated in Note 19(b).

Several other 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.

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### C) AUSTRALIAN ACCOUNTING STANDARDS AND INTERPRETATIONS

At the date of authorisation of the financial statements, the following standards and interpretations were in issue but are not yet effective and are expected to have a potential impact on future reporting periods:

#### **AASB 16 Leases**

AASB 16 Leases is effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019-20. When the standard is effective it will supersede AASB 117 Leases and requires the majority of leases to be recognised on the balance sheet.

For lessees with operating leases, a right-of-use asset will now be included in the balance sheet together with a lease liability for all leases with a term of 12 months or more, unless the underlying assets are of low value. The comprehensive operating statement will no longer report operating lease rental payments. Instead a depreciation expense will be recognised relating to the right-to-use asset and interest expense relating to the lease liability.

For lessors, the finance and operating lease distinction remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

Consequently, it is expected that approximately \$9.2 million in operating lease commitments will be required to be recognised in the balance sheet through a lease liability and corresponding right to use asset from 2019-20 in accordance with AASB 16 Leases. In the comprehensive income statement, the operating lease expense will be replaced with a depreciation expense, relating to the right to use asset and interest expense, relating to the lease liability. These cannot be quantified at this time.

#### **AASB 1058 Income for not-for-profit entities and AASB 15 Revenue from Contracts with Customers**

AASB 1058 Income for Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers are effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019-20.

Under the new AASB 1058 Income for Not-for-Profit Entities, revenue from grants and donations will be recognised when any associated performance obligation to provide goods or services is satisfied, and not immediately upon receipt as currently occurs. Consequently, more liabilities will be recognised in the balance sheet after adoption of this standard.

AASB 1058 clarifies and simplifies income-recognition requirements that apply to not-for-profit entities in conjunction with AASB 15 Revenue from Contracts with Customers.

While the full impacts are yet to be determined, potential impacts identified include:

- grants received to construct or acquire a non-financial asset will be recognised as a liability, and subsequently recognised as revenue as the performance obligations under the grant are satisfied. At present, such grants are recognised as revenue on receipt
- grants with an enforceable agreement and sufficiently specific performance obligations will be recognised as revenue progressively as the associated performance obligations are satisfied. At present, such grants are recognised as revenue on receipt
- grants that have an enforceable agreement but no specific performance obligations but have restrictions on the timing of expenditure will also continue to be recognised on receipt as time restriction on the use of funds is not sufficiently specific to create a performance obligation
- grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled.

#### **AASB 1059 Service Concession Arrangements: Grantors**

AASB 1059 Service Concession Arrangements: Grantors is effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019-20.

AASB 1059 addresses the accounting for arrangements that involve an operator providing public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and managing at least some of those services.

Where a transaction meets the definition of a service concession arrangement, a service concession asset and liability will be recognised on the balance sheet and valued in accordance with the new standard.

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The Territory's public-private partnership arrangements are currently under review to determine the applicability of AASB 1059 and the full impact of the new standard.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on future financial reporting

### D) REPORTING ENTITY

The financial statements cover the department as an individual reporting entity. The Department of Education is a Northern Territory department established under the *Interpretation Act Administrative Arrangements Order*.

The principal place of business of the department is 55–59 Mitchell Street, Darwin.

### E) DEPARTMENT AND TERRITORY ITEMS

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

#### Central Holding Authority

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

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by departments 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 departments as well as certain Territory liabilities that are not practical or effective to assign to individual departments such as unfunded superannuation and long-service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the department's financial statements. However, as the department is accountable for certain Territory items managed on behalf of government, these items have been separately disclosed in Note 25 – Schedule of Administered Territory Items.

### F) COMPARATIVES

Where necessary, comparative information for the 2016–17 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 2017–18 as a result of management decisions.

### 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.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 Taxation 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

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

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

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

		Government Education		Non-Government Education		Corporate and Governance		Total	
	Note	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>INCOME</b>									
Grants and subsidies revenue									
Current		6 730	7 275	7 002	12	-	-	13 732	7 287
Capital		-	-	-	-	-	-	-	-
Appropriation									
Output		483 664	474 356	55 488	73 006	33 353	30 254	572 505	577 616
Commonwealth		187 858	190 323	165 250	163 897	-	-	353 108	354 220
Sales of goods and services		3 931	2 638	133	94	241	158	4 305	2 890
Goods and services received free of charge <sup>(1)</sup>	4	1 912	12 425	-	3 567	13 155	-	15 067	15 992
Loss on disposal of assets	5	-	-	-	-	-	-	-	-
Other income		878	232	3	4	400	13	1 281	249
<b>TOTAL INCOME</b>		<b>684 973</b>	<b>687 249</b>	<b>227 876</b>	<b>240 580</b>	<b>47 149</b>	<b>30 425</b>	<b>959 998</b>	<b>958 254</b>
<b>EXPENSES</b>									
Employee expenses	6	457 994	445 528	3 175	2 668	22 636	23 171	483 805	471 367
Administrative expenses									
Purchases of goods and services	7	51 694	41 074	5 561	5 003	7 404	5 975	64 659	52 052
Repairs and maintenance		34 703	39 616	48	60	52	3	34 803	39 679
Property management		4 354	3 742	29	25	798	743	5 181	4 510
Depreciation and amortisation	8	43 070	36 124	143	169	-	-	43 213	36 293
Services received free of charge <sup>(1)</sup>		1 912	12 425	-	3 567	13 155	-	15 067	15 992
Other administrative expenses		18	138	-	-	64	-	82	138
Grants and subsidies expenses									
Current		151 633	143 958	211 363	206 585	160	112	363 156	350 655
Capital		-	6	9 824	23 706	-	-	9 824	23 712
Finance expenses									
Interest expenses		332	347	-	-	-	-	332	347
<b>TOTAL EXPENSES</b>		<b>745 710</b>	<b>722 958</b>	<b>230 143</b>	<b>241 783</b>	<b>44 269</b>	<b>30 004</b>	<b>1 020 122</b>	<b>994 745</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(60 737)</b>	<b>(35 709)</b>	<b>(2 267)</b>	<b>(1 203)</b>	<b>2 880</b>	<b>421</b>	<b>(60 124)</b>	<b>(36 491)</b>
<b>OTHER COMPREHENSIVE INCOME</b>									
Items that will not be reclassified to net surplus/deficit									
Asset revaluation reserve	18	15 486	(906)	-	-	-	-	15 486	(906)
Transfers from reserves			-	-	-	-	-	-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>15 486</b>	<b>(906)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 486</b>	<b>(906)</b>
<b>COMPREHENSIVE RESULT</b>		<b>(45 251)</b>	<b>(36 615)</b>	<b>(2 267)</b>	<b>(1 203)</b>	<b>2 880</b>	<b>421</b>	<b>(44 638)</b>	<b>(37 397)</b>

(1) Includes Department of Corporate and Information Services service charges.

Note: This Comprehensive Operating Statement by Output Group is to be read in conjunction with the notes to the financial statements



# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### INCOME

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.

### GRANTS AND OTHER CONTRIBUTIONS

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

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

### APPROPRIATION

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

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations, resulting in Quality Schools Funding (QSF) and National Partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then passed on to the relevant departments as Commonwealth appropriation.

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

### SALE OF GOODS

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

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

### RENDERING OF SERVICES

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

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

### INTEREST REVENUE

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

### GOODS AND SERVICES RECEIVED FREE OF CHARGE

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

### DISPOSAL OF ASSETS

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. Refer also to Note 5.

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### CONTRIBUTIONS OF ASSETS

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

	2018 \$'000	2017 \$'000
<b>4. GOODS AND SERVICES RECEIVED FREE OF CHARGE</b>		
Corporate and information services	13 155	13 538
Agency goods and services	1 912	2 454
	<b>15 067</b>	<b>15 992</b>
<b>5. LOSS ON DISPOSAL OF ASSETS</b>		
Net proceeds from the disposal of non-current assets	-	-
Less: Carrying value of non-current assets disposed	-	-
<b>Loss on the disposal of non-current assets</b>	<b>-</b>	<b>-</b>
<b>6. EMPLOYEE EXPENSES</b>		
Salaries and related expenses	416 717	398 775
Payroll tax	24 521	23 230
Fringe benefits tax	3 850	4 588
Superannuation expenses	38 717	37 225
Workers' compensation	-	7 549
	<b>483 805</b>	<b>471 367</b>
<b>7. PURCHASES OF GOODS AND SERVICES</b>		
The net surplus/(deficit) has been arrived at after charging the following expenses:		
<b>Goods and services expenses:</b>		
Consultants <sup>(1)</sup>	3 512	2 436
Advertising <sup>(2)</sup>	66	65
Marketing and promotion <sup>(3)</sup>	792	498
Document production	1 516	1 282
Legal expenses <sup>(4)</sup>	441	354
Recruitment <sup>(5)</sup>	1 466	1 476
Training and study	3 241	2 968
Official duty fares	2 996	3 033
Travelling allowance	1 355	1 417
Information technology charges, hardware & software expenses	22 423	18 719
Motor vehicle expenses	6 368	6 096
Relocation expenses	1 708	1 511
Other goods and services <sup>(6)</sup>	18 775	12 197
	<b>64 659</b>	<b>52 052</b>

(1) Includes marketing, promotion and IT consultants. Increase in consultant expenses is due to a number of major initiatives currently underway.

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

(3) Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

(4) Includes legal fees, claim and settlement costs.

(5) Includes recruitment-related advertising costs.

(6) Increase in other goods and services due to introduction of Northern Territory Public Service Workers Compensation Scheme, where an annual risk premium of \$6.92M was paid to the Central Holding Authority.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### REPAIRS AND MAINTENANCE EXPENSE

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

#### INTEREST EXPENSE

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

	2018 \$'000	2017 \$'000
<b>8. DEPRECIATION AND AMORTISATION</b>		
Buildings	41 634	34 752
Plant and equipment	262	206
Computer hardware	456	545
Leased land	224	221
Computer software	49	55
Transport equipment	588	514
	<b>43 213</b>	<b>36 293</b>

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

	Department		Department		Territory Items		Territory Items	
	2018 \$'000	No. of trans.	2017 \$'000	No. of trans.	2018 \$'000	No. of trans.	2017 \$'000	No. of trans.
<b>Write-offs, Postponements and Waivers Under the <i>Financial Management Act</i></b>								
Represented by:								
<i>Amounts written off, postponed and waived by Delegates</i>								
Irrecoverable amounts payable to the Territory or a department written off	14	24	13	18	-	-	-	-
Losses or deficiencies of money written off	-	1	-	-	-	-	-	-
<b>Total Written Off, Postponed and Waived by Delegates</b>	<b>14</b>	<b>25</b>	<b>13</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Amounts written off, postponed and waived by the Treasurer</i>								
Irrecoverable amounts payable to the Territory or a department written off	-	-	9	1	-	-	-	-
Waiver or postponement of right to receive or recover money or property	72	2	-	-	-	-	-	-
<b>Total Written Off, Postponed and Waived by the Treasurer</b>	<b>72</b>	<b>2</b>	<b>9</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gifts Under the <i>Financial Management Act</i></b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$'000	2017 \$'000
<b>10. CASH AND DEPOSITS</b>		
Cash on hand	1	1
Cash at bank	64 348	69 994
	<b>64 349</b>	<b>69 995</b>

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 24.

	2018 \$'000	2017 \$'000
<b>11. RECEIVABLES</b>		
<b>Current</b>		
Accounts receivable	1 613	1 264
Less: Allowance for impairment losses	(466)	(478)
	<b>1 147</b>	<b>786</b>
GST receivables	2 299	2 513
Other receivables	339	59
	<b>2 638</b>	<b>2 572</b>
<b>Total Receivables</b>	<b>3 785</b>	<b>3 358</b>

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

The allowance for impairment losses represents the amount of receivables the department estimates are likely to be uncollectible and are considered doubtful. Analysis of the age of the receivables that are past due as at the reporting date are disclosed in an ageing schedule under credit risk in Note 20 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

Accounts receivable are generally settled within 30 days.

#### 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.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$'000	2017 \$'000
<b>12. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land</b>		
At fair value	112 579	111 329
	<b>112 579</b>	<b>111 329</b>
<b>Leased Land</b>		
At capitalised cost	8 918	9 052
Less: Accumulated amortisation	(982)	(758)
	<b>7 936</b>	<b>8 294</b>
<b>Buildings</b>		
At fair value	2 121 347	1 945 080
Less: Accumulated depreciation	(1 031 008)	(922 496)
	<b>1 090 339</b>	<b>1 022 584</b>
<b>Plant and Equipment</b>		
At fair value	10 520	10 174
Less: Accumulated depreciation	(9 207)	(8 954)
	<b>1 313</b>	<b>1 220</b>
<b>Computer Software</b>		
At capitalised cost	372	372
Less: Accumulated depreciation	(216)	(167)
	<b>156</b>	<b>205</b>
<b>Computer Hardware</b>		
At capitalised cost	3 538	3 444
Less: Accumulated depreciation	(2 943)	(2 486)
	<b>595</b>	<b>958</b>
<b>Transport Equipment</b>		
At capitalised cost	2 910	2 909
Less: Accumulated depreciation	(1 192)	(603)
	<b>1 718</b>	<b>2 306</b>
<b>Construction (WIP)</b>		
At capitalised cost	-	219
	<b>-</b>	<b>219</b>
<b>Total Property, Plant and Equipment</b>	<b>1 214 636</b>	<b>1 147 115</b>

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### 2018 PROPERTY, PLANT AND EQUIPMENT RECONCILIATIONS

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2017-18 is set out below:

	Land \$'000	Leased land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Computer hardware \$'000	Transport equipment \$'000	Construction (WIP) \$'000	Total \$'000
Carrying Amount as at 1 July 2017	111 329	8 294	1 022 584	1 220	205	958	2 306	219	1 147 115
Additions	-	(134)	-	62	-	93	-	-	21
Disposals	-	-	-	-	-	-	-	-	-
Depreciation/ amortisation	-	(224)	(41 634)	(262)	(49)	(456)	(588)	-	(43 213)
Additions/ (disposals) from asset transfers	-	-	95 153	293	-	-	-	(219)	95 227
Revaluation increments/ (decrements)	1 250	-	14 236	-	-	-	-	-	15 486
Other adjustments	-	-	-	-	-	-	-	-	-
<b>Carrying Amount as at 30 June 2018</b>	<b>112 579</b>	<b>7 936</b>	<b>1 090 339</b>	<b>1 313</b>	<b>156</b>	<b>595</b>	<b>1 718</b>	<b>-</b>	<b>1 214 636</b>

#### 2017 PROPERTY, PLANT AND EQUIPMENT RECONCILIATIONS

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2016-17 is set out below:

	Land \$'000	Leased land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Computer hardware \$'000	Transport equipment \$'000	Construction (WIP) \$'000	Total \$'000
Carrying Amount as at 1 July 2016	108 471	7 958	982 017	2 414	258	1 503	1 290	155	1 104 066
Additions	-	557	-	(1 194)	2	-	1 530	-	895
Disposals	-	-	-	-	-	-	-	-	-
Depreciation/ amortisation	-	(221)	(34 752)	(206)	(55)	(545)	(514)	-	(36 293)
Additions/ (disposals) from asset transfers	2 050	-	77 535	206	-	-	-	64	79 855
Revaluation increments/ (decrements)	808	-	(2 216)	-	-	-	-	-	(1 408)
Other adjustments	-	-	-	-	-	-	-	-	-
<b>Carrying Amount as at 30 June 2017</b>	<b>111 329</b>	<b>8 294</b>	<b>1 022 584</b>	<b>1 220</b>	<b>205</b>	<b>958</b>	<b>2 306</b>	<b>219</b>	<b>1 147 115</b>

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### ACQUISITIONS

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

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

### COMPLEX ASSETS

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

### SUBSEQUENT ADDITIONAL COSTS

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

### CONSTRUCTION (WORK IN PROGRESS)

As part of the financial management framework, Department of Infrastructure, Planning and Logistics is responsible for managing general government capital works projects on a whole-of-government basis. Therefore, appropriation for the department's capital works is provided directly to 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 the department.

### REVALUATIONS AND IMPAIRMENT

#### Revaluation of Assets

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

- land
- buildings

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value. Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's-length transaction.

The latest revaluations as at 30 June 2018 were independently conducted. The valuer was Colliers International. Refer to Note 13: Fair Value Measurement of Non-Financial Assets for additional disclosures. The revaluation was based on either market value or fair value, which was assessed with reference to the asset's replacement cost less accumulated depreciation where there was no established, identifiable market for the asset.

#### Impairment of Assets

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

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

Impairment losses are recognised in the Comprehensive Operating Statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent that an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Comprehensive Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 18 provides additional information in relation to the asset revaluation surplus.



## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Department property, plant and equipment assets were assessed for impairment as at 30 June 2018. No impairment adjustments were required as a result of this review.

#### 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:

	2018	2017
Leased land	Term of lease	Term of lease
Public buildings	50 years	50 years
Sheds/demountables	10–20 years	10–20 years
Plant and equipment	3–10 years	3–10 years
Computer hardware	3–6 years	3–6 years
Computer software	2–5 years	2–5 years
Transport equipment	2–5 years	2–5 years

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

#### LEASED ASSETS

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

#### FINANCE LEASES

Finance leases are capitalised. A lease asset and lease liability equal to the lower of the fair value of the leased property and present value of the minimum lease payments, each determined at the inception of the lease, are recognised.

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

Long-term land lease assets on Aboriginal land are recognised on the balance sheet of the Northern Territory/department and amortised accordingly over the term of the lease arrangements. A corresponding liability is recognised under Borrowings.

#### OPERATING LEASES

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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

##### A) FAIR VALUE HIERARCHY

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
<b>2017-18</b>				
<b>Asset Classes</b>				
Land (Note 12)	-	-	112 579	112 579
Buildings (Note 12)	-	-	1 090 339	1 090 339
Plant & Equipment (Note 12)	-	-	1 313	1 313
Computer Software (Note 12)	-	-	156	156
Computer Hardware (Note 12)	-	-	595	595
Transport Equipment (Note 12)	-	-	1 718	1 718
<b>Total</b>	-	-	<b>1 206 700</b>	<b>1 206 700</b>
<b>2016-17</b>				
<b>Asset Classes</b>				
Land (Note 12)	-	-	111 329	111 329
Buildings (Note 12)	-	-	1 022 584	1 022 584
Plant & Equipment (Note 12)	-	-	1 220	1 220
Computer Software (Note 12)	-	-	205	205
Computer Hardware (Note 12)	-	-	958	958
Transport Equipment (Note 12)	-	-	2 306	2 306
<b>Total</b>	-	-	<b>1 138 602</b>	<b>1 138 602</b>

**Note:** Fair values of non-financial assets exclude finance lease liabilities.

There were no transfers between Level 1 and Levels 2 or 3 during 2017-18.

Fair values are in accordance with AASB 13 *Fair Value Measurement*:

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

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

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

**Level 3** – inputs are unobservable.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### B) VALUATION TECHNIQUES AND INPUTS

Valuation techniques used to measure fair value in 2017-18 are:

Asset classes	Level 2 techniques	Level 3 techniques
Land	-	Highest and best use
Buildings	-	Cost approach
Plant and equipment	-	Cost approach
Computer software	-	Cost approach
Computer hardware	-	Cost approach
Transport equipment	-	Cost approach

There were no changes in valuation techniques from 2016-17 to 2017-18.

Level 3 fair values of land have been assessed having regard to the 'highest and best use' of the land but considers the economic constraints imposed by existing buildings, other improvements that are held for public benefit and impacts by buildings with heritage listing and historic attributes. Site characteristics such as the size, location, zoning, configuration and access are also taken into account. Consequently, land values have been discounted in many instances when compared to the value of the land if it was valued for an alternate use on a 'highest and best use' basis.

Level 3 fair values of specialised buildings were determined by computing their depreciated replacement costs because an active market does not exist for such facilities. The depreciated replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

Level 3 fair values for Equipment and Computer assets are constrained within Northern Territory Government policy requiring assets to be recorded initially at cost, the nature of these assets for the department is such they are generally low value and have short life spans with little opportunity to revalue.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### C) ADDITIONAL INFORMATION FOR LEVEL 3 FAIR VALUE MEASUREMENTS

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

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Computer hardware \$'000	Transport equipment \$'000	Total \$'000
<b>2017-18</b>							
Fair value as at 1 July 2017	111 329	1 022 584	1 220	205	958	2 306	1 138 602
Additions/transfers in	-	95 153	355	-	93	-	95 601
Disposals/transfers out	-	-	-	-	-	-	-
Transfers from Level 2	-	-	-	-	-	-	-
Transfers to Level 2	-	-	-	-	-	-	-
Depreciation/amortisation	-	(41 634)	(262)	(49)	(456)	(588)	(42 989)
Gains/losses recognised in net surplus/deficit	-	-	-	-	-	-	-
Gains/losses recognised in other comprehensive income	1 250	14 236	-	-	-	-	15 486
<b>Fair value as at 30 June 2018</b>	<b>112 579</b>	<b>1 090 339</b>	<b>1 313</b>	<b>156</b>	<b>595</b>	<b>1 718</b>	<b>1 206 700</b>

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer software \$'000	Computer hardware \$'000	Transport equipment \$'000	Total \$'000
<b>2016-17</b>							
Fair value as at 1 July 2016	108 471	982 017	2 414	258	1 503	1 290	1 095 953
Additions/transfers in	1 548	77 628	(1 194)	2	-	1 530	79 514
Disposals/transfers out	-	(93)	206	-	-	-	113
Transfers from Level 2	-	-	-	-	-	-	-
Transfers to Level 2	-	-	-	-	-	-	-
Depreciation/amortisation	-	(34 752)	(206)	(55)	(545)	(514)	(36 072)
Gains/losses recognised in net surplus/deficit	-	-	-	-	-	-	-
Gains/losses recognised in other comprehensive income	1 310	(2 216)	-	-	-	-	(906)
<b>Fair value as at 30 June 2017</b>	<b>111 329</b>	<b>1 022 584</b>	<b>1 220</b>	<b>205</b>	<b>958</b>	<b>2 306</b>	<b>1 138 602</b>

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### (ii) Sensitivity Analysis

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

**Land** – Unobservable inputs used in assessing the fair value of land include constraints imposed by policy and regulation on use and public access, opportunity costs and the estimated impact of economic constraints imposed by existing buildings, other improvements that are held for public benefit and impacts by buildings with heritage listing and historic attributes. Fair value of land is sensitive to changes in regulations and policy, and external economic factors driving demand. Changes to policy around existing use, surplus requirements, subdivision and zoning can significantly increase or decrease land value when location and demand is also considered.

**Equipment and computer assets** – Unobservable inputs include Northern Territory Government policy requiring assets to be recorded initially at cost, the nature of these assets for the agency is such they are generally low value and have short life spans with little opportunity to revalue. It is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value and greater consumption of economic benefit lowers fair value.

	2018 \$'000	2017 \$'000
<b>14. PAYABLES</b>		
Accounts payable	5 961	2 182
Accrued expenses	9 725	4 101
Other payables	1	-
<b>Total Payables</b>	<b>15 687</b>	<b>6 283</b>

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

	2018 \$'000	2017 \$'000
<b>15. BORROWINGS AND ADVANCES</b>		
<b>Current</b>		
Finance lease liabilities	121	117
	<b>121</b>	<b>117</b>
<b>Non-Current</b>		
Finance lease liabilities	8 223	8 492
	<b>8 223</b>	<b>8 492</b>
<b>Total Borrowings and Advances</b>	<b>8 344</b>	<b>8 609</b>

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$'000	2017 \$'000
<b>16. PROVISIONS</b>		
<b>Current</b>		
<i>Employee benefits</i>		
Recreation leave	34 546	33 681
Special remote study leave	9 124	6 843
Leave loading	4 020	3 980
Recreational leave fares	492	796
<i>Other current provisions</i>		
Employer superannuation contribution	3 738	3 355
Fringe benefits tax	1 000	1 137
Payroll tax	2 952	2 842
<b>Total Current</b>	<b>55 872</b>	<b>52 634</b>
<b>Non-Current</b>		
<i>Employee benefits</i>		
Special remote study leave	2 636	3 531
<b>Total Non-Current</b>	<b>2 636</b>	<b>3 531</b>
<b>Total Provisions</b>	<b>58 508</b>	<b>56 165</b>

The department employed 4285 full-time equivalent employees as at 30 June 2018 (4283 full-time equivalent employees as at 30 June 2017).

#### 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, sick 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 the Department of Education, and as such, no long-service leave liability is recognised in department financial statements

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### SPECIAL REMOTE STUDY LEAVE

According to the Public Sector Employment and Management Determination 2 of 2003, employees who have undertaken periods of service in designated remote localities since 1 January 1990 are eligible to accumulate credit points towards Special Remote Study Leave at the rates specified in the determination. Employees can accumulate a maximum of 40 credit points and must have accumulated a minimum of 20 credit points before applying for leave under this provision. The leave cannot be cashed out and ceases with the departure of the employee from the Northern Territory Public Sector.

Twenty credit points is the equivalent of taking leave on full pay for one school semester, or on half pay for two school semesters. Forty credit points is the equivalent of taking leave on full pay for two school semesters.

The department recognised a liability for employees who have accumulated points since 1 January 2005 (excludes points for leave already taken) and has been measured at and restricted to the following:

- (i) Liability calculated for those employees who have 20 or 40 study leave points, or employees who will accrue enough points based on their locality at 30 June 2018 to reach 20 or 40 points by 30 June 2019.

Current liability represents the value of leave for employees who have reached entitlement (i.e. 20 or 40 points), whereas non-current liability encompasses the value of study leave accrued for employees who have not yet reached entitlement at 30 June 2018.

### SUPERANNUATION

Employees' superannuation entitlements are provided through the:

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

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



## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### 17. COMMITMENTS

Disclosures in relation to capital and other commitments, including lease commitments. Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

	2018		2017	
	Internal \$'000	External \$'000	Internal \$'000	External \$'000
<b>(i) Capital Expenditure Commitments</b>				
Capital expenditure commitments primarily related to the construction of buildings. Capital expenditure commitments contracted for at balance date but not recognised as liabilities are payable as follows:				
Within one year	-	-	-	2 622
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	-	<b>2 622</b>
<b>(ii) Operating Lease Commitments</b>				
The department leases property under non-cancellable operating leases. Leases generally provide the department with a right of renewal at which time all lease terms are renegotiated. The department also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:				
Within one year	4 004	-	4 137	-
Later than one year and not later than five years	5 232	-	6 259	-
Later than five years	-	-	-	-
	<b>9 236</b>	-	<b>10 396</b>	-
<b>(iii) Other Expenditure Commitments</b>				
Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:				
Within one year	4 577	72 263	4 731	37 205
Later than one year and not later than five years	8 012	53 213	4 731	64 528
Later than five years	-	5 547	-	10 681
	<b>12 589</b>	<b>131 023</b>	<b>9 462</b>	<b>112 414</b>

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$'000	2017 \$'000
<b>18. RESERVES</b>		
<b>Asset Revaluation Surplus</b>		
<i>(i) Nature and purpose of the asset revaluation surplus</i>		
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.		
<i>(ii) Movements in the asset revaluation surplus</i>		
Balance as at 1 July	194 027	194 933
Increment/(Decrement) – land	1 250	1 310
Increment/(Decrement) – buildings	14 236	(2 216)
<b>Net movement</b>	<b>15 486</b>	<b>(906)</b>
<b>Balance as at 30 June</b>	<b>209 513</b>	<b>194 027</b>
<b>19. NOTES TO THE CASH FLOW STATEMENT</b>		
<b>A) RECONCILIATION OF CASH</b>		
The total of department 'Cash and deposits' of \$64 349 million recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.		
<b>Reconciliation of Net Surplus/(Deficit) to Net Cash from Operating Activities</b>		
<b>Net Surplus/(Deficit)</b>	<b>(60 124)</b>	<b>(36 491)</b>
<b>Non-cash items:</b>		
Depreciation and amortisation	43 213	36 293
Repairs and maintenance - Minor new works non cash	765	1 953
Loss on disposal of assets	-	-
Asset write-offs/write-downs	-	-
<b>Changes in assets and liabilities:</b>		
Decrease/(Increase) in receivables	(427)	(442)
Decrease/(Increase) in prepayments	(532)	292
(Decrease)/Increase in payables	9 404	(96)
(Decrease)/Increase in provision for employee benefits	1 987	1 150
(Decrease)/Increase in other provisions	356	358
(Decrease)/Increase in other deferred income	-	(100)
<b>Net Cash from Operating Activities</b>	<b>(5 358)</b>	<b>2 917</b>

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### B) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES OF CASH

	1 July	Cash flows		Non cash				30 June
		Finance Lease Receipts/ (Payments)	Total Cash Flows	Lease Acquisitions	Other Equity related changes	Other	Total Non Cash	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2017-18</b>								
Deposits held	5	-	-	-	-	-	-	5
Borrowings and advances	8 609	(132)	(132)	(133)	-	-	(133)	8 344
Provisions	56 165	-	-	-	-	2 343	2 343	58 508
Equity Injections/ Withdrawals	-	-	-	-	95 990	-	95 990	95 990
<b>Total</b>	<b>64 779</b>	<b>(132)</b>	<b>(132)</b>	<b>(133)</b>	<b>95 990</b>	<b>2 343</b>	<b>98 200</b>	<b>162 847</b>

#### C) NON-CASH FINANCING AND INVESTING ACTIVITIES

##### Finance Lease Transactions

During the financial year the department transferred land with a fair value of \$0.133 million (in comparison to land acquired with an aggregate fair value of \$0.557 million in 2017) by means of finance leases.

## 20. FINANCIAL INSTRUMENTS

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

Financial assets and liabilities are recognised on the Balance Sheet when the department becomes a party to the contractual provisions of the financial instrument. The department's financial instruments include cash and deposits, receivables, loans and advances, payables and finance leases. The department has limited exposure to financial risks as discussed below.

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.

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

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### A) CATEGORISATION OF FINANCIAL INSTRUMENTS

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

	Fair value through profit or loss						Total
	Held for trading	Designated at fair value	Held-to-maturity investments	Financial assets - loans and receivables	Financial assets - available for sale	Financial liabilities - amortised cost	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2017-18</b>							
<b>Financial Assets</b>							
Cash and deposits	-	-	-	64 349	-	-	64 349
Loans and advances	-	-	-	2 000	-	-	2 000
Receivables <sup>(1)</sup>							
Accounts receivable	-	-	-	1 147	-	-	1 147
Other receivables	-	-	-	339	-	-	339
<b>Total Financial Assets</b>	-	-	-	<b>67 835</b>	-	-	<b>67 835</b>
<b>Financial Liabilities</b>							
Payables <sup>(1)</sup>	-	15 692	-	-	-	-	15 692
Finance lease liabilities	-	-	-	-	-	8 344	8 344
<b>Total Financial Liabilities</b>	-	<b>15 692</b>	-	-	-	<b>8 344</b>	<b>24 036</b>

(1) Total amounts disclosed here exclude statutory amounts.

### A) CATEGORISATION 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						Total
	Held for trading	Designated at fair value	Held-to-maturity investments	Financial assets - loans and receivables	Financial assets - available for sale	Financial liabilities - amortised cost	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2016-17</b>							
<b>Financial Assets</b>							
Cash and deposits	-	-	-	69 995	-	-	69 995
Loans and advances	-	-	-	2 000	-	-	2 000
Receivables <sup>(1)</sup>							
Accounts receivable	-	-	-	786	-	-	786
Other receivables	-	-	-	59	-	-	59
<b>Total Financial Assets</b>	-	-	-	<b>72 840</b>	-	-	<b>72 840</b>
<b>Financial Liabilities</b>							
Payables <sup>(1)</sup>	-	6 288	-	-	-	-	6 288
Finance lease liabilities	-	-	-	-	-	8 609	8 609
<b>Total Financial Liabilities</b>	-	<b>6 288</b>	-	-	-	<b>8 609</b>	<b>14 897</b>

(1) Total amounts disclosed here exclude statutory amounts.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### CLASSIFICATION OF FINANCIAL INSTRUMENTS

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

Financial assets are classified into the following categories:

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

Financial liabilities are classified into the following categories:

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

Financial liabilities at fair value through profit or loss include deposits held excluding statutory deposits, accounts payable and accrued expenses. Financial assets at fair value through profit or loss include short-term securities and bonds.

Financial instrument liabilities measured at amortised cost include all advances received, finance lease liabilities and borrowings. Amortised cost is calculated using the effective interest method.

#### B) CREDIT RISK

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

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

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### RECEIVABLES

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

	Ageing of receivables \$'000	Ageing of impaired Receivables \$'000	Net receivables \$'000
<b>Internal receivables</b>			
<b>2017-18</b>			
Not overdue	6	-	6
Overdue for less than 30 days	-	-	-
Overdue for 30 to 60 days	-	-	-
Overdue for more than 60 days	-	-	-
<b>Total</b>	<b>6</b>	<b>-</b>	<b>6</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>			
Opening	-	-	-
Written off during the year	-	-	-
Recovered during the year	-	-	-
Increase/(Decrease) in allowance recognised in profit or loss	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2016-17</b>			
Not overdue	24	-	24
Overdue for less than 30 days	-	-	-
Overdue for 30 to 60 days	-	-	-
Overdue for more than 60 days	-	-	-
<b>Total</b>	<b>24</b>	<b>-</b>	<b>24</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>			
Opening	-	-	-
Written off during the year	-	-	-
Recovered during the year	-	-	-
Increase/(Decrease) in allowance recognised in profit or loss	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

External receivables	Ageing of Receivables \$'000	Ageing of impaired Receivables \$'000	Net receivables \$'000
<b>2017-18</b>			
Not overdue	807	-	807
Overdue for less than 30 days	267	33	234
Overdue for 30 to 60 days	9	-	9
Overdue for more than 60 days	524	433	91
<b>Total</b>	<b>1 607</b>	<b>466</b>	<b>1 141</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>			
Opening		478	
Written off during the year		(86)	
Recovered during the year		-	
Increase/(Decrease) in allowance recognised in profit or loss		74	
<b>Total</b>		<b>466</b>	
<b>2016-17</b>			
Not overdue	220	-	220
Overdue for less than 30 days	342	27	315
Overdue for 30 to 60 days	22	-	22
Overdue for more than 60 days	656	451	205
<b>Total</b>	<b>1 240</b>	<b>478</b>	<b>762</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>			
Opening		526	
Written off during the year		(22)	
Recovered during the year		-	
Increase/(Decrease) in allowance recognised in profit or loss		(26)	
<b>Total</b>		<b>478</b>	



## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### C) LIQUIDITY RISK

Liquidity risk is the risk that the department will not be able to meet its financial obligations as they fall due. The department's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the department's remaining contractual maturity for its financial assets and liabilities.

#### 2018 MATURITY ANALYSIS FOR FINANCIAL ASSETS AND LIABILITIES

	Variable interest rate			Fixed interest rate			Non-interest bearing	Total	Weighted average
	Less than a year	1 to 5 years	More than 5 years	Less than a year	1 to 5 years	More than 5 years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	%
<b>Assets</b>									
Cash and deposits	-	-	-	-	-	-	64 349	64 349	-
Loans and advances	-	-	-	-	-	-	2 000	2 000	-
Receivables	-	-	-	-	-	-	1 486	1 486	-
<b>Total Financial Assets</b>	-	-	-	-	-	-	<b>67 835</b>	<b>67 835</b>	
<b>Liabilities</b>									
Payables	-	-	-	-	-	-	15 692	15 692	-
Finance lease liabilities	-	-	-	121	-	8 223	-	8 344	3.6%
<b>Total Financial Liabilities</b>	-	-	-	<b>121</b>	-	<b>8 223</b>	<b>15 692</b>	<b>24 036</b>	

#### 2017 MATURITY ANALYSIS FOR FINANCIAL ASSETS AND LIABILITIES

	Variable interest rate			Fixed interest rate			Non-interest bearing	Total	Weighted average
	Less than a year	1 to 5 years	More than 5 years	Less than a year	1 to 5 years	More than 5 years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	%
<b>Assets</b>									
Cash and deposits	-	-	-	-	-	-	69 995	69 995	-
Loans and advances	-	-	-	-	-	-	2 000	2 000	-
Receivables	-	-	-	-	-	-	845	845	-
<b>Total Financial Assets</b>	-	-	-	-	-	-	<b>72 840</b>	<b>72 840</b>	
<b>Liabilities</b>									
Payables	-	-	-	-	-	-	6 288	6 288	-
Finance lease liabilities	-	-	-	117	-	8 492	-	8 609	3.7%
<b>Total Financial Liabilities</b>	-	-	-	<b>117</b>	-	<b>8 492</b>	<b>6 288</b>	<b>14 897</b>	

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### D) MARKET RISK

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

##### (i) INTEREST RATE RISK

The department is not exposed to interest rate risk as department financial assets and financial liabilities, with the exception of finance leases are noninterest bearing. Finance lease arrangements are established on a fixed interest rate and as such do not expose the department to interest rate risk.

##### (ii) PRICE RISK

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

##### (iii) CURRENCY RISK

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

#### E) NET FAIR VALUE

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

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

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

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

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

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

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

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

**Level 3** – inputs are unobservable.

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost
- the fair value of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument
- the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

For financial instruments measured and disclosed at fair value, the following table groups the instruments based on the level of inputs used.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2018	Total carrying amount \$'000	Net fair value level 1 \$'000	Net fair value level 2 \$'000	Net fair value level 3 \$'000	Net fair value total \$'000
<b>Financial Assets</b>					
Cash and deposits	64 349	64 349	-	-	64 349
Loans and advances	2 000	2 000	-	-	2 000
Receivables	1 486	1 486	-	-	1 486
<b>Total Financial Assets</b>	<b>67 835</b>	<b>67 835</b>	<b>-</b>	<b>-</b>	<b>67 835</b>
<b>Financial Liabilities</b>					
Payables	15 692	15 692	-	-	15 692
<b>Total Financial Liabilities</b>	<b>15 692</b>	<b>15 692</b>	<b>-</b>	<b>-</b>	<b>15 692</b>

2017	Total carrying amount \$'000	Net fair value level 1 \$'000	Net fair value level 2 \$'000	Net fair value level 3 \$'000	Net fair value total \$'000
<b>Financial Assets</b>					
Cash and deposits	69 995	69 995	-	-	69 995
Loans and advances	2 000	2 000	-	-	2 000
Receivables	845	845	-	-	845
<b>Total Financial Assets</b>	<b>72 840</b>	<b>72 840</b>	<b>-</b>	<b>-</b>	<b>72 840</b>
<b>Financial Liabilities</b>					
Payables	6 288	6 288	-	-	6 288
<b>Total Financial Liabilities</b>	<b>6 288</b>	<b>6 288</b>	<b>-</b>	<b>-</b>	<b>6 288</b>

There were no changes in valuation techniques during the period.

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 21. RELATED PARTIES

#### 1) RELATED PARTIES

The Department of Education is a government administrative entity and is wholly owned and controlled by the Northern 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
- spouses, children and dependents who are close family members of the portfolio minister or KMP
- all public sector entities that are controlled and consolidated into the whole-of-government financial statements
- any entities controlled or jointly controlled by KMP or the portfolio minister or controlled or jointly controlled by their close family members.

#### 2) KEY MANAGEMENT PERSONNEL (KMP)

Key management personnel of the Department of Education are people with authority and responsibility for planning, directing and controlling the activities of the department. These include the Minister for Education, the Chief Executive Officer and the 19 members of the senior management team and six former members of the senior management team.

#### 3) REMUNERATION OF KEY MANAGEMENT PERSONNEL

The details below excludes the salaries and other benefits of the Minister for Education 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 KMP for the department is set out below:

	2017-18 \$'000	2016-17 \$'000
Short-term benefits	4 252	4 422
Long-term benefits	-	-
Post-employment benefits	393	513
Termination benefits	-	-
<b>Total</b>	<b>4 645</b>	<b>4 935</b>

#### 4) 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.

##### 2018 Transactions with Northern Territory Government – controlled entities

2018 Related party	Revenue from related parties 2018 \$'000	Payments to related parties 2018 \$'000	Amounts owed by related parties 2018 \$'000	Amounts owed to related parties 2018 \$'000
All NT Government departments	13 470	64 088	7	3 093
Associates	-	-	-	-
Subsidiaries	-	-	-	-

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

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 2017 Transactions with Northern Territory Government – controlled entities

2017 Related party	Revenue from related parties 2017 \$'000	Payments to related parties 2017 \$'000	Amounts owed by related parties 2017 \$'000	Amounts owed to related parties 2017 \$'000
All NT Government departments	13 830	55 800	57	2 966
Associates	-	-	-	-
Subsidiaries	-	-	-	-

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

## 22. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### A) CONTINGENT LIABILITIES

The department had no contingent liabilities as at 30 June 2018 or 30 June 2017.

### B) CONTINGENT ASSETS

The department had no contingent assets as at 30 June 2018 or 30 June 2017.

## 23. 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.

## 24. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the *Financial Management Act*, 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 \$'000	Receipts \$'000	Payments \$'000	Closing balance 30 June 2018 \$'000
Key deposits	5	-	-	5
<b>Total</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>5</b>

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### 25. SCHEDULE OF ADMINISTERED TERRITORY ITEMS

The following Territory items are managed by the department on behalf of the government and are recorded in the Central Holding Authority.

	2018 \$'000	2017 \$'000
<b>TERRITORY INCOME AND EXPENSES</b>		
<b>Income</b>		
Grants and subsidies revenue		
Capital	807	2 308
Fees from regulatory services	541	689
<b>Total Income</b>	<b>1 348</b>	<b>2 997</b>
<b>Expenses</b>		
Central Holding Authority income transferred	1 348	2 997
<b>Total Expenses</b>	<b>1 348</b>	<b>2 997</b>
<b>Territory Income less Expenses</b>	<b>-</b>	<b>-</b>
<b>TERRITORY ASSETS AND LIABILITIES</b>		
<b>Assets</b>		
Other receivables	-	-
<b>Total Assets</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>		
Central Holding Authority income payable	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>-</b>	<b>-</b>

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### 26. BUDGETARY INFORMATION

Comprehensive Operating Statement	2017-18 Actual \$'000	2017-18 Original Budget \$'000	Variance \$'000	Note
<b>INCOME</b>				
Grants and subsidies revenue				
Current	13 732	5 264	8 468	1
Capital	-	-	-	
Appropriation				
Output	572 505	577 643	(5 138)	2
Commonwealth	353 108	349 680	3 428	
Sales of goods and services	4 305	1 466	2 839	
Goods and services received free of charge	15 067	16 096	(1 029)	
Other income	1 281	100	1 181	
<b>TOTAL INCOME</b>	<b>959 998</b>	<b>950 249</b>	<b>9 749</b>	
<b>EXPENSES</b>				
Employee expenses	483 805	511 499	(27 694)	3
Administrative expenses				
Purchases of goods and services	64 659	61 407	3 252	
Repairs and maintenance	34 803	34 088	715	
Property management	5 181	2 753	2 428	
Depreciation and amortisation	43 213	40 164	3 049	
Services received free of charge <sup>(1)</sup>	15 067	16 096	(1 029)	
Other administrative expenses	82	-	82	
Grants and subsidies expenses				
Current	363 156	327 285	35 871	4
Capital	9 824	5 751	4 073	
Finance expenses				
Interest expenses	332	300	32	
<b>TOTAL EXPENSES</b>	<b>1 020 122</b>	<b>999 343</b>	<b>20 779</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>(60 124)</b>	<b>(49 094)</b>	<b>(11 030)</b>	
<b>OTHER COMPREHENSIVE INCOME</b>				
Items that will not be reclassified to net surplus/deficit				
Asset revaluation reserve	15 486	-	15 486	5
Transfers from reserves	-	-	-	
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>15 486</b>	<b>-</b>	<b>15 486</b>	
<b>COMPREHENSIVE RESULT</b>	<b>(44 638)</b>	<b>(49 094)</b>	<b>4 456</b>	

(1) Includes Department of Corporate and Information Services service charges.



## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### NOTES:

The following note descriptions relate to major variances greater than \$5 million or where multiple significant variances have occurred.

1. The variation of \$8.5 million in grants and subsidies revenue predominantly relates to:
  - additional \$7 million from the Commonwealth Government provided for the Children and Schooling Program (Indigenous Advancement Strategy)
  - additional \$0.9 million from the Commonwealth Government for the Community Support program.
2. The decrease of \$5.1 million in output appropriation mainly relates to a transfer of repairs and maintenance funding to the Department of Infrastructure, Planning and Logistics to allow for the correct accounting treatment of infrastructure projects.
3. Employee expenses decreased by \$27.7 million predominantly relating to:
  - \$16 million transferred to current grants for payments to government schools relating to final 2017 school budget surpluses
  - \$5.6 million relating to surpluses in school budgets in 2018
  - transfer of \$6.6 million relating to National Partnership Agreement on NT Remote Aboriginal Investment to outer years to reflect updated timing of program delivery
  - the remaining variance relates to surpluses in corporate budgets in 2017-18.
4. Current grants increased by \$35.9 million predominantly relating to:
  - payout of final 2017 school budget surpluses to government schools totalling \$17 million
  - additional \$7 million provided under the Children and Schooling Program (Indigenous Advancement Strategy) funded from the Commonwealth Government
  - payment of \$6 million to government schools and \$2 million to non-government schools relating to semester 2 grants.
5. The increase of \$15.5 million in the asset revaluation reserve predominately relates to the upward revaluation of government buildings of \$14.2 million and crown land of \$1.3 million.

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2017-18 Actual	2017-18 Original Budget	Variance	Note
Balance Sheet	\$'000	\$'000	\$'000	
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and deposits	64 349	40 385	23 964	1
Receivables	3 785	2 918	867	
Loans and advances	2 000	-	2 000	
Prepayments	1 642	1 403	239	
<b>Total current assets</b>	<b>71 776</b>	<b>44 706</b>	<b>27 070</b>	
<b>Non-current assets</b>				
Loans and advances	-	-	-	
Property, plant and equipment	1 214 636	1 204 857	9 779	2
<b>Total non-current assets</b>	<b>1 214 636</b>	<b>1 204 857</b>	<b>9 779</b>	
<b>TOTAL ASSETS</b>	<b>1 286 412</b>	<b>1 249 563</b>	<b>36 849</b>	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Deposits held	5	-	5	
Payables	15 687	6 381	9 306	3
Borrowings and advances	121	104	17	
Provisions	55 872	46 091	9 781	4
Other liabilities	-	100	(100)	
<b>Total current liabilities</b>	<b>71 685</b>	<b>52 676</b>	<b>19 009</b>	
<b>Non-current liabilities</b>				
Borrowings and advances	8 223	8 074	149	
Provisions	2 636	8 566	(5 930)	4
<b>Total non-current liabilities</b>	<b>10 859</b>	<b>16 640</b>	<b>(5 781)</b>	
<b>TOTAL LIABILITIES</b>	<b>82 544</b>	<b>69 316</b>	<b>13 228</b>	
<b>NET ASSETS</b>	<b>1 203 868</b>	<b>1 180 247</b>	<b>23 621</b>	
<b>EQUITY</b>				
Capital	1 431 006	1 434 365	(3 359)	
Reserves	209 513	194 933	14 580	5
Accumulated funds	(436 651)	(449 051)	12 400	
<b>TOTAL EQUITY</b>	<b>1 203 868</b>	<b>1 180 247</b>	<b>23 621</b>	

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### NOTES:

The following note descriptions relate to major variances greater than \$5 million or where multiple significant variances have occurred.

1. The increase in cash and deposits of \$23.9 million reflects the 2017-18 operating and cash flow statement outcome.
2. The increase of \$9.8 million in property plant and equipment predominately relates to:
  - upward revaluation of government buildings of \$14.2 million and Crown land of \$1.3 million from 2016-17, which was not included in the May 2017 Budget.
3. The increase in payables reflects:
  - an increase in outstanding creditors in 2017-18
  - accrued salaries of \$5.5 million for the NTPS Teachers and Educators Enterprise Agreement back pay.
4. Net provisions have increased by \$3.9 million, predominately a result of increased Recreational Leave and Special Remote Study Leave entitlements.
5. The increase of \$14.6 million in the asset revaluation reserve predominately relates to the upward revaluation of government buildings of \$14.2 million and crown land of \$1.3 million

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Cash Flow Statement	2017-18 Actual \$'000	2017-18 Original Budget \$'000	Variance \$'000	Note
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating receipts</b>				
Grants and subsidies received				
Current	13 732	5 264	8 468	1
Capital	-	-	-	
Appropriation				
Output	572 505	577 643	(5 138)	2
Commonwealth	353 108	349 680	3 428	
Receipts from sales of goods and services	17 421	1 566	15 855	3
<b>Total operating receipts</b>	<b>956 766</b>	<b>934 153</b>	<b>22 613</b>	
<b>Operating payments</b>				
Payments to employees	475 845	511 499	(35 654)	4
Payments for goods and services	112 967	98 248	14 719	5
Grants and subsidies paid				
Current	363 156	327 285	35 871	6
Capital	9 824	5 751	4 073	
Interest paid	332	300	32	
<b>Total operating payments</b>	<b>962 124</b>	<b>943 083</b>	<b>19 041</b>	
<b>Net cash from/(used in) operating activities</b>	<b>(5 358)</b>	<b>(8 930)</b>	<b>3 572</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Investing receipts</b>				
Proceeds from asset sales	-	-	-	
Repayment of advances	-	-	-	
<b>Total investing receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Investing payments</b>				
Purchases of assets	156	-	156	
Advances and investing payments	-	-	-	
<b>Total investing payments</b>	<b>156</b>	<b>-</b>	<b>156</b>	
<b>Net cash from/(used in) investing activities</b>	<b>(156)</b>	<b>-</b>	<b>(156)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Financing receipts</b>				
Deposits received	-	-	-	
Equity injections	-	-	-	
Capital appropriation	-	-	-	
Commonwealth appropriation	-	-	-	
Other equity injections	-	-	-	
<b>Total financing receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Financing payments</b>				
Finance lease payments	132	-	132	
Equity withdrawals	-	-	-	
<b>Total financing payments</b>	<b>132</b>	<b>-</b>	<b>132</b>	
<b>Net cash from/(used in) financing activities</b>	<b>(132)</b>	<b>-</b>	<b>(132)</b>	
Net increase/(decrease) in cash held	(5 646)	(8 930)	3 284	
Cash at beginning of financial year	69 995	49 315	20 680	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>64 349</b>	<b>40 385</b>	<b>23 964</b>	<b>7</b>

# Appendix 6 – Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTES:

The following note descriptions relate to major variances greater than \$5 million or where multiple significant variances have occurred.

1. The variation of \$8.5 million in grants and subsidies received predominantly relates to:
  - additional \$7 million from the Commonwealth Government provided for the Children and Schooling Program (Indigenous Advancement Strategy)
  - additional \$0.9 million from the Commonwealth Government for the Community Support program.
2. The decrease of \$5.1 million in output appropriation mainly relates to a transfer of repairs and maintenance funding to the Department of Infrastructure, Planning and Logistics to allow for the correct accounting treatment of infrastructure projects.
3. Receipts from sales of goods and services are greater than originally budgeted, largely as a result of GST receipts from the Australian Taxation Office of \$12.6 million not included in the original budget.
4. Payments to employees decreased by \$35.7 million predominantly relating to:
  - \$16 million transferred to current grants for payments to government schools relating to final 2017 school budget surpluses
  - \$5.6 million relating to surpluses in school budgets in 2018
  - transfer of \$6.6 million relating to National Partnership Agreement on NT Remote Aboriginal Investment to outer years to reflect updated timing of program delivery
  - transfer of \$5 million of workers compensation to operating expenses for annual risk and pay down premiums under the NTPS Workers Compensation Scheme
  - the remaining variance relates to surpluses in corporate budgets in 2017-18.
5. Payments for goods and services are greater than originally budgeted, largely as a result of GST payments to the Australian Taxation Office of \$12.3 million not included in the original budget.
6. Current grants payments increased by \$35.9 million predominantly relating to:
  - payout of final 2017 school budget surpluses to government schools totalling \$17 million
  - additional \$7 million provided under the Children and Schooling Program (Indigenous Advancement Strategy) funded from the Commonwealth Government
  - payment of \$6 million to government schools and \$2 million to non-government schools relating to semester 2 grants.
7. The increase in cash of \$24 million reflects the 2017-18 operating and cash flow statement outcome.

## Appendix 6 – Financial Statements

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### 27. BUDGETARY INFORMATION: ADMINISTERED TERRITORY ITEMS

In addition to the specific departmental operations included in the financial statements, the department administers or manages other activities and resources on behalf of the Territory such as taxes, fines and regulatory fees. The department does not gain control over assets arising from these collections; consequently, no income is recognised in the department's financial statements. The transactions relating to these activities are reported as administered items in this note.

	2017-18 Actual	2017-18 Original Budget	Variance	Note
Administered Territory Items	\$'000	\$'000	\$'000	
<b>TERRITORY INCOME AND EXPENSES</b>				
<b>Income</b>				
Grants and subsidies revenue				
Capital	807	300	507	1
Fees from regulatory services	541	514	27	
<b>Total income</b>	<b>1 348</b>	<b>814</b>	<b>534</b>	
<b>Expenses</b>				
Central Holding Authority income transferred	1 348	814	534	2
<b>Total expenses</b>	<b>1 348</b>	<b>814</b>	<b>534</b>	
<b>Territory income less expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	

#### NOTES:

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

- Capital grants revenue increased by \$0.5 million since the May 2017 Budget due to:
  - funding of \$0.5 million received for minor new works projects at Durack Primary School, Leanyer Primary School and Mataranka School.
- Central Holding Authority expenses reflects the transfer of Territory revenue to the Central Holding Authority (CHA).

## Appendix 7 – Contact Us

	LOCATION	PHONE	WEBSITE/EMAIL
Department of Education	Level 10, Mitchell Centre 55–59 Mitchell Street DARWIN NT 0800  GPO Box 4821 DARWIN NT 0801	08 8999 5659	<a href="http://www.education.nt.gov.au">www.education.nt.gov.au</a>  <a href="mailto:infocentre.det@nt.gov.au">infocentre.det@nt.gov.au</a>
Early childhood services	Level 10, Mitchell Centre DARWIN NT 0800	08 8999 3561	<a href="mailto:earlychild.det@nt.gov.au">earlychild.det@nt.gov.au</a>
Freedom of information and privacy	Level 10, Mitchell Centre DARWIN NT 0800	08 8901 4907	<a href="mailto:detfoi.det@nt.gov.au">detfoi.det@nt.gov.au</a>
International education services	Level 10, Mitchell Centre DARWIN NT 0800	08 8901 1336	<a href="mailto:internationalservice@nt.gov.au">internationalservice@nt.gov.au</a>
Media	Level 10, Mitchell Centre DARWIN NT 0800	08 8901 4921	<a href="mailto:icmm.det@nt.gov.au">icmm.det@nt.gov.au</a>
Northern Territory Government schools	The Northern Territory Department of Education operates 153 schools across the Northern Territory. Addresses and contact details for these schools are available on our website.		<a href="http://www.education.nt.gov.au/contact">www.education.nt.gov.au/contact</a>
Vocational Education and Training in schools	Level 10, Mitchell Centre DARWIN NT 0800	08 8944 9350	<a href="mailto:vetis.det@nt.gov.au">vetis.det@nt.gov.au</a>



# Appendix 8 – Acronyms and Glossary

## ACRONYMS

AASB	Australian Accounting Standards Board
ABLES	Abilities Based Learning and Education Support
ATAR	Australian Tertiary Admission Rank
ATO	Australian Taxation Office
BIITE	Batchelor Institute of Indigenous Tertiary Education
CDU	Charles Darwin University
CSS	Commonwealth Superannuation Scheme
DCIS	Department of Corporate and Information Services
DoE	Department of Education
FaFT	Families as First Teachers program
FELA NT	Foundations of Early Literacy Assessment – Northern Territory
FTE	Full-time equivalent
GST	Goods and services tax
HALT	Highly Accomplished and Lead Teacher
LANE	Literacy and Numeracy Essentials program
NAPLAN	National Assessment Program – Literacy and Numeracy
NT	Northern Territory
NTCET	Northern Territory Certificate of Education and Training
NTG	Northern Territory Government
NTGPASS	Northern Territory Government and Public Authorities Superannuation Scheme
NTPS	Northern Territory Public Sector
PSEMA	Public Sector Employment and Management Act
PIPS	Personnel Information and Payroll System
RSAS	Remote School Attendance Strategy
SPP	Special Purpose Payments
STEM	Science, technology, engineering and mathematics
VET	Vocational Education and Training

## GLOSSARY OF TERMS

### DEFINITIONS OF GEO-LOCATIONS

**Provincial:** schools in Darwin, Palmerston and the greater Darwin rural area extending to Middle Point and Berry Springs.

**Remote:** schools outside the Darwin rural area to Katherine, encompassing Batchelor, Jabiru, Pine Creek and Barunga; Alice Springs and surrounds, including Amoonguna, Santa Teresa and Wallace Rockhole.

**Very remote:** schools in remaining areas of the Northern Territory.



