

Office of the
Independent
Commissioner
Against
Corruption NT

A large, abstract graphic on the left side of the page. It features a dark blue background with a pattern of glowing, out-of-focus teal and blue circles. Overlaid on this are several diagonal lines: a white line, a dark blue line, and a light blue line. A horizontal line with a green-to-yellow gradient runs across the page, passing behind the text.

ANNUAL REPORT

2023-24

Purpose of this report

The 2023-24 Annual Report of the Office of the Independent Commissioner Against Corruption (ICAC) has been prepared in order to comply with annual reporting requirements under:

- section 128 of the *Independent Commissioner Against Corruption Act 2017* (the ICAC Act)
- section 28 of the *Public Sector Employment and Management Act 1993* (PSEMA)
- sections 11 and 13 of the *Financial Management Act 1995*
- parts 3 and 9 of the *Information Act 2002*.

This annual report also highlights the performance of the Office of the ICAC in 2023-24 against approved budget outputs and key performance measures as published in the Northern Territory Government's 2023-24 Agency Budget Statements (Budget Paper no. 3).

Acknowledgement of Country

The Office of the Independent Commissioner Against Corruption acknowledges Aboriginal and Torres Strait Islander people as Traditional Custodians of the land on which we work and live, and pays respect to Elders past and present, and emerging community leaders.

Published by the Office of the Independent Commissioner Against Corruption

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Letter of Transmittal

The Honourable Lia Finocchiaro MLA
Chief Minister of the Northern Territory
GPO Box 3146
DARWIN NT 0801

Dear Chief Minister

In accordance with section 128 of the *Independent Commissioner Against Corruption Act 2017* (the ICAC Act) I present my annual report for the period 2023-24.

Section 128(3) of the ICAC Act requires you to table a copy of this report to the Legislative Assembly within 6 sitting days of you receiving it.

Yours sincerely



Ms Naomi Loudon
Acting Independent Commissioner Against Corruption
25 September 2024

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Foreword: Acting Commissioner Loudon

I am pleased to present the Office of the Independent Commissioner Against Corruption (NT) Annual Report for 2023-24.

The office continues to assist in the discharge of statutory functions including identifying, investigating, preventing and responding to allegations of improper conduct.

In November 2023, there were legislative amendments to the *Independent Commissioner Against Corruption Act 2017*, which included an additional statutory function of gathering intelligence.

This recognises the increasing value of data and trend analytics in identifying improper conduct risks in public administration.

During 2023-24, the Office of the ICAC received 268 reports alleging improper conduct. Eleven investigations were commenced, with a further 15 investigations finalised. Thirty recommendations were made from investigations conducted.

The Office of the ICAC conducted 150 education and prevention activities, reaching 5,258 people.

The number of notices issued under the ICAC Act has decreased in 2023-24, due in part to the increased collaboration with public bodies that now voluntarily provide information.

A robust integrity framework in public administration is a shared responsibility. We are grateful to the public bodies we have collaborated with in 2023-24 to address systemic issues while also strengthening their policies, processes and procedures to address the risk of improper conduct occurring.

In September 2023, the first seminar of the inaugural Integrity Advocates Program (IAP) was held. The program is aimed at increasing the knowledge of public officers and contributes to building a strong culture of integrity within the NT.

The program commenced with 12 participants engaging in a total of 6 seminars delivered by a range of subject matter experts. Based on learnings from the program the participants developed an integrity project for implementation within their public body. That cohort of participants will complete the implementation of their integrity project by 30 September 2024 and attend a workshop in November 2024 to deliver a final presentation on their project.

A second cohort of IAP participants commenced in June 2024.

One priority for this year was engagement in the NT's remote and regional areas. The Office of the ICAC travelled to and engaged with public officers, public bodies and community groups in Katherine, Jabiru, Groote Eylandt, Tiwi Islands, Tennant Creek, Ali Curung, Mutitjulu, Yulara and Alice Springs.

There were many insights gained from these engagements, including the need to further collaborate with other public bodies, local councils and Traditional Owners. This process also highlighted the need for the Office of the ICAC to be proactive in continuing to deliver educational activities in the remote and regional areas.

In November 2023, the Mandatory Reporting Directions and Guidelines for Public Officers were revised and published. Our prevention and engagement activities have targeted those public bodies at risk of under-reporting and ensuring they are aware of their mandatory reporting obligations.

In January 2024, the Office of the ICAC published the following documents:

- Dealing with voluntary protected communications - Directions and Guidelines, in accordance with s96 of the ICAC Act
- Guidelines for the minimisation of retaliation against protected persons, in accordance with s106 of the ICAC Act.

Both documents are available on the Office of the ICAC internet site and provide guidance on the obligations of persons who receive voluntary protected communications. The documents also assist public bodies to develop frameworks and practices for minimising risks of retaliation.

Throughout the year, work occurred on planning and developing the Australian Public Sector Anti-Corruption Conference (APSACC) which was hosted by the Office in Darwin from 29 to 31 July 2024. The theme of the conference was 'Meeting the integrity challenge: the power of innovation, diversity and collaboration'. As at 30 June 2024, there were 406 in-person delegates and 25 virtual delegates.

I note with sadness the passing of the inaugural Commissioner, Ken Fleming KC on 18 April 2024.

Mr Fleming served as Commissioner from November 2018 until his retirement in July 2021. His distinguished legal career spanned over 46 years. He will be remembered for his significant contribution to the legal profession in Queensland and his role in establishing an integrity framework in the NT.

I was appointed as the Acting ICAC on 11 June 2024 and it has been a privilege to lead the Office of the ICAC. I would like to thank the staff of the Office of the ICAC who have continued to work with resilience and have demonstrated professionalism despite the challenges and difficulties that have arisen.

I am grateful for their support and their unwavering commitment to the purpose of the ICAC.

This annual report demonstrates the breadth of work completed by the Office of the ICAC during 2023-24. We welcome the additional funding received for the 2024-25 financial year, which will enable us to improve our timeliness in the discharge of statutory functions.

Independent Commissioner Against Corruption

The Independent Commissioner Against Corruption (ICAC) has responsibility for discharging a range of statutory functions as prescribed in the ICAC Act.

Those functions are:

- a) to identify and investigate improper conduct;
- b) to protect persons who have assisted or may assist in detecting, preventing, investigating or otherwise responding to improper conduct;
- c) to prevent, detect and respond to improper conduct by:
 - i) developing and delivering education and training; and
 - ii) evaluating or reviewing practices, policies and procedures of public bodies and public officers; and
 - iii) developing and delivering advice, reports, information and recommendations; and
 - iv) referring matters to a referral entity for investigation or further investigation, disciplinary action or prosecution; and
 - v) making public comment; and
 - vi) gathering intelligence about improper conduct;
- d) to oversee and direct, as required, how referral entities deal with matters referred to them by the ICAC; and
- e) to perform other functions conferred on the ICAC under this or another Act.

In discharging those functions, the ICAC is not subject to direction by any person in respect of the way statutory functions are performed or priority given to any particular matter.

The ICAC is also the Chief Executive Officer (CEO) of the Office of the ICAC and has responsibilities commensurate with being the CEO.

The Office of the ICAC

Office of the ICAC organisational structure

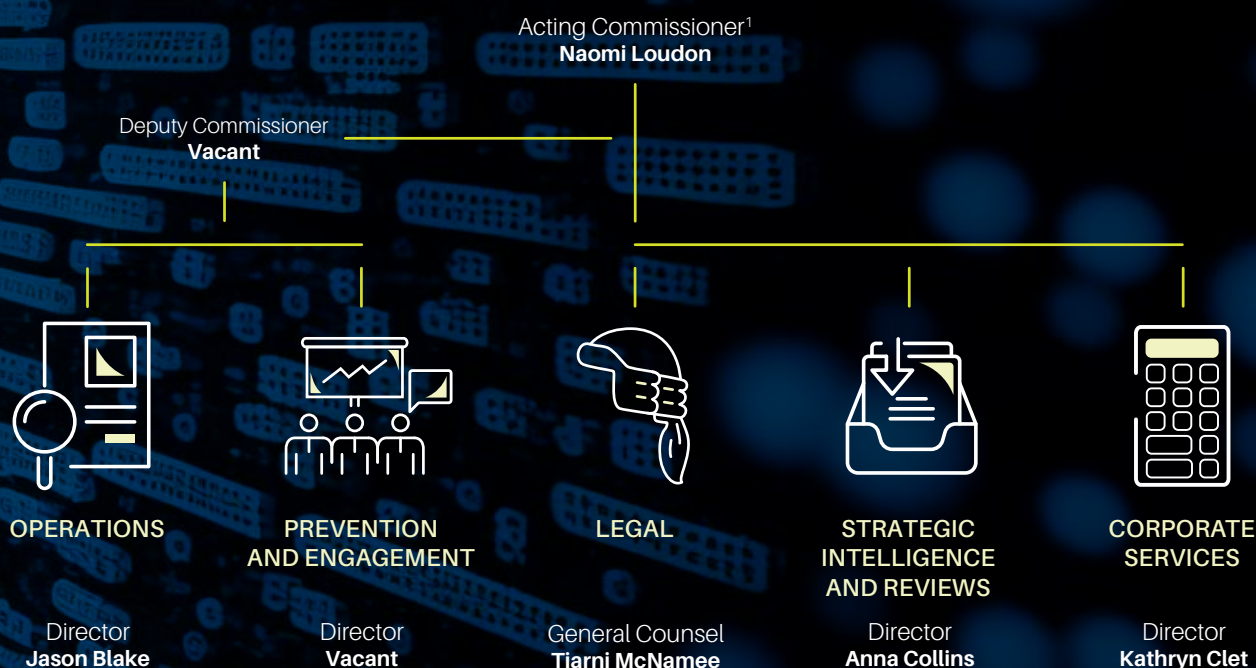
The Office of the ICAC has 2 main output groups supported by 6 functional units.

Table 1: Office of the ICAC output groups

Output group	Outcome	Functional unit
Operations	Integrity in public administration is improved	<ul style="list-style-type: none"> Executive Operations Unit Strategic Intelligence and Reviews Unit Legal Unit Prevention and Engagement Unit
Corporate and Governance	Improved organisational performance through strategic leadership and governance, and provision of corporate services functions	<ul style="list-style-type: none"> Corporate Services Unit

Members of the Executive Committee as at 30 June 2024

OFFICE OF THE INDEPENDENT COMMISSIONER AGAINST CORRUPTION NT



1. Commissioner Michael Riches was on leave at the reporting date of 30 June 2024.

The Office of the ICAC had 21.2 full time equivalent (FTE) staff as at pay period 26 of the 2023-24 financial year (compared to 25.8 FTE in 2022-23).

FTE staff data is a financial figure calculated every payday that represents employees based on the paid work effort during the pay period. An employee can be represented as less than one if they are paid less than 100% full time salary over the pay period, for example, if during the pay period the officer:

- commenced or ceased employment
- undertook part-time work
- was on any type of unpaid leave
- utilised any half-pay leave entitlements.

Consequently, FTE data may differ to the staffing headcount.

Headcount measures the number of staff recorded on the Personnel Information and Payroll System with an active record. Officers who are full-time, part-time, paid, unpaid, at work or on leave will be included in a headcount and will be counted as one (1) in all situations.

Table 2: Number of FTE per business unit as at the final pay period in 2023-24 (pay period 26)

Business unit	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24 ¹
Executive	2	4	4	2.5	2	2
Operations Unit ²	n.a.	n.a.	n.a.	n.a.	10.1	7.8
Assessments Unit ²	2	6	8	4	0	0
Investigations Unit ²	2	7	8	9	0	0
Strategic Intelligence and Reviews Unit ³	n.a.	n.a.	n.a.	n.a.	3	3
Legal Unit	0	0	1	1	2	1
Prevention and Engagement Unit	3	3	3	3	3	3.8
Corporate Services Unit	3	2	4	3	5.7	3.6
Temporary PID Project ⁴	0	0	3	1	0	0
Total staff	12	22	31	23.5	25.8	21.2

n.a.: not applicable

1. FTE data to one decimal place has been used for the current reporting period and also for the previous reporting period to allow accurate data comparison. The decimals have been rounded for the purposes of this report.
2. The Assessments and Investigations units were combined during the 2022-23 financial year to form the Operations Unit.
3. The Strategic Intelligence and Reviews Unit was formed during the 2022-23 financial year.
4. A temporary project team was established in January 2021 to audit and migrate the records held by the former Public Interest Disclosures (PID) Commission into the Office of the ICAC's case management system.

Executive

The ICAC is the CEO of the office.

In July 2023, the title for the Executive Director position was changed to Assistant Commissioner. The position underwent a work value assessment by an external consultancy firm and was re-classified and titled Deputy Commissioner from May 2024.

The Deputy Commissioner supports the ICAC to discharge the statutory functions under the ICAC Act and provide executive leadership in respect of ICAC operations, including investigations, assessments, and prevention and education activities.

Operations Unit

The Operations Unit was established to bring together the assessment and investigation functions within the Office of the ICAC, creating efficiencies in both staffing and workflow.

Assessments

All reports made to the Office of the ICAC are assessed, and recommendations made to the ICAC as to what, if any, action should be taken. The Operations Unit also reviews responses received from referral entities on any action taken in respect of a referral or as a result of preliminary inquiries.

Investigations

The Operations Unit supports the ICAC to investigate alleged improper conduct as directed. A range of methodologies is used to collect evidence, including taking statements, obtaining business and financial records, and conducting interviews and private examinations.

Strategic Intelligence and Reviews Unit

The Strategic Intelligence and Reviews Unit supports the ICAC to deliver a range of functions. These functions include gathering intelligence about improper conduct, and evaluating or reviewing the practices, policies and procedures of public bodies and public officers.

The unit also develops and delivers advice, reports, information and recommendations.

Legal Unit

Through the General Counsel and legal staff, the Legal Unit provides legal advice and support to the ICAC and Office of the ICAC staff.

Legal Unit staff act as counsel assisting the ICAC during private examinations. The General Counsel and Legal Unit staff provide general legal advice to the ICAC to assist in discharging statutory functions by reviewing assessment and investigative matters.

Legal Unit staff also provide advice on education and prevention activities, and support the ICAC to meet strategic priorities.

Prevention and Engagement Unit

The Prevention and Engagement Unit delivers awareness, engagement and prevention activities to public sector agencies, local government councils and the community.

The unit develops prevention and engagement strategies and resources, and works with public bodies and public officers to increase awareness of improper conduct and foster a culture of reporting.

Corporate Services Unit

The Corporate Services Unit supports the operational requirements of the Office of the ICAC by managing finance, human resources, governance and risk. The Corporate Services Unit works with other NT Government agencies and external contractors to coordinate procurement, work health and safety (WHS), records management, information and communications, and technology support.

The unit also provides administrative and secretariat services to the ICAC and other directors.

Reporting on Office of the ICAC's key performance indicators

The following KPIs were included in the 2023-24 Agency Budget Statements.

Table 3: Results against KPIs in 2023-24 Agency Budget Statements

KPIs	2023-24 Budget	2023-24 Actual	Comments on variations
Investigations completed within 6 months of commencement ¹	≥ 60%	20%	Not met
Investigations completed within 12 months of commencement ¹	≥ 75%	60%	Not met
Investigation strategy meetings conducted within 10 business days of investigation commencement ¹	≥ 90%	100%	Met
Examinations listed within 1 month of Counsel Assisting receiving the examination brief	≥ 80%	n.a.	No examinations held during reporting period
Case reviews held between Counsel Assisting and assigned investigators within 1 month of investigation commencement ¹	100%	100%	Met
Assessments completed within 20 business days of receipt of report	≥ 90%	99%	Met
Reports back on referrals considered and responded to within 10 business days	≥ 90%	81%	Not met
Debrief meetings held within 20 business days of investigation closure ²	≥ 90%	100%	Met
NT Court decisions relevant to ICAC operations reviewed and discussed within 10 business days of delivery of the decision	100%	100%	Met
Active investigations reviewed via fortnightly meetings	100%	100%	Met
Feedback sought and assessed on face-to-face and online learning sessions	≥ 60%	80%	Met
Recommendations made by the Inspector of the ICAC considered and determined within 5 business days of receipt of the recommendation	100%	n.a.	No recommendations made by the Inspector during the reporting period
Education and prevention activities conducted ³	100	150	Met
Engage with each local council at least twice per year ⁴	100%	100%	Met
General reports delivered to Parliament	2	2	Met

n.a.: not applicable

1. Commencement date is the date the ICAC recorded the decision to investigate on the Office of the ICAC case management system, Condor.
2. Closure date is the date the ICAC recorded the decision to close the investigation on the Office of the ICAC case management system, Condor.
3. Activities include educational videos, reports and presentations.
4. Engagement includes communicating trends, issues or recommendations in writing and providing face-to-face or online training tailored to local councils.

Compliance with section 128 of the ICAC Act

Under section 128 of the ICAC Act, the ICAC is required to report on a number of key items. The items and their location in this report are as follows.

Table 4: Reporting on key items

Section 128 reference	Item	Page number
(a)	The number and general nature of allegations of improper conduct made to the ICAC	17-18
(ab)	The number of concluded investigations by the ICAC of misconduct and unsatisfactory conduct, including the number of concluded investigations under each of the following: (i) section 18A(1)(a) (ii) section 18A(1)(b)	21
(b)	The number and general nature of reports mentioned in section 22(5) (mandatory reports)	17
(ba)	The number of times the ICAC gave a person a written notice under section 34(2) to attend the ICAC for examination but did not comprehensively state the nature of the matters about which the person was to be questioned because of the operation of section 34(2)(b)(i) or (ii)	21
(c)	The number and general nature of referrals	19
(d)	The number of search warrants issued to authorised officers	22
(e)	The number and general nature of any other warrants issued to authorised officers under a law of the Territory	22
(f)	The number and general nature of non-disclosure directions given	21
(g)	An indication of the kinds of activities conducted by the ICAC to prevent, detect and respond to improper conduct and the results of those activities	27-28
(h)	An indication of the kinds of activities conducted by the ICAC to prevent and respond to retaliation and the results of those activities	28, 30
(i)	In respect of each person who commenced being a member of ICAC staff during the financial year, whether an appropriate suitability check was carried out in accordance with section 126 before that person commenced being a member of ICAC staff	31
(j)	In respect of any member of ICAC staff to whom paragraph (i) does not apply, an outline of the governance arrangements the ICAC has in place to ensure: (i) continued compliance with section 126; and (ii) each member of ICAC staff remains suitable to be a member of ICAC staff	31-32

Financial performance

Actual performance against budget

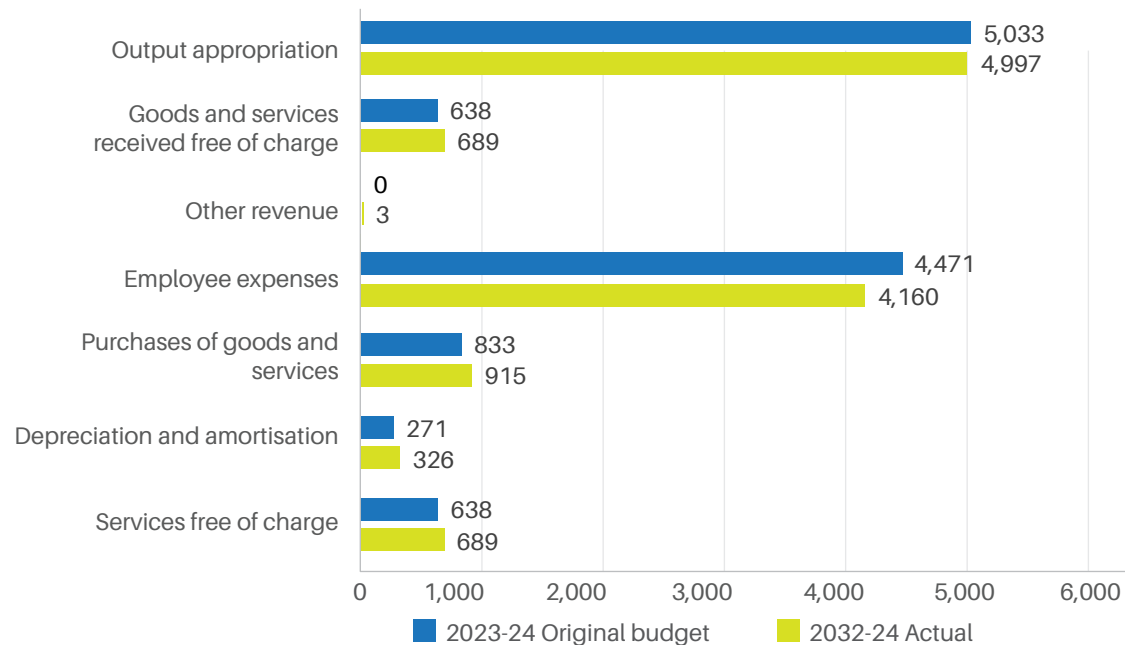
In 2023-24, the Office of the ICAC had a net deficit of \$396,000, an improvement compared to the original budget of a deficit of \$542,000. The operating result during the year includes depreciation and amortisation expenses of \$326,000, which are not budgeted for. When compared to its original budget expenditure of \$6.213 million, the Office of the ICAC spent \$6.090 million. The underspend was primarily due to decrease in purchases of goods and services to accommodate the decrease in output appropriation during the year.

Further information on how the Office of the ICAC performed against its original budget can be found in the notes to the financial statements under budgetary information.

Table 5: 2023-24 comparison of original budget and actual result

	2023-24 Original budget	2023-24 Actual
Total income	\$000	\$000
Total expenses	6,213	6,090
Net surplus (deficit)	(542)	(396)

Figure 1: Actual vs original budget figures, 2023-24 (\$000)



Actual performance compared to prior year

In 2023-24, the Office of the ICAC had a net deficit of \$396,000, compared to a net surplus of \$93,000 in the year prior. Table 6 shows the comparison of operating result for the current and previous financial year.

Table 6: Summary of operating result compared to prior year

	2023-24	2022-23	Change	Notes on changes
Total income	\$000 5,694	\$000 6,242	\$000 (548)	1
Total expenses	6,090	6,149	(59)	2
Net surplus (deficit)	(396)	93	(489)	

Notes on changes from prior year

1. The decrease of \$548,000 in total income, or 9% from 2022-23, was primarily from the reduction in output appropriation of \$561,000.
2. The decrease of \$59,000 in total expenses, or 1% from 2022-23, was due to a reduction in purchases of goods and services of \$159,000, offset by an increase of \$100,000 in employee expenses compared to last year.

Our vision

The highest standards of integrity in Northern Territory public administration

Our mission

To support and improve integrity in Northern Territory public administration through the discharge of statutory functions

Our guiding principles

Integrity
Independence
Fairness
Courage
Accountability
Public interest

Operations Unit

Functions and objectives

The Operations Unit provides assessment and investigative services to support the ICAC in the discharge of statutory functions.

The unit assesses information received from enquiries and reports of suspected improper conduct from public officers and members of the public. The ICAC, or delegate, decides on the appropriate action, which may include conducting preliminary inquiries, referring the matter to an appropriate entity, taking no further action because it is not within jurisdiction, or commencing an investigation or review.

The Operations Unit had 12 budgeted positions as at 30 June 2024. Four positions were vacant as at the reporting date.

- Director Operations (1)
- Manager Operations (3)
- Senior Operations Officers (4)
(2 positions vacant as at reporting date)
- Operations Officers (3)
(2 positions vacant as at reporting date)
- Operations Support Officer (1)

2023-24 Operations Unit performance

Table 7: Results against KPIs in 2023-24 Agency Budget Statements

KPIs	2023-24 Budget	2023-24 Actual	Comments on variations
Investigations completed within 6 months of commencement	≥ 60%	20%	Not met
Investigations completed within 12 months of commencement	≥ 75%	60%	Not met
Investigation strategy meetings conducted within 10 business days of investigation commencement	≥ 90%	100%	Met
Examinations listed within 1 month of counsel assisting receiving the examination brief	≥ 80%	n.a.	No examinations held during reporting period
Case reviews held between counsel assisting and assigned investigators within 1 month of investigation commencement	100%	100%	Met
Assessments completed within 20 business days of receipt of report	≥ 90%	99%	Met
Reports back on referrals considered and responded to within 10 business days	≥ 90%	81%	Not met
Debrief meetings held within 20 business days of investigation closure	≥ 90%	100%	Met
Active investigations reviewed via fortnightly meetings	100%	100%	Met

n.a.: not applicable

The Assessment team within the Operations Unit responded to 81% of reports back on referral within 10 business days. The KPI of 90% was not achieved for this period as the available staffing numbers within the Assessments team meant prioritising other matters. Although this is lower than the target of 90%, it represents a significant improvement from the previous reporting period result of 26%.

The Investigation team within the Operations Unit met most of their key performance indicators for the reporting period except for investigations being completed within 12-month and 6-month periods. Factors contributing to the delay in completing investigations included finalising historical investigations, managing a high workload, balancing competing priorities, disruption to operations due to an office refurbishment and resource constraints.

Assessments

In 2023-24, the Operations Unit received 330 contacts, consisting of:

- 268 reports
- 33 contacts providing non-specific information (therefore not treated as a report, but retained for intelligence purposes)
- 28 general enquiries.

Of the 268 reports received, 114 (43%) were made in accordance with mandatory reporting directions. That result is lower than the previous financial year's result of 238 (52%).

The general nature of mandatory reports includes:

- inadequate management of conflicts of interest
- dishonesty in recruitment
- abuse of power
- inappropriate performance of functions
- fraudulent human resources (HR) entitlements
- fraudulent qualification certificates
- misuse of government resources (assets or funding)
- unauthorised disclosure of confidential information.

Each report received by the Office of the ICAC can contain one or more allegations. Allegations assessed in the reporting period may include those from the previous reporting period, due to receiving reports up to 30 June 2023 that had not yet been assessed. Of the reports received in 2023-24, 316 allegations were identified for assessment. Of these, 174 were identified as being from public officers or public bodies.

In addition to the general nature of the allegations identified in the mandatory reports, other allegations of improper conduct in the reporting period include:

- breaches of public trust
- criminal conduct
- collusive tendering
- improper conduct by judicial officers or courts
- contract mismanagement
- civil litigation matters.

Figure 2: Mandatory and voluntary reports received by year

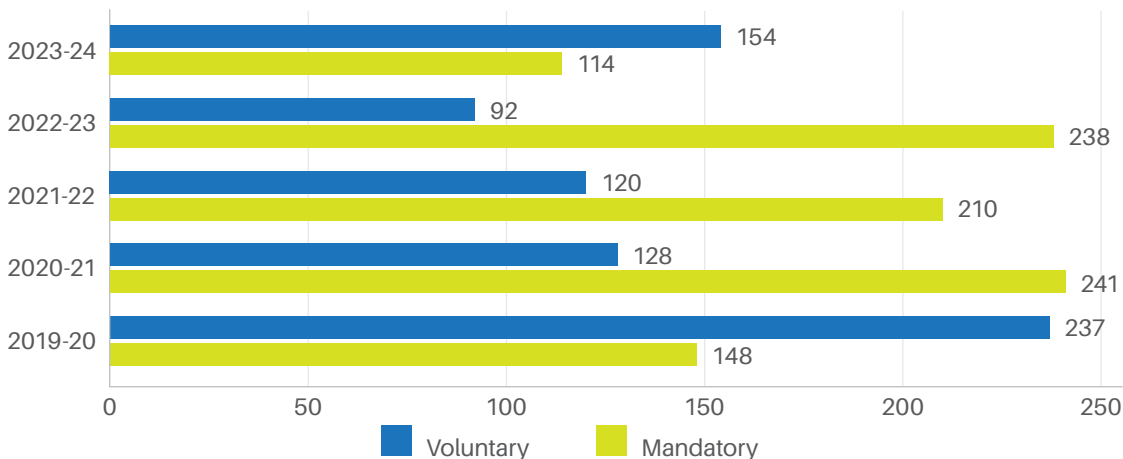


Figure 3: Allegations by improper conduct type at assessment, 2023-24

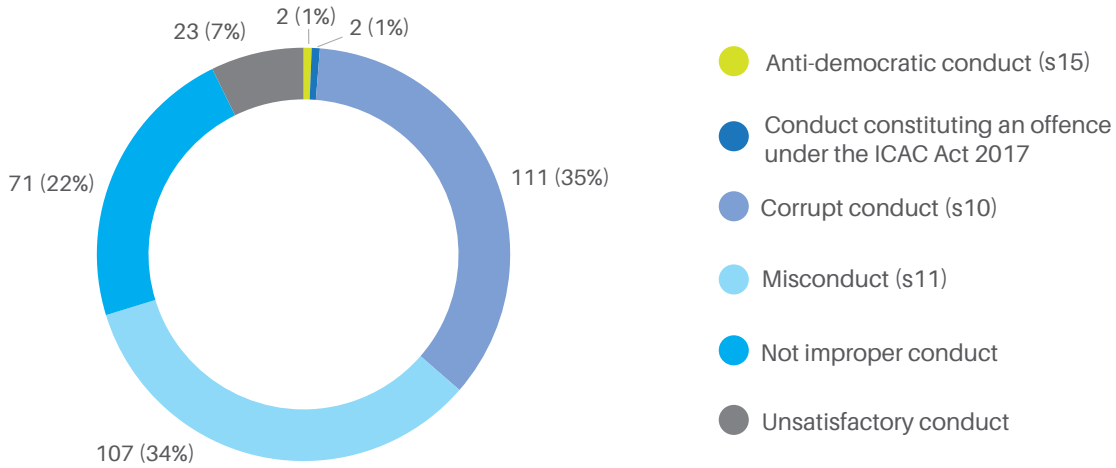


Figure 4: Allegations by region, 2023-24

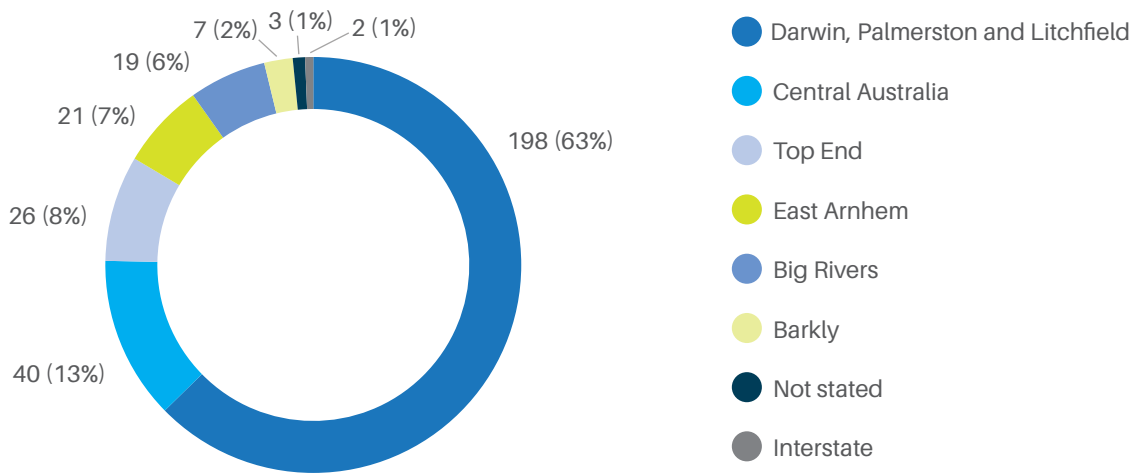
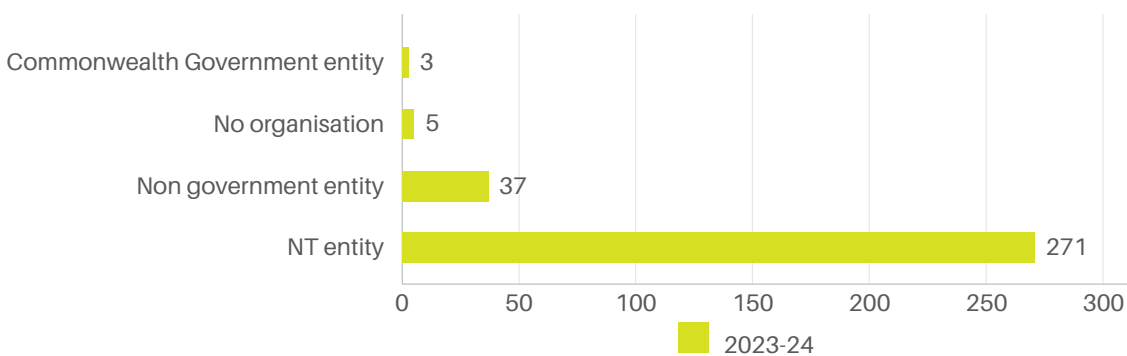


Figure 5: Allegations by category of public body¹



1. Organisation records were reclassified during 2023-24. NT Entity includes agencies, government owned corporations, boards, commissions and tribunals.

A total of 340 allegations were assessed in 2023-24. This included 27 allegations identified in the previous reporting period but assessed in the current period.

Some allegations can be re-assessed after having been referred to a referral entity and have more than one outcome.

Sixteen allegations were, or are, the subject of a preliminary inquiry by the ICAC.

A further 13 allegations were referred to investigation, resulting in 11 new investigations.

No further action was taken in respect of 291 allegations, including those that had been subject to further inquiry.

Referrals

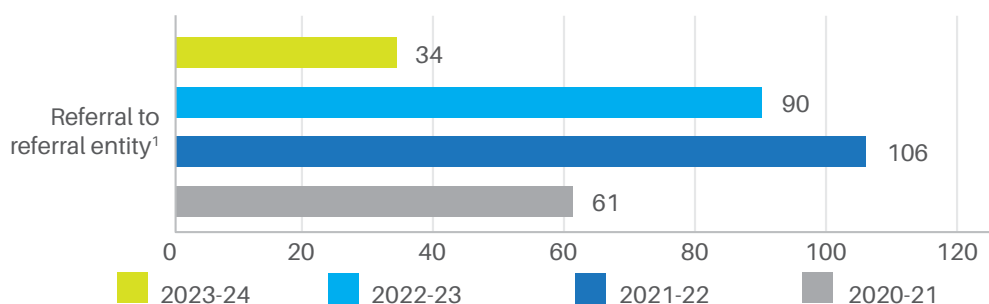
Of the allegations assessed, 47 were referred to a referral entity. These allegations were referred by the issue of 34 section 25 referral notices. A referral notice may contain multiple allegations.

The following shows the general nature of the allegations referred:

- Recruitment:
 - failure to declare and manage conflicts of interest
 - non-compliance with recruitment processes
 - false claims of qualifications
- Failure to declare outside employment
- Dishonesty or misuse of resources:
 - timesheet dishonesty
 - failure to submit leave applications
 - improper claims of entitlements or allowances
- Criminal conduct, including fraudulent:
 - signatures
 - medical certificates
- Police misconduct

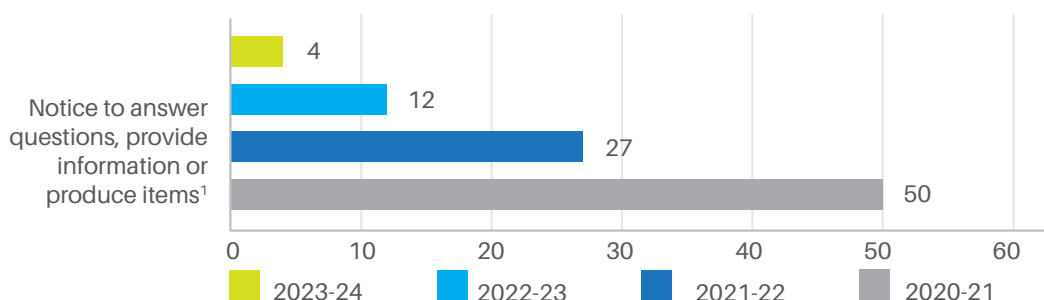
The ICAC may request a report back from the referral entity. In 2023-24, 18 referrals included a requirement to report back to the ICAC.

Figure 6: Referral notices, by year¹



1. ICAC Act section 25.

Figure 7: Notices to request information and items, by year¹



1. ICAC Act section 24A, prior to legislative amendment section 75.

Investigations

The ICAC may commence an investigation where there is information that, if true, would tend to show that improper conduct has occurred, is occurring, or is at risk of occurring. Operations Unit staff support the ICAC in conducting these investigations.

During an investigation, the ICAC may exercise powers in accordance with the ICAC Act. These powers include the requirement to produce documents or financial records, provide information and attend for examination. This ensures investigations are thorough and all relevant evidence is obtained, enabling the ICAC to make findings and recommendations.

An investigation may not only determine whether improper conduct has occurred but also identify systemic issues within a public body. Identifying these issues allows the ICAC to make recommendations.

As at 30 June 2024, there were 12 active investigations on hand. During the reporting period, 15 investigations were finalised and another 11 were commenced.

Table 8: General nature of investigations commenced during the financial year

Nature of investigations	2022-23	2023-24	Change (+/-)
Conflict of interest	1	3	+2
Abuse of office	0	1	+1
Judicial conduct	0	0	0
Anti-democratic conduct	0	0	0
Destruction of evidence	0	0	0
Deceptive conduct	3	2	-1
Improper recruitment process	0	1	+1
Disclosure of information	2	0	-2
Improper procurement processes	2	0	-2
Mismanagement in the performance of official functions	1	2	+1
Improper use of public resources	0	0	0
Dishonesty in the performance of official functions	1	0	-1
Retaliation	0	0	0
Breach of ICAC Act	0	0	0
Breach of public trust	0	1	+1
Criminal conduct	0	1	+1
TOTAL	10	11	

Limitations on functions

On 14 November 2023, legislative amendments to the ICAC Act resulted in section 18A. This section says the ICAC must not investigate allegations of misconduct or unsatisfactory conduct unless one of the considerations in subsection 18A(1) is met.

If, during the course of an investigation, the ICAC becomes of the opinion the investigation is likely to lead to a finding of no more than misconduct or unsatisfactory conduct, the ICAC must cease to investigate unless one of the considerations in s18A(1) applies.

Section 128(2)(ab) of the ICAC Act requires the ICAC to report on the number of concluded investigations of misconduct or unsatisfactory conduct, including those matters closed as a result of section 18A.

During the reporting period, there was one investigation concluded with a finding of unsatisfactory conduct and one investigation concluded as a result of section 18A considerations.

Table 9: Notices served

Investigative power	2022-23	2023-24	Change (+/-)
Notice to provide information or produce items (section 32)	52	22	-30
Notice to produce financial records (section 33)	5	2	-3
Non disclosure directions (section 147)	21	11	-10

Notice to attend for private examination

Once an investigation has commenced, the ICAC can issue a notice under section 34 of the ICAC Act, requiring a person to attend for examination. Section 34(2)(b) requires the ICAC to give the person a written notice that comprehensively states the nature of the matters about which the person is to be questioned. An exception to this requirement is if the ICAC considers doing so would be likely to prejudice the conduct of the investigation or be contrary to the public interest.

The amendments to the ICAC Act in November 2023 included a new sub-section 34(5), which requires the ICAC when they give a person a notice to attend for examination, but does not comprehensively state

Notice to produce information or items, or inspect financial records and non-disclosure directions

When conducting an investigation, the ICAC can exercise certain powers to:

- require a person to provide information or produce specific items in accordance with section 32 of the ICAC Act
- inspect financial records in accordance with section 33 of the ICAC Act
- issue a non-disclosure direction in accordance with section 147 of the ICAC Act.

Not all investigations require the ICAC to issue a notice to produce information. The reduction in the number of notices issued for 2023-24 is a result of other methods of obtaining information being used, such as writing to an agency and requesting they voluntarily provide the information. A collaborative approach, continued relationship building with CEOs and agencies having a better understanding of the statutory functions of the ICAC has meant the requirement to compel the production of information is not required in every matter.

the nature of the matters about which the person is to be questioned, as detailed in section 34(2)(b), to inform the Inspector of the grounds for not providing that information.

Section 128 (2)(ba) requires the ICAC to report on the number of times a notice was issued to attend for examination when the nature of the matters about which the person was to be questioned was not comprehensively stated, and to include that information in the annual report.

During the reporting period, no examinations were conducted by the ICAC. Therefore, no section 34 notices were issued.

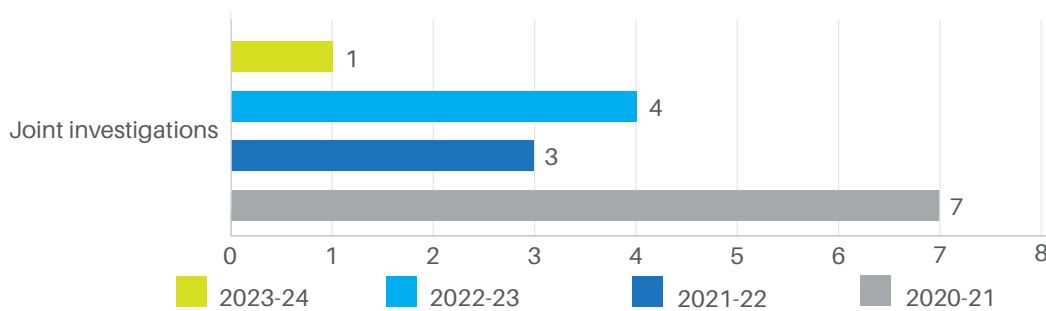
Joint investigations

The ICAC may conduct a joint investigation with another agency.

A joint investigation enables both agencies to combine their resources and statutory capabilities in order to improve and extend investigative capacity and capability.

As at 30 June 2024, there was one joint investigation being undertaken.

Figure 8: Joint investigations



Search warrants (section 68) and other warrants

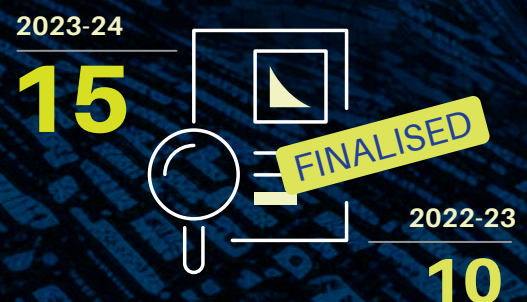
No search warrants were issued during the reporting period.

No other warrants were issued to an authorised officer during the reporting period.

Reports assessed within 20 days



Improper conduct investigations finalised



Strategic Intelligence and Reviews Unit

Functions and objectives

The primary function of the Strategic Intelligence and Reviews Unit is to conduct research and analysis to inform the priorities of the ICAC and support the activities of the Operations, and Preventions and Engagement units. Analysis conducted by the Strategic Intelligence and Reviews Unit informs decisions to conduct reviews and evaluations, recommendations made to address improper conduct risks and the development of prevention and education resources.

The unit supports the ICAC by:

- identifying themes and trends in reports of suspected improper conduct
- contributing data and analysis to general and research reports
- producing progress reports on the achievement of key performance indicators (KPIs)
- conducting evaluations and reviews in accordance with sections 23 and 110 of the ICAC Act
- monitoring the implementation of recommendations to public bodies and public officers
- identifying improper conduct risks in public administration and contributing data analysis to support decision-making
- supporting development of direction and guidelines for dealing with voluntary protected communications and retaliation minimisation frameworks in public bodies.

The Strategic Intelligence and Reviews Unit had 3 budgeted positions as at 30 June 2024. No positions were vacant as at the reporting date.

- Director Strategic Intelligence and Reviews (1)
- Senior Strategic Intelligence Analyst (1)
- Senior Evaluation and Reviews Officer (1)

2023-24 Strategic Intelligence and Reviews Unit performance

The activities of the Strategic Intelligence and Reviews Unit in the 2023-24 reporting period were guided by the Office of the ICAC's 2023 and 2024 priorities. The unit was responsible for leading:

- a data cleansing project to ensure the highest quality data is available to inform strategic intelligence products
- development of consistent data entry standards and business rules to guide consistent use of the case management system
- a review of the state of whistleblowing in the NT and the redesign of whistleblower guidelines under the ICAC Act.

Data cleansing and data entry standards

Preparation of longitudinal research reports published in 2023 identified a number of opportunities to strengthen data capture to enhance future reports. These included developing consistent data entry standards and cleansing data held to align with these standards. To date the project has:

- established consistent KPI definitions
- documented a process for calculating and reporting KPI metrics
- redeveloped the approach and definitions for organisation entity data
- updated data workflows to ensure key information fields are complete before record finalisation
- realigned region classifications to align with the NT Government's region maps
- commenced documentation of standardised data entry requirements across all modules of the case management system
- commenced data quality assurance checks to identify non-compliant data for attention prior to key reporting deadlines
- commenced redevelopment of the categorisation model for allegations of improper conduct to include function, behaviour and risk area.

The Strategic Intelligence and Reviews Unit audited the data holding of the office’s case management database to identify anomalous, incorrect and missing data to inform data cleansing activities.

The unit collaborated with the Operations Unit to ensure that data relevant to the production of KPI progress reports was standardised and complete for all records. This involved developing a definitions dictionary for KPI terms and a procedure for the preparation of KPI reports. KPIs are reviewed by the Executive Committee each month to enable early detection of issues or risks impacting the achievement of outcomes.

The Strategic Intelligence and Reviews Unit and Operations Assessment team reviewed the office’s approach to categorising and recording organisation data within the Condor case management database. In doing so, over 400 organisation records were reviewed and updated to:

- remove duplicate entities
- ensure complete and correct organisation details
- apply the category and type of organisation aligned with legislation, Australian Business Register information and the definition of a public body under section 16 of the ICAC Act.

Voluntary protected communication and retaliation minimisation frameworks

Throughout 2023, a review of the current state of whistleblowing in the NT was conducted.

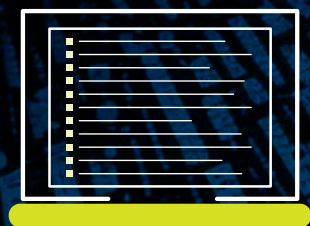
The findings from this review and amendments to the ICAC Act informed a review of the directions and guidelines for dealing with voluntary protected communications and retaliation minimisation frameworks required under sections 96 and 106.

Throughout November 2023, extensive consultation was held with stakeholders across the NT, with presentation and feedback sessions held in Darwin, Katherine, Alice Springs and Tennant Creek.

In January 2024, new directions and guidelines were issued regarding dealing with voluntary protected communications and implementing retaliation minimisation frameworks within public bodies. Collectively, those documents set out 14 directions and 22 guidelines that form the basis of frameworks to protect persons who have assisted, or may assist, in detecting, preventing, investigating or otherwise responding to improper conduct.

The Strategic Intelligence and Reviews Unit continues to support the implementation of the directions and guidelines through the provision of support and advice to public bodies on the application of the directions.

Over
400
organisation core
records updated



30
recommendations
made from
investigations



Research and reports

Research and analysis by the Strategic Intelligence and Reviews Unit is used to inform decisions on the conduct of evaluations and reviews, support decision-making on action to be taken with reports of improper conduct and assist in preparation of general reports.

Reviews and recommendations for monitoring

Pursuant to sections 23 and 110 of the ICAC Act, the ICAC may conduct evaluations and reviews of policies, practices and procedures of public bodies.

In October 2023, the ICAC completed a review into the policies, practices and procedures of procurement within the Department of Infrastructure, Planning and Logistics (DIPL) Katherine office.

The review identified a number of opportunities to strengthen practices to prevent, detect and respond to improper conduct with 18 recommendations made to the Chief Executive Officer of DIPL.

In June 2022, a report arising from the review of the policies, practices and procedures of the Batchelor Institute of Indigenous Tertiary Education (BIITE) was issued. That report contained 27 recommendations that were accepted for action.

The Strategic Intelligence and Reviews Unit continues to actively monitor implementation of recommendations made in the reviews of DIPL and BIITE.

In October 2024, a review of the policies, practices and procedures for recruitment was commenced. The observations and recommendations from this review will be presented to that public body's executive in early July 2024.

Section 56 of the ICAC Act allows the ICAC to make recommendations to public officers and public bodies at any time, including in relation to an investigation. In the 2023-24 reporting period, the ICAC issued 30 recommendations in relation to investigations conducted.

In May 2023, the ICAC issued a public statement requesting public bodies audit the personnel records of public officers whose employment or appointment is contingent upon the holding of a particular qualification.

In February 2024, 21 public bodies were asked to advise the ICAC if such an audit had been completed and, if so, the results of that audit. A summary of responses can be found in the ICAC's general report to Parliament tabled on 22 May 2024.

In June 2024, a further 19 public bodies, including local government councils, Charles Darwin University and BIITE were asked to advise the ICAC if such an audit had been completed and, if so, the results of that audit.

Legal Unit

Functions and objectives

The role of the ICAC Legal Unit is to provide legal advice to the ICAC and Office of the ICAC staff.

Provision of legal advice varies and includes advice on the discharge of statutory functions, direction in the collection of evidence in the investigation of matters, review of notices, directions and authorisations prepared under the ICAC Act, and application and interpretation of the ICAC Act and other legislation. The unit contributes to the development of policy within the Office of the ICAC, as well as legislative reform.

The Legal Unit works with the Operations Unit to assist in the planning and conduct of investigations, provide advice as required, prepare matters for examination and has oversight in the preparation of briefs of evidence for referral to the Director of Public Prosecutions.

When requested, legal counsel appears as counsel assisting the ICAC in examinations and is responsible for coordinating referral of matters to external counsel for legal advice.

The unit is also responsible for updating Office of the ICAC staff in relation to current Supreme Court decisions relevant to ICAC operations.

The ICAC General Counsel is a member of the ICAC Executive Committee and supports the ICAC in the discharge of statutory functions by:

- providing assistance to the Operations Unit in reviewing and identifying matters to which consideration should be given regarding whether to commence an investigation
- reviewing reports and providing advice to the Operations Unit, including advice on the collection of evidence and support in the preparation of notices
- providing guidance and advice to the Prevention and Engagement Unit and the Strategic Intelligence and Reviews Unit on education and prevention material.

The ICAC Legal Unit reviews and drafts legal documentation and develops, delivers and assists in the delivery of internal training.

The Legal Unit had 3 allocated positions as at 30 June 2024. There were 2 positions vacant at the reporting date.

- ICAC General Counsel (1)
- Lawyers (2)
(2 positions vacant as at reporting date)

2023-24 Legal Unit performance

Throughout the 2023-24 financial year, the ICAC, Acting ICAC or delegate did not conduct any examinations.

External counsel was briefed as counsel assisting in 4 voluntary interviews. Four matters were briefed to external counsel for the provision of legal advice. During the relevant period, one Supreme Court decision was reviewed and discussed with Office of the ICAC staff.

The Legal Unit coordinated 4 external providers to deliver presentations to Office of the ICAC staff during the financial year.

General Counsel also developed and delivered 4 internal training sessions, covering:

- NT Criminal Code (property offences) amendments
- Court Jurisdiction
- Review of the High Court decision *Crime and Corruption Commission v Carne* [2023] HCA 28
- Recommendations from the Queensland Independent review into the Crime and Corruption Commission's reporting on the performance of its corruption functions.

Prevention and Engagement Unit

Functions and objectives

The Prevention and Engagement Unit is primarily responsible for supporting the ICAC to carry out prevention and education functions.

The unit supports the ICAC by:

- developing and delivering education and training
- assisting with preparation of public statements
- assisting with preparation of media releases
- developing reports, including the annual report
- developing and publishing internal and external communications
- maintaining and developing the Office of the ICAC's internal and external websites.

The Prevention and Engagement Unit had 4 allocated positions as at 30 June 2024. As at 30 June 2024, the Director Prevention and Engagement was vacant and undergoing recruitment activity.

- Director Prevention and Engagement (position vacant as at reporting date)
- Senior Prevention and Engagement Officer (1)
- Communications and Engagement Officer (1)
- Event Coordinator (1)

In August 2023, an Event Coordinator position was recruited on a temporary contract for the delivery of the 2024 Australian Public Sector Anti-Corruption Conference (APSACC).

2023-24 Prevention and Engagement Unit performance

Table 10: Results against KPIs in 2023-24 Agency Budget Statements

KPIs	2023-24 Budget	2023-24 Actual	Comments on variations
Education and prevention activities conducted ¹	100	150	Met
Feedback sought and assessed on face-to-face and online learning sessions	≥ 60%	81%	Met
Engage with each local council at least twice per year ²	100%	100%	Met
General reports delivered to Parliament	2	2	Met

1. Activities include educational videos, reports, presentations, corruption alerts and newsletters.

2. Engagement includes communicating trends, issues or recommendations in writing and providing face-to-face or online training.

Education and awareness

A total of 150 education and prevention activities were conducted in 2023-24, including information sessions, stakeholder meetings and prevention communications.

A total of 5,258 people attended face-to-face and virtual information sessions, online mandatory training and stakeholder meetings, including 2,657 public officers who completed the mandatory Introduction to ICAC training on the NT Government MyLearning online portal, and 2,601 people who attended information sessions and stakeholder meetings.

Information sessions and stakeholder meetings held in 2023-24

- 3 presentations for the Foundations of Public Sector Governance program
- 7 presentations and stakeholders meetings to public bodies in the Central region, including Alice Springs and Mutitjulu
- 9 presentations and stakeholders meetings to public bodies in the Barkly Region, including Tennant Creek and Ali Curung

- 14 presentations to NT Police recruit squads and officers, including regional presentations to NT Police in Tennant Creek, Mutitjulu and Groote Eylandt
- 8 presentations and stakeholders meetings to Local Government Councils and the Local Government Association NT (elected members and council staff), including regional presentations in Tennant Creek, Wurrumiyanga, Katherine and Alice Springs
- 12 presentations to staff at BIITE
- 2 Nominated Recipient Forums (face-to-face and virtual) to a total of 65 Nominated Recipients
- 8 workshops on the Whistleblower framework development, delivered in Darwin, Katherine, Tennant Creek and Alice Springs
- Various stakeholder meetings and presentations on request

All presentations delivered included information relating to mandatory reporting and retaliation.

Prevention initiatives carried out in 2023-24 included:

- implementing a new method of data collection for prevention and engagement reporting of KPIs
- releasing the Conflict of Interest postcard
- releasing the Whistleblower Framework online course
- conducting one radio interview

Other internal and external education and awareness activities in 2023-24 included:

- maintaining the Office of the ICAC internet site
- maintaining the Office of the ICAC staff intranet site
- planning and developing the program and activities for APSACC, including procurement for a professional conference organiser.

Media releases

Media releases are published on the NT Government Newsroom, the Office of the ICAC internet site and also emailed to the Office of the ICAC's subscriber mailing list via Campaign Monitor.

During the reporting period, the Office of the ICAC published 12 media releases.

- 2024-04-24, Vale Kenneth Fleming KC
- 2024-02-21, Recent speculation about my office
- 2024-02-14, Conflicts of Interests
- 2024-01-09, New whistleblower directions and guidelines
- 2024-01-08, Fake emails
- 2023-12-19, Conflicts of interest
- 2023-12-08, International Anti-Corruption Day 9 December 2023
- 2023-11-22, The Whistleblower Framework in the NT



Engage with each local council at least twice per year

2023-24

100%

Feedback sought and assessed on face-to-face and online learning sessions

2023-24

81%



2022-23

72%

- 2023-11-01, Australian Public Sector Anti-Corruption Conference (APSACC) coming to Darwin July 2024
- 2023-09-22, Discussion Paper - Oversight of Police Critical Incidents
- 2023-07-19, Criticism of the ICAC
- 2023-07-17, Letter to the Chief Minister, Launch of Integrity Advocates Program and Publication of research report

Regional engagement

Throughout 2023-24, the Office of the ICAC continued ongoing regional engagement for the Central, Barkly, Big Rivers and East Arnhem regions.

The Office of the ICAC conducted 8 visits and engaged with 25 service delivery organisations across the regions.

Initial engagement with West Arnhem region commenced in March 2024 where staff met with the local council and Aboriginal Corporations in the region.

Australian Public Sector Anti-Corruption Conference 2024

On 1 November 2023, the Office of the ICAC officially announced that APSACC would be hosted by ICAC NT in Darwin from 29 to 31 July 2024. The theme of the conference was 'Meeting the integrity challenge: the power of innovation, diversity and collaboration'.

To plan and deliver the event, an Event Coordinator was recruited on a short-term contract to work with the office. AAP Events was procured as the professional conference organiser to work with the Event Coordinator to develop and deliver the conference.

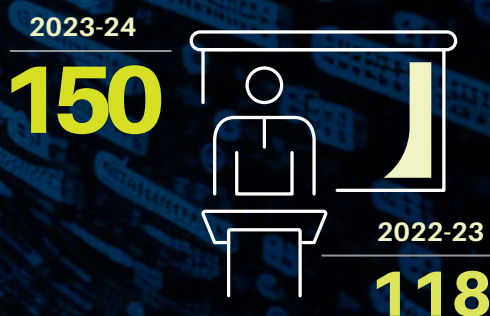
As at 30 June 2024, there were 406 in-person registrations and 25 virtual delegates.

Integrity Advocates Program

On 17 July 2023, the ICAC launched the inaugural ICAC Integrity Advocates Program (IAP). The program was designed to provide participants with the opportunity to gain an in-depth understanding of integrity in public administration, and to apply that learning through the implementation of an integrity project within their agency.

The IAP is a 12-month program. Phase 1 consists of 6 seminars. Participants then have 6 months to deliver their projects (phase 2). The program is capped at 12 participants with 9 participants successfully completing phase 1.

Information sessions delivered



People attending information sessions



Section 22: Mandatory Reporting Directions and Guidelines

On 14 November 2023, amendments to the ICAC Act commenced. Mandatory Reporting Directions and Guidelines for public officers were reviewed and re-released to reflect the changes to the ICAC Act. The document is available on the Office of the ICAC internet site, in accordance with section 130 of the ICAC Act.

Section 48: General report

Under section 48 of the ICAC Act, the ICAC may at any time make a general report.

On 12 March 2024, the ICAC released a general report providing an update on the operational activity of the Office of the ICAC, relevant matters in other jurisdictions and matters that affect the performance of the ICAC's functions, including adequacy of resources. A second general report was tabled in the Legislative Assembly on 22 May 2024.

The report was a summary of the responses and outcomes to the ICAC's request for public bodies to audit positions for which the candidate is required to hold a qualification.

The ICAC has committed to 2 general reports per year.

Section 50A: Publication of investigation report

On 22 May 2024, the ICAC tabled an investigation report for Operation Jupiter. This report related to ministerial travel during the caretaker period leading up to the 2020 NT General Election.

Section 55: Public statements

The Prevention and Engagement Unit supported the ICAC to release 2 public statements during the reporting period.

The public statement titled 'Operation Beaufort' was released on 26 March 2024 and related to an investigation into allegations of racism within the NT Police Territory Response Group.

The second public statement was released on 24 May 2024 and provided an update on Operation Beaufort.

Section 96: Responsibilities relating to protected communications

Section 96 of the ICAC Act states that the ICAC must issue directions and guidelines on how a recipient of a voluntary protected communication is to deal with the communication. On 9 January 2024, the ICAC published the document 'Dealing with voluntary protected communications – directions and guidelines', which is available on the Office of the ICAC internet site.

Section 106 Guidelines to minimise retaliation

Section 106 of the ICAC Act states that the ICAC must issue guidelines for public bodies and public officers concerning frameworks and practices for minimising risks of retaliation.

On 4 January 2024, the ICAC published the document 'Guidelines for the minimisation of retaliation against protected persons', which is available on the ICAC internet site, in accordance with section 130 of the ICAC Act.

Office of the ICAC internet site

The Office of the ICAC internet site was updated to reflect the amendments to the ICAC Act. The content of the site adheres to section 130 of the ICAC Act, which outlines information that must be included on the website.

The site meets the NT Government's guidelines and commitment to compliance with the World Wide Web Consortium's Web Content Accessibility Guidelines (WCAG 2.0).

Corporate Services Unit

Functions and objectives

The Corporate Services Unit supports the ICAC in the areas of financial and budget management, human resources and workforce planning, governance and risk management, information technology and security, procurement, WHS and general services.

In addition to the Corporate Services Unit, the Office of the ICAC receives services from the Department of Corporate and Digital Development (DCDD) for information communications and technology, and delivery of across government systems. The office also receives services from DIPL for minor capital works, and repairs and maintenance.

The Corporate Services Unit had 4 allocated positions as at 30 June 2024. There were no positions vacant at the reporting date.

- Director, Corporate Services (1)
- Senior Finance and Governance Officer (1)
- Executive Officer (1)
- Corporate Services Assistant (1)

2023-24 Corporate Services Unit performance

The Corporate Services Unit provided the following assistance in relation to Office of the ICAC projects during 2023-24:

- assisted staff in relocating to temporary office accommodation and returning to office premises following improvements in the fit-out
- drafted and reviewed policies and procedures to further improve the Office of the ICAC's compliance with legislated obligations
- assisted in monitoring the Office of the ICAC Strategic Plan 2022 to 2026, including the key priorities and KPIs for monitoring and reporting

- continued the office's effective financial management through monthly reporting and monitoring of expenditure against budget
- continued to implement and monitor the office's risk management framework, including updates and maintenance of the strategic risk register
- facilitated the internal audit of the office's recruitment and commencement policy and cessation policy
- delivered a comprehensive training program that gave staff opportunities to develop their capability and skills (see the Human Resources section on page 38).

Compliance with section 126 of the ICAC Act

The ICAC Act was amended in November 2023.

The ICAC is now required to report whether an appropriate suitability check was carried out before a person commenced being a member of ICAC staff during the financial year. In addition, the ICAC is also required to outline the governance arrangements in place to ensure previously employed staff members remain suitable under section 126 of the ICAC Act.

The office conducts suitability checks to determine whether a person is a suitable person to:

- be or remain as a member of ICAC staff
- be appointed or remain as an authorised officer
- be delegated functions under section 125
- perform functions under the ICAC Act in relation to a matter being dealt with by the ICAC.

During the 2023-24 financial year, 6 people became members of the ICAC staff after undergoing appropriate suitability checks prior to commencement.

Each existing staff member also underwent appropriate suitability checks during the reporting period and all were found suitable to continue to be a member of ICAC staff.

The following governance arrangements are currently in place to determine suitability under section 126.

- Recruitment and Commencement Policy requirements
 - Completion of pre-employment questionnaire and statutory declaration for all applicants during the recruitment process
 - Psychometric testing for shortlisted applicants where required
 - Verification of qualifications and employment history for applicants deemed suitable
 - National police check, also known as criminal history check
 - Provision of pre-commencement pack that includes information on the Northern Territory Public Sector (NTPS) Code of Conduct, Office of the ICAC Conflict of Interest Policy and Procedure, legal briefing relating to applicable legislation for the Office of the ICAC, and the Guidelines for ICAC staff issued by the ICAC
 - Provision of new starter welcome pack that includes induction requirements
- Conflict of Interest policy requirements
 - Completion of an annual conflict of interest declaration by all current staff

The office has recently conducted an internal audit of its recruitment and commencement policy and cessation policy to further identify opportunities for improvement. The internal audit was conducted by an external audit firm and all recommendations have been accepted for inclusion in future policy updates.

Governance

The Office of the ICAC compliance framework consists of the following internal and external governance functions.

Internal governance

The Executive Committee meets on a weekly basis and provides strategic advice and assistance to the ICAC in relation to:

- setting and monitoring the strategic direction and achievement of the Office of the ICAC's objectives
- ensuring compliance with statutory and reporting requirements
- managing resources appropriated to the office effectively and efficiently
- conducting investigations and taking action in accordance with the ICAC Act
- overseeing and managing organisational priorities and good corporate governance, including setting internal policies
- implementing and managing the Office of the ICAC's risk management framework
- reviewing and implementing recommendations from oversight bodies, such as the Audit, Risk and Compliance Committee (ARCC) and from external stakeholders, including the Inspector of the ICAC, the Auditor-General and the Standing Committee on the ICAC
- creating and maintaining a safe workplace
- leading and fostering a positive organisational culture
- assisting with any other matters determined by the ICAC.

The Executive Committee met 50 times during the year and had the following members at 30 June 2024.

Table 11: Executive Committee members at 30 June 2024

Position	Role	Name
Acting Independent Commissioner Against Corruption	Key decision maker	Naomi Loudon
Director Corporate Services	Chairperson	Kathryn Clet
General Counsel	Member	Tiarni McNamee
Director Operations	Member	Jason Blake
Director Strategic Intelligence and Reviews	Member	Anna Collins
Director Prevention and Engagement	Member	Vacant
Executive Officer	Secretariat	Tahlia Cameirao

Audit, Risk and Compliance Committee (ARCC)

The ARCC provides independent advice, assurance and assistance to the ICAC in the areas of financial management, statutory reporting, internal control systems, risk management systems, and internal and external audit.

The ARCC met 4 times during the year.

The ARCC acts within its authority on behalf of the ICAC to:

- monitor the Office of the ICAC’s risk registers, risk appetite statements and provide advice to the ICAC on management of risk within the office

- oversee the development and implementation of the Internal Audit Plan linked to the office’s risk registers
- review internal and external audit reports and oversee implementation of recommendations
- review public accountability disclosures, including financial and performance information in the office’s annual report, in line with legislative requirements.

Table 12: ARCC members at 30 June 2024

Position	Role	Name
External member	Chairperson	Andrew Richardson
Director Strategic Intelligence and Reviews	Member	Anna Collins
Director Corporate Services	Member	Kathryn Clet
Senior Strategic Intelligence Analyst	Member	Eric Vo
Communications and Engagement Officer	Member	Barbara Beamsley
Operations Officer	Member	Emily Bix
Senior Finance and Governance Officer	Secretariat	Monica Lin

Internal audit function

Three internal audits were completed as at 30 June 2024 in accordance with the Office of the ICAC's Internal Audit Plan.

Table 13: Audit results

Internal audit: Review and objective	Completed	Summary of audit: Review findings	Office of the ICAC response and action
Value for Territory (VFT) audit 2024 Objective: To evaluate whether the office complied with the procurement framework to meet the requirements of the VFT assurance program for the period 1 January 2023 to 3 December 2023.	March 2024	There was no non-compliance identified during the review of the procurement samples tested.	No further action required.
Recruitment and Commencement Policy and Cessation Policy review Objective: Conduct a review of the office's compliance with the above policies for the activities in the period 1 January 2023 to 31 December 2023.	May 2024	A total of 9 instances of non-compliance findings were identified for the 5 employee recruitment and commencement samples that were tested. A total of 4 non-compliance findings were identified for the 5 employee cessation samples that were tested against the Cessation Policy.	Recommendations for improvement were noted and the office will review its existing policies and procedures to align with these.
Strategic risk register key controls internal audit Objective: Conduct an internal audit to review the performance of the office's key controls on its strategic risk register for the period 1 January 2023 to 31 December 2023.	June 2024	Observations and recommendations were made after reviewing the Office of the ICAC's 10 strategic risks, including confirming the risk rating assessment for 7 risks and re-assessing the rating of the other 3 risks after considering the effectiveness of controls.	Recommendations for improvement were noted and the office will review its existing strategic risk register and consider appropriate actions to take.

External oversight

Standing Committee on the ICAC

The Standing Committee on the ICAC was established in February 2020 by the Legislative Assembly.

The functions of the Standing Committee on the ICAC are to:

- perform the functions of the Assembly Committee under the ICAC Act
- examine each annual report of the ICAC and the Inspector of the ICAC under sections 128 and 137 of the ICAC Act
- report to the Legislative Assembly on matters relating to tabled reports that have been referred to the Assembly by the ICAC under sections 53 and 54 of the ICAC Act
- examine trends in similar bodies in Australia and internationally, including trends in legislation and administration of these bodies, to ensure the Office of the ICAC remains fit for purpose.

The Standing Committee on the ICAC had the following members at 30 June 2024.

Table 14: Standing Committee on the ICAC members at 30 June 2024

Role	
Chair	Mrs Nicole Manison MLA
Member	Mr Paul Kirby MLA
Member	Ms Marie-Clare Boothby MLA
Member	Mr Gerard Maley MLA

The Standing Committee did not meet with the ICAC during the reporting period.

Inspector of the ICAC

Mr Bruce McClintock SC is the Inspector of the ICAC after being re-appointed to the role in November 2023 for a term of 5 years. The Inspector is an independent officer and provides oversight of the ICAC by delivering the following functions:

- evaluating the ICAC's performance and reporting on the evaluation to the ICAC Minister (the Chief Minister) and the Legislative Assembly
- receiving and dealing with complaints about the ICAC or ICAC staff members
- making recommendations to the ICAC (or other public bodies) in relation to practices and procedures concerning performance of the functions under the ICAC Act.

In order to perform these functions, the Inspector is entitled to full and free access to Office of the ICAC premises and all items in the possession or control of the Office of the ICAC. The ICAC and Office of the ICAC staff members are obligated to provide reasonable assistance to the Inspector.

The Inspector issued his annual report pursuant to sections 136 and 137 of the ICAC Act and tabled this report to Parliament in September 2023. Any recommendations resulting from an investigation from the Inspector are actioned by the Executive Committee and monitored by the Office of the ICAC's ARCC.

Details of how to contact the Inspector of the ICAC are on the Office of the ICAC internet site.

Auditor-General

The Auditor-General's role is to audit the public account under the *Audit Act 1995* and to report to the Legislative Assembly at least once each year.

As the Office of the ICAC's operational account is included in the public account and it is considered an agency under the Administrative Arrangements Order, the office is required to comply with the requirements of the *Financial Management Act 1995*.

Table 15 summarises audits and other reviews conducted on the Office of the ICAC by the Auditor-General during 2023-24.

Table 15: Audits and other reviews conducted by the Auditor-General

External audit: Review and objective	Completed	Summary of audit: Review findings	Office of the ICAC response and action
End-of-year review for the year ending 30 June 2023 Objective: Assess the adequacy of selected aspects of end-of-financial-year controls over reporting, accounting and material financial transactions and balances, with the primary purpose of providing support to the audit of the Treasurer's annual financial statement.	August 2023	The accounting and control procedures examined in relation to end-of-financial-year processing were found to be generally satisfactory.	No further action required.
Agency compliance audit 2023 Objective: Audit of selected aspects to test whether internal control systems include necessary features to ensure compliance with mandated legislation, in particular the <i>Financial Management Act 1995</i> , Treasurer's Directions, and the Procurement Governance Policy and Rules.	March 2024	In general, the accounting and control procedures examined provide reasonable assurance that the responsibilities of the Accountable Officer will be met if those systems continue to operate in the manner identified in the audit. One minor matter in relation to invoices paid outside of the 20-day payment policy was raised.	The office will continue to monitor its invoice processing times.

Financial management

During 2023-24, the Office of the ICAC achieved a net deficit of \$396,000, compared to a net surplus of \$93,000 in the previous financial year. The office's total expenses for the year were \$6.090 million, which was \$123,000 less than the original budget for the year.

Further detail about the Office of the ICAC's financial management is included in the financial statement section of this annual report.

Procurement

The Office of the ICAC continued to follow and improve on its Agency Procurement Management Plan and any planned significant procurement will be reported as identified.

In accordance with section 5(2) of the *Procurement Act 1995*, the office is exempt from the need to comply with the *Procurement Act 1995* in relation to the acquisition of investigative, legal or audit services.

From 1 July 2023 to 30 June 2024, the Office of the ICAC awarded 2 contracts in tiers 2 to 5 procurement activities that do not fall under section 5(2) of the *Procurement Act 1995*. Neither of the 2 contracts were awarded to a registered Aboriginal Business Enterprise.

The office did not receive any procurement-related complaints for the period 1 July 2023 to 30 June 2024.

Human resources

The Office of the ICAC had staff of 21.2 FTE at the last pay period in 2023-24, compared to 25.8 FTE in 2022-23. The staff separation rate was 26.88% in 2023-24, compared to 34.01% in 2022-23. Separation rate, also known as staff turnover, is calculated based on the number of employees who have left the NTPS (voluntarily and non-voluntarily) as a percentage of the total average headcount for the reporting period.

The separation rate also includes any employee who transfers out of their nominal position in the Office of the ICAC permanently.

The Office of the ICAC is committed to being an agency of choice within the NTPS and aims to promote a culture of continuous improvement, employee wellbeing, collaboration and innovation. The office supports staff who apply for flexible work arrangements that may include:

- averaging hours arrangements
- individual flexible work agreement
- career breaks
- part-time employment contracts
- job-share arrangements
- home-based work agreements
- transition to retirement
- accessing recreation leave at half pay
- purchase of additional leave
- cultural leave.

Staff training and development

Learning and development opportunities are available to all staff and provided in accordance with their professional development plan (PDP).

The Office of the ICAC has a training plan that caters for employees' wellbeing, leadership skills, emotional intelligence and the technical operational training required to be successful in their roles. The office provides staff with development opportunities both within and outside the office to support their career progression and enhance their skills and qualifications.

Office of the ICAC staff members are supported from commencement and continuously offered the tools and resources required to conduct their roles effectively and safely.

For the 2023-24 financial year, the Office of the ICAC provided or supported the following training opportunities to staff.

Induction and corporate training

- Office induction
- Office of the ICAC information session
- Recruitment update
- Introduction to ICAC and mandatory reporting
- OneNTG Essential Training:
 - Online Orientation
 - Foundational Cross Cultural Training
 - Code of Conduct
 - Appropriate workplace behaviours online
 - Regional and Remote Orientation
- Across-government systems training (as required for their roles):
 - NTG Pay – New functions and workflows
 - NTG Pay User – Agency administrators
 - Content Manager (TRM) Introduction
 - Content Manager (TRM) Training Refresher
 - TRM Intensive Training
 - NT Government Records Management
 - NT Government Records Security
 - Corporate Travel Management
 - CTM portal - Travel Administrators training
 - MyLearning Basics: Course Administration Training
 - Emotional Quotient and Resilience Training
 - HR Services Portal Information Session
 - NTG Pay Introduction
 - NTG Pay Invoicing

- Procurement:
 - Module 1: Introduction to Procurement
 - Module 2: Introduction to Procurement Planning
 - Module 3: Introduction to Sourcing
 - Module 4: Introduction to Contract Management
 - Module 5: How to write a scope of requirement document for procurement activities
 - Module 6: Guidance on undertaking tender assessments and selecting the best supplier
 - Certificate IV in Procurement
 - TRAX Introduction

Operational training

- Court Jurisdiction
- Criminal Code amendments Part 1
- Criminal Code Amendments Part 2
- Red Flags in Corruption
- Directions and Guidelines for the receipt of voluntary protected communications
- Health and Community Services Complaints Commission presentation
- Anti-Discrimination Commissioner presentation
- NT Regional Commissioner, ASIC
- Role of the Solicitor General
- *Fair Work Act 2009* (Cth) recent amendments

Health and wellbeing

- Work Health and Safety
- Emergency Procedures Training Drill

Leadership and development

- Performance Management - Managers and Supervisors
- Finance for Cost Centre Managers
- Merit Selection Training Online

Employee demographics

Figure 9: Number of FTE by classification as at the final pay period (pay 26)

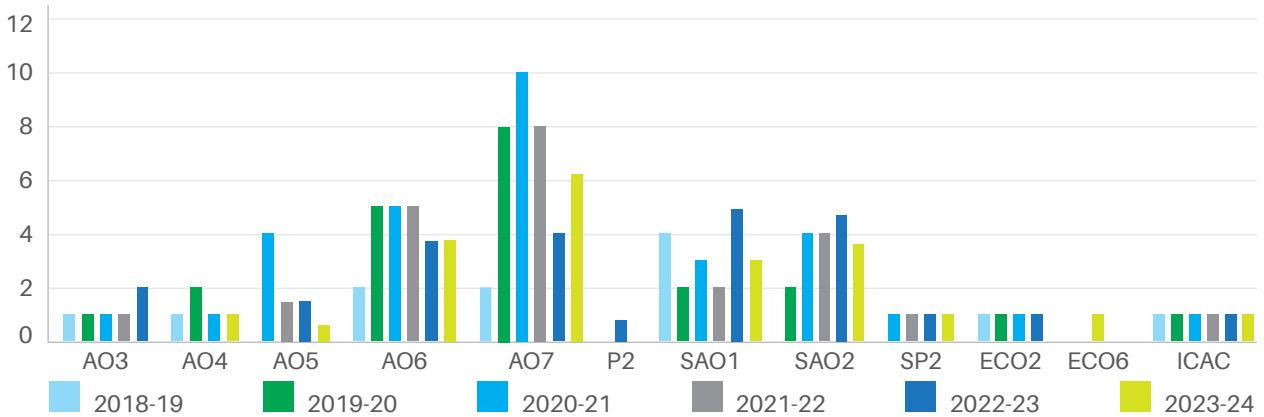
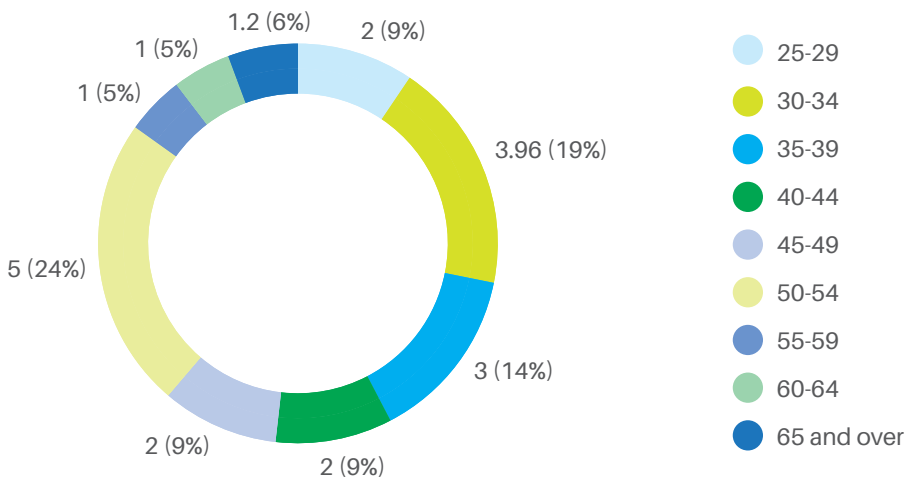


Table 16: Classification of headcount, level and gender, as at the final pay period in 2023-24 (pay 26)

Paid Classification Code	Female	Male	Total
Administrative Officer 4 (AO4)	1	0	1
Administrative Officer 5 (AO5)	1	0	1
Administrative Officer 6 (AO6)	3	1	4
Administrative Officer 7 (AO7)	5	2	7
Senior Administrative Officer 1 (SAO1)	1	2	3
Senior Administrative Officer 2 (SAO2)	3	1	4
Senior Professional 2 (SP2)	1	0	1
Executive Contract Officer 6 (ECO6)	1	0	1
ICAC	0	1	1
Total	16	7	23

Figure 10: Age profile by percentage as at the final pay period in 2023-24 (pay 26)



Compliance with PSEMA

Under PSEMA, the Office of the ICAC is required to report on the extent to which the public sector principles have been upheld during the financial year.

Table 17: Office of the ICAC compliance with public sector principles

Public sector principle	Actions taken by the Office of the ICAC during the year
Administration Management Principle (PSEMA section 5B)	The office has developed internal policies and procedures to guide effective, efficient and appropriate use of public resources. These policies and procedures provide guidance to staff and promote the office's guiding principles of integrity, fairness, public interest, courage, accountability and independence.
Human Resource Management Principle (PSEMA section 5C)	The office values and embraces diversity, demonstrated by its current staff members who work collaboratively and treat each other fairly, reasonably and respectfully. Employment activities are based on merit, and the office supports equality of employment opportunities by ensuring staff members are informed as these opportunities arise.
Merit Principle (PSEMA section 5D)	All recruitment activities undertaken by the Office of the ICAC are based on the merit principle – that is, employment, promotion or transfer of an employee must be based solely on the person's suitability.
Equality of Employment Opportunity Principle (PSEMA section 5E)	The office supports all staff members and ensures they have equal opportunity to compete for employment, promotion and transfer, and to pursue careers within the public sector. Professional development and training opportunities are offered in accordance with an approved PDP for each staff member.
Performance and Conduct Principle (PSEMA section 5F)	Prior to commencement with the Office of the ICAC, and on an annual basis, all staff must declare they have read and understood the office's conflict of interest policy and are required to provide a conflict of interest declaration for any work they are involved in that presents an actual, potential or perceived conflict of interest. All staff are advised of the Code of Conduct that applies to all NT Government employees and must be adhered to in the course of their employment. An Office of the ICAC Appropriate Workplace Behaviour Policy exists to promote a respectful working environment.

Employment Instructions are the rules issued by the NT Commissioner for Public Employment to provide direction to agencies on applying the PSEMA and Regulations. The Office of the ICAC's performance against each Employment Instruction (EI) is reported in Table 18.

Table 18: Office of the ICAC compliance with Employment Instructions

Employment Instruction	Action
Filling vacancies	The Office of the ICAC ensures all members of a selection panel have completed the Merit Selection training and that the recruitment process is undertaken in accordance with EI1 and the NTPS Recruitment and Selection Policy.
Probation	The office has probation guidelines consistent with PSEMA. Managers discuss the probation process with new employees during their induction to the office.
Natural justice	The principle of natural justice is reflected in the Office of the ICAC guidelines for staff, policies and procedures, and is adhered to in dealings with staff.
Employee performance management and development systems	PDPs are used as part of the performance management process in the Office of the ICAC. The PDP is completed as a 12-month cycle, with a mid-cycle review for all permanent staff. 100% of eligible employees had a PDP in place.
Medical examinations	There were no requests for medical examination issued by the ICAC during 2023-24.
Performance and inability	The Office of the ICAC uses the information provided on the Office of the Commissioner for Public Employment (OCPE) website for performance and inability matters. The Corporate Services Unit supports managers dealing with under-performance issues.
Internal agency complaints and section 59 grievance reviews	The office has an internal grievance policy and procedure available to all staff.
Employment records	Secure storage and disposal of employee records is ensured in accordance with the <i>NTPS Organisations Records and Information Management Standards and the Information Act 2002</i> .
Equality of employment opportunity programs	The Office of the ICAC is supportive of a diverse workforce and adheres to the Disability Employment Strategy 2019-2023. The office has also commenced drafting an Aboriginal Employment Strategy.
Occupational health and safety standards programs	The Office of the ICAC has a WHS Management Plan that outlines the ICAC's commitment to implementation of a safe working environment in accordance with the <i>Work Health and Safety (National Uniform Legislation) Act 2011</i> .
Code of conduct	The NTPS Code of Conduct is included in the induction pack for all Office of the ICAC employees. Managers must ensure employees adhere to the standards of conduct required.

Employment Instruction	Action
Appropriate workplace behaviours	The Office of the ICAC promotes a respectful working environment. Its Appropriate Workplace Behaviour Policy provides guidance on what is considered appropriate workplace behaviour and the process for dealing with inappropriate behaviour in the workplace. The ICAC has also issued guidelines for staff in accordance with section 129 of the ICAC Act, which includes the expectation to act consistently with the office's guiding principles of integrity, fairness, public interest, courage, accountability and independence.
Redeployment and redundancy procedures	There were no instances of redeployment or redundancy in the reporting period.
Special measures	The Office of the ICAC updated its special measures plan that provides priority consideration to eligible First Nations people applying for positions. This applies to all recruitments.

Freedom of information

The Office of the ICAC continues to work in compliance with the *Information Act 2002*.

The *Information Act 2002* deals with laws relating to freedom of information (FOI), privacy and records management. It also establishes the framework by which the office collects and handles personal information.

Operational information is exempt from certain disclosures under section 44 of the *Information Act 2002*.

Requests to access information that is not exempt under section 44, and requests to correct personal information held by the office may be made through contacting ICAC.NT@icac.nt.gov.au.

Table 19 shows requests for information received over the last 2 financial years.

Table 19: FOI applications received in the last two financial years

Type of application	2022-23	2023-24
Applications carried over from previous year	-	-
Applications finalised	-	6
Applications transferred	-	-
Applications carried forward into the following year	-	-
Total applications received	-	6

Work health and safety (WHS)

The Office of the ICAC provides and maintains a safe and healthy environment for staff, contractors and visitors in accordance with the *Work Health and Safety (National Uniform Legislation) Act 2011* and associated regulations.

WHS strategies the office has employed include:

- promoting WHS policy and procedures, including during induction of new staff
- maintaining a dedicated system to report incidents, near-misses and hazards
- regular safety inspections of office premises
- ensuring WHS matters and staff wellbeing are a standing agenda item in weekly Executive Committee meetings
- maintaining a WHS risk register
- providing WHS awareness training for all staff and managers, including first aid and fire warden training.

There were no WHS incidents reported during 2023-24 that needed to be addressed by the office.

Staff wellbeing is a priority. In addition to staff training, staff members are also provided with:

- access to employee assistance programs
- ergonomic assessments
- access to flu vaccinations
- flexible working arrangements
- dedicated and accredited mental health first aid officers.

SAFETY awareness and training



Staff WELLBEING



FLEXIBLE work arrangements

- averaging hours
- part-time employment
- home-based work
- recreation leave at half-pay
- individual flexible work agreements



Financial statement overview

For the year ended 30 June 2024

The Independent Commissioner Against Corruption (ICAC) has been established under the *Independent Commissioner Against Corruption Act 2017* with functions designed to prevent and deal with improper conduct in public administration. The ICAC is supported by staff in the Office of the ICAC. The ICAC is the Chief Executive Officer of the Office of the ICAC.

During the 2023-24 financial year, the Office of the ICAC achieved a net deficit of \$396,000, compared to a net surplus of \$93,000 in the previous financial year.

Total income decreased by \$548,000, or 9% compared to last financial year, with total expenses also decreasing slightly by \$59,000, or 1%.

Summary of operating result

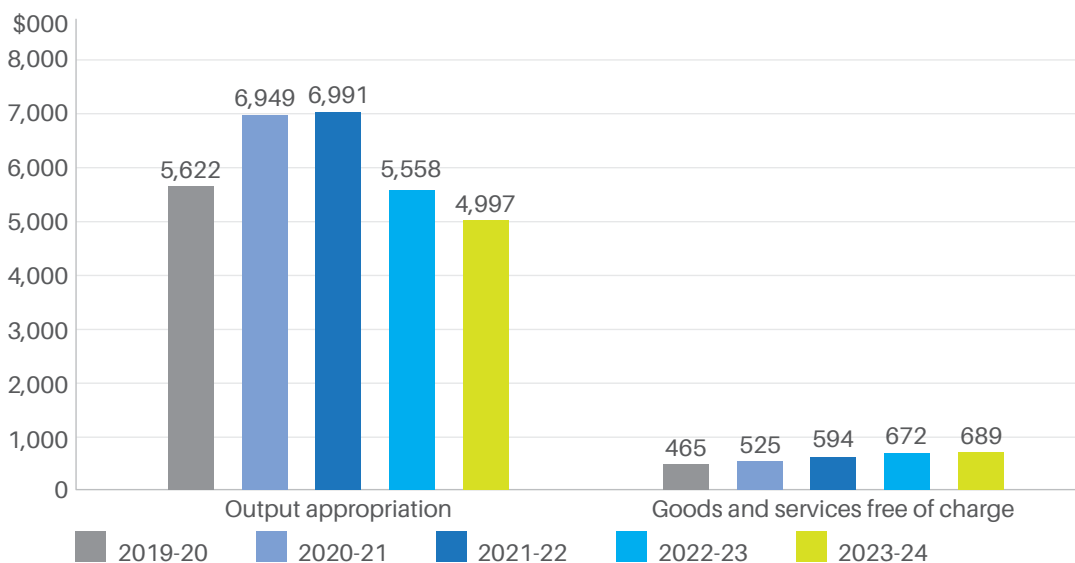
	2023-24	2022-23	Difference
Total income	\$000	\$000	\$000
Total expenses	5,694	6,242	(548)
Net surplus (deficit)	(396)	93	(489)

Income

The Office of the ICAC's primary source of income is from output appropriation, which was \$4.997 million in 2023-24, a reduction of 10% from the previous financial year. The reduction in 2023-24 is mainly due to the variations in additional funding approved in the 2020 Budget.

Notional revenue from goods and services received free of charge is higher by \$17,000 compared to last year. This follows a similar trend of goods and services received free of charge gradually increasing each year. Figure 11 shows the income types received by the Office of the ICAC over the last 5 financial years.

Figure 11: Income comparison by year (\$000)



Expenses

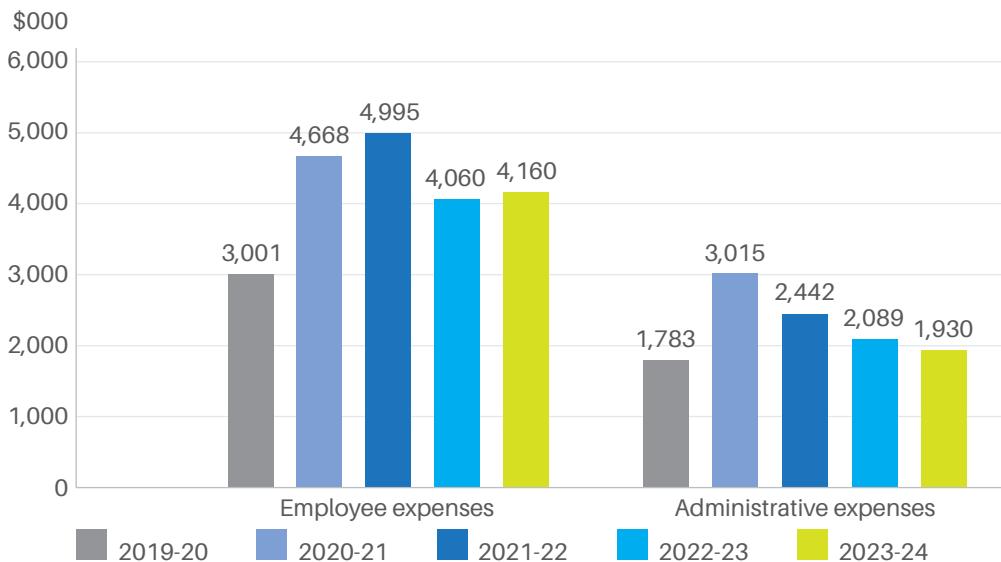
Employee expenses in 2023-24 increased by \$100,000 from last year despite vacancies in positions faced during the year. This was a result of salary increases of 2% due to an enterprise bargaining agreement that affects the majority of the Office of the ICAC staff, and higher duties allowances paid to staff members acting in higher roles due to other staff being on leave.

However, administrative expenses decreased by \$159,000 to accommodate the reduction in output appropriation funding for the year.

The 2023-24 financial year resulted in a decrease in consultant fees, legal expenses, and training and study compared to the previous financial year. This information can also be found in Financial Statements Note 10 – Purchases of Goods and Services.

Figure 12 shows the trend in expenditure spending by the Office of the ICAC over the last 5 financial years. Administrative expenses are directly affected by the available funding during the year and show a similar trend (refer to output appropriation trend in Figure 11).

Figure 12: Expenses comparison by year (\$000)



Financial position

The Office of the ICAC had a decrease of \$1.7 million in its total assets during the 2023-24 financial year, which was primarily the result of \$2 million being transferred to the Central Holding Authority to assist with across-government liquidity requirements.

Total liabilities lessened by \$149,000, primarily due to lower employee benefits provisions relating to recreational leave because of staff members taking adequate leave during the year. The office's total cash balance as at 30 June 2024 was \$1.291 million, which is sufficient to continue to meet its liabilities.

Summary of financial position

	2023-24	2022-23	Difference
	\$000	\$000	\$000
Total assets	3,671	5,382	(1,711)
Total liabilities	(736)	(885)	(149)
Net assets	2,935	4,497	(1,562)

Certification of the financial statements

We certify that the attached financial statements for the Office of the Independent Commissioner Against Corruption have been prepared based on proper accounts and records in accordance with Australian Accounting Standards and with the requirements as prescribed in the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2024 and the financial position on that date.

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



Naomi Loudon

Acting Independent Commissioner Against Corruption

29 August 2024



Kathryn Clet

Director Corporate Services

29 August 2024

Comprehensive operating statement

For the year ended 30 June 2024

	Note	2023-24	2022-23
		\$000	\$000
INCOME			
Grants and subsidies revenue			
Current	4	5	-
Appropriation			
Output	5	4,997	5,558
Goods and services received free of charge	6	689	672
Gain on disposal of assets	7	3	-
Other income	8	-	12
TOTAL INCOME	3	5,694	6,242
EXPENSES			
Employee expenses	9	4,160	4,060
Administrative expenses			
Purchases of goods and services	10	861	1,099
Property management		54	45
Depreciation and amortisation	14,16	326	273
Other administrative expenses ¹	6	689	672
TOTAL EXPENSES	3	6,090	6,149
NET SURPLUS/(DEFICIT)		(396)	93
TOTAL OTHER COMPREHENSIVE INCOME		(396)	93

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

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

Balance sheet

As at 30 June 2024

	Note	2023-24	2022-23
		\$000	\$000
ASSETS			
Current assets			
Cash and deposits	12	1,291	3,673
Receivables	14	223	60
Total current assets		1,514	3,733
Non-current assets			
Property, plant and equipment	15, 20	2,115	1,565
Intangibles	17, 20	42	84
Total non-current assets		2,157	1,649
TOTAL ASSETS		3,671	5,382
LIABILITIES			
Current liabilities			
Payables	18	193	255
Provisions	19	543	630
Total current liabilities		736	885
TOTAL LIABILITIES		736	885
NET ASSETS		2,935	4,497
EQUITY			
Capital		1,069	2,235
Accumulated funds		1,866	2,262
TOTAL EQUITY		2,935	4,497

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

Statement of changes in equity

For the year ended 30 June 2024

	Note	Equity at 1 Jul	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 Jun
		\$000	\$000	\$000	\$000
2023-24					
Accumulated funds		2,262	(396)	-	1,866
Total accumulated funds		2,262	(396)	-	1,866
Capital – transactions with owners					
Equity injections					
Equity transfers in		2,235	-	834	3,069
Other equity injections		50	-	-	50
Equity withdrawals					
Capital withdrawal		(50)	-	(2,000)	(2,050)
Total capital – transactions with owners		2,235	-	(1,166)	1,069
Total equity at end of financial year		4,497	(396)	(1,166)	2,935
2022-23					
Accumulated funds		2,169	93	-	2,262
Total accumulated funds		2,169	93	-	2,262
Capital – transactions with owners					
Equity injections					
Equity transfers in		2,235	-	-	2,235
Other equity injections		50	-	-	50
Capital withdrawal					
		(50)	-	-	(50)
Total capital – transactions with owners		2,235	-	-	2,235
Total equity at end of financial year		4,404	93	-	4,497

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

Cash flow statement

For the year ended 30 June 2024

	Note	2023-24	2022-23
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Grants and subsidies received			
Current	4	5	
Appropriation received			
Output	5	4,997	5,558
Receipts from sales of goods and services		93	111
Total operating receipts		5,095	5,669
Operating payments			
Payments to employees		4,256	(4,116)
Payments for goods and services		1,221	(1,267)
Total operating payments		5,477	(5,383)
Net cash from/(used in) operating activities	12	(382)	286
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing payments			
Equity withdrawals		(2,000)	-
Total financing payments		(2,000)	-
Net cash from/(used in) financing activities	12	(2,000)	-
Net increase/(decrease) in cash held		(2,382)	286
Cash at beginning of financial year		3,673	3,387
CASH AT END OF FINANCIAL YEAR	11	1,291	3,673

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

Index of notes to the financial statements

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1. Objectives and funding

The Office of the ICAC's mission is to support and improve integrity in NT public administration through the discharge of statutory functions to achieve the highest standards of integrity in NT public administration.

The Office of the ICAC is predominantly funded, and therefore dependent, on the receipt of parliamentary appropriations. The financial statements encompass all funds through which the office controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the office are summarised into 2 output groups. Note 3 provides summarised financial information in the form of a comprehensive operating statement by output group.

2. Statement of significant accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer's Directions. The *Financial Management Act 1995* requires the Office of the ICAC to prepare financial statements for the year ended 30 June, based on the form determined by the Treasurer. The form of agency financial statements should include:

- a) a certification of the financial statements
- b) a comprehensive operating statement
- c) a balance sheet
- d) a statement of changes in equity
- e) a cash flow statement
- f) applicable explanatory notes to the financial statements.

b) Basis of accounting

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

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

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

Standards and interpretations effective from 2023-24 financial year

Several amendments and interpretations have been issued that apply to the current reporting period but are considered to have no or minimal impact on public sector reporting.

Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2023-24 financial year.

Several amendments interpretations have been issued that apply to future reporting periods but are considered to have no or minimal impact on public sector reporting.

c) Reporting entity

The financial statements cover the Office of the ICAC as an individual reporting entity.

The Office of the ICAC is an NT department established under the *Interpretation Act 1978* and Administrative Arrangements Order.

The principal place of business of the Office of the ICAC is:

Level 7, 9 Cavenagh Street
Darwin, NT 0801.

d) Agency and Territory items

The financial statements of the Office of the ICAC include income, expenses, assets, liabilities and equity over which the office has control (agency items) and is able to utilise to further its own objectives. Certain items, while managed by the Office of the ICAC, are administered and recorded by the Territory rather than the Office of the ICAC (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

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

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

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

e) Comparatives

Where necessary, comparative information for the 2022-23 financial year has been reclassified to provide consistency with current year disclosures.

f) Presentation and rounding of amounts

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

g) Changes in accounting policies

There have been no changes to accounting policies adopted in 2023-24 financial year as a result of management decisions.

h) Accounting judgments and estimates

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

There were no material changes adopted during 2023-24.

i) Contributions by and distributions to government

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

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

3. Comprehensive operating statement by output group

	Note	Operations		Corporate and Shared Services		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
		\$000	\$000	\$000	\$000	\$000	\$000
INCOME							
Current	4	5	-	-	-	5	-
Appropriation							
Output	5	4,997	5,558	-	-	4,997	5,558
Goods and services received free of charge	6	-	-	689	672	689	672
Gain on disposal of assets	7	-	-	3	-	3	-
Other income	8	-	7	-	5	-	12
TOTAL INCOME		5,002	5,565	692	677	5,694	6,242
EXPENSES							
Employee expenses	9	3,487	3,611	673	449	4,160	4,060
Property management		9	8	45	37	54	45
Purchases of goods and services	10	706	922	155	177	861	1,099
Depreciation and amortisation	15, 17	4	3	322	270	326	273
Other administrative expenses ¹		-	-	689	672	689	672
TOTAL EXPENSES		4,206	4,544	1,884	1,605	6,090	6,149
NET SURPLUS/(DEFICIT)		796	1,021	(1,192)	(928)	(396)	93
COMPREHENSIVE RESULT		796	1,021	(1,192)	(928)	(396)	93

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

4. Grants and subsidies revenue

	2023-24			2022-23		
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Current grants	-	5	5	-	-	-
Total grants and subsidies revenue	-	5	5	-	-	-

Grants revenue is recognised at fair value exclusive of GST.

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the Office of the ICAC to transfer goods or services to the grantor or a third party beneficiary, the transaction is accounted for under AASB 15 as revenue from contracts with customers. In this case, revenue is initially deferred as unearned contract revenue liability. Other liabilities, when received in advance and recognised as or when the performance obligations are satisfied.

The Office of the ICAC has adopted a low-value contract threshold of \$50,000 (excluding GST) and recognises revenue from contracts with a low value, upfront on receipt of income.

5. Appropriation

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

	2023-24			2022-23		
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Output	-	4,997	4,997	-	5,558	5,558
Commonwealth	-	-	-	-	-	-
Total appropriation in the operating statement	-	4,997	4,997	-	5,558	5,558

Appropriation recorded in the cashflow statement includes capital appropriation and Commonwealth capital appropriation received for the delivery of assets to be retained by the office. The Office of the ICAC did not receive capital appropriation or Commonwealth capital appropriation in 2023-24 or 2022-23.

Output appropriation is the operating payment to each agency for the outputs they provide as specified in the *Appropriation (2023-2024) Act 2023*. It does not include any allowance for major non-cash costs, such as depreciation. Output appropriations do not have sufficiently specific performance obligations and are recognised on receipt of funds.

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

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

Summary of changes to budget appropriations

The following table presents changes to budgeted appropriations authorised during the current financial year, together with explanations for significant changes. It compares the amounts originally identified in the *Appropriation (2023-2024) Act 2023* with revised appropriations as reported in 2024-25 Budget Paper No. 3 Agency Budget Statements and the final end-of-year appropriation.

The changes within this table relate only to appropriation and do not include agency revenue (for example, goods and services revenue and grants received directly by the agency) or expenditure. Refer to Note 25 Budgetary information for detailed information on variations to the agency's actual outcome, compared to budget for revenue and expenses.

	Original 2023-024 budget appropriation	Revised 2023-24 budget appropriation	Change to budget appropriation	Note	Final 2023-24 budget appropriation	Change to budget appropriation	Note
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Output	5,033	4,997	(36)	1	4,997	-	-
Total appropriation	5,033	4,997	(36)		4,997	-	

The variance relates to the transfer of appropriation to DCDD to cover the renewal of the office space lease for Level 8 of the building.

6. Goods and services received free of charge

	2023-24	2022-23
	\$000	\$000
Goods and services received free of charge		
Corporate and information services	682	664
Repairs and maintenance	7	8
Total goods and services received free of charge	689	672

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

Repairs and maintenance expenses incurred on the Office of the ICAC's assets and costs associated with administration of these expenses are centralised and in DIPL on behalf of the office, and form part of goods and services received free of charge by the office.

In addition, the following corporate services staff and functions are centralised and provided by DCDD on behalf of the office and form part of goods and services received free of charge by the office:

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

7. Gain on disposal of assets

	2023-24	2022-23
	\$000	\$000
Gain on disposal of assets		
Proceeds from sale of minor assets	3	-
Total gain on disposal of assets	3	-

8. Other income

	2023-24			2022-23		
	Revenue from contracts with customers	Other	Total	Revenue from contracts with customers	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Miscellaneous revenue	-	-	-	-	12	12
Total other income	-	-	-	-	12	12

The Office of the ICAC did not receive other income in the 2023-24 financial year. Miscellaneous revenue from 2022-23 includes reimbursements from other agencies and refunds from suppliers for prior year expenses.

9. Employee benefits expense

	2023-24	2022-23
	\$000	\$000
Employee benefits expense		
Salaries and wages	3,484	3,455
Superannuation expenses	452	391
Long service leave	(2)	(5)
Fringe benefits tax	15	10
Payroll tax	211	209
Total employee benefits expense	4,160	4,060

The number of full-time equivalent (FTE) employees for 2023-24 was 21.2 (2022-23: 25.8 FTE).

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

The recognition and measurement policy for employee benefits is detailed in Note 18: Payables and Note 19: Provisions.

10. Purchases of goods and services

The net surplus/(deficit) has been arrived at after charging the following expenses:

	2023-24	2022-23
	\$000	\$000
GOODS AND SERVICES EXPENSES:		
Consultants ¹	61	211
Marketing and promotion ²	11	2
Document production	-	2
Legal expenses ³	132	221
Recruitment ⁴	37	41
Training and study	35	88
Official duty fares	40	36
Travelling allowance	11	8
Information technology charges and communications	311	311
Motor vehicle expenses	22	24
Other	201	155
Total purchases of goods and services	861	1,099

1. Includes marketing, promotion and IT consultants.

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

3. Includes legal fees, claim and settlement costs.

4. Includes recruitment-related advertising costs.

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

11. Write-offs, postponements, waiver, gifts and ex gratia payments

Write-off

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

The Office of the ICAC had no write-offs in 2023-24 and 2022-23.

Waiver

Waivers reflect the election to forego a legal right to recover public money or receive public property. Once agreed with and communicated to the debtor, a waiver will have the effect of extinguishing the debt and renouncing the right to any future claim on that public money or public property. Waivers result in no cash outlay and are accounted for under 'Current grants and subsidies expense' in the comprehensive operating statement.

The Office of the ICAC had no waivers in 2023-24 and 2022-23.

Postponement

A postponement is a deferral of a right to recover public money or receipt of public property from its due date. This has no effect on revenues or expenses recognised but may affect cash inflows or assets in use.

The Office of the ICAC had no postponements in 2023-24 and 2022-23.

Gift

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

No items were gifted by the Office of the ICAC in 2023-24.

In 2022-23, the office gifted 65 low-value assets with zero carrying values to the Independent Broad-based Anti-Corruption Commission (IBAC) in Victoria. This process occurred as the Office of the ICAC has no technical specialists to use the equipment following cessation of a consultancy contract with an external party. Gifting of these items was approved by the ICAC NT in accordance with the *Financial Management Act 1995*. The equipment was gifted to IBAC Victoria for IBAC's specialist support to the Office of the ICAC when required.

Ex gratia

Ex gratia payments or act-of-grace payments are gratuitous payments where no legal obligation exists. All ex gratia payments are approved by the Treasurer. Ex gratia payments result in cash outlay and are accounted for under 'Purchases of goods and services' in the comprehensive operating statement.

The Office of the ICAC had no ex gratia payments in 2023-24 and 2022-23.

12. Cash and deposits

	2023-24	2022-23
Cash at bank	\$000 1,291	\$000 3,673
Total cash and deposits	1,291	3,673

For the purposes of the balance sheet and the cash flow statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash.

13. Cash flow reconciliation

The total of Office of the ICAC 'Cash and deposits' of \$1.291 million recorded in the balance sheet is consistent with that recorded as 'Cash' in the cash flow statement.

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

	2023-24	2022-23
	\$000	\$000
Net surplus/(deficit)	(396)	93
Non-cash items:	-	-
Depreciation and amortisation	326	273
Changes in assets and liabilities:	-	-
Decrease/(increase) in receivables	(2)	13
Decrease/(increase) in prepayments	(160)	(10)
(Decrease)/increase in payables	(62)	54
(Decrease)/increase in provision for employee benefits	(77)	(70)
(Decrease)/increase in other provisions	(11)	(67)
Net cash from/(used in) operating activities	(382)	286

14. Receivables

	2023-24	2022-23
	\$000	\$000
Current		
GST receivables	12	10
Prepayments	211	50
Total receivables	223	60

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

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

Prepayments

Prepayments represent payments made in advance of receipt of goods and services. Prepayments are recognised on an accrual basis and amortised over the period in which the economic benefits from these assets are received.

15. Property, plant and equipment

a) Total property, plant and equipment

	2023-24	2022-23
	\$000	\$000
PLANT AND EQUIPMENT		
At fair value	3,138	2,304
Less: accumulated depreciation	(1,023)	(739)
Total property, plant and equipment	2,115	1,565

b) Reconciliation of carrying amount of property, plant and equipment

Property, plant and equipment includes right-of-use assets under AASB 16 Leases and service concession assets under AASB 1059. The Office of the ICAC did not have right-of-use assets and service concession assets in 2023-24 or 2022-23.

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

	Plant and equipment	
	2023-24	2022-23
	\$000	\$000
Carrying amount as at 1 July	1,565	1,797
Additions	-	-
Disposals	-	-
Additions/disposals from administrative restructuring	834	-
Additions/disposals from asset transfers	-	-
Depreciation/amortisation expense	(284)	(232)
Carrying amount as at 30 June	2,115	1,565

Acquisitions

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

Complex assets

Complex assets are physical non-financial assets capable of disaggregation into separate and identifiable significant components which have different useful lives. The components may be replaced during the useful life of the complex asset.

Construction (work in progress)

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

Revaluations and impairment

Revaluation of assets

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

- land
- buildings
- infrastructure assets

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

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

Impairment of assets

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

Materially significant non-financial assets are assessed for indicators of impairment annually. If any indicator of impairment exists, the Office of the ICAC determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

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

In certain situations, an impairment loss may subsequently be reversed. Impairment loss may only be reversed if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed the revised estimate of its recoverable amount, nor exceed the net carrying amount that would have been determined had not impairment loss been recognised for the asset in the prior years.

Where an asset is carried at a revalued amount, impairment reversal is recognised in the comprehensive operating statement as income to the extent that an impairment loss was previously recognised in the profit or loss, otherwise, impairment reversal results in an increase in the asset revaluation surplus.

Office of the ICAC property, plant and equipment assets were assessed for impairment as at 30 June 2024. No impairment adjustments were required as a result of this review.

Depreciation and amortisation expense

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

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

	2023-24	2022-23
Plant and equipment	5-10 years	5-10 years

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

16. Office as lessee

The Office of the ICAC leases car parking bays and a basement storage area that are considered short-term leases.

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

Inter-governmental leases

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

17. Intangibles

a) Total intangibles

	2023-24	2022-23
	\$000	\$000
Intangibles with a finite useful life		
Computer software		
Gross carrying amount	211	211
Less: accumulated amortisation	(169)	(127)
Carrying amount at 30 June	42	84
Total intangibles	42	84

The Office of the ICAC's intangibles relate to computer software. The office recognises intangible assets only if it is probable that future economic benefits will flow to the office and the costs of the asset can be measured reliably. Where an asset is acquired at no or nominal cost, the cost is the fair value as at the date of acquisition.

Intangible assets arising from configuration and customisation costs for an application software in a Software-as-a-Service (SaaS) arrangement are only recognised where the services create a separately identifiable software code from which the office has the power to both obtain the future economic benefits and restrict others' access to those benefits.

There is no active market for any of the Office of the ICAC's intangible assets. As such, intangible assets are subsequently recognised and carried at cost less accumulated amortisation and any accumulated impairment losses.

Intangibles with limited useful lives are amortised using the straight-line method over their estimated useful lives, which reflects the pattern of when expected economic benefits are likely to be realised.

The estimated useful lives for finite intangible assets are determined in accordance with the Treasurer's Directions and are determined as follows:

	2023-24	2022-23
Computer software	5 years	5 years

Intangible assets with finite useful life are assessed for indicators of impairment on an annual basis. If any indicator of impairment exists, the Office of the ICAC determines the asset's recoverable amount. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Office of the ICAC intangible assets were assessed for impairment as at 30 June 2024. No impairment adjustments were required as a result of this review.

b) Reconciliation of carrying amount of intangibles

	Computer software	
	2023-24	2022-23
	\$000	\$000
Intangibles with a finite useful life		
Carrying amount at 1 July	211	127
Additions	-	-
Disposals	-	-
Additions/disposals from administrative restructuring	-	-
Additions/disposals) from asset transfers	-	-
Amortisation	(169)	(43)
Carrying amount as at 30 June	42	84

18. Payables

	2023-24	2022-23
	\$000	\$000
Accounts payable	10	5
Accrued salaries and wages	82	90
Other accrued expenses	101	160
Total payables	193	255

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

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

19. Provisions

	2023-24	2022-23
	\$000	\$000
Current		
Employee benefits		
Recreation leave	397	468
Leave loading	41	46
Other current provisions		
Other provisions	105	116
Total provisions	543	630

Reconciliations of provisions (other than employee benefits)

	2023-24	2022-23
	\$000	\$000
Balance at 1 July	116	183
Additional provisions recognised	-	-
Reductions arising from payments	(11)	(67)
Balance at 30 June	105	116

Employee benefits

Provision for employee benefits include wages and salaries and recreation leave accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value of estimated future cash flows, calculated using the appropriate government bond rate and taking into consideration expected future salary and wage levels, experience of employee departures and periods of service.

All recreation leave is classified as a current liability.

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

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

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

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies, including the Office of the ICAC. Therefore, no long service leave liability is recognised within these financial statements.

The Office of the ICAC employed 21 employees as at 30 June 2024 (26 employees as at 30 June 2023). The number of the employees includes those who were on parental leave.

20. Fair value measurement

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

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

Observable inputs are publicly available data relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the Office of the ICAC include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments not available publicly but relevant to the characteristics of the assets and liabilities being valued. Such inputs include internal Office of the ICAC adjustments to observable data to take account of particular and potentially unique characteristics and functionality of assets and liabilities, and assessments of physical condition and remaining useful life.

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

- Level 1: Inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable.

The fair value of financial instruments is determined on this basis:

- The fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost.
- The fair value of derivative financial instruments is derived using current market yields and exchange rates appropriate to the instrument.

a) Fair value hierarchy

The Office of the ICAC does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.

This table presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total fair value	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets								
Plant and equipment (Note 15)	-	-	-	-	2,115	1,565	2,115	1,565
Intangibles (Note 17)	-	-	-	-	42	84	42	84
Total assets	-	-	-	-	2,157	1,649	2,157	1,649

There were no transfers between Level 1 and Levels 2 or 3 during the 2023-24 financial year.

b) Valuation techniques and inputs

The valuation technique used to measure fair value of the level 3 asset class, plant and equipment (Note 15), and intangibles (Note 17) in 2023-24 was the cost approach.

There were no changes in valuation techniques from 2022-23 to 2023-24.

c) Additional information for level 3 fair value measurements

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

	Plant and equipment	Intangible assets	Total
	\$000	\$000	\$000
2023-24			
Fair value as at 1 July	1,565	84	1,649
Additions	834		834
Disposals			
Transfers in/out			
Depreciation/amortisation	(284)	(42)	(326)
Fair value as at 30 June	2,115	42	2,157
2022-23			
Fair value as at 1 July	1,797	127	1,924
Additions			
Disposals			
Transfers in/out			
Depreciation/amortisation	(233)	(42)	(275)
Fair value as at 30 June	1,565	85	1,649

ii) Sensitivity analysis

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

21. Financial instruments

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

Financial assets and liabilities are recognised on the balance sheet when the Office of the ICAC becomes a party to the contractual provisions of the financial instrument. The office's financial instruments include cash and deposits, and payables.

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

The Office of the ICAC has limited exposure to financial risks.

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

a) Categories of financial instruments

The carrying amounts of the Office of the ICAC's financial assets and liabilities by category are disclosed in this table.

	Fair value through profit or loss		Amortised cost	Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value			
	\$000	\$000	\$000	\$000	\$000
2023-24					
Cash and deposits			1,291		1,291
Receivables ¹			223		223
Total financial assets			1,514		1,514
Payables ¹			10		10
Total financial liabilities			10		10
2022-23					
Cash and deposits			3,673		3,673
Receivables ¹					
Total financial assets			3,673		3,673
Payables ¹			5		5
Total financial liabilities			5		5

1. Total amounts disclosed here exclude statutory amounts, prepaid expenses and accrued contract revenue.

Categories of financial instruments

The Office of the ICAC's financial instruments are classified in accordance with AASB 9.

Financial assets are classified under the following categories:

- amortised cost
- fair value through other comprehensive income (FVOCI)
- fair value through profit and loss (FVTPL).

Financial liabilities are classified under the following categories:

- amortised cost
- fair value through profit and loss (FVTPL).

These classifications are based on the Office of the ICAC's business model for managing financial assets and the contractual terms of the cash flows. Where assets are measured at fair value, gains and losses will either be recorded in profit or loss, or other comprehensive income.

Financial instruments are reclassified when, and only when, the office's business model for managing those assets changes.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets at amortised cost

Financial assets are classified at amortised cost when they are held by the Office of the ICAC to collect the contractual cash flows, and the contractual cash flows are solely payments of principal and interest.

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

Financial assets at fair value through other comprehensive income

Financial assets classified at FVOCI are initially and subsequently recognised at fair value. Changes in the fair value are recognised in other comprehensive income, except for the recognition of impairment gains or losses and interest income, which are recognised in the operating result in the comprehensive operating statement. When financial assets are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the comprehensive operating statement.

For equity instruments elected to be categorised at FVOCI, changes in fair value recognised in other comprehensive income are not reclassified to profit or loss on derecognition of the asset. Dividends from such instruments continue to be recognised in the comprehensive operating statement as other income when the office's right to receive payments is established.

The Office of the ICAC does not have any financial assets under this category.

Financial assets at fair value through profit or loss

Financial assets classified at FVTPL are initially and subsequently recognised at fair value with gains or losses recognised in the net result for the year.

The Office of the ICAC does not have any financial assets under this category.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest rate method. The Office of the ICAC's financial liabilities categorised at amortised cost include all accounts payable.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified at FVTPL when the liabilities are either held for trading or designated as FVTPL. Financial liabilities classified at FVTPL are initially and subsequently measured at fair value with gains or losses recognised in the net result for the year.

For financial liabilities designated at FVTPL, changes in the fair value of the liability attributable to changes in the Office of the ICAC's credit risk are recognised in other comprehensive income, while remaining changes in the fair value are recognised in the net result.

The Office of the ICAC does not have any financial liabilities under this category.

Netting of swap transactions

The Office of the ICAC, from time to time, may facilitate certain structured finance arrangements, where a legally recognised right to set-off financial assets and liabilities exists, and the Territory intends to settle on a net basis. Where these arrangements occur, the revenues and expenses are offset and the net amount is recognised in the comprehensive operating statement.

The Office of the ICAC does not have any swap transactions to report under this category.

a) Credit risk

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

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

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

b) Liquidity risk

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

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

Maturity analysis for financial liabilities

2023-24	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
Liabilities					
Payables ¹	10	10	-	-	10
Total financial liabilities	10	10	-	-	10

1. Amounts disclosed exclude statutory amounts and accruals (such as Accountable Officer's Trust Account (AOTA), accrued expenses, unearned revenue and provisions), as these do not meet the definition of financial instrument and therefore amounts will not recognise the balance sheet.

2022-23	Carrying amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$000	\$000	\$000	\$000	\$000
Liabilities					
Payables ¹	5	5	-	-	5
Total financial liabilities	5	5	-	-	5

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

a) Market risk

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

i) Interest rate risk

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

The Office of the ICAC is not exposed to interest rate risk as its financial assets and financial liabilities are non-interest bearing.

ii) Price risk

The Office of the ICAC is not exposed to price risk as it does not hold units in unit trusts.

iii) Currency risk

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

The Office of the ICAC is not exposed to currency risk as it does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

22. Related parties

i) Related parties

The Office of the ICAC is a government administrative entity, established to assist the ICAC under the ICAC Act. Related parties of the office include:

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

This table shows the aggregate compensation of KMP of the Office of the ICAC.

	2023-24	2022-23
	\$000	\$000
Short-term benefits	742	728
Post-employment benefits	72	94
Long-term benefits	0	-
Termination benefits	0	-
Total remuneration of KMP	814	822

ii) Related party transactions

Transactions with NT Government-controlled entities

The Office of the ICAC's primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation.

ii) Key management personnel (KMP)

KMP of the Office of the ICAC are those persons having authority and responsibility for planning, directing and controlling the activities of the office. These include the ICAC and the Deputy Commissioner.

iii) Remuneration of KMP

The details below exclude the salaries and other benefits of the Minister for the Office of the ICAC 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 following table provides quantitative information about related party transactions entered into during the year with all other NT Government-controlled entities.

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$000	\$000	\$000	\$000
2023-24				
All NT Government departments	694	801	-	-
2022-23				
All NT Government departments	674	780	-	-

The Office of the ICAC's transactions with other government entities are not individually significant.

Other related party transactions

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

Outside normal citizen-type transactions with the NT Government, there were no related party transactions that involved KMP and their close family members.

23. Contingent liabilities and contingent assets

a) Contingent liabilities

The Office of the ICAC entered into contracts and agreements that contained indemnities. The contingent liabilities arising from these indemnities are unquantifiable and the likelihood of occurrence from these indemnities is considered low.

The contingent liabilities relating to any litigation matter are not disclosed on the basis that disclosure may adversely affect the outcome of any current or future litigation.

b) Contingent assets

The Office of the ICAC had no contingent assets as at 30 June 2024 or 30 June 2023.

24. Events subsequent to balance date

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

25. Budgetary information

The following tables present the variation between the 2023-24 original budgeted financial statements, as reported in 2023-24 Budget Paper No. 3 Office of the ICAC Budget Statements, and the 2023-24 actual amounts reported in the financial statements, together with explanations for significant variations.

The variations within these tables do not include changes to budgeted appropriations from 2023-24 original budget to 2023-24 final budget. Refer to Note 5a for summary changes to budget

Comprehensive operating statement	2023-24 Actual	2023-24 Original budget	Variance	Note
	\$000	\$000	\$000	
INCOME				
Grants and subsidies revenue				
Current	5	-	5	1
Appropriation			-	
Output	4,997	5,033	(36)	
Goods and services received free of charge	689	638	51	
Gain on disposal of assets	3	-	3	2
TOTAL INCOME	5,694	5,671	23	
EXPENSES				
Employee expenses	4,160	4,471	(311)	3
Administrative expenses			-	
Purchases of goods and services	915	833	82	
Repairs and maintenance	-	-	-	
Depreciation and amortisation	326	271	55	4
Other administrative expenses	689	638	51	
TOTAL EXPENSES	6,090	6,213	(123)	5
NET SURPLUS/(DEFICIT)	(396)	(542)	146	
COMPREHENSIVE RESULT	(396)	(542)	146	

Notes:

The following note descriptions relate to variances greater than 10% or \$100,000, or where multiple significant variances have occurred.

1. The variance relates to the receipt of delegate boosting funding for marketing activities related to hosting APSACC.
2. The variance relates to the sale of minor assets managed by the office by way of public auction.
3. The variance relates to several Operations and Legal positions being vacant during the year due to challenges in recruiting suitable applicants.
4. The variance relates to additional depreciation from the improvements in office fit-out during the year.
5. The variance primarily relates to underspend in employee expenses due to vacancies offset by higher than budgeted purchases of goods and services.

Balance sheet	2023-24 Actual	2023-24 Original budget	Variance	Note
	\$000	\$000		
ASSETS				
Current assets				
Cash and deposits	1,291	3,076	(1,785)	1
Receivables	223	63	160	2
Total current assets	1,514	3,139	(1,625)	
Non-current assets				
Property, plant and equipment	2,115	1,334	781	3
Intangibles	42	43	(1)	
Total non-current assets	2,157	1,377	780	
TOTAL ASSETS	3,671	4,516		
LIABILITIES				
Current liabilities				
Payables	193	201	(8)	
Provisions	543	768	(226)	4
Total current liabilities	736	969	(234)	
TOTAL LIABILITIES	736	969	(234)	
NET ASSETS	2,935	3,547		
EQUITY				
Capital	1,069	2,235	(1,166)	5
Reserves				
Accumulated funds	1,866	1,312	555	6
TOTAL EQUITY	2,935	3,547		

Notes:

The following note descriptions relate to variances greater than 10% or \$100,000, or where multiple significant variances have occurred.

1. The variance primarily relates to the transfer of \$2 million to the Central Holding Authority to assist with across government liquidity requirements.
2. The variance relates to recognition of prepayments relating to the APSACC conference.
3. The variance relates to capitalising the costs for improvements to the fit out completed during the financial year.
4. The variance relates to decrease in employee provisions due to decrease in the number of FTE staff at the end of the year (as compared to the budget).
5. The variance primarily relates to the equity withdrawal of \$2 million and transfer to the Central Holding Authority as mentioned above.
6. The variance primarily relates to lower than budgeted net deficit result of \$396,000 at the end of the reporting year and the net surplus result of \$93,000 from the 2022-23 financial year.

Cash flow statement	2023-24 Actual	2023-24 Original budget	Variance	Note
	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Grants and subsidies received				
Current	5		5	
Appropriation				
Output	4,997	5,033	(36)	
Receipts from sales of goods and services	93		93	
Total operating receipts	5,095	5,033	62	
Operating payments				
Payments to employees	4,256	4,471	(215)	1
Payments for goods and services	1,220	833	387	2
Total operating payments	5,476	5,304	172	
Net cash used in operating activities	(381)	(271)	110	
Financing payments				
Equity withdrawals	(2,000)		(2,000)	3
Total financing payments	(2,000)		(2,000)	
Net cash used in financing activities	(2,000)		(2,000)	
Net decrease in cash held	(2,381)	(271)	(2,110)	
Cash at beginning of financial year	3,673	3,347	326	
CASH AT END OF FINANCIAL YEAR	1,291	3,076	(1,785)	

Notes:

These note descriptions relate to variances greater than \$100,000 or where multiple significant variances have occurred.

1. The variance primarily relates to underspent in employee expenses due to challenges in several recruitment activities resulting in vacancies during the year for the Operations and Legal units of the office.
2. The variance relates to higher than budgeted payments for goods and services primarily for legal expenses, recruitment expenses and consultancies.
3. The variance relates to the transfer of \$2 million to the Central Holding Authority to assist with across government liquidity requirements.

Glossary

Abbreviation	Meaning
AASB	Australian Accounting Standards Board
AO	Administrative Officer (includes AO3, AO5 and AO6)
AOTA	Accountable Officer's Trust Account
APSACC	Australian Public Sector Anti-Corruption Conference
ARCC	Audit, Risk and Compliance Committee
BIITE	Batchelor Institute of Indigenous Tertiary Education
Budget Paper no. 3.	2023-24 Agency Budget Statements
CEO	Chief Executive Officer
Cth	Commonwealth
DCDD	Department of Corporate and Digital Development
DIPL	Department of Infrastructure, Planning and Logistics
ECO	Executive Contract Officer (includes ECO2 and ECO6)
EI	Employment Instruction
FOI	freedom of information
FTE	full-time equivalent
FVOCI	fair value through other comprehensive income
FVTPL	fair value through profit and loss
HR	human resources
IAP	Integrity Advocates Program
IBAC	Independent Broad-based Anti-Corruption Commission
ICAC	Independent Commissioner Against Corruption
ICAC Act	<i>Independent Commissioner Against Corruption Act 2017</i>
KMP	key management personnel
KPIs	key performance indicators
NACIN	National Anti-Corruption Investigation Network
NP	national partnership (payments)
NT	Northern Territory
NTPS	Northern Territory Public Sector
OCPE	Office of the Commissioner for Public Employment
the office	Office of the Independent Commissioner Against Corruption
PDP	professional development plan
PSEMA	<i>Public Sector Employment and Management Act 1993</i>
SaaS	Software as a Service
SAO	Senior Administrative Officer, (includes SAO1 and SAO2)
SP2	Senior Professional 2
SPPs	specific purpose payments
TRM	Territory Records Manager
VFT	Value for Territory
WCAG 2.0	World Wide Web Consortium's Web Content Accessibility Guidelines
WHS	work health and safety



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