Objective of the report

The objective of the report is to satisfy the requirements of section 68 of the Construction Industry Long Service Leave and Benefits Act by presenting the Minister responsible for NT Build with a summary of the activities of the Board during the 2017-18 financial year.

It also provides the Northern Territory Legislative Assembly, government agencies, stakeholders and other interested parties with an account of the performance of NT Build during the year in relation to the activities, achievements and operations of the construction industry portable long service leave scheme.

Published by NT Build

© Northern Territory Government of Australia, 2018

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

ISSN 1834-1888
ISSN 1834-190X (online version)

Enquiries should be made to:

NT Build – portable long service leave
Street: Units 32-33 / 12 Charlton Court
Woolner NT 0820
Post: PO Box 36644
Winnellie NT 0821
General enquiries: 1300 795 855
Office phone: (08) 8936 4070
Fax: (08) 8936 4080
Email: info@ntbuild.com.au
Web: www.ntbuild.com.au
ABN: 16 851 173 952
# Table of contents

Letter to Minister ......................................................... 5  
Chairperson’s Report ..................................................... 7  
Registrar’s Report ......................................................... 9  

**Part 1: Introduction and overview** ................................ 11  
2017-18 Highlights ...................................................... 12  
2018-19 Priorities ......................................................... 13  
About the organisation ................................................. 14  
General overview – portable long service leave scheme .... 15  
  Key features ............................................................. 15  
  Workers ................................................................. 15  
  Employers ............................................................. 16  
  Long service levy .................................................... 17  
Statistical highlights ..................................................... 18  
  Workers ................................................................. 18  
  Employers ............................................................. 24  
  Levy payment and compliance ................................... 24  
  Debt recovery ......................................................... 26  
Investment of funds ..................................................... 27  
Actuarial advice ......................................................... 29  
  Long service leave liability ........................................ 29  
  Section 91 actuarial review ....................................... 31  

**Part 2: Operational governance** ...................................... 33  
The Board ...................................................................... 34  
  Functions and powers ................................................. 34  
  Membership ............................................................ 34  
  Conducting business ................................................. 35  
The Office ...................................................................... 37  
  Registrar ................................................................. 37  
  Staff ....................................................................... 37  
  Organisation structure .............................................. 38  
  Information management .......................................... 39  
  Communication and marketing ................................. 40  
  Insurance and risk management ............................... 40  

**Part 3: Financial accountability** ....................................... 45  
Index - Financial Statements for year ended 30 June 2018 .... 47  
  Independent auditor’s report .................................... 48  
  Board members’ declaration .................................... 51  
  Statement of comprehensive income ....................... 52  
  Statement of financial position ............................... 53  
  Statement of changes in equity ............................... 54  
  Statement of cash flows ......................................... 55  
  Notes to the financial statements ......................... 56
Charts
Chart 1.1  Active employee and labour-only contractor registrations ........................................ 18
Chart 1.2  Annual movement in benefit rate ............................................................................. 20
Chart 1.3  NT benefit payments by place of lodgement ............................................................... 21
Chart 1.4  Percentage of active workers by contact location, 2017-18 ........................................ 23
Chart 1.5  Actual asset allocations of JANA managed portfolio - 30 June 2018 ....................... 28
Chart 1.6  Rate of long service leave liability accrual ................................................................. 30

Tables
Table 1.1  Total number of active worker registrations ............................................................... 18
Table 1.2  Benefit claims processed ........................................................................................... 21
Table 1.3  Age profile .................................................................................................................. 22
Table 1.4  Days of service ........................................................................................................... 22
Table 1.5  No. of active workers by contact location ................................................................. 22
Table 1.6  Active employer registrations ................................................................................... 24
Table 1.7  Summary - levy payer contributions ......................................................................... 24
Table 1.8  Summary - section 81(1)(b) action ........................................................................... 25
Table 1.9  Summary - debt recovery action ................................................................................ 26
Table 1.10  Summary - actual funds transferred to fund managers for investment ...................... 28
Table 1.11  Summary - accrued long service leave liability ......................................................... 30
Table 2.1  Summary - applications for reconsideration lodged - Section 84 ............................... 36
Table 2.2  Staffing profile as at 30 June 2018 ............................................................................ 37
Table 2.3  Staffing FTE as at 30 June 2018 ................................................................................ 37
Table 2.4  Summary of the audits undertaken ............................................................................. 42
Letter to Minister

The Hon Nicole Manison MLA  
Minister for Business and Innovation  
Legislative Assembly of the Northern Territory  
Darwin NT 0800

Dear Minister

RE: NT BUILD ANNUAL REPORT 2017-18

On behalf of the NT Build Board, I am pleased to present you with the thirteenth NT Build Annual Report, for the year ended 30 June 2018.

The report details the activities and achievements of NT Build during its thirteenth year of operation and has been prepared in accordance with the provisions of Section 68 of the Construction Industry Long Service Leave and Benefits Act (the CILSLB Act).

I advise that, to the best of my knowledge and belief, the system of internal control within NT Build provides reasonable assurance that:

• proper accounts and records of the Board’s transactions and financial affairs are kept and the financial statements included in this report have been prepared from proper accounts and records and are in accordance with the CILSLB Act;
• there are adequate controls over the incurring of the Board’s liabilities;
• all payments out of the Board’s money are correctly made and properly authorised;
• adequate control is maintained over the Board’s property and property in the Board’s custody, control and management;
• there is no indication of fraud, malpractice, major breach of legislation or delegation, or major error in or omission from the accounts and records;
• all employment matters have been handled in accordance with Public Sector Employment and Management Act and the CILSLB Act, as appropriate.

As required by section 69 of the CILSLB Act, you are advised that the Auditor-General has audited NT Build’s financial statements for the year ending 30 June 2018 and her comments are contained in this report.

May I also draw your attention to section 68(5) of the CILSLB Act, which requires that a copy of this Report be tabled in the Legislative Assembly within six sitting days of receipt.

Yours sincerely

MICHAEL MARTIN OAM  
Chairperson, NT Build Board

2 November 2018
This past year has seen plenty of activity within NT Build as the major Inpex project reached its highest labour force as the project nears to completion of construction. The large labour force has been reflected in NT Build’s registration numbers. It is also reflected in the increase in benefit payments and in benefit accruals.

The final financial result of a loss of some $7.4 million needs to be addressed. As I mentioned in my Report last year, the financial statements do not currently recognise potential revenue from the major Territory construction project, although the liabilities being accrued on this project are recognised. As this project comes closer to completion it will be possible to recognise the revenue and this will improve the financial position of NT Build. The amount owed to NT Build to date more than covers the loss achieved this year so NT Build is still a strong going concern. This sound financial position is also evidenced by the unqualified audit Report.

The investment of some $85 million in funds management continues to be a major focus of the NT Build Board which continues to assess and review our investment strategy in consultation with the Department of Treasury and Finance. The Board also carefully monitors the Scheme’s solvency ratio. I am pleased to report that both of these critical factors have been successfully managed this year.

NT Build hosted the Construction Industry’s Portable Long Service Schemes National Conference in Darwin in October 2017. This was an opportunity to showcase our Scheme as well as the Inpex Project and Darwin tourist attractions. Delegates from all over Australia heard how the Scheme was developed and has now evolved into a strong matured Territory scheme.

It is very appropriate that I take this opportunity to thank my fellow board members for their contribution over the past 12 months and their input in to the strategic issues addressed by the Board during the year.

The Registrar has covered a number of relevant matters in his report which I will not repeat here but recommend his Report. The Registrar continues to work closely with the Board and provides an effective level of support to the Board. On behalf of the Board I thank him for his support, diligence and commitment during the year.

Finally I acknowledge the significant contribution and commitment of all staff over the past 12 months and thank them all for their dedication and successful outcomes over this period. The statistics included in this Report reflect the heavy workload that has been carried out by NT Build staff.

MICHAEL MARTIN OAM
Chairperson
Registrar’s Report

The Scheme completed its thirteenth year of operating on 30 June 2018. As a result of the Scheme’s continued maturity the payment of benefits to workers significantly increased during 2017-18. A total of 1162 benefit claims were processed during the year as more workers became eligible for benefit payments. This represented an increase of 208 claims in comparison to 2016-17. Eligibility for paying these benefits was possible in part due to the National Reciprocal Agreement, which recognises workers’ service in all other Australian jurisdictions and the maturing of the Scheme. This growth in benefit claims is expected to continue over the coming years as Scheme member’s entitlements continue to mature.

The Scheme’s equity of $23.1 million recorded for this reporting period is slightly down from the $30.5 million reported in 2016-17. While still representing a strong net financial position the decrease was predominately a result of an increase in the liability valuation.

The Scheme received total levy income of $1.66 million in 2017-18, representing a reduction of approximately 32% ($0.79 million) when compared to the 2016-17 year.

Notwithstanding the general down turn in the NT construction industry, the Scheme still experienced a steady increase in registrations of active workers of approximately 6.4% as at 30 June 2018. While this increase was largely associated with the Inpex LNG project, future registrations are anticipated to decline as the construction phase of the project concludes over the coming 12 months.

During this reporting period, the Scheme’s long service leave liability valuation significantly increased by $10.2 million. Having regard for other liability factors, the overall net increase in the total estimated accumulated liabilities for the Scheme was $9.9 million as at 30 June 2018 in comparison to 2016-17. Importantly the Scheme’s assets continue to cover liabilities.

Operational improvements, including a new website, business system enhancements and revised operational practices were also implemented during this reporting period. These improvements offer a constraint on increasing administration costs and enhanced on-line customer self-service functions.

I take this opportunity to acknowledge and thank the members of the Board for their continued support and guidance. I also wish to thank the staff of NT Build for their continued dedication and hard work. I look forward to their ongoing support in the year ahead.

THEO TSIKOURIS
Registrar
Part 1: Introduction and Overview
2017-18 Highlights

- Finalised the redevelopment of the Scheme’s website, designed to integrate customer self-service functionality and be adaptable for viewing on multiple electronic device formats (phone/tablet/computer).

- Monitored the Scheme’s financial position to ensure its ongoing financial sustainability in the current low levy (0.1%) and high threshold ($1 million) environment.

- Finalised the development of a capital management plan that provides a framework for monitoring the Scheme’s solvency position.

- Monitored and reviewed the investment program to support the ongoing financial viability of the Scheme.

- Monitored and reviewed the operation of primary business systems to ensure operational savings, improvements and efficiencies are maximised.

- Monitored, reviewed and implement operational systems to maximise revenue collection and minimise administrative costs for NT Build and maximise stakeholders convenience.

- Actively encourage the registration of all eligible workers and relevant employers.

- Maintained a compliance audit regime to ensure Scheme levy revenue is maintained.

- Finalised the refurbishment of the office front counter area for staff security and safety reasons.

- Received approximately $1.66 million in levy contributions (down from the $2.45 million achieved in 2016-17).

- Recorded estimated total accumulated liabilities of $66.42 million (an increase of $9.94 million in comparison to the 2016-17 period). Scheme’s assets continue to cover liabilities.

- Recorded an overall net decrease in assets for the year of $7.39 million (compared to the increase of $12.61 million recorded 2016-17), which largely related to the $10.21 million increase in long service leave liabilities as determined by the Scheme’s actuary.

- Increases in both worker and employer registrations during the year. Total active registrations of 30 651 workers and 557 employers recorded with the Scheme as at 30 June 2018.

- Made benefit payments to 1162 workers who have been involved in the NT construction industry at a cost to the Scheme of approximately $4.86 million (up from the 954 payments at a cost of $3.9 million made in 2016-17).
2017-18 Priorities

- Implement changed Australian Taxation Office “Single Touch Payroll” processing practice from 1 July 2018 to provide a more streamlined, timely and efficient tax reporting regime.

- Closely monitor the Scheme’s financial position and report on its ongoing financial status in the current low levy (0.1%) and high threshold ($1 million) environment.

- Continue to monitor and review the investment program to identify appropriate opportunities to support the ongoing financial viability of the Scheme.

- Continue to monitor and review the operation of primary business systems to ensure operational savings, improvements and efficiencies are maximised.

- Continue to monitor, review and implement operational processes to maximise revenue collection and minimise administrative costs for NT Build and maximise stakeholders convenience.

- Continue to actively encourage the registration of all eligible workers and relevant employers.

- Maintain a strong compliance audit regime to ensure Scheme levy revenue is maintained.

- Monitor staff and workload demands to ensure efficient and timely processing of the increasing number of benefit payments.
About the organisation

NT Build is a statutory corporation established by the *Construction Industry Long Service Leave and Benefits Act* (the CILSLB Act) which came into effect on 1 July 2005.

The purpose of the Scheme as set out in the CILSLB Act is:

*To provide long service leave and long service leave benefits to Territory construction workers.*

The establishment of the Scheme in the Northern Territory completed a network of similar schemes in all Australian jurisdictions. The Territory construction industry and its employees are therefore no longer at a disadvantage in respect of this form of benefit.

The Scheme is administered by a Board, called NT Build, which comprises a chairperson, and up to six members nominated by the Minister.

NT Build is not an agency within the meaning of the *Financial Management Act* or the *Public Sector Employment and Management Act* and as such no general allocation of funding is provided to NT Build through the Territory Budget.

Under the Administrative Arrangements Order in force for the period ended 30 June 2018 the Department of Trade, Business and Innovation had the principal responsibility for the general administration of the CILSLB Act. However, in accordance with the CILSLB Act, the Board holds the specific responsibility for the day-to-day management of the Scheme and for providing advice and making recommendations to the Minister about the operation of the legislation.

The Scheme, including staffing and operational expenses, is self-funded through the collection of a levy imposed on eligible construction work undertaken in the Territory and investment earnings. This revenue is used to fund the payment of long service leave benefits accrued by construction workers while working on defined projects in the Territory.

The staff of NT Build are Northern Territory Public Sector employees who are made available to the NT Build Board under an agreed full cost recovery arrangement.

The NT Build Board is responsible for expending the Scheme’s money and has its own financial reporting requirements. The Board has therefore prepared this annual report on the performance of the Scheme for submission to the responsible Minister.
General overview – portable long service leave scheme

**Key features**

The Scheme enables workers in the construction industry to qualify for long service leave based on their service in the industry rather than service with the same employer. Workers can therefore work for any number of employers in the construction industry and continue to accumulate long service leave benefits.

Some key features of this Scheme include:

- Long service leave coverage consistent with interstate arrangements. (The Northern Territory Government is party to the reciprocal arrangements agreement between all States and the Australian Capital Territory.)

- Benefits consistent with current building and construction industry and NT long service leave standards.

- The Scheme is funded through a levy determined by the Minister.

- Maintenance of a register recording the number of service days worked by each registered worker within the construction industry in the Northern Territory.

- A statute based scheme, governed by a board consisting of an chairperson and members appointed by the Minister to oversee the management of the Scheme.

**Workers**

The Scheme enables the Territory’s building and construction workers to benefit from the introduction of a portable long service leave scheme based on their service to the industry rather than service with the same employer. Workers can therefore work for any number of employers in the construction industry.

The portability also extends across state borders under the National Reciprocal Agreement.

A registered worker can be credited with a maximum of 220 days of qualifying service each financial year. A total of 6.5 days long service leave credit is accrued for each 220 days. Once a worker has accrued 65 days long service leave credit (i.e. equates to 10 years service), they can apply for 65 days (i.e. 13 weeks) long service leave or, with the agreement of their employer, take leave in separate periods of not less than 5 days. Workers need to subsequently accrue a further 32.5 days long service leave credit before they can apply for further leave.

Special pro rata provisions are also contained in the CILSLB Act for workers who die, retire or cease to perform construction work. Long service leave benefits accrued under this Scheme are paid by NT Build upon application by the worker or their authorised representative.

To be eligible for registration under the Scheme a worker must:

- be employed to carry out construction work on a site in the Northern Territory;
- work for the private sector, i.e. not for the government (including the Territory, local, interstate or Commonwealth governments);
• not be working in an administrative, clerical, office-based managerial or professional capacity;
• spend at least 50% of their work time at the construction site for the work; and
• work a minimum of three days in any reporting period (i.e. six months).

Workers employed either full-time, part-time, as a casual or as a labour-only contractor (i.e. those who have an ABN) are eligible to register.

Work undertaken on both residential and commercial construction, civil and maintenance jobs, whether big or small, is recognised as counting towards a long service leave benefit.

Employers

As noted previously, the Scheme enables workers to qualify for long service leave based on their service to the industry rather than service with the same employer. Workers can therefore work for any number of employers in the construction industry.

The Scheme is funded by:
• a levy on specified construction work in the Northern Territory; and
• investment earnings.

Most employers of construction workers will therefore not have to make any financial contribution to the Scheme, as this will be the obligation of project developers. However, in certain circumstances where an employee has been continuously employed by the one employer, that employer may have to contribute or pay for long service leave that accrued before 1 January 2005 under the Northern Territory private sector Long Service Leave Act.

Once a worker has been registered, employers are required to keep adequate records to account for any eligible workers employed. An employer return form is completed twice a year advising NT Build of the number of days worked by all registered employees and any other information required by NT Build. The information provided by employers is used to update registered workers’ records.

An eligible employer under the Scheme is one:
• that employs an eligible construction worker to carry-out construction work;
• that is in the private sector (i.e. is not in the Territory, local, interstate or Commonwealth government sectors); and
• whose usual business is to carry out or offer to carry out construction work for reward.

An employer must register with NT Build within one month of commencing to employ a construction worker who is registered with NT Build.

Alternatively, an employer who employs one or more eligible workers may elect to register their workers with NT Build for the accrual of portable long service leave at the same time they register their business.

For the purpose of this Scheme, construction work covers commercial, domestic, industrial and civil construction. Construction work includes workers performing repair, maintenance, extension and demolition, and is recognised regardless of whether the work performed is subject to the levy liability.
Long service levy

The Scheme is funded by a levy (determined by the responsible Minister) imposed on specified construction work undertaken in the Northern Territory and from investment earnings.

The levy is payable on all eligible construction projects and is calculated as a percentage of the total cost of the work. The cost of construction work is the sum total of all contract prices for the work, covering aspects such as the cost of labour, materials (including prefabricated goods and installation), equipment, design, project management, consultancy and any other cost that directly or indirectly relates to the work.

The levy does not apply to:

- Class 1a(i) and Class 10(a) buildings under the Building Code of Australia (being single detached dwellings, including related private garages, carports, sheds, or the like); or
- construction work undertaken for not-for-profit organisations in respect of voluntary labour and donated materials.

Mining and wholly artistic works are also exempt from the levy.

The levy does not apply to work for which the total contract prices for the construction work is less than:

- $1 million in value - for work started on or after 7 April 2014, or
- $200 000 in value - for work started from 1 July 2005 to 6 April 2014.

For construction work that costs $1 billion or less the amount of the levy is calculated as a set percentage of the cost of the work.

A two tier levy regime applies to projects with costs in excess of $1 billion. Under this two tier regime the 'standard' prescribed levy rate, which applies to all eligible construction projects under the Scheme, is applied to the first $1 billion. For the portion of the project costs that exceed the $1 billion threshold, a project specific levy rate is applied. This excess rate is determined by the Minister, on actuarial advice, and is to be sufficient to yield the amount likely to be required to fund the long service benefits of the registered employees who carry out the particular construction work.

The 'standard' prescribed levy rates that apply to eligible construction works undertaken in the Territory are:

- 0.1% for work started on or after 7 April 2014, regardless of completion date.
- 0.3% for work started from 1 April 2012 to 6 April 2014, regardless of completion date.
- 0.4% for work started from 1 July 2009 to 31 March 2012, regardless of completion date.
- 0.5% for work started from 1 July 2005 to 30 June 2009, regardless of completion date.

It is the responsibility of the person for whom the work is to be done to notify NT Build of the work, prior to commencement.

Interest penalties and fines may be imposed if the levy is not paid when required.
Statistical highlights

Workers

Registration numbers

The CILSLB Act defines a construction worker as a person who carries out construction work either as an employee or as a contractor (who only supplies their own labour). Construction workers can also be engaged on a full-time, part-time or casual basis.

As shown in the table and chart below, the total number of active worker registrations recorded by the Scheme reflected a net increase of 1837 on the numbers for the previous reporting period. This variance consists of 1808 more employees and 29 more labour-only contractors.

Table 1.1: Total number of active worker registrations

<table>
<thead>
<tr>
<th>Total Active Registrations</th>
<th>June 2014</th>
<th>June 2015</th>
<th>June 2016</th>
<th>June 2017</th>
<th>June 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>17 169</td>
<td>24 519</td>
<td>27 054</td>
<td>28 814</td>
<td>30 651</td>
</tr>
</tbody>
</table>

Chart 1.1: Active employee and labour-only contractor registrations
Section 13(1)(a) of the CILSLB Act requires the Registrar to deregister a person who has not been credited with any qualifying service for a continuous period of four years. The first of this deregistration process occurred in September 2010, with ongoing deregistrations being processed biannually.

The highly transient nature of the Northern Territory construction industry workforce is evidenced not only by the increase in registrations during this reporting period but also by the significant overall number of workers deregistered (inactive) from the Scheme as at 30 June 2018 - totalling 12,926 workers (a decrease of 1,474 from the previous reporting period).

While these deregistered (inactive) workers are no longer active in the Territory construction industry a majority of the workers are still believed to be actively working in the construction industry interstate.

Under the terms of the National Reciprocal Agreement, a person deregistered with the NT Build Scheme may be eligible to have their service credits reinstated if they are registered with an interstate scheme and have continued to work in the construction industry interstate.

Each Australian state and territory is party to the National Reciprocal Agreement. This Agreement provides for a worker’s service credits while working in the building and construction industry in any of the states or territories, to be recognised as part of that worker’s qualifying period of service for the purpose of determining their long service leave entitlement.

This means that workers are able to have construction industry service worked both with multiple employers and across multiple jurisdictions combined towards accruing a long service leave entitlement.

While it is possible that a significant proportion of the Scheme’s deregistered workers will have their NT service reinstated under the terms of the National Reciprocal Agreement, the actual portion of service credits that will be reinstated will only be known over time.

Anecdotal evidence also suggests that, for whatever reason, there remains a number of workers in the local construction industry that would be eligible to participate in the Scheme but are as yet unregistered.

Some of the likely issues affecting Scheme registrations includes:

- Very high turnover of employment in the local construction industry.
- Proportion of the Territory construction industry workforce operating as labour-only contractors rather than employees.
- Industry feedback also supported anecdotal evidence that there may be a significant number of eligible labour-only contractors in the Northern Territory who are not registered with the Scheme.
- Voluntary nature of the NT Build Scheme (whereas most equivalent interstate schemes are compulsory).
Benefit payments
A worker who has accrued a long service leave credit can apply to use the credit. The benefit rate for the payment of the credit is determined by the Board, having regard to the average weekly ordinary time earnings for the construction sector published by the Australian Bureau of Statistics.

The rate is reviewed annually, generally on 1 July, and the defined rate is applied to both workers and contractors.

This process provides greater certainty in predicting future liabilities than is the case for a number of interstate schemes.

The benefit payment rate for the 2017-18 period was $1298 per week.

Chart 1.2 below illustrates the annual movement in the benefit rate since the commencement of the Scheme.

The CILSLB Act also contains special pro rata provisions to enable a long service leave benefit to be paid to workers who retire, cease to perform construction work or die.

Generally a worker must accrue 65 days long service leave credit (i.e. 2200 eligible service days = 10 years service) before they can apply to use their first credit of long service leave. Once accrued, the leave may be taken in separate periods of not less than 5 days.
Subsequent credits of long service leave can be used after every additional accrual of 32.5 days long service leave credit (i.e. 1100 service days = 5 years service).

As the NT Build Scheme has now matured, the number of workers who have accrued a long service leave entitlement has also increased.

As reflected in the table 1.2 below, these claims resulted in a total gross benefit payments expense of approximately $4.68 million in respect of work performed in the Northern Territory.

The number of claims processed during this reporting period increased by almost 22%, resulting in an increase cost to the Scheme of $0.96 million for benefits paid in comparison to the previous 2016-17 reporting period. A total of 4248 claims have been paid since the Scheme commenced.

Both the number of claims and amounts paid out are expected to continue to increase.

Being party to the National Reciprocal Agreement has also enabled NT Build to recognise service credits and make benefit payments both before the Scheme matured and before a worker achieves ten years of service within the Territory.

Chart 1.3 below illustrates the Scheme’s financial liability for benefit claims that were lodged direct with NT Build and those lodged through a reciprocal interstate portable long service leave scheme.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodged through interstate scheme</td>
<td>188</td>
<td>270</td>
<td>346</td>
<td>365</td>
</tr>
<tr>
<td>Lodged through NT Build</td>
<td>160</td>
<td>408</td>
<td>608</td>
<td>797</td>
</tr>
<tr>
<td>Total claims lodged</td>
<td>348</td>
<td>678</td>
<td>954</td>
<td>1162</td>
</tr>
</tbody>
</table>
Registration profile

Table 1.3: Age profile

<table>
<thead>
<tr>
<th></th>
<th>June 15</th>
<th>June 16</th>
<th>June 17</th>
<th>June 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average age</td>
<td>38</td>
<td>38</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>Oldest #</td>
<td>80</td>
<td>81</td>
<td>82</td>
<td>83</td>
</tr>
<tr>
<td>Youngest *</td>
<td>16</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
</tbody>
</table>

*Registrations are accepted from apprentices working in the construction sector, including school based apprentices
#Includes workers who have been inactive for less than 4 years and therefore not yet deregistered

Table 1.4: Days of service

<table>
<thead>
<tr>
<th></th>
<th>June 15</th>
<th>June 16</th>
<th>June 17</th>
<th>June 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total estimated service days</td>
<td>9.57M</td>
<td>11.28M</td>
<td>14.07M</td>
<td>16.55M</td>
</tr>
</tbody>
</table>

Scheme demographic
The continued success of the Scheme in terms of providing benefits to Northern Territory construction industry workers and contributing to the attraction of skilled workers to the Territory is evidenced by the following table and chart.

While these show that approximately 46% of the Scheme’s active registered workers record a Territory contact address, the table and chart also helps to illustrate the transient nature and mobility of the workforce in the construction industry across state and territory borders.

Table 1.5: No. of active workers by contact location

<table>
<thead>
<tr>
<th></th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>27</td>
<td>26</td>
<td>23</td>
<td>32</td>
</tr>
<tr>
<td>NSW</td>
<td>1 829</td>
<td>2 055</td>
<td>2 219</td>
<td>2 487</td>
</tr>
<tr>
<td>NT</td>
<td>14 907</td>
<td>15 576</td>
<td>14 525</td>
<td>14 189</td>
</tr>
<tr>
<td>QLD</td>
<td>4 281</td>
<td>5 433</td>
<td>5 879</td>
<td>6 060</td>
</tr>
<tr>
<td>SA</td>
<td>551</td>
<td>610</td>
<td>669</td>
<td>713</td>
</tr>
<tr>
<td>TAS</td>
<td>142</td>
<td>147</td>
<td>153</td>
<td>160</td>
</tr>
<tr>
<td>VIC</td>
<td>1 616</td>
<td>1 270</td>
<td>1 435</td>
<td>1 605</td>
</tr>
<tr>
<td>WA</td>
<td>1 159</td>
<td>1 928</td>
<td>2 248</td>
<td>3 156</td>
</tr>
<tr>
<td>Other*</td>
<td>7</td>
<td>9</td>
<td>1 663</td>
<td>2 249</td>
</tr>
<tr>
<td>Total</td>
<td>24 519</td>
<td>27 054</td>
<td>28 814</td>
<td>30 651</td>
</tr>
</tbody>
</table>

*Other includes: ‘unknown’ and/or a non-Australian contact location
Chart 1.4: Percentage of active workers by contact location, 2017-18

- NT: 46.3%
- QLD: 19.8%
- WA: 10.3%
- VIC: 5.2%
- TAS: 0.5%
- SA: 2.3%
- NSW: 8.1%
- ACT: 0.1%
- Other: 7.4%

Introduction and overview - NT Build
Employers

Eligible employers are identified through either self registration or by notification on a worker registration form. The numbers are shown in the following table.

<table>
<thead>
<tr>
<th></th>
<th>June 2015</th>
<th>June 2016</th>
<th>June 2017</th>
<th>June 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employers</td>
<td>502</td>
<td>523</td>
<td>554</td>
<td>557</td>
</tr>
</tbody>
</table>

Section 81(1)(a) of the CILSLB Act empowers the Registrar to compel a person who employs construction workers to provide any information relating to that employment. Where an employer fails to comply with a section 81(1)(a) notice the person could be prosecuted for failure to comply with the notice.

Issuing of section 81(1)(a) notices aims to streamline the administrative effort required to effect successful and timely prosecution of employers who choose not to fulfil their statutory obligation to notify NT Build about the number of days of service each registered employee worked and any periods of long service leave granted by the employer to any registered employee.

No notices were issued under this provision during 2017-18 reporting period.

Levy payment and compliance

The levy rate has been reduced over time, with the current rate of 0.1% coming into effect from 7 April 2014. The exemption threshold value was also increased from $200,000 to $1 million at that time. Examples of other exemptions to the levy include; Class 1a(i) and Class 10(a) buildings under the Building Code of Australia, mining and wholly artistic works.

The table 1.7 below provides a summary comparison of total levy payments received from project developers.

<table>
<thead>
<tr>
<th></th>
<th>June 2015</th>
<th>June 2016</th>
<th>June 2017</th>
<th>June 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total levy income</td>
<td>$2.4M</td>
<td>$3.7M</td>
<td>$2.4M</td>
<td>$1.6M</td>
</tr>
</tbody>
</table>

*Includes accrual of full levy amount where payment by an instalment plan has been granted

The Scheme’s levy income during the 2017-18 period decreased by approximately $0.8 million in comparison to the previous reporting period.

The maturity of the Scheme also saw the payment of benefits to workers significantly increase during 2017-18, with the value of payments exceeding the amount of levy revenue by approximately 193%. This, along with the downturn in the NT construction sector and the current levy collection structure (of 0.1% on projects over $1 million and significant exemptions for the housing and resources sectors), will see the trend of payments exceeding levy revenue continue.

NT Build has continued to enjoy a high level of compliance by project developers with the assistance of the office, especially the Field Officers.
Section 81(1)(b) of the CILSLB Act empowers the Registrar to compel a person to provide any information relating to construction work on which the levy is or may be imposed. Where a levy payer fails to comply with a section 81(1)(b) notice the person could be prosecuted for failure to comply with the notice.

Issuing of section 81(1)(b) notices aims to streamline the administrative effort required to effect successful and timely prosecution of developers who choose not to fulfil their statutory obligation to notify NT Build of the project commencement and paying the levy.

As demonstrated in table 1.8 below, two notices were issued during the 2017-18 reporting period.

The Board continues to pursue compliance issues to ensure that the Scheme is administered equitably.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>B/FWD</th>
<th>New Notices</th>
<th>Finalised</th>
<th>C/FWD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>2016-17</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>2015-16</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>2014-15</td>
<td>-</td>
<td>4</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2013-14</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>2012-13</td>
<td>1</td>
<td>6</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>2011-12</td>
<td>2</td>
<td>15</td>
<td>16</td>
<td>1</td>
</tr>
<tr>
<td>2010-11</td>
<td>1</td>
<td>9</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>2009-10</td>
<td>5</td>
<td>20</td>
<td>24</td>
<td>1</td>
</tr>
<tr>
<td>2008-09</td>
<td>10</td>
<td>25</td>
<td>30</td>
<td>5</td>
</tr>
<tr>
<td>2007-08</td>
<td>3</td>
<td>26</td>
<td>19</td>
<td>10</td>
</tr>
<tr>
<td>2006-07</td>
<td>-</td>
<td>5</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>
**Debt recovery**

The NT Build Board has authorised the Registrar to recover debts owing to the Scheme directly through the engagement of a debt collection agent and, if necessary, through the small claims court.

The use of debt collection agents is generally reserved for those instances where a levy payer, who has been issued an invoice by NT Build in relation to a levy amount owing, defaults on the payment of their levy obligation and after other efforts to secure payment have failed.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>B/FWD</th>
<th>New Action</th>
<th>Finalised</th>
<th>C/FWD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>2016-17</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>2015-16</td>
<td>-</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2014-15</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>2013-14</td>
<td>-</td>
<td>5</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>2012-13</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>2011-12</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>2010-11</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>2009-10</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>2008-09</td>
<td>-</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>2007-08</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>*2006-07</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*Debt collection agents appointed with effect from 4 June 2007*
Investment of funds

As noted in the Financial Statements included in this report, NT Build continued to invest accumulated funds from revenue raised through the collection of levies.

The Scheme is fully self-funded through the collection of a levy imposed on construction work undertaken in the Territory and earnings from invested accumulated funds. This revenue is used to fund the payment of long service leave benefits accrued by construction workers while working in the Territory and to meet the Scheme’s operational expenses.

The sound investment of the accumulated funds of the Scheme plays an increasingly vital role in ensuring there will be sufficient funds to meet both immediate and longer term liability.

The Scheme completed its thirteenth year of operating on 30 June 2018. While the liabilities of NT Build will in the main continue to be longer term, as a result of the Scheme’s maturity the payment of benefits to workers significantly increased during 2017-18, with the value exceeding the amount of levy revenue received by approximately 193%.

The downturn in the NT construction sector in combination with the current levy collection structure (of 0.1% on projects over $1 million and significant exemptions for the housing and resources sectors) will see the above trend continue and is expected to have a material impact on the Scheme’s long term sustainability.

During the 2017-18 period, the Board made the decision to reinvest ‘special’ JANA quarterly investment income distribution amounts. However, to support cash flow, the practice of having all standard quarterly investment income distribution amounts deposited into the Scheme’s operational bank account and not reinvested with JANA continued. In addition, maturing fixed term cash deposit funds were redeemed, when necessary.

The Scheme's investment strategy is managed through a combination of:
• direct cash investments; and
• a multi-asset class, multi-manager fund provided by our implemented consultant JANA Moderate Trust.

This strategy also encompasses a rolling three year forward outlook for projecting the short-term financial status of the Scheme. Given the often cyclical nature of the construction industry generally and the high potential impact of large resource development projects in the Territory, the Board considers that projections beyond this horizon are suitable only for actuarial purposes.

In order to sustain the financial viability of the Scheme, in the context of the ongoing volatility of the global financial markets and the low levy collection structure, the Board closely monitors and refines the Scheme’s financial assets to ensure any adverse exposure of its investments are minimised.

At the conclusion of the 2017-18 reporting period it is pleasing to note that the Scheme’s assets continue to cover liabilities.

Information regarding the performance of the Scheme’s investments is provided in the Financial Statements included in this report.
The following table 1.10 reflects a summary of the actual fund amounts either redeemed from or transferred to the fund managers for investment, while chart 1.5 illustrates the actual asset allocations of the Scheme’s JANA managed portfolio as at 30 June 2018.

### Table 1.10: Summary - actual funds transferred to fund managers for investment

<table>
<thead>
<tr>
<th>Fund Managers</th>
<th>Total funds invested as at 30 June 2017</th>
<th>Net Funds invested/(redeemed) during 2017-18</th>
<th>Total funds invested as at 30 June 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLC/JANA</td>
<td>$56.8M</td>
<td>$7.0M</td>
<td>$63.8M</td>
</tr>
<tr>
<td>PCCU</td>
<td>$2.6M</td>
<td>($0.5M)</td>
<td>$2.1M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$59.4M</strong></td>
<td><strong>$6.5M</strong></td>
<td><strong>$65.9M</strong></td>
</tr>
</tbody>
</table>

### Chart 1.5: Actual asset allocations of JANA managed portfolio - 30 June 2018

- **Australian Shares**: 26.4%
- **Global Shares Unhedged**: 23.8%
- **Global Shares Hedged**: 12.7%
- **Inflation Linked Securities**: 1.8%
- **Australian Fixed Interest**: 6.9%
- **Property Securities**: 3.6%
- **Extended Credit**: 3.8%
- **Global Fixed Interest**: 8.9%
- **LCS**: 3.7%
- **JANA Cash**: 4.7%
- **Alternative Beta Strategy**: 3.7%
Actuarial advice

Long service leave liability

A number of factors affect the actuary’s ability to reliably measure the Scheme’s liability. These factors can include:

- The extent of established historical data available to enable an accurate assessment of the Scheme’s liability;
- Extent and range of non-levied construction work undertaken that is exempt from payment of the levy and for which worker benefit liability will still apply;
- Expenses estimated in administering the Scheme;
- Level of worker registrations and service turnover;
- Period of service credits accumulated before a benefit payment is claimed;
- Benefit payment rate applied and the salary growth rate for the construction industry; and
- The extent to which either service credits are abandoned without benefit payments accruing, or vested benefits at exit from the Scheme never being claimed.

Having regard for the above factors, the Scheme’s consulting actuary Cumpston Sarjeant Pty Ltd assesses and recommends a liability amount for accrued long service leave benefits to be adopted for accounting purposes as at 30 June each year.

Initially a simple aggregate model was used when assessing the Scheme’s liability but, from the 2014-15 assessment and going forward, a more sophisticated individual projection model has been adopted.

This reporting period also saw a changed approach to setting the discount rate (from risk-free to asset-based) which has had a large impact on the liability valuation.

Initial year’s liability estimates had been calculated using a risk-free discount rate based on the yield on Commonwealth bonds. However in 2016-17 an asset-based discount rate approach was adopted for that and future financial reporting periods for valuing NT Build Scheme liabilities. This change saw a large one-off impact on the liability valuation for 2017 as reflected in Chart 1.6 of the following page.

The key assumptions made by the Actuary in performing the liability valuation for this 2017-18 reporting period are covered in detail in the Notes to the financial statements included in Part 3 of this report. These assumptions include the following matters:

- An asset-based discount rate of 6%;
- Long term future benefit growth rate of 3.5% per annum;
- Benefit rate increase of 1.73% effective from 1 July 2017 for 2017-18;
- Timing of payment of benefits;
- Proportion of workers eligible to claim;
- Exit rates from the Scheme;
- Differing rates at which leave will be taken;
- Extent of reactivation of inactive members;
- Scheme administration expenses;
- Service credits reported in the future in respect of past reporting periods.

Taking all of these assumptions into account, the greatest unknowns in the liability valuation are those regarding member movements (exit rates and reactivation rates) and the estimation of
unreported service credits for January-June 2018. Other elements such as the rate of claiming benefits in service are not as important. Further Scheme experience over time will refine the assumptions made and gradually reduce uncertainty in the valuation.

In terms of the sensitivity of the analysis, the re-entry rate is an important determinant of eventual liability for those not currently active in the NT. The liability estimate is therefore moderately sensitive to the assumption that 30% of inactive members will reactivate.

For accounting purposes as at 30 June 2018 the actuary recommended a liability of $66.172 million for accrued long service leave benefits be adopted. As a result of applying the asset based discount rate when valuing the liability in this reporting period, along with adjustments to other actuarial assumptions, that valuation represents a net increase of $10.2 million from the previous 2016-17 estimate.

The NT Build Board will continue to engage an independent actuary to determine its long term liabilities.

Accordingly, the provision of $66.172 million has been disclosed on the Statement of Financial Position of the Board as at 30 June 2018 included in this report.

The following table and chart illustrate the annual valuation of the Scheme’s long service leave liability recorded to date.

<table>
<thead>
<tr>
<th>Year</th>
<th>Liability (M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>$66.2M</td>
</tr>
<tr>
<td>2016-17</td>
<td>$56.0M</td>
</tr>
<tr>
<td>2015-16</td>
<td>$62.6M</td>
</tr>
<tr>
<td>2014-15</td>
<td>$45.3M</td>
</tr>
<tr>
<td>2013-14</td>
<td>$38.4M</td>
</tr>
<tr>
<td>2012-13</td>
<td>$32.8M</td>
</tr>
<tr>
<td>2011-12</td>
<td>$28.5M</td>
</tr>
<tr>
<td>2010-11</td>
<td>$20.9M</td>
</tr>
<tr>
<td>2009-10</td>
<td>$17.4M</td>
</tr>
<tr>
<td>2008-09</td>
<td>$13.6M</td>
</tr>
<tr>
<td>2007-08</td>
<td>$7.6M</td>
</tr>
<tr>
<td>2006-07</td>
<td>$5.5M</td>
</tr>
<tr>
<td>2005-06</td>
<td>$2.6M</td>
</tr>
</tbody>
</table>

Chart 1.6: Rate of long service leave liability accrual
Section 91 actuarial review

Under the CILSLB Act, the Scheme’s actuary must at least once every three years undertake a review of the:

• administration of the Scheme (including any financial aspect of the administration);
• methods used in working out long service benefits; and
• the levy rate.

The report on the findings of each review are presented to the Minister responsible for the Scheme and are tabled in the Legislative Assembly.

Previous reviews

The first review of the Scheme was conducted during 2008-09 for the period ending 30 June 2008 and resulted in the Minister:

• Approving a 20% temporary reduction in the levy rate, from 0.5% to 0.4% for two years, commencing from 1 July 2009 until 30 June 2011; and
• Introducing a $1 billion threshold for the purpose of calculating the levy on large scale construction projects, effective from 1 July 2009.

A second triennial review was undertaken during 2011-12 for the period ending 30 June 2011 and resulted in the Minister:

• Approving an ongoing 25% reduction in the levy rate, from 0.4% to 0.3%, effective from 1 April 2012.

A third actuarial review was conducted during 2014-15 for the period ending 30 June 2014 and resulted in the Minister:

• Retaining the levy rate (previously reduced from 0.3% to 0.1% in April 2014) at 0.1% of leviable activity.

The report on the third review also noted that:

• the 0.1% levy rate is below the break-even levy rate and may not be sustainable in the longer term;
• while the then high level of surplus was not desirable and it was appropriate that it be reduced over time via a levy rate below the break-even rate, some level of surplus in the Scheme is necessary to have the resilience to cope with the following known variables that may impact on the surplus position,
  - Investment performance
  - Liability measurement
  - Levy income; and
• the projected levy income appears to be lower than the Scheme accruing costs, and so Scheme surplus will be eroded over coming years. Although this was not a concern in the short to medium term due to existence of a surplus, in the longer term the levy rate may have to rise to ensure financial viability of the Scheme.

A fourth triennial review was undertaken during the 2016-17 for period ending 31 December 2016 and did not result in the Minister needing to take any immediate action. However, key findings from this review indicated that the:

• Scheme’s moderate surplus is expected to decline in the next two years (with a chance it may fall into deficit) due to the Inpex liabilities accruing, however the surplus will again increase once the Inpex levy is paid at the end of the construction phase;
• current levy rate of 0.1 % is below the break-even rate of 0.19% - 0.23%, however due to the high level of surplus, it is recommended that the 0.1% levy rate remain unchanged for the time being; and

• key consideration for the ongoing sustainability of the Scheme is the Inpex levy, and the Minister will need to make a determination regarding the levy rate before it falls due.

The NT Build Board has initiated a heightened level of monitoring and oversight and have undertaken to provide advice to the Minister in the event that the solvency margin falls below an acceptable level.

**Future review**
The next triennial review of the Scheme is expected to be conducted for the period ending December 2019 at the latest.
Part 2: Operational Governance
Part 2 Operational governance

The Board

Functions and powers

The Construction Industry Long Service Leave and Benefits Act (CILSLB Act) sets out the Board’s main functions as well as the powers that the Board may exercise in performing those functions. The functions of the Board in administering the portable long service leave scheme (provided for in section 55 of the CILSLB Act) include:

• administration of the Scheme; and
• providing advice and making recommendations to the Minister concerning the operation of the Act.

In exercising its powers and carrying out its functions, the CILSLB Act obliges the Board to do so in a manner that is reasonable and accords with and furthers the object of the Act.

Membership

The Scheme is administered by a Government appointed Board. Under the provisions in the CILSLB Act, the constitution of the Board consists of:

• a minimum of five members made of the Chairperson and four other members; and
• up to two additional members.

A person may be eligible for appointment to the Board if they hold suitable qualifications, or have suitable knowledge or experience, relating to the functions of the Board.

Board members are able to hold office for a period of up to five years, and may be reappointed.

The number of public sector employees that may be appointed to the Board is also capped to a maximum of two. This restriction ensures majority industry participation in the administration of NT Build and keeps the Scheme, established for the benefit of industry, at arm’s length from government.

Changes in board membership during the 2017-18 period saw the appointment of Sarah Rummery.

The membership of the NT Build Board on 30 June 2018 was as follows.

<table>
<thead>
<tr>
<th>Chairperson</th>
<th>Michael Martin OAM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Former senior NT public servant; Chair of NT Government Remuneration Tribunal; Member of NT Government Superannuation Trustee Investment Board.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other members</th>
<th>Dick Guit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Director of Master Builders Australia (national); Immediate Past President - MBA NT; Chair of the Master Builders Fidelity Fund; Director of the Industry Capability Network NT; Member of the NT Government: TeamNT and Defence Advisory Board</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Michael Haire</th>
<th>Member Electrical Trades Union (ETU)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>David Malone</th>
<th>Executive Officer Master Builders NT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Michael Milatos</th>
<th>Director Cento Pty Ltd</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional members</th>
<th>Sarah Rummery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assistant Under Treasurer Economics Department of Treasury and Finance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rosemary Campbell</th>
<th>Director Merit Partners</th>
</tr>
</thead>
</table>
Conducting business

Meetings
During this reporting period the Board convened a total of 15 times, including 6 regular meetings and 9 occasions involving specific matters that required attention between scheduled meetings.

Details regarding members’ participation at meetings is provided in the Financial Statements included in this report.

Remuneration
Board members are remunerated in accordance with the rates and conditions determined under the Assembly Members and Statutory Officers (Remunerations and Other Entitlements) Act; based on a classification that recognises the range of duties, powers and responsibilities assigned to the Board.

Details regarding payments to members is provided in the Financial Statements included in this report.

General decisions
In the course of the 15 meetings of the Board, 69 general items of business were resolved, covering a range of issues concerning governance, scheme administration and the financial and general operational management of NT Build.

Board Policies
One policy, relating to the revised weekly benefit level was issued during this reporting period.

All policies of the Board are intended as a guide only and are not intended to bind the Board to any particular action or decision about the nature of construction work or affecting the operation or administration of the portable long service leave scheme.

Copies of all policies are published on the website at: www.ntbuild.com.au

Ministerial directions
Section 67 of the CILSLB Act enables the Minister to give a direction to the NT Build Board relating to the exercising of its powers or the performance of its functions.

No directions pursuant to section 67(1) of the CILSLB Act were given during the year ending 30 June 2018.

Disclosure of interests
As required under the CILSLB Act a register of the interests of members of the Board is maintained. All members submit an initial declaration stating any interests of relevance to Board business and a process has been implemented to ensure any new or amended declarations are disclosed at each meeting.

Reconsideration/reviews
Under Section 84 the CILSLB Act, a person affected by a decision made by either the Registrar or the Board may request the Board to formally reconsider that decision.

Table 2.1 on the following page, illustrates three applications for reconsideration were received during this reporting period.

Similarly, under Section 85 of the CILSLB Act, a person who has applied to the Board for a reconsideration of a decision may, if dissatisfied with the decision, apply to the Local Court for a review of the Board’s reconsidered decision.

No applications for a review by the Local Court were received during the 2017-18 reporting period.
Table 2.1: Summary - applications for reconsideration lodged - Section 84

<table>
<thead>
<tr>
<th>YEAR</th>
<th>B/FWD</th>
<th>LODGED AGAINST</th>
<th>RESOLVED</th>
<th>C/FWD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>decision of Registrar</td>
<td>decision of Board</td>
<td></td>
</tr>
<tr>
<td>2017-18</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>2016-17</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2015-16</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>2014-15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2013-14</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2012-13</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>2011-12</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2010-11</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2009-10</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>2008-09</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>2007-08</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2006-07</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2005-06</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
</tbody>
</table>
The Office

Registrar

The CILSLB Act requires that a Registrar (who is to be an employee within the meaning of the Public Sector Employment and Management Act) be formally appointed by the Board for the Scheme. Mr Theo Tsikouris is the appointed Registrar for the Scheme.

The specific powers and primary functions of the Registrar are set out in the CILSLB Act. The functions of the Registrar in administering the portable long service leave Scheme (provided for in section 77 of the CILSLB Act) include:

- Administering the Scheme in accordance with any directions given by the Board;
- Exercising any powers or functions delegated by the Board;
- Maintaining construction worker and employer registers;
- Approving of forms to be used for the Scheme; and
- Approving registration requests and deregistrations for the Scheme.

Staff

Section 59 of the CILSLB Act enables the Board to engage any person to assist it in exercising its powers and performing its functions. For administrative efficiency however the Board made the decision to source employees from within the Northern Territory Public Sector (NTPS) rather than employ directly.

In accordance with the Administrative Arrangements Order, in force for the period ended 30 June 2018, responsibility for the administration of the CILSLB Act was allocated to the Department of Trade, Business and Innovation (DTBI). This means that, for administrative purposes, NT Build reported direct to the Minister for Business and Innovation. Likewise, the staff of NT Build are employees of DTBI, made available to the NT Build Board under an agreed full cost recovery arrangement.

As illustrated in the tables below, the staffing profile for NT Build as at 30 June 2018 consisted of eight staff.

Table 2.2: Staffing profile as at 30 June 2018

<table>
<thead>
<tr>
<th>Classification</th>
<th>At 30 June FTE</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECO1</td>
<td>1</td>
<td>M</td>
</tr>
<tr>
<td>SAO1</td>
<td>1</td>
<td>F</td>
</tr>
<tr>
<td>AO7</td>
<td>1</td>
<td>M</td>
</tr>
<tr>
<td>AO6</td>
<td>2</td>
<td>1M, 1F</td>
</tr>
<tr>
<td>AO4</td>
<td>2</td>
<td>1F, 1M</td>
</tr>
<tr>
<td>AO2</td>
<td>1</td>
<td>F</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td></td>
</tr>
</tbody>
</table>

Table 2.3: Staffing FTE as at 30 June 2018

<table>
<thead>
<tr>
<th>Year</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>7.5</td>
</tr>
<tr>
<td>2017</td>
<td>7.4</td>
</tr>
<tr>
<td>2016</td>
<td>6.8</td>
</tr>
<tr>
<td>2015</td>
<td>7</td>
</tr>
<tr>
<td>2014</td>
<td>7</td>
</tr>
<tr>
<td>2013</td>
<td>7</td>
</tr>
<tr>
<td>2012</td>
<td>7</td>
</tr>
<tr>
<td>2011</td>
<td>6</td>
</tr>
<tr>
<td>2010</td>
<td>7</td>
</tr>
<tr>
<td>2009</td>
<td>5.5</td>
</tr>
<tr>
<td>2008</td>
<td>6.2</td>
</tr>
</tbody>
</table>
For the purpose of managing staff, the Registrar and other public sector employees made available to the Board are engaged under the standard NT Public Sector employment arrangements. In addition, the Registrar has been provided with delegations equivalent to those applicable to an NTPS Chief Executive Officer under the provisions of the *Public Sector Employment and Management Act*, in relation to the staff of NT Build.

**Disclosure of interests**

In accordance with the Northern Territory Public Sector Code of Conduct, NT Build staff are required to disclose any financial or other interests held by them immediately upon becoming aware that a potential conflict between personal interest and official duty, whether real or apparent, has arisen or is likely to arise.

Written declarations have been submitted by all relevant NT Build staff when appropriate.

**Organisation structure**

The following diagram represents the organisation structure as at 30 June 2018.
**Information management**

**Information Privacy and Access (FOI)**
As a ‘body corporate’ established under Northern Territory legislation, NT Build is an identified entity for the purpose of reporting under section 98 of the *Information Act*.

In accordance with section 98 of the *Information Act*, NT Build had no requests to report for the access to information held by NT Build during the 2017-18 financial year.

- **Managing Access**
  NT Build strives to make general information of interest available to any interested party, where such information is allowable under the CILSLB Act and does not interfere with the essential public interest, individual privacy or the effective operation of NT Build. In most cases, levy payers and registered workers and employers seeking access to their own information held by NT Build can obtain the information more quickly under the provisions of the CILSLB Act rather than by making an application for access under the *Information Act*.

- **Managing Privacy and Protection**
  NT Build respects the privacy of individuals and is committed to collecting, using, storing and managing personal information in a manner that complies with the Information Privacy Principles.


**Records management**

Part 9 of the *Information Act* (Records and Archives Management) provides for the establishment and implementation of records management standards. Adequate records management underpins the access, correction and privacy components of the *Information Act* by ensuring that Government information (records) can be found, read and reproduced in response to requests.

Notwithstanding that NT Build is a ‘body corporate’ established by Northern Territory legislation, the Department of Trade, Business and Innovation (DTBI) is the agency designated under the Administrative Arrangements Order with responsibility for the general administration of the CILSLB Act.

For the purpose of Part 9 of the *Information Act*, all records relating to the administration of the CILSLB Act handled by NT Build are managed in accordance with the DTBI records management framework and policies.

**Information systems**

- **Office environment**
  The Northern Territory Government’s information technology services are managed through a number of outsourced service provision arrangements. NT Build operates within the standard Northern Territory Government information technology server environment.

- **Business system**
  The business system utilised to support the administration of the NT Build Scheme provides a user friendly and intuitive client self-service functionality. The Formation Technology Group has been engaged to provide ongoing maintenance and technical support of the system.
Communication and marketing

A project to redevelop the Scheme’s website was completed in this reporting period. The new website has been designed to integrate customer self-service functionality and be adaptable for viewing on multiple electronic device formats (phone/tablet/computer).

In addition the following general activities were undertaken.

General marketing activities
Throughout the reporting period a number of customer focused marketing activities were implemented.

These have included:
• Advertising in relevant industry publications and directories;
• Maintenance of the NT Build website;
• Production and maintenance of a range of targeted customer information bulletins and fact sheets; and
• Delivery of numerous formal and informal presentations to targeted customers, including conducting regional visits to Katherine, Nhulunbuy, Tennant Creek and Alice Springs, as well as local site visits and information sessions.

Industry consultation
• Information sessions and briefings
During the reporting period NT Build staff provided a range of information and briefing sessions to construction industry organisations, such as:
  • General presentations at industry forums;
  • Targeted presentations to employer and developer groups; and
  • Tailored on-site briefing sessions to employees, employers and developers.

• Presentations to the Board
During the reporting period two presentations were made to the Board on matters of interest to the effective administration of the Scheme.

• Liaison with other construction industry long service leave schemes
As a party to the National Reciprocal Agreement, NT Build continues to liaise with other state and territory construction industry long service leave schemes for the purpose of processing benefit claims lodged by registered workers.

In addition, the Registrar and nominated board members participate in regular meetings with the chief executives and chairpersons of equivalent interstate construction industry portable long service leave schemes for the purpose of exchanging ideas on scheme coverage, administrative practices, legislation, investments, and information technology.

Hosting of these meetings are managed on state/territory rotation basis.

Insurance and risk management

Insurance
As a self funded statutory body corporate, insurance policies relating to public liability, vehicle and property damage and workers compensation have been endorsed by the Board to mitigate any financial risk to the Scheme.

Finance, Risk and Audit (FRA) committee
The FRA committee has been established by the Board for the purpose of providing:
• reasonable assurance to the Board that NT Build’s core business goals and objectives are being achieved in an efficient and economical manner, within
an appropriate framework of internal control and risk management; and

- strategic oversight and focus on the key financial and strategic risks and controls across NT Build but does not replace the appropriate function of the Board.

The endorsed terms of reference for the FRA include the requirements for the committee;

- composition to be reviewed at least biennially and its members will be appointed, replaced or removed at the discretion of the Board;
- to consist of a minimum of three members, with two constituting a quorum;
- to meet as frequently as is necessary to undertake its role effectively and in any event at least three times per year;
- to report to the Board through the Chair of the committee by written report at Board meetings, including recommendations for Board consideration.

Current members appointed to the FRA committee are Rosemary Campbell (Chair), Michael Milatous and Sarah Rummery.

During this reporting period the FRA committee formally convened on four occasions.

Financial sustainability
The NT Build Board is responsible for the administration of the Scheme which entails, amongst other things, investing the assets of the organisation and monitor the Scheme’s solvency.

Following the findings in the report from the actuary’s triennial review completed in February 2017, the Board noted that the Scheme is not sustainable at the current 0.1% levy rate.

It was acknowledged that the Scheme’s current financial standing was not totally unexpected due to the Government’s decision to reduce the levy rate to 0.1% and increase the levy threshold to $1 million without consultation with the Board.

- Solvency management

NT Build is a Scheme established to pay benefits in the future, based on past service in the NT construction industry. The effective monitoring and management of the solvency of the Scheme is therefore crucial to ensuring NT Build has the necessary funds to meet the current and future long service leave obligations of registered building and construction industry workers in the Northern Territory. The development of a capital management plan, which provides a framework for monitoring the Scheme’s solvency position, was finalised during the 2017-18 reporting period.

Financial and internal audit services
As the contracted financial advisers for the Scheme, TDH Chartered Accounts continued to provide NT Build with independent financial, accounting and taxation advice and services.

During the reporting period the following range of services were provided under the contracted consultancy arrangement.

- On-going ad-hoc general advice in regard to the accounting and taxation implications of NT Build activities.
- Preparation of annual Financial Statements for statutory auditing and reporting.
- Advice and assistance with the delivery of a compliance audit program.
Levy compliance program
NT Build operates a ‘Strategic audit and levy compliance program’ to support its strategic audit framework. This framework introduced an annual audit program aimed at strengthening levy compliance and supporting the effective and efficient administration of the Scheme, whereby routine audits of selected construction projects are to be conducted to ensure that levy payers are declaring and remitting the correct amount of levy that is required.

All audits are undertaken by contracted external auditors. For this purpose, a panel contract arrangement has been established for the purpose of conducting levy compliance audits.

The final report prepared by the auditor of a compliance review, including audit findings, are submitted in full to the Board for consideration and to determine any further action.

Where, as a result of the audit findings, the reconciled cost of the construction project results in a finding that the actual cost was less than the original estimate, NT Build will refund the overpaid portion of the levy payment.

This includes a full refund where the reconciled total cost of the construction project is determined to be less than:
- $1 million for projects that started on or after 7/4/2014; or
- $200,000 for projects that started before 7/4/2014, regardless of completion date.

However, if the total cost of construction is determined to be more than the amount originally notified to the Board, the levy payer will be required to pay the additional amount of levy. An interest penalty may also be applied.

Table 2.4 below provides a summary of the status of the levy compliance audits undertaken.

<table>
<thead>
<tr>
<th>Year</th>
<th>B/FWD</th>
<th>STARTED</th>
<th>FINALISED</th>
<th>C/FWD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>3</td>
<td>3</td>
<td>3 (2a)(b)</td>
<td>3</td>
</tr>
<tr>
<td>2016-17</td>
<td>2</td>
<td>3</td>
<td>2 (d)</td>
<td>3</td>
</tr>
<tr>
<td>2015-16</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>2014-15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2013-14</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2012-13</td>
<td>2</td>
<td>-</td>
<td>2 (a)(d)</td>
<td>-</td>
</tr>
<tr>
<td>2011-12</td>
<td>4</td>
<td>-</td>
<td>2 (a)</td>
<td>2</td>
</tr>
<tr>
<td>2010-11</td>
<td>2</td>
<td>4</td>
<td>2 (a)</td>
<td>4</td>
</tr>
<tr>
<td>2009-10</td>
<td>1</td>
<td>2</td>
<td>1 (a)</td>
<td>2</td>
</tr>
<tr>
<td>2008-09</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
</tbody>
</table>

(a) = Additional levy and interest penalty payable - audited final construction cost more than reconciled project cost declared.
(b) = Partial levy refunded - audited final construction cost less than reconciled project cost declared.
(c) = Full levy refunded - audited final construction cost assessed as less than $200,000 levy exemption amount.
(d) = No levy adjustment required - audited final construction cost same as reconciled project cost declared.
External audit
As required under the provisions of the CILSLB Act the annual statutory audit of the financial statements relating to the Board's operation for the year ending 30 June 2018 was undertaken by the NT Auditor-General.

The audited financial statements and accompanying report from the Auditor-General are included in the following Part 3 of this Annual Report.

Legal advice
Legal support services for NT Build are predominately provided by the Northern Territory Government Department of the Attorney-General and Justice. As such, the Solicitor for the Northern Territory provides both general and high level advice on the interpretation and application of the CILSLB Act, including the undertaking of any prosecutions on behalf of NT Build when necessary.

When required or appropriate, the Solicitor for the Northern Territory facilitates the outsourcing of a request for legal services for specialist advice or assistance. No outsourced legal services were engaged during this reporting period.
Part 3: Financial Accountability
# Part 3 Financial accountability

Financial Statements for year ended 30 June 2018

<table>
<thead>
<tr>
<th>Index</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent auditor’s report</td>
<td>48</td>
</tr>
<tr>
<td>Board members’ declaration</td>
<td>51</td>
</tr>
<tr>
<td>Statement of comprehensive income</td>
<td>52</td>
</tr>
<tr>
<td>Statement of financial position</td>
<td>53</td>
</tr>
<tr>
<td>Statement of changes in equity</td>
<td>54</td>
</tr>
<tr>
<td>Statement of cash flows</td>
<td>55</td>
</tr>
<tr>
<td>Notes to the financial statements</td>
<td>56</td>
</tr>
</tbody>
</table>
Financial accountability

Independent auditor’s report to the NT Build Board

Auditor-General
Independent Auditor’s Report to the Board
NT Build
Page 1 of 3

Opinion

I have audited the Financial Report of NT Build which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the Financial Report, including a summary of significant accounting policies and other explanatory information, and Declaration by the Board.

In my opinion the accompanying Financial Report of NT Build has been prepared in accordance with Australian Accounting Standards, giving a true and fair view of the financial position of NT Build as at 30 June 2018, and of its financial performance and its cash flows for the year then ended.

Basis for Opinion

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

I am independent of NT Build in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to the audit of the Financial Report in Australia. I have fulfilled my other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter

I draw attention to Note 10(a) to the financial statements which describes the uncertainty related to the Long Service Leave liability valuation as carried out on 6 August 2018. My opinion is not qualified in respect of this matter.

Other Information

Other Information is financial and non-financial information in NT Build’s Annual Report which is provided in addition to the Financial Report and the Auditor’s Report. The Board is responsible for the Other Information.

The Other Information I obtained prior to the date of this Auditor’s Report was “NT Build Annual Report 2017-18”.

My opinion on the Financial Report does not cover the Other Information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the Financial Report, my responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the Financial Report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
Independent auditor’s report continued:

Audit-General
Page 2 of 3

I am required to report if I conclude that there is a material misstatement of this Other Information and, based on the work I have performed on the Other Information that I obtained prior to the date of this Auditor’s Report, I have nothing to report.

Responsibilities of the Board for the Financial Report

The Board of NT Build is responsible for the preparation of the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the Board determines is necessary to enable the preparation of the Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Report, the Board is responsible for assessing NT Build’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate NT Build or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for overseeing the financial reporting processes of NT Build.

Auditor’s Responsibilities for the audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NT Build’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
Independent auditor’s report continued:

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on NT Build’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report however, future events or conditions may cause NT Build to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Julie Crisp  
Auditor-General for the Northern Territory  
Darwin, Northern Territory  
31 October 2018
The members of NT Build Board declare that:

1. The financial statements and notes for the year ended 30 June 2018 are in accordance with the Northern Territory Construction Industry Long Service Leave and Benefits Act and:
   a. comply with Accounting Standards, as stated in accounting policy Note 1 to the financial statements; and
   b. give a true and fair view of the financial position and performance of NT Build.

2. In the opinion of the Members of the Board, there are reasonable grounds to believe that NT Build will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board and signed for and on behalf of the Board of NT Build.

Board Member............................................  Board Member............................................

Dated this ............................................. day of .................................. 2018
Statement of comprehensive income
for the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Contributions from levy payers</td>
<td>1 660 211</td>
<td>2 446 361</td>
</tr>
<tr>
<td>Other income</td>
<td>2</td>
<td>13 903 960</td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>(879 646)</td>
<td>(897 368)</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>3</td>
<td>(81 777)</td>
</tr>
<tr>
<td>Fees and allowances</td>
<td>3</td>
<td>(58 288)</td>
</tr>
<tr>
<td>Long service leave benefit payments</td>
<td>(11 176 551)</td>
<td>(7 848 252)</td>
</tr>
<tr>
<td>Long service scheme revaluation - current</td>
<td>(10 210 000)</td>
<td>6 650 000</td>
</tr>
<tr>
<td>Occupancy costs</td>
<td>(103 251)</td>
<td>(91 219)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(446 175)</td>
<td>(540 415)</td>
</tr>
<tr>
<td><strong>Net surplus/(deficit) for the year</strong></td>
<td>(7 391 517)</td>
<td>12 609 565</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>(7 391 517)</td>
<td>12 609 565</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
Statement of financial position
as at 30 June 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>3 383 032</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>5</td>
<td>412 184</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>6</td>
<td>85 459 760</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td></td>
<td>89 254 976</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>7</td>
<td>11 239</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>8</td>
<td>238 605</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT ASSETS</strong></td>
<td></td>
<td>249 844</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>89 504 820</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>9</td>
<td>247 721</td>
</tr>
<tr>
<td>Short-term provisions</td>
<td>10</td>
<td>9 100 000</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td></td>
<td>9 347 721</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term provisions</td>
<td>10</td>
<td>57 072 000</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT LIABILITIES</strong></td>
<td></td>
<td>57 072 000</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td>66 419 721</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>23 085 099</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves - implementation funding</td>
<td>12</td>
<td>296 867</td>
</tr>
<tr>
<td>Accumulated funds</td>
<td></td>
<td>22 788 232</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td></td>
<td>23 085 099</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
Statement of changes in equity
for the year ended 30 June 2018

<table>
<thead>
<tr>
<th></th>
<th>Accumulated Funds $</th>
<th>Implementation Funding $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July 2017</td>
<td>30 179 749</td>
<td>296 867</td>
<td>30 476 616</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the year</td>
<td>(7 391 517)</td>
<td>-</td>
<td>(7 391 517)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 30 June 2018</td>
<td>22 788 232</td>
<td>296 867</td>
<td>23 085 099</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Accumulated Funds $</th>
<th>Implementation Funding $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July 2016</td>
<td>17 570 184</td>
<td>296 867</td>
<td>17 867 051</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the year</td>
<td>12 609 565</td>
<td>-</td>
<td>12 609 565</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 30 June 2017</td>
<td>30 179 749</td>
<td>296 867</td>
<td>30 476 616</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
Statement of cash flows
for the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**CASH FLOWS FROM OPERATING ACTIVITIES**

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levies received and other income</td>
<td>20,517,456</td>
<td>6,031,727</td>
</tr>
<tr>
<td>Payments to employees</td>
<td>(879,644)</td>
<td>(897,368)</td>
</tr>
<tr>
<td>Interest received</td>
<td>88,966</td>
<td>105,489</td>
</tr>
<tr>
<td>Long service leave payments</td>
<td>(11,412,873)</td>
<td>(7,715,224)</td>
</tr>
<tr>
<td>Payments for good and services</td>
<td>(617,505)</td>
<td>(696,440)</td>
</tr>
<tr>
<td><strong>Net Cash provided by/(used in) operating activities</strong></td>
<td><strong>17</strong></td>
<td><strong>7,696,400</strong></td>
</tr>
</tbody>
</table>

**CASH FLOWS FROM INVESTING ACTIVITIES**

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(12,892)</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of intangible assets</td>
<td>-</td>
<td>(79,650)</td>
</tr>
<tr>
<td>Purchase of listed managed funds</td>
<td>(7,000,000)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Cash used in investing activities</strong></td>
<td><strong>(7,012,892)</strong></td>
<td><strong>(79,650)</strong></td>
</tr>
</tbody>
</table>

Net decrease in cash and cash equivalents held

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net decrease in cash and cash equivalents held</td>
<td>683,508</td>
<td>(3,251,466)</td>
</tr>
</tbody>
</table>

Cash and cash equivalents at the beginning of financial year

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents at the beginning of financial year</td>
<td>2,699,524</td>
<td>5,950,990</td>
</tr>
</tbody>
</table>

Cash and Cash equivalents at end of financial year

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash equivalents at end of financial year</td>
<td><strong>3,383,032</strong></td>
<td><strong>2,699,524</strong></td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
Notes to the financial statements
for the year ended 30 June 2018

The financial report covers NT Build as an individual entity. The financial report was authorised for issue in accordance with a resolution of the board members on 29 October 2018.

NT Build has its principal office at Charlton Court, Woolner, Northern Territory. The entity was established in 2005 under the Northern Territory Construction Industry Long Service Leave and Benefits Act and it administers this Act which provides a portable long service benefits scheme to building and construction workers in the Northern Territory and is a not-for-profit entity for reporting purposes under Australian Accounting Standards.

The functional and presentation currency of NT Build is Australian dollars.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(a) Basis of preparation
The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Northern Territory Construction Industry Long Service Leave and Benefits Act.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs, except for the measurement at fair value of selected noncurrent assets, financial assets and financial liabilities.

(b) Comparative amounts
Prior period financial statement amounts have been reclassified to conform to current period presentation.

(c) Property, plant and equipment
Classes of property, plant and equipment are measured using the cost model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of costs of dismantling and restoring the asset, where applicable.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED
(c) Property, plant and equipment (continued)

Plant and equipment

Plant and equipment are measured using the cost model. All items of property, plant and equipment with a cost, or other value, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the NT Build Board, equal to or greater than $5,000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the $5,000 threshold are expensed in the year of acquisition.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight-line method from the date that the NT Build Board determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the asset’s useful life.

The depreciation rates used for each class of depreciable asset are shown below:

<table>
<thead>
<tr>
<th>FIXED ASSET CLASS</th>
<th>DEPRECIATION RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture, fixtures and fittings</td>
<td>10%</td>
</tr>
<tr>
<td>Office equipment</td>
<td>20%</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>33.3%</td>
</tr>
<tr>
<td>Computer software</td>
<td>33.3%</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>20%</td>
</tr>
</tbody>
</table>

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an asset is disposed, the gain or loss is calculated by comparing proceeds from disposal received with its carrying amount and is taken to profit or loss.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(d) Intangibles

Software development

Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and accumulated impairment losses.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project which is 5 years.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The amortisation rate used for the class of asset is 20%.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(e) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that NT Build becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred in the profit or loss).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

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

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument’s category is relevant to the way it is measured and whether any resulting income and expenses are recognised as gains in the comprehensive income.

All income and expenses relating to financial assets are recognised in the Statement of Comprehensive Income in the ‘finance income’ or ‘finance costs’ line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

NT Build’s trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(e) Financial instruments (continued)

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, NT Build renegotiates repayment terms with customers which may lead to changes in the timing of the payments, NT Build does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future;
- designated by the entity to be carried at fair value through profit or loss upon initial recognition; or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(e) Financial instruments (continued)

**Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of NT Build’s Board to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

**Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets. NT Build’s available-for-sale financial assets include listed securities.

Purchases and sales of available-for-sale investments are recognised on settlement date.

All other available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the Statement of Comprehensive Income.

Losses recognised in prior period Statement of Comprehensive Income resulting from the impairment of debt securities are reversed through the statement, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(e) Financial instruments (continued)

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities in profit or loss.

Financial liabilities

Financial liabilities are recognised when NT Build becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument’s fair value that are reported in profit or loss are included in the income statement line items “finance costs” or “finance income”.

Financial liabilities are classified as either financial liabilities ‘at fair value through profit or loss’ or other financial liabilities depending on the purpose for which the liability was acquired.

NT Build’s financial liabilities include trade and other payables, which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period NT Build assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance account, all other impairment losses on financial assets at amortised cost are taken directly to the asset.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(e) Financial instruments (continued)

Available-for-sale financial assets
A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(f) Impairment of non-financial assets
At the end of each reporting period NT Build determines whether there is evidence of impairment indicator for non-financial assets.

Where this indicator exists and regardless of indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount for the assets is estimated.

The recoverable amount of an asset is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(g) Fair value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

(h) Cash and cash equivalents
Cash and cash equivalents comprise of cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the Statement of Cash Flows and are presented within current liabilities on the Statement of Financial Position.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(i) Trade Receivables
Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that NT Build will not be able to collect all amounts due according to the original terms. Objective evidence of impairment include financial difficulties of the debtor, default payments or debts more than 90 days overdue. On confirmation that the trade receivable will not be collectible the gross carrying value of the asset is written off against the associated provision.

From time to time, the entity elects to renegotiate the terms of trade receivables due from customers with which it previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and are not, in the view of board members, sufficient to require the derecognition of the original instrument.

(j) Trade and other payables
Trade and other payables represent liabilities for goods and services provided to NT Build prior to the year end and which are unpaid. Liabilities for trade and other payables 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 NT Build. Accounts payable are normally settled within 30-60 days.

(k) Long Service Leave Benefits Provisions
(i) Long Service Leave Benefits Expense
Employees and contractors who are registered with NT Build accrue 65 days (13 weeks) long service leave after they have been credited with 2,200 qualifying service days (equivalent to 10 years) in the building and construction industry for service after 1 July 2005. Workers receive credit of 6.5 days long service leave for each 220 days (1 year) worked.

Leave may be claimed after the employee or contractor has been credited with a total of 65 days of long service leave for the first time or they have been credited with 32.5 days of additional long service credits after the employee or contractor was credited with 65 days of long service leave.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(k) Long Service Leave Benefits Provisions (continued)

(ii) Accrued Long Service Leave Benefits Liability

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees and contractors to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salaries and wage levels, experience of employee departures and periods of service. Expected future payments are discounted using appropriate asset based rate at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated cash outflows.

(l) Income Tax

As a public authority constituted under a law of the Northern Territory, the income of NT Build is exempt from income tax under Div 50-25 of the Income Tax Assessment Act 1997 and no charge for income tax expense is required.

(m) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to NT Build are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that NT Build will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(n) Revenue and other income
Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, have been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

Interest revenue
Interest is recognised using the effective interest method.

Rendering of services
Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

(o) Long service levy
A two tier levy regime is applied for the calculation of the long service levy on all eligible construction projects undertaken in the Northern Territory.

1. A ‘standard’ prescribed levy rate is applied to the first $1 billion of the projects construction costs. The following ‘standard’ levy rates apply:
   • 0.1% on projects started from 7/4/2014 - regardless of completion date;
   • 0.3% on projects started from 1/4/2012 to 6/4/2014 - regardless of completion date;
   • 0.4% on projects started from 1/7/2009 to 31/3/2012 - regardless of completion date; and
   • 0.5% on projects started from 1/7/2005 to 30/6/2009 - regardless of completion date.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(o) Long service levy (continued)

The levy rates listed above are applicable for all eligible construction projects of at least:

- $1 million or more in value for projects that commenced on or after 7 April 2014; or
- $200,000 or more in value for projects that commenced between 1 July 2005 and 6 April 2014, regardless of completion date.

2. A project specific levy rate, determined by the responsible Minister and informed by actuarial advice, is applied to the projects that exceed the $1 billion threshold.

(p) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

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

(q) Critical accounting estimates and judgments

NT Build make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(q) Critical accounting estimates and judgments (continued)
The significant estimates and judgements made have been described below.

Long service leave benefits - Note 1(k), Note 10(a): Provisions
Non-current liabilities in respect of long service leave benefits are measured as the present value of estimated future cash outflows based on the appropriate asset based rate, estimates of future salary and wage levels and employee periods of service. The accuracy of provisions is the key estimate included in these financial statements as noted in Note 10(a).

Allowance for impairment losses - Note 1(f), 5: Trade and other receivables
The value of the provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the aging of receivables, historical collection rate and specific knowledge of the individual debtors financial position.

(r) Going concern
The financial report has been prepared on a going concern basis. The Board continued to proactively monitor the financial solvency of the Scheme through the use of regular actuarial advice (including the annual liability valuation and triennial review mechanism) and the review of its investment and accounting policies.

The Scheme has recorded a net loss of $7.4 million as at the end of this current reporting period.

While the Scheme currently has a moderate surplus net asset position, it is predicted to gradually decline over the following years as growth in liabilities continue to accrue at a greater rate than expected income. The underlying concern expressed by the actuary in his 2017 triennial actuarial review, that the current levy rate of 0.1% is well below the break-even rate, remains.

Notwithstanding the concerns, the Board remains satisfied that adequate governance practices and review mechanisms are in place for the ongoing monitoring of the financial sustainability of the Scheme.
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(s) Adoption of new and amended accounting standards
During the current year, the following standards became mandatory and have been adopted retrospectively by NT Build:

• 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.

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.

(t) New Accounting Standards and Interpretations Issued but not yet Effective
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 come onto the balance sheet together with a lease liability for all leases with a term of more than 12 months, unless the underlying assets are of low value. The Statement of Comprehensive Income 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 $143,633 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...
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(t) New Accounting Standards and Interpretations Issued but not yet Effective (continued)

16 Leases. In the Statement of Comprehensive Income 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 with 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.

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.
2 OTHER INCOME

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received</td>
<td>87 309</td>
<td>108 829</td>
</tr>
<tr>
<td>Investment income</td>
<td>11 795 793</td>
<td>3 761 225</td>
</tr>
<tr>
<td>Movement in equity investments</td>
<td>(4 490 611)</td>
<td>5 018 935</td>
</tr>
<tr>
<td>Manager fee rebate</td>
<td>203 716</td>
<td>192 424</td>
</tr>
<tr>
<td>Reciprocal income</td>
<td>6 307 753</td>
<td>3 946 166</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13 903 960</strong></td>
<td><strong>13 027 579</strong></td>
</tr>
</tbody>
</table>

The management fee rebates were reinvested during the year.

3 EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation and amortisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- property, plant and equipment</td>
<td>81 777</td>
<td>80 197</td>
</tr>
<tr>
<td>Remuneration of auditor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- auditing the financial report</td>
<td>23 280</td>
<td>21 907</td>
</tr>
<tr>
<td>Fees and Allowances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- board member fees</td>
<td>58,288</td>
<td>56 924</td>
</tr>
</tbody>
</table>

4 CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>1 272 774</td>
<td>144 795</td>
</tr>
<tr>
<td>Short term bank deposits</td>
<td>2 110 058</td>
<td>2 554 529</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3 383 032</strong></td>
<td><strong>2 699 524</strong></td>
</tr>
</tbody>
</table>

Reconciliation of cash
Cash and cash equivalents reported in the Statement of Cash Flows are reconciled to the equivalent items in the Statement of Financial Position as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and equivalents</td>
<td>3 383 032</td>
<td>2 699 524</td>
</tr>
</tbody>
</table>
5 TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>349 623</td>
<td>1 066 082</td>
</tr>
<tr>
<td>Provision for impairment</td>
<td>-</td>
<td>(8 428)</td>
</tr>
<tr>
<td>Prepayments</td>
<td>35 827</td>
<td>54 520</td>
</tr>
<tr>
<td>Accrued levy contributions</td>
<td>20 591</td>
<td>74 587</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>6 143</td>
<td>7 391</td>
</tr>
<tr>
<td></td>
<td>412 184</td>
<td>1 194 152</td>
</tr>
</tbody>
</table>

Credit risk
NT Build has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as ‘trade and other receivables’ is considered to be the main source of credit risk related to NT Build.

On a geographical basis, NT Build has significant credit risk exposures in Australia given the substantial operations in this region.

The following table details NT Build’s trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as ‘past due’ when the debt has not been settled, within the terms and conditions agreed between NT Build and the levy payer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to NT Build.
5 TRADE AND OTHER RECEIVABLES CONTINUED
The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

<table>
<thead>
<tr>
<th></th>
<th>Gross amount $</th>
<th>Past due and impaired $</th>
<th>Past due but not impaired $(days overdue)</th>
<th>Instalment $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Current $</td>
<td>30 $</td>
<td>30 - 60 $</td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and term receivables</td>
<td>349 623</td>
<td>-</td>
<td>198 354</td>
<td>1 796</td>
</tr>
<tr>
<td>Total</td>
<td>349 623</td>
<td>-</td>
<td>198 354</td>
<td>1 796</td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and term receivables</td>
<td>1 066 082</td>
<td>8 428</td>
<td>253 671</td>
<td>87 394</td>
</tr>
<tr>
<td>Total</td>
<td>1 066 082</td>
<td>8 428</td>
<td>253 671</td>
<td>87 394</td>
</tr>
</tbody>
</table>

The other classes of receivables do not contain impaired assets.

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

6 OTHER FINANCIAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLC (NCIT) Moderate Trust</td>
<td>85 459 760</td>
<td>82 746 655</td>
</tr>
</tbody>
</table>

(a) Breakdown of investment split

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Australian Shares</td>
<td>26%</td>
<td>29%</td>
</tr>
<tr>
<td>- Global Shares</td>
<td>37%</td>
<td>34%</td>
</tr>
<tr>
<td>- Bonds</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>- Property Securities</td>
<td>4%</td>
<td>4%</td>
</tr>
</tbody>
</table>
### 7 PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Furniture, fixtures and fittings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>30 223</td>
<td>30 223</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(30 223)</td>
<td>(29 634)</td>
</tr>
<tr>
<td><strong>Total furniture, fixtures and fittings</strong></td>
<td>-</td>
<td>589</td>
</tr>
<tr>
<td><strong>Office equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>12 181</td>
<td>12 181</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(12 181)</td>
<td>(12 181)</td>
</tr>
<tr>
<td><strong>Total office equipment</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Computer equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>4 642</td>
<td>4 642</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(4 642)</td>
<td>(4 642)</td>
</tr>
<tr>
<td><strong>Total computer equipment</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Leasehold improvements</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>309 944</td>
<td>297 052</td>
</tr>
<tr>
<td>Accumulated amortisation</td>
<td>(298 705)</td>
<td>(297 052)</td>
</tr>
<tr>
<td><strong>Total leasehold improvements</strong></td>
<td>11,239</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total** 11 239 589
7 PROPERTY, PLANT AND EQUIPMENT CONTINUED

(a) Movements in carrying amounts of property, plant and equipment

 Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:

<table>
<thead>
<tr>
<th></th>
<th>Leasehold improvements $</th>
<th>Furniture, fixtures &amp; fittings $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year ended 30 June 2018</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of year</td>
<td></td>
<td>589</td>
<td>589</td>
</tr>
<tr>
<td>Additions</td>
<td>12 891</td>
<td></td>
<td>12 891</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(1 653)</td>
<td>(589)</td>
<td>(2 242)</td>
</tr>
<tr>
<td><strong>Balance at the end of the year</strong></td>
<td>11 238</td>
<td></td>
<td>11 238</td>
</tr>
<tr>
<td><strong>Year ended 30 June 2017</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of year</td>
<td></td>
<td>1 252</td>
<td>1 252</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>-</td>
<td>(663)</td>
<td>(663)</td>
</tr>
<tr>
<td><strong>Balance at the end of the year</strong></td>
<td>-</td>
<td>589</td>
<td>589</td>
</tr>
</tbody>
</table>

8 INTANGIBLE ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets cost</td>
<td>397 675</td>
<td>397 675</td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td>(159 070)</td>
<td>(79 535)</td>
</tr>
<tr>
<td><strong>NET CARRYING VALUE</strong></td>
<td>238 605</td>
<td>318 140</td>
</tr>
<tr>
<td><strong>Total Intangibles</strong></td>
<td>238 605</td>
<td>318 140</td>
</tr>
</tbody>
</table>
INTANGIBLE ASSETS CONTINUED

(a) Movements in carrying amounts of intangible assets

<table>
<thead>
<tr>
<th></th>
<th>Intangible assets under development $</th>
<th>Intangible assets $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year ended 30 June 2018</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>-</td>
<td>318 140</td>
<td>318 140</td>
</tr>
<tr>
<td>Amortisation</td>
<td>-</td>
<td>(79 535)</td>
<td>(79 535)</td>
</tr>
<tr>
<td><strong>Closing value at 30 June 2018</strong></td>
<td>-</td>
<td>238 605</td>
<td>238 605</td>
</tr>
<tr>
<td><strong>Year ended 30 June 2017</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>318 025</td>
<td>-</td>
<td>318 025</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>79 650</td>
<td>79 650</td>
</tr>
<tr>
<td>Transfers</td>
<td>(318 025)</td>
<td>318 025</td>
<td>-</td>
</tr>
<tr>
<td>Amortisation</td>
<td>-</td>
<td>(79 535)</td>
<td>(79 535)</td>
</tr>
<tr>
<td><strong>Closing value at 30 June 2017</strong></td>
<td>-</td>
<td>318 140</td>
<td>318 140</td>
</tr>
</tbody>
</table>

TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT</strong></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><em>Unsecured liabilities</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>51 790</td>
<td>329 836</td>
</tr>
<tr>
<td>Other payables</td>
<td>195 931</td>
<td>182 690</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>247 721</td>
<td>512 526</td>
</tr>
</tbody>
</table>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.
10 PROVISIONS

\[
\begin{array}{ccc}
\text{} & \text{2018} & \text{2017} \\
\text{Current} & 9 100 000 & 7 800 000 \\
\text{Non-current} & 57 072 000 & 48 162 000 \\
\text{} & 66 172 000 & 55 962 000 \\
\end{array}
\]

Movement in carrying amounts

\[
\begin{array}{ccc}
\text{} & \text{2018} & \text{2017} \\
\text{OPENING BALANCE} & 55 962 000 & 62 612 000 \\
\text{Actuarial valuation adjustment - based on risk-free discount rate} & - & 4 418 000 \\
\text{Actuarial valuation adjustment - due to change to asset-based discount rate} & - & (11 068 000) \\
\text{Actuarial valuation adjustment - based on asset-based discount rate} & 10 210 000 & - \\
\text{NET ACTUARIAL ADJUSTMENT} & 10 210 000 & (6 650 000) \\
\text{} & 66 172 000 & 55 962 000 \\
\end{array}
\]

(a) Actuary valuation adjustment

The NT Build Long Service Leave liability valuation was carried out on 6 August 2018 by Cumpston Sarjeant Pty Ltd, Consulting Actuaries, in respect of the year ended 30 June 2018.

For each future year the amounts of entitlement expected to be paid in service and on termination of membership have been determined by making a projection based on assumed rate of claiming benefits in service, rates of death, retirement, and resignation, and rate of salary escalation. The resulting cash flows have then been converted to a present value by discounting from the expected date of payment to the valuation date at the assumed interest rate.
continued: Notes to the financial statements - 30 June 2018

10 PROVISIONS CONTINUED
(a) Actuary valuation adjustment (continued)

In performing the valuation the following assumptions were made by the Actuary:

- An asset-based discount rate of 6% used when valuing NT Build Scheme liabilities under AASB137 Provisions, Contingent Liabilities and Contingent Assets. This is unchanged from the discount rate used last year;
- Benefit growth rate of 3.5% per annum, consistent with Department of Treasury and Finance’s expectations for future salary growth in the Territory;
- Exit rates based on experience in NT Build, similar schemes and more general population measures;
- Benefits assumed to be paid immediately when claimed however vested benefits may not be immediately claimed and are assumed to paid up to 4 years from vesting;
- The proportion of workers eligible to claim is assumed to vary with service as workers with interstate service may claim benefits on exit with fewer service credits and 100% eligibility is assumed by 1,100 days due to payment on deregistration vesting at that point;
- Leave will be taken at rates consistent with scheme experience with allowance for differing rates of leave for the approximately 52% of workers with some indication of interstate service on their records;
- 30% of inactive members will reactivate;
- Allowance for future scheme administration expenses of 12% of accrued leave liability;
- Estimate about 0.917 million days of service credits will be reported in future in respect of past reporting periods, as a consistent pattern of delay in reporting service credits over time has emerged and has become an enduring feature of the Scheme.
PROVISIONS CONTINUED

(a) Actuary valuation adjustment (continued)

The most significant elements in the revised valuation include:

- Experience gains/losses during the year included:
  - lower benefit rate growth on 1 July 2018 than assumed, being 2.1% compared to 3.5% assumed, with a decrease in liability as a result (-$0.7M);
  - benefit payments higher than assumed, meaning lower remaining service credits and liability than assumed (-$0.9M);
  - other changes during the year, including lower turnover of workers in the last year than expected, leading to a higher liability for pre-2017 periods compared to prior expectations ($1.4M).

- There is a large 2017/18 additional liability, associated with high levels of service reporting due to Inpex, but also related to workers with increasing average service length and hence a higher probability of reaching benefit entitlement.

Taking all these factors into account, the greatest unknowns in the liability valuation are the assumptions regarding member movements (exit rates and reactivation rates) and the estimation of unreported service credits for January-June 2018. Other elements such as the rate of claiming benefits in service are not as important. Further scheme experience over time will refine the assumptions made and gradually reduce uncertainty in the valuation.

Sensitivity analysis

The liability is moderately sensitive to the assumption that 30% of inactive members will reactivate. For different outcomes in the range 20-40% reactivation the liability may change by up to 4%, with higher reactivations leading to higher liability. Withdrawal rates for active members from the Scheme is also moderately important in determining liability. If withdrawal rates for active members decreased by 25% the liability would increase by about 4%. Conversely, if withdrawal rates were increased by 50% the liability would decrease by 7%. Other factors that may also affect the uncertainty of the valuation estimate include; future benefit rate inflation, discount rate variance and unreported or other data adjustments to service credits.
10 PROVISIONS CONTINUED

(b) Reconciliation of current year movement

The following reconciliation details the current year actuary movement based on the above assumptions.

<table>
<thead>
<tr>
<th></th>
<th>$ (Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIABILITY AT 30 JUNE 2017 EXCLUDING EXPENSES</td>
<td>50.0</td>
</tr>
<tr>
<td>Interest on liability @ 6.0% for one year to 2018</td>
<td>3.0</td>
</tr>
<tr>
<td>Expected payments during 2017/18 from accrued liability at 2017</td>
<td>(4.0)</td>
</tr>
<tr>
<td>EXPECTED LIABILITY EXCLUDING EXPENSE AT 2018 FOR PRE-2017 SERVICE</td>
<td>49.0</td>
</tr>
</tbody>
</table>

Changes in actuarial basis

No changes in valuation assumptions between 2017 and 2018 Nil

Experience gains/losses

Benefit payments higher than expected (0.9)
Benefit rate increase on 1/7/2018 lower than expected (0.7)
Other experience gains/losses 1.4

LIABILITY AT JUNE 2018 FOR SERVICE TO JUNE 2017, EXCLUDING EXPENSES 48.8

Liability for service accruals in 2017/18 10.2

TOTAL LIABILITY EXCLUDING EXPENSES AT 30 JUNE 2018 59.1

Liability for expenses @ 12% of liability 7.1

Total liability including expenses at 30 June 2018 66.2
continued: Notes to the financial statements - 30 June 2018

11 OTHER LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT</strong></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Amounts received in advance</td>
<td>-</td>
<td>7,918</td>
</tr>
</tbody>
</table>

12 RESERVES

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IMPLEMENTATION FUNDING</strong></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Opening balance</td>
<td>296,867</td>
<td>296,867</td>
</tr>
</tbody>
</table>

In 2005, when the NT Build office was established, the Office of the Commissioner for Public Employment (OCPE) provided the above funds for the ‘fitout’ of the NT Build offices. These were used to renovate the existing building and refurbish the office accordingly. The amount was transferred to NT Build from OCPE and treated as an Equity transfer.

13 CAPITAL AND LEASING COMMITMENTS

(a) Operating lease expiring in 3 years

NT Build leases property under a non-cancellable operating lease expiring in 5 years. The lease provides NT Build with a right of renewal for a further 5 years, at which time all lease terms are renegotiated. NT Build also leases computer equipment and motor vehicles under non-cancellable operating leases. NT Build entered into a software licencing operating lease expiring in 5 years with a right of renewal for a further 5 years, however this agreement may be terminated by either party by giving 6 months notice. Future operating lease commitments not recognised as liabilities are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum lease payments under non-cancellable operating leases:</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>- within one year</td>
<td>196,171</td>
<td>183,118</td>
</tr>
<tr>
<td>- later than one year and not later than five years</td>
<td>143,633</td>
<td>265,006</td>
</tr>
<tr>
<td>- later than five years</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

339,804 448,124
14 FINANCIAL RISK MANAGEMENT

NT Build is exposed to a variety of financial risks through its use of financial instruments.

This note discloses NT Build’s objectives, policies and processes for managing and measuring these risks.

NT Build's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

NT Build does not speculate in financial assets.

The most significant financial risks to which NT Build is exposed to are described below:

Specific risks
- Market risk - cash flow interest rate risk and price risk
- Credit risk
- Liquidity risk

Financial instruments used
The principal categories of financial instrument used by the NT Build are:
- Trade receivables
- Cash at bank
- Investments in listed shares
- Trade and other payables

Objectives, policies and processes
The Board has overall responsibility for the determination of risk management objectives and policies. Whilst retaining ultimate responsibility, in December 2015 the Board established a Finance, Risk and Audit (FRA) Subcommittee. This FRA Sub-committee, which consists of three members and met four times during the 2017-18 reporting period, is charged with providing reasonable assurance to the Board that NT Build’s core business goals and objectives are being achieved in an efficient and economical manner, within an appropriate framework of internal control and risk management. The Committee also provides strategic oversight and focus on the key financial and strategic risks and controls across NT Build but does not replace the appropriate function of the Board.
14 FINANCIAL RISK MANAGEMENT CONTINUED

Objectives, policies and processes (continued)

The NT Build staff management team has the responsibility for designing and operating processes that ensure the effective implementation of the objectives and policies within the adopted framework. The Board’s risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of NT Build where such impacts may be material. The Board receives regular reports with monthly updates from the Registrar through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. Further details regarding these policies are set out below.

The table below reflect maturity analysis for financial assets.

<table>
<thead>
<tr>
<th>Weighted average effective interest rate</th>
<th>Floating interest rate</th>
<th>Within 1 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 %</td>
<td>2017 %</td>
<td>2018 $</td>
</tr>
<tr>
<td>Financial assets - cash flows realisable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2.80</td>
<td>2.40</td>
</tr>
<tr>
<td>Trade, term and loans receivables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other investments</td>
<td>7.00</td>
<td>7.20</td>
</tr>
<tr>
<td>Total anticipated outflows</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total

<table>
<thead>
<tr>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets - cash flows realisable</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3 383 032</td>
</tr>
<tr>
<td>Trade, term and loans receivables</td>
<td>386 260</td>
</tr>
<tr>
<td>Other investments</td>
<td>85 459 760</td>
</tr>
<tr>
<td>Total anticipated outflows</td>
<td>89 229 052</td>
</tr>
</tbody>
</table>
14 FINANCIAL RISK MANAGEMENT CONTINUED

The table below reflect an undiscounted contractual maturity analysis for financial liabilities.

*Financial liability maturity analysis - Non-derivative*

<table>
<thead>
<tr>
<th></th>
<th>Within 1 year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2017</td>
</tr>
<tr>
<td>Trade and other payables (excluding estimated annual leave)</td>
<td>247 714</td>
<td>512 527</td>
</tr>
<tr>
<td><strong>Total contractual outflows</strong></td>
<td><strong>247 714</strong></td>
<td><strong>512 527</strong></td>
</tr>
</tbody>
</table>

The timing of expected outflows is not expected to be materially different from contracted cashflows.
14 FINANCIAL RISK MANAGEMENT CONTINUED

(a) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligations resulting in the Board incurring a financial loss. Credit risk arises from cash assets and deposits with financial institutions and investment institutions, as well as credit exposures to NT Build’s outstanding receivables and committed transactions.

NT Build has limited credit risk exposure (risk of default). In respect of any dealings with obligations external to Government, the Board 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.

Financial instruments that potentially subject NT Build to a concentration of credit risk consist of cash and cash equivalents and other investments. The credit risk for these liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

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

The receivables of NT Build arise as a result of a statutory obligation on various entities undertaking building and construction work of $1 million or more in value for projects that started on or after 7/4/2014, or $200,000 or more in value for projects that started before 7/4/2014, regardless of completion date. As a result, NT Build cannot implement any credit policies beforehand to ensure that individual risk on each customer is minimised.

The maximum exposure to credit risk for trade receivables at the end of the reporting period by type of payment terms is as follows:

<table>
<thead>
<tr>
<th>Type of payment terms</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instalment</td>
<td>$120 894</td>
<td>$593 181</td>
</tr>
<tr>
<td>Non - Instalment</td>
<td>$228 729</td>
<td>$472 901</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>349 623</strong></td>
<td><strong>1 066 082</strong></td>
</tr>
</tbody>
</table>
Financial accountability

Financial Risk Management Continued

(b) Fair value estimation

The fair values of financial instruments categorised by level of inputs used to measure fair value are:

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>3,383,032</td>
<td>3,383,032</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>412,184</td>
<td>386,260</td>
</tr>
<tr>
<td>Financial assets at fair value through profit or loss:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments - designated</td>
<td>85,459,760</td>
<td>85,459,760</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>89,254,976</td>
<td>89,229,052</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>247,721</td>
<td>247,714</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>247,721</td>
<td>247,714</td>
</tr>
</tbody>
</table>

There were no changes in valuation techniques during the period.

Sensitivity analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the end of the reporting period.

An increase of 100 basis points or a decrease of 100 basis points would have increased equity and the net surplus by the amounts shown below. This analysis assumes that other variables are held constant.

<table>
<thead>
<tr>
<th>Surplus</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>100 basis points increase</td>
<td>100 basis points decrease</td>
</tr>
<tr>
<td>100 basis points increase</td>
<td>100 basis points decrease</td>
</tr>
<tr>
<td>2018</td>
<td>888,428</td>
</tr>
</tbody>
</table>

The movements in surplus are due to higher interest costs from variable rate debt and cash balances.
14 FINANCIAL RISK MANAGEMENT CONTINUED

(b) Fair value estimation (continued)

The movements in equity are due to an increase in the fair value of derivative instruments designated as cash flow hedges.

The net exposure at the end of the reporting period is representative of what NT Build was and is expecting to be exposed to at the end of the next twelve months.

The sensitivity analysis is performed on the same basis as in 2017.

15 CONTINGENCIES

Contingent assets

Under section 33(4) of the Construction Industry Long Service Leave and Benefits Act, the Minister is to determine the levy percentage on construction projects in excess of $1 billion. The Act also provides that the determined percentage must be sufficient to yield the amount likely to be required to fund the long service leave benefits of the registered workers who carry out construction work on the particular project.

Generally, the levy collection mechanism for such large projects is that these projects typically span several years and by the time the project reaches completion the amount of levy that is due may be substantial.

A project of this value has commenced and although it is nearing completion, the Minister has yet to determine the applicable levy rate. As such any likely income to be received cannot at this time be reliably measured. For a relatively small Scheme such as NT Build, the accrual of a large unfunded liability poses a significant cash flow and solvency burden on the Scheme.

An initial levy payment in respect of the first $1 billion of the project value has been paid (refer 2011-12 Financial Statements). The project continues to accrue liabilities, but is unlikely to pay any further levy until practical completion. While the actual amount of further levy to be paid has not yet been determined, the growing unfunded liability continues to be a burden for the Scheme.

Notwithstanding that a receivable has not been recognised, NT Build has recorded;

- as an expense such benefit claims already paid to date to registered employees and contractors working on this project; and
- within its provision for long service leave benefits, recognised entitlements for registered employees and contractors working on this project that continue to accrue.
15 CONTINGENCIES CONTINUED

Contingent assets (continued)
The determined levy, once paid, will therefore reimburse the Scheme for long service leave benefits already paid and fund future benefit entitlements still to be claimed.

16 RELATED PARTIES

(i) Related Parties

NT Build is a government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of NT Build include:

- the Portfolio Minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of NT Build directly; and
- spouses, children and dependants who are close family members of the Portfolio Minister or KMP; and
- all public sector entities that are controlled and consolidated into the whole of government financial statements; and
- any entities controlled or jointly controlled by KMP’s or the Portfolio Minister or controlled or jointly controlled by their close family members.

(ii) Key Management Personnel (KMP)

NT Build is a statutory corporation established by the Construction Industry Long Service Leave and Benefits Act (the CILSLB Act) to provide a portable long service leave benefit scheme to building and construction workers in the Northern Territory. It is not an agency within the meaning of the Financial Management Act or the Public Sector Employment and Management Act.

Under the Administrative Arrangements Order in force for the period ended 30 June 2018 the Department of Trade, Business and Innovation had the principal responsibility for the general administration of the CILSLB Act. However, in accordance with the CILSLB Act, the Board holds the specific responsibility for the day-to-day management of the Scheme and for providing advice and making recommendations to the Minister about the operation of the legislation.

Key management personnel of NT Build are those persons having authority and responsibility for planning, directing and controlling the activities of NT Build. These include the Minister for Business and Innovation, The Hon Nicole Manison MLA, the Registrar, Mr Theo Tsikouris and the NT Build Board as listed below.

The names of the members of the Board who held office during the year are Mr Michael Martin OAM, Mr Dick Guit, Mr Michael Haire, Mr David Malone, Mr Michael Milatos, Ms Rosemary Campbell and Ms Sarah Rummery.
16 RELATED PARTIES CONTINUED
(ii) Key Management Personnel (KMP) (continued)
Ms Rummery was appointed to the Board in July 2017.

Attendance of meetings

<table>
<thead>
<tr>
<th>Eligible Meetings*</th>
<th>Meetings Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarah Rummery</td>
<td>13 12</td>
</tr>
<tr>
<td>Dick Guit</td>
<td>15 13</td>
</tr>
<tr>
<td>Michael Haire</td>
<td>15 10</td>
</tr>
<tr>
<td>David Malone</td>
<td>15 9</td>
</tr>
<tr>
<td>Michael Milatos</td>
<td>15 15</td>
</tr>
<tr>
<td>Michael Martin</td>
<td>15 15</td>
</tr>
<tr>
<td>Rosemary Campbell</td>
<td>15 15</td>
</tr>
</tbody>
</table>

*Excludes ‘other’ business involving general Board or Chair participation. Such as: participation on subcommittees, attendance at National Conference/Forums, official functions, travelling days, Ministerial discussions and ad hoc general meetings attended by the Chair - lawyer, auditor-general, accountant, registrar, etc.

(iii) Remuneration of Key Management Personnel
The details below exclude the salaries and other benefits of Minister for Business and Innovation 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 details below also exclude the salaries and other benefits of a Board Member who is an employee of the Department of Treasury and Finance as their remunerations and allowances are payable by the Department of Treasury and Finance and consequently disclosed within the Department of Treasury and Finance Annual Financial Statements.
(iii) Remuneration of Key Management Personnel (continued)

The aggregate compensation of key management personnel of NT Build is set out below:

<table>
<thead>
<tr>
<th></th>
<th>2017-18 $000</th>
<th>2016-17 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term benefits</td>
<td>248</td>
<td>252</td>
</tr>
<tr>
<td>Post employee benefits</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Long-term benefits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Termination benefits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>278</strong></td>
<td><strong>282</strong></td>
</tr>
</tbody>
</table>

(iv) Related party transactions: Transactions with Northern Territory Government controlled entities

NT Build’s primary ongoing sources of funding are from the collection of a levy imposed on eligible construction work undertaken in the Territory and investment earnings. No general allocation of funding is provided to NT Build through the Territory Budget or the Central Holding Authority.

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

<table>
<thead>
<tr>
<th>Related Party</th>
<th>Revenue from related parties 2018 $0</th>
<th>Payments to related parties 2018 $0</th>
<th>Amounts owed by related parties 2018 $0</th>
<th>Amounts owed to related parties 2018 $0</th>
</tr>
</thead>
<tbody>
<tr>
<td>All NT Government departments</td>
<td>-</td>
<td>1 250 744</td>
<td>-</td>
<td>120 573</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Related Party</th>
<th>Revenue from related parties 2017 $0</th>
<th>Payments to related parties 2017 $0</th>
<th>Amounts owed by related parties 2017 $0</th>
<th>Amounts owed to related parties 2017 $0</th>
</tr>
</thead>
<tbody>
<tr>
<td>All NT Government departments</td>
<td>-</td>
<td>1 033 000</td>
<td>-</td>
<td>97 000</td>
</tr>
</tbody>
</table>
16 RELATED PARTIES CONTINUED

(iv) Related party transactions: Transactions with Northern Territory Government controlled entities (continued)

NT Build’s transactions with other government entities are not individually significant.

Other related party transactions are as follows:

Given the breadth and depth of Territory Government activities, related parties will transact with the Territory Public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed.

The CILSLB Act indemnifies the NT Build Board Members and Registrar against any civil or criminal liability by the person or the Board in exercising, in good faith, a power or performance of a function under the Act. No other guarantees or indemnities have been given or received.

All other related party transactions of $10,000 or more have been provided in the table below.

<table>
<thead>
<tr>
<th>Transaction type</th>
<th>Transaction value for year ended 30 June</th>
<th>Net receivable/(payable) as at 30 June</th>
<th>Commitments as at 30 June</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2018</td>
<td>2018</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td>2017</td>
<td>2017</td>
<td>2017</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>
### 17 CASH FLOW INFORMATION

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

#### Notes to the financial statements - 30 June 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net surplus/(deficit) for the year</td>
<td>(7 391 517)</td>
<td>12 609 565</td>
</tr>
</tbody>
</table>

Cash flows excluded from net surplus attributable to operating activities Non-cash flows in profit/(loss):

- depreciation     | 81 777     | 80 197     |
- movement in market value of investments | 4 490 611 | (5 018 934) |
- manager fee rebate | (203 715)  | (192 425)  |
- distribution income capitalised | -         | (3 761 225)  |
- scheme liability expenses | 10 210 000  | (6 650 000) |

Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:

- (increase)/decrease in trade and other receivables | 762 028     | 120 924    |
- (increase)/decrease in other assets                 | 1 247       | (3 339)    |
- (increase)/decrease in prepayments                  | 18 693      | (26 666)   |
- (increase)/decrease in income in advance            | (7 918)     | (481 725)  |
- increase/(decrease) in trade and other payables    | (264 806)   | 151 812    |

Cashflow from operations | 7 696 400   | (3 171 816) |
State/Territory schemes
- recognised under the National Reciprocal Agreement for the provision of long service in the building and construction industry

Australia Capital Territory

**Construction Industry Long Service Leave Authority**
Unit 1, 28 Thynne House
Bruce ACT 2617
Tel: (02) 6247 3900
Email: construction@actleave.act.gov.au
Web: www.actleave.act.gov.au

New South Wales

**Long Service Corporation**
Level 1
19-21 Watt Street
Gosford NSW 2250
Toll Free: 13 14 41
Email: info@longservice.nsw.gov.au
Web: www.longservice.nsw.gov.au

Queensland

**QLeave**
Unit 1
62 Crockford Street
Northgate QLD 4013
Toll Free: 1800 803 491
Email: member@qleave.qld.gov.au
Web: www.qleave.qld.gov.au

South Australia

**Portable Long Service Leave**
Level 2
155 Fullarton Road,
Rose Park SA 5067
Tel: (08) 8332 6111
Email: hello@portableleave.org.au
Web: www.portableleave.org.au

Tasmania

**TasBuild**
Level 3
6 Bayfield Street
Rosny Park TAS 7018
Tel: (03) 6294 0807
Email: secretary@tasbuild.com.au
Web: www.tasbuild.com.au

Victoria

**CoInvest**
Level 6
478 Albert St
East Melbourne Vic 3002
Toll Free: 1300 COINVEST
Email: info@coinvest.com.au
Web: www.coinvest.com.au

Western Australia

**MyLeave**
**Construction Industry Long Service Leave Scheme**
Level 3
50 Colin Street
West Perth WA 6005
Toll Free: 1800 198 136
Email: hi@myleave.wa.gov.au
Web: www.myleave.wa.gov.au

**Ausleave**
A co-operative venture by portable long service leave authorities across Australia
- providing centralised access to information about each state and territory’s scheme.

Web: www.ausleave.com.au
NT Build – portable long service leave
Street: Units 32-33 / 12 Charlton Court
        Woolner NT 0820
Post: PO Box 36644
      Winnellie NT 0821
General enquiries: 1300 795 855
Office phone: (08) 8936 4070
Fax: (08) 8936 4080
Email: info@ntbuild.com.au
Web: www.ntbuild.com.au
ABN: 16 851 173 952