

Annual Report 2021-22

**NT
BUILD**



Portable long service leave
Northern Territory construction industry





NT Build - portable long service leave

Annual Report 2021-22

Objective of the report

The objective of the report is to satisfy the requirements of section 68 of the *Construction Industry Long Service Leave and Benefits Act 2005* by presenting the Minister responsible for NT Build with a summary of the activities of the Board during the 2021-22 financial year.

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

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Letter to Minister

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

Dear Minister

RE: NT BUILD ANNUAL REPORT 2021-22

On behalf of the NT Build Board, I am pleased to present you with the NT Build Annual Report, for the year ended 30 June 2022.

The report details the activities and achievements of NT Build's construction industry portable long service leave scheme (the Scheme), during its seventeenth year of operation, and has been prepared in accordance with the provisions of Section 68 of the *Construction Industry Long Service Leave and Benefits Act 2005* (the CILSLB Act).

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

- proper accounts and records of the Board's transactions and financial affairs are kept and the financial statements included in this report have been prepared from proper accounts and records and are in accordance with the CILSLB Act;
- there are adequate controls over the incurring of the Board's liabilities;
- all payments out of the Board's money are correctly made and properly authorised;
- adequate control is maintained over the Board's property and property in the Board's custody, control and management;
- there is no indication of fraud, malpractice, major breach of legislation or delegation, or major error in or omission from the accounts and records; and
- all employment matters have been handled in accordance with *Public Sector Employment and Management Act 1993* and the CILSLB Act, as appropriate.

I further advise that in accordance with section 69 of the CILSLB Act, the Auditor-General has audited NT Build's financial statements for the year ended 30 June 2022 and her comments are contained in this report.

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

Yours sincerely



MICHAEL MARTIN OAM
Chairperson, NT Build Board

31 October 2022



Chairperson's Report

NT Build was not immune to broader global economic challenges occurring over the 2021-22 financial year and is reporting a significant loss of some \$15 million which requires comment. The loss is the result of negative returns in the financial markets as well as an increase in our long-term liabilities to pay long service leave to our members in the future. Nevertheless, NT Build still has a solid financial base with approximately \$100 million in financial assets and equity of some \$39 million. The investment strategy adopted by NT Build does recognise possible negative returns from time to time. As reported in previous years, the investment strategy used to invest NT Build's funds continues to be the major focus of the NT Build Board.

The NT Build Board will continue to assess the long term sustainability of the low current prescribed levy rate of 0.1% of a project's value. The Board continually examines its solvency rate, which remains sound, but has been impacted by the market loss. The Board continues to work with its actuary to monitor the sustainability of the fund and this involves a discussion on the levy rate, which is set by the Minister.

I am happy to report on the successful amendment to our Act to enable the 0.1% standard prescribed levy rate to apply to the first \$5 billion of major project costs, with the project specific levy mechanism only applying to the project cost exceeding this amount. This amendment allows transparency and certainty for the developers of major projects in relation to their liability and reduces administrative burden, consistent with Government's broader agenda to facilitate economic growth and create a competitive investment environment, characterised by certain and easy to navigate regulation. It was pleasing to note that the amendment was supported by all speakers during the debate, and the Scheme was praised for its contribution to the Territory's construction industry.

During the year, the Board was asked to make a submission to the Department of Treasury and Finance's proposal to introduce a Statutory Funds Management Framework. The Board also received a presentation on the options that the Government was considering to improve returns on these funds. The Board acknowledges the support of the Government which has allowed it to continue to manage NT Build Scheme funds for the immediate future. The Board will continue to engage with the Department of Treasury and Finance in relation to its investment strategy.

I take this opportunity to thank my fellow board members for their contribution over the past 12 months and their input into the strategic issues addressed by the Board during the year, especially major project provisions, investment strategy and funds management. The input and commitment of each board member has contributed to the effective outcomes.

The Registrar has prepared a very good report again and I recommend his Report to you as it mentions other outcomes achieved this year. The Registrar continues to work closely with the Board and provides an effective level of support to the Board. On behalf of the Board, I once again thank him for his support, diligence and commitment during the year.

Finally, I again pay tribute to the significant contribution and commitment of all NT Build staff during the past 12 months. The successful outcomes over the 12 months and the continued success of the Scheme is very much due to their dedication, performance and willingness to get the job done.



MICHAEL MARTIN OAM

Registrar's Report

While the 2021-22 reporting period was characterised by continued market volatility and softening economic conditions across Australia and globally, activity in the Northern Territory construction industry remained relatively stable, driven primarily by government and defence spending on large infrastructure projects.

A total of 922 benefit claims amounting to \$5.46 million were processed during the year. This represented an increase of 103 claims (and approximately \$960,000) in comparison to the 2020-21 reporting period.

Although the Scheme continued to record new worker registrations, there was an overall decrease of approximately 7% in active workers for the 12 months to 30 June 2022. This decrease can be attributed to broader softening of economic conditions over the relevant period and the ongoing flow-on effects of movement of construction industry workers interstate following the completion of the construction phase of the major gas plant project.

The Scheme recorded a total levy income of \$4.9 million in 2021-22. This represented a 75% increase on the \$2.8 million received in 2020-21, and was markedly higher than historical trends, due to a levy payable on a large mining related project (save for 2019-20 which saw an uncharacteristically high \$21.61 million recorded due to the levy payable on the major gas plant project).

While levy income increased and there were no material departures from previous years in terms of benefit claims or Scheme related operational expenses, the Scheme recorded a loss of approximately \$15 million in the 2021-22 financial year, due to a:

- significant loss of -\$14.8 million on the Scheme's managed funds; and
- \$5.4 million increase in the Scheme's liability for accrued benefits (bringing the total liability to \$60.122 million).

It is important to contextualise this loss, noting that it came off the back of an uncharacteristically strong investment return result of 20% in 2020-21 and was reflective of broader declines in the stock market globally.

Notwithstanding the 2021-22 financial result, at the end of the reporting period the Scheme continues to hold a sustainable net asset position.

The year's achievements would not have been possible without the commitment of our dedicated staff. I wish to thank them all for their hard work over the past 12 months, and to acknowledge and thank the members of the Board for their continued commitment, support and guidance.



THEO TSIKOURIS

Part 1: Introduction and Overview

2021-22 At a Glance

- 9,946 workers and 687 employers were registered and actively participating in the Scheme.
- 992 benefit payments were made to workers who have been involved in the Territory construction industry, at a cost to the Scheme of approximately \$5.46 million (up from the 819 payments at a cost of approximately \$4.5 million in 2020-21).
- Low 0.1% levy rate retained, while at the same time ensuring the Scheme's ongoing sustainability, through sound financial management.
- Approximately \$4.9 million received in contributions from levy payers (up 75% from the \$2.8 million received in 2020-21).
- An overall decrease in net assets for the year of \$15 million recorded, primarily due to investment market losses, bringing total assets to approximately \$100 million.
- Estimated total accumulated liabilities of \$60.122 million recorded (up \$5.4 million from the \$55.6 million recorded at the end of the previous financial year), with the result that the Scheme's assets continue to cover liabilities.
- Generated Scheme awareness and actively encouraged the registration of eligible workers and relevant employers, through advertising and educational presentations.
- Development of design concept and associated materials for major social media and radio marketing campaign, launched in July 2022.
- Participated in the Northern Territory Government's consultation process regarding the Department of Treasury and Finance's proposed Statutory Funds Management Framework, and communicated with Scheme members in relation to the same.
- Worker records pro-actively monitored, reviewed and updated, to ensure data up to date and all applicable service recorded, to facilitate claim eligibility.
- Office and remote working capabilities refined in response to COVID-19, to support safety of staff and clients and ensure ongoing delivery of services were achieved.
- Detailed analysis and evaluation of the operation of the major project levy mechanism in the context of the major gas plant project, to identify potential efficiency or reform opportunities in the application of relevant provisions.
- Project audit activities for reporting period undertaken, to ensure a practical and pro-active approach to levy compliance, broader Scheme awareness and understanding, and constructive relationships with stakeholders.
- Investment program to support the ongoing financial viability of the Scheme actively monitored and reviewed.
- Business systems monitored and reviewed to identify operational savings, improvements and efficiencies.
- Operational processes reviewed to maximise revenue collection, minimise administrative costs for NT Build, and maximise stakeholder convenience.
- Staff and workload demands effectively monitored to ensure superior customer service through the efficient processing of benefit claims, and timely provision of advice and responses to general queries.

2022-23 Priorities

- Closely monitor the Scheme's financial position and report on its ongoing financial status in the current low levy (0.1%) and high large project value threshold (\$5 billion) environment.
- Continue to closely monitor and review the investment strategy and its performance, and identify appropriate opportunities to support the ongoing financial viability of the Scheme.
- Launch "Make Every Day Count" social media marketing campaign to raise Scheme aware and increase member registrations, and analyse campaign outcomes.
- Implement reforms to the operation of the large project levy provisions designed to aid efficiency and promote cost savings for proponents.
- Comprehensive review of NT Build website and uploaded content for currency and viewer usability, including introduction of online registration function.
- Continue to monitor and review the operation of primary business systems to ensure operational savings, improvements and efficiencies are maximised.
- Continue to monitor, review and implement operational processes to maximise revenue collection, minimise administrative costs for NT Build, and maximise stakeholder convenience.
- Continue to undertake advertising and educational awareness activities, to promote and facilitate awareness of Scheme.
- Actively encourage the registration of all eligible workers and relevant employers.
 - Continue to undertake project audit activities to ensure a practical and pro-active approach to levy compliance and broader Scheme awareness and understanding, and constructive relationships with stakeholders.
 - Monitor staff and workload demands to ensure efficient and timely processing of benefit payments, provision of advice and responses to general queries.

About the organisation

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

The purpose of the Scheme as set out in the CILSLB Act is **“to provide long service leave and long service leave benefits to Territory construction workers”**.

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

Since its establishment, NT Build has made long service leave payments totalling over \$41.5 million to over 9,200 employees and contractors who have worked on construction projects in the Territory.

The existence of the NT Build Scheme assists in attracting skilled construction industry workers to the Territory. The Scheme acknowledges the inherently volatile nature of employment in the construction industry. It ensures that the long-term commitment of construction workers to the industry is fairly rewarded, through provision of long service leave on an equitable basis to workers in other industries, inherently characterised by higher levels of continuous service with a single employer.

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

NT Build is not an agency within the meaning of the *Financial Management Act 1995* or the *Public Sector Employment and Management Act 1993*. As such, no general allocation of funding is provided to NT Build through the Territory Budget.

Under the Administrative Arrangements Order in force for the period ended 30 June 2022, the Department of Industry, Tourism and Trade has the principal responsibility for the general administration of the CILSLB Act. However, in accordance with the CILSLB Act, the Board holds the specific responsibility for the day-to-day management of the Scheme and for providing advice and making recommendations to the Minister about the operation of the legislation.

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

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

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

General overview – portable long service leave scheme

Key features

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

Key features include:

- Statute based Scheme, established under the *CILSLB Act 2005*.
- Governed by a local Board comprising independent, worker and industry representatives, appointed to oversee the management of the Scheme, through a local office.
- Portable long service leave coverage consistent with interstate arrangements. The Northern Territory Government is party to a reciprocal arrangements agreement between all states and territories which means workers can combine construction industry service from different states and territories when making a claim.
- Funded through a Ministerially determined levy on eligible Northern Territory construction projects of at least \$1 million in value, excluding single detached dwellings and related private garages, carports and sheds.
- Maintenance of a register recording the number of service days worked by each registered worker within the Northern Territory construction industry, based on bi-annual reporting of service days by employers of registered workers.

Workers

The Scheme enables workers to qualify for long service leave based on their service with the construction industry rather than service with the one employer. The portability extends across state borders under the National Reciprocal Agreement.

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

The Act contains special pro-rata provisions for workers who die, retire or cease to perform construction work.

Long service leave accrued under the Scheme is funded through a levy imposed on eligible Northern Territory construction projects and is paid directly by NT Build to workers upon application by the worker or an authorised representative.

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

- Be employed to carry out construction work in the Northern Territory;
- Work on a construction site for greater than 50% of their time;
- Work in the private sector (ie: not for the government); and
- Not be working in an administrative, clerical, managerial or professional.

Workers employed full-time, part-time, as a casual, or as a labour-only contractor are eligible to register.

For the purposes of the Scheme, construction work includes commercial, domestic, industrial and civil construction, and covers (among other things) reclamation, earthmoving, landscaping, repair, maintenance, extension and demolition work.

Employers

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

Long service leave accrued under the Scheme is funded through a levy imposed on eligible Northern Territory construction projects, along with investment earnings on the same, and is paid directly by NT Build to workers.

Employers are required to register with NT Build within one month of employing a registered construction worker. Alternatively, an employer who employs one or more eligible workers may elect to register their workers with NT Build for the accrual of portable long service leave at the time that the worker commences employment.

Once a worker is registered, employers are required to:

- Keep adequate records to account for any eligible workers employed;
- Complete an employer return twice a year advising NT Build of the number of days worked by each of their registered employees and any other information required by NT Build.

Long service levy

The levy is calculated as a percentage of the total cost of the construction work and is payable on all eligible construction projects.

The levy does not apply to:

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

Nor does it apply to work for which the total contract prices for the construction work is less than \$1 million.

The current levy rate on projects with a construction cost between \$1 million and \$5 billion is fixed at 0.1% and is payable prior to the start of construction work.

A two tier levy mechanism applies for construction projects over \$5 billion. The prescribed rate of 0.1% applies to the first \$5 billion, and is payable prior to the start of construction work. A project specific levy determined by the relevant Minister, after consideration of a report prepared by the Scheme actuary, applies to the project cost component that exceeds \$5 billion. The project specific levy component is payable following completion of the project.

The prescribed levy rate may be subject to change from time to time, via Government regulatory amendment.

The levy rate has been reduced progressively over time from 0.5% at the Scheme's commencement, to the current rate of 0.1%, through a series of statutory amendments, with the result that for projects that started:

- on or after 7 April 2014, regardless of completion date, the levy rate of 0.1% applies;
- from 1 April 2012 to 6 April 2014, regardless of completion date, the levy rate of 0.3% applies;
- from 1 July 2009 to 31 March 2012, regardless of completion date, the levy rate of 0.4% applies; and
- before 1 July 2009, regardless of completion date, the levy rate of 0.5% applies.

It is the responsibility of the person for whom the work is to be done to notify NT Build of the work, prior to commencement. Interest penalties and fines may be imposed, if the levy is not paid when required.

Statistical highlights

Workers

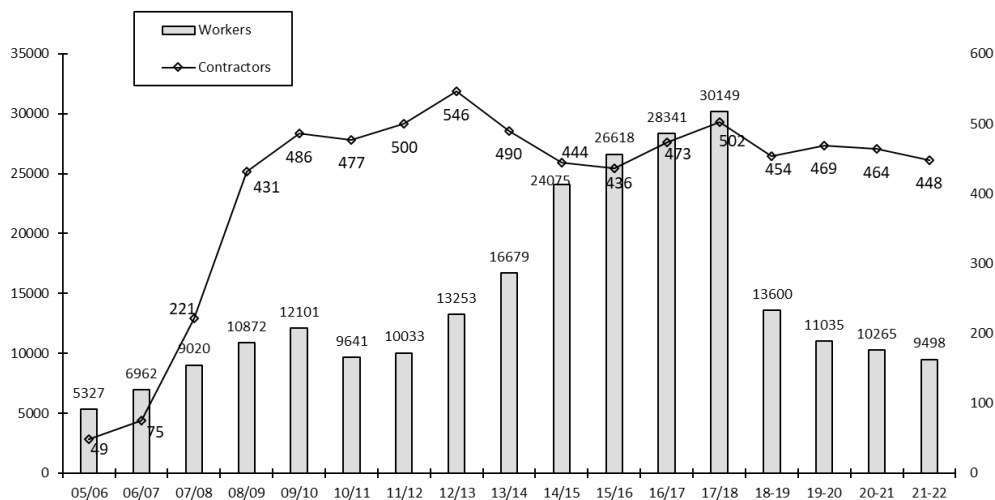
Registration numbers

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

As shown in the chart below, the total number of active worker registrations recorded by the Scheme continued the downward trend since the highs experienced during the major gas plant construction period of 2015-18, with 9,946 active workers recorded at 30 June 2022 (down 783 workers from the previous reporting period). This figure comprised 9,498 employees and 448 contractors.

This decrease can be attributed to a broader softening of economic conditions over the relevant period and the ongoing flow-on effects of movement of construction industry workers interstate following the completion of the construction phase of the major gas plant project.

Chart 1.1: Active employee and labour-only contractor registrations



In addition to these active workers, there were 7,473 workers who remain registered with the Scheme but who have not accrued any service days in the Territory over the reporting period.

Section 13(1)(a) of the CILSLB Act requires the Registrar to deregister a person who has not been credited with any qualifying service for a continuous period of four years. The first round of this deregistration process occurred in September 2010, with on-going automated deregistrations since that time.

In addition, section 13 of the CILSLB Act also provides for the deregistration of a worker who ceases to carry out construction work, retires or dies.

As at 30 June 2022, the Scheme recorded a total of 42,511 deregistered workers (an increase of 8,334 from the previous reporting period).

The number of deregistered workers also reflects the highly transient nature of the Northern Territory construction industry workforce.

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

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

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

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

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

Anecdotal evidence also suggests there are a number of workers in the local construction industry who may be eligible to participate in the Scheme, but have not registered. Factors contributing to this include the particular worker demographic, the highly transient nature of the construction industry workforce and the voluntary nature of the NT Build Scheme.

Promotional and educational activities continue to be undertaken to help raise knowledge and understanding of the Scheme, to aid maximum participation. Of particular note, the concept design and associated materials for a major social media and radio marketing campaign were developed during the reporting period, with the campaign launched in July 2022.

Benefit payments

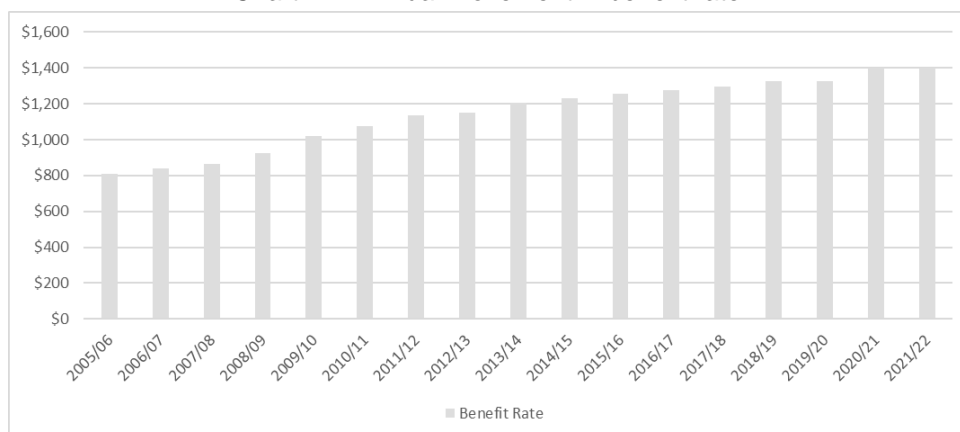
When a worker has accrued the requisite number of long service leave credits required under the CILSLB Act to be eligible for LSL, the worker becomes eligible to claim a benefit payment. The benefit payment will reflect the number of long service leave days claimed, multiplied by the defined weekly benefit rate (being a rate determined by the Board, having regard to the average weekly ordinary time earnings for the construction sector published by the Australian Bureau of Statistics).

The defined weekly benefit rate is reviewed annually, generally on 1 July, and is applied to both worker and contractor claims.

A review of the defined weekly benefit rate for the 2021-22 period, using the standard methodology, resulted in no change to the weekly rate of \$1399.

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

Chart 1.2: Annual movement in benefit rate



As reflected in table 1.1 and chart 1.3 below, in the 2021-22 reporting period, 922 benefit payments were made to workers who have been involved in the NT construction industry, at a cost to the Scheme of approximately \$5.46 million (up from the 819 payments at a cost of approximately \$4.5 million in 2020-21).

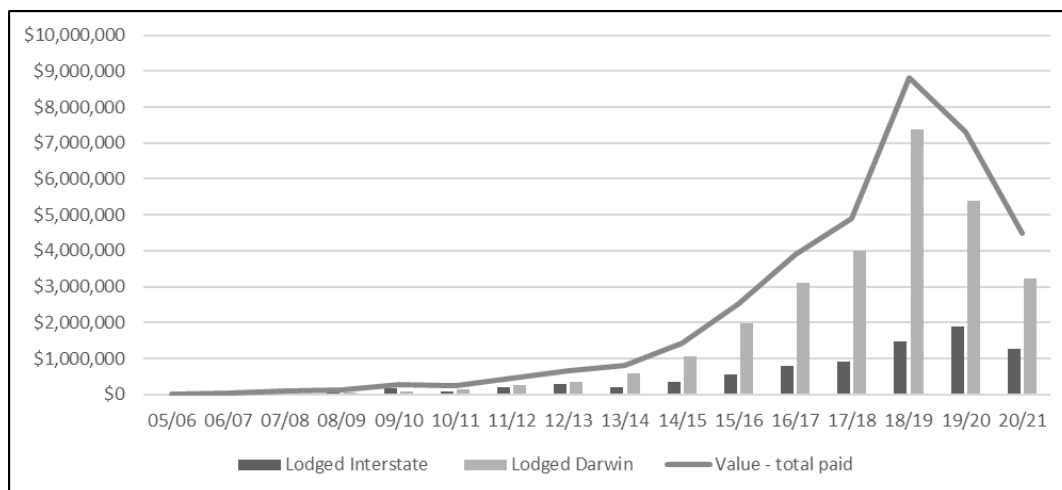
A total of 9229 claims have been paid since the Scheme commenced.

Future annual totals are not expected to match the highs recorded for the 2018-19 and 2019-20 reporting periods, which were predominately the result of the completion of the construction phase associated with the major gas project.

Table 1.1: Benefit claims processed

	2021-22	2020-21	2019-20	2018-19	2017-18
Lodged Interstate	481	422	676	546	365
Lodged NT	441	397	783	1235	797
Total claims	922	819	1459	1781	1162

Chart 1.3: NT benefit payments by place of lodgement



Registration profile

Table 1.2: Age profile

	June 19	June 20	June 21	June 22
Average age	39	39	40	39
Oldest #	84	84	85	86
Youngest *	15	16	16	16

*Registrations are accepted from apprentices working in the construction sector, including school based apprentices

#Includes workers who have been inactive for less than 4 years and therefore not yet deregistered

Table 1.3: Days of service

	June 19	June 20	June 21	June 22
Total estimated service days	18.30M	19.26M	22.03M	23.37M

Scheme demographic

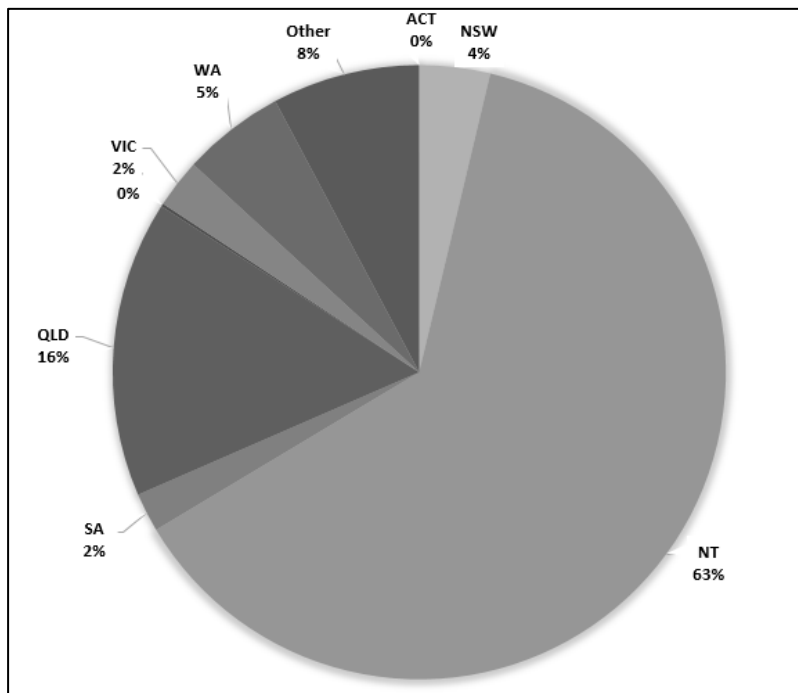
The below table and chart show that approximately 63% of the Scheme’s active registered workers record a Territory contact address. The table also illustrates the transient nature and mobility of the workforce in the construction industry across state and territory borders, with a sharp decline in NT based workers following the completion of the construction phase of the major gas plant project.

Table 1.4: No. of active workers by contact location

	2017-18	2018-19	2019-20	2020-21	2021-22
ACT	32	10	8	5	3
NSW	2 487	1 098	683	584	368
NT	14 189	6 197	5 699	5 907	6 235
QLD	6 060	2 731	2 108	1 796	1 553
SA	713	337	240	270	204
TAS	160	34	23	18	16
VIC	1 605	594	407	348	256
WA	3 156	1 763	1 261	1 019	537
Other*	2 249	1 290	1 075	782	774
Total	30 651	14 054	11 504	10 729	9 946

*Other includes: 'unknown' and/or a non-Australian contact location

Chart 1.4: Percentage of active workers by contact location, 2020-21



Employers

Eligible employers are identified through either self-registration or by notification on a worker registration form. The number of registered employers are shown in the following table, and demonstrate a fairly consistent trend of gradual increases over the past five years.

Table 1.5: Active employer registrations

	June 2018	June 2019	June 2020	June 2021	June 2022
Employers	557	588	631	651	687

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

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

No notices were issued under this provision during 2021-22 reporting period.

Levy payment and compliance

The levy rate has been reduced over time, with the current rate of 0.1% coming into effect from 7 April 2014. The exemption threshold value was also increased from \$200,000 to \$1 million at that time.

The Scheme's total levy income during the 2021-22 reporting period was \$4.9 million, representing a 75% increase on the \$2.8 million received in the previous reporting period.

Table 1.6 below provides a summary comparison of total levy contributions received from project developers over the past 5 years. The levy contributions received in 2019-20 were uncharacteristically high due to the levy payable on the major gas plant project. The higher than usual levy contribution received for the 2021-22 reporting period was due to a levy payable on a large mining related project.

Table 1.6: Summary - levy payer contributions

	June 2018	June 2019	June 2020	June 2021	June 2022
Total levy income # (approx.)	\$1.6M	\$1.4M	\$21.6M	\$2.8M	\$4.9M

#includes accrual of full levy amount where payment by an instalment plan has been granted

Excluding periodic anomalies associated with significant levy payments relating to major projects from time to time, the trend of benefit payments exceeding levy revenue is expected to continue in future years. This trend is largely due to the maturity of the Scheme (with entitlements increasingly vesting) and the current levy collection structure (of 0.1% on projects over \$1 million and certain exemptions associated with the housing and resources sectors).

NT Build has continued to enjoy a high level of compliance by project developers with the assistance of the office, and especially the activities of Field Officers.

Section 81(1)(b) of the CILSLB Act empowers the Registrar to compel a person to provide any information relating to construction work on which the levy is or may be imposed. Where a levy payer fails to comply with a section 81(1)(b) notice the person could be prosecuted for failure to comply with the notice.

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

As demonstrated in table 1.7 below, only one notice was issued during the 2021-22 reporting period.

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

Table 1.7: Summary - section 81(1)(b) action

YEAR	B/FWD	New Notices	Finalised	C/FWD
2021-22	-	1	-	1
2020-21	-	1	1	-
2019-20	-	-	-	-
2018-19	2	1	3	-

Debt recovery

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

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

Table 1.8: Summary - debt recovery action

YEAR	B/FWD	New Action	Finalised	C/FWD
2021-22	-	-	-	-
2020-21	-	-	-	-
2019-20	-	-	-	-
2018-19	2	-	2	-

Investment of funds

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

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

The sound investment of the accumulated funds of the Scheme plays an important role in ensuring there will be sufficient funds to meet both immediate and longer term liabilities, whilst maintaining the current low levy rate for as long as possible.

This is particularly so, given the current levy collection structure (which involves a levy of just 0.1% on projects over \$1 million), and certain exemptions associated with the housing and resources sectors, which will necessarily have a material impact on the Scheme's long term sustainability.

During the 2021-22 reporting period, the Scheme's investment strategy comprised a combination of:

- direct cash investments; and
- a multi-asset class, multi-manager fund provided by our implemented consultant JANA Moderate Trust.

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

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

At the conclusion of the 2021-22 reporting period, the Scheme's assets continue to cover liabilities.

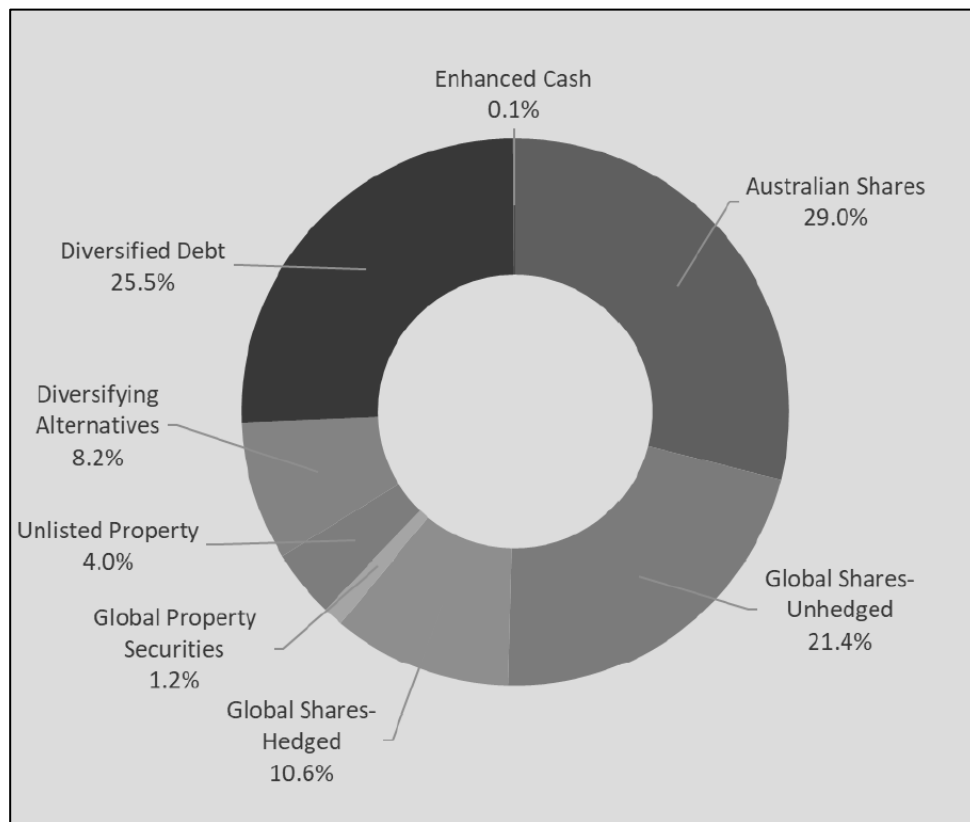
While the following table 1.9 reflects a summary of the actual amount of money either redeemed from or transferred to the fund managers for investment, information regarding the performance of the Scheme's investments is provided in the Financial Statements included in Part 3 of this Report.

Table 1.9: Summary - actual funds transferred / (redeemed) for investment

Fund Managers	Total funds invested as at 30 June 2021	Net Funds invested/(redeemed) during 2021-22	Total funds invested as at 30 June 2022
MLC/JANA	\$70.6M	\$4M	\$74.6M

Chart 1.5 below illustrates the actual asset allocations of the Scheme's JANA managed portfolio as at 30 June 2022.

Chart 1.5: Actual asset allocations of JANA managed portfolio - 30 June 2022



Actuarial advice

Long service leave liability

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

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

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

Initially a simple aggregate model was used when assessing the Scheme's liability but since the 2014-15 assessment, and with the benefit of greater underpinning data due to scheme maturity, a more sophisticated individual projection model has been adopted.

The 2016-17 reporting period also saw a changed approach to setting the discount rate (from risk-free to asset-based) which had an impact on the liability valuation, as reflected in Chart 1.6 below.

The key assumptions made by the actuary in performing the liability valuation for the 2021-22 reporting period are covered in detail in the Notes to the financial statements included in Part 3 of this Report.

Taking those assumptions into account, the greatest unknowns in the liability valuation are those regarding member movements (exit rates and reactivation rates).

Other elements such as unreported service and the rate of claiming benefits in service are not as important. Further Scheme experience over time will refine the assumptions made and gradually reduce uncertainty in the valuation.

For accounting purposes, as at 30 June 2022, the actuary recommended the adoption of a liability of \$60.122 million for accrued long service leave benefits.

This valuation represents a material increase of \$5.4 million from the previous year's estimate.

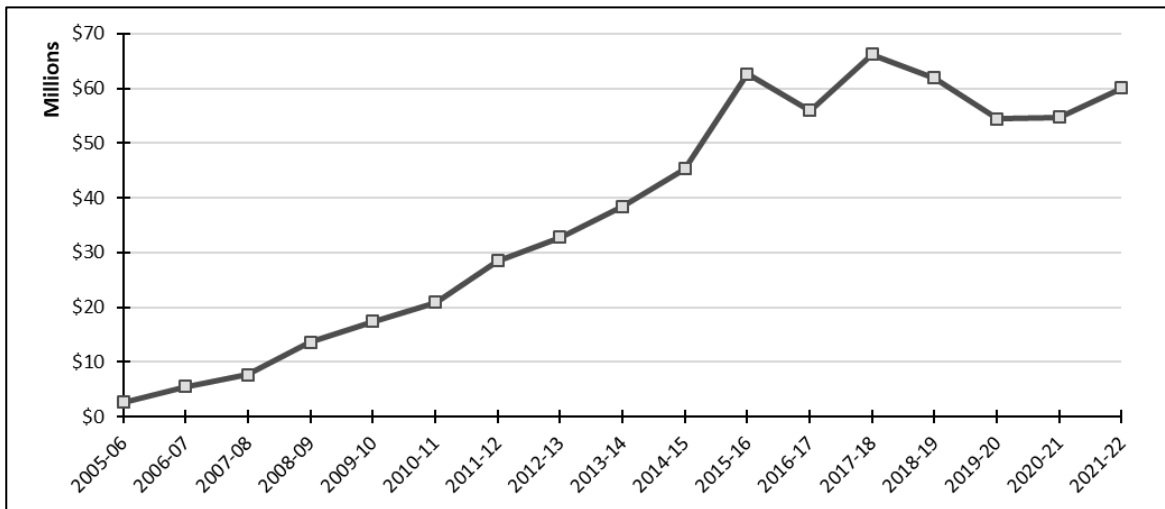
Accordingly, the provision of \$60.122 million has been disclosed on the Statement of Financial Position of the Board as at 30 June 2022, included in this Report.

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

Table 1.10: Summary - accrued long service leave liability

2021-22	\$60.1M
2020-21	\$54.7M
2019-20	\$54.4M
2018-19	\$62.0M
2017-18	\$66.2M
2016-17	\$56.0M
2015-16	\$62.6M
2014-15	\$45.3M
2013-14	\$38.4M
2012-13	\$32.8M
2011-12	\$28.5M
2010-11	\$20.9M
2009-10	\$17.4M
2008-09	\$13.6M
2007-08	\$7.6M
2006-07	\$5.5M
2005-06	\$2.6M

Chart 1.6: Rate of long service leave liability accrual



Section 91 actuarial review

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

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

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

The next triennial review of the Scheme is scheduled to be conducted for the period ending December 2022 at the latest.

Previous reviews

The most recent triennial review was undertaken during 2019-20, for the period ending 31 December 2019 and resulted in the Minister retaining the levy rate of 0.1% of leviable activity. Key findings of that review included:

- Scheme had a small surplus that had decreased sharply in preceding weeks due to investment market falls;
- surplus was expected to be supplemented by upcoming major gas plant project levy income;
- notwithstanding this levy, Scheme surplus is expected to decline over coming years, eroding the Scheme solvency margin;
- Scheme is projected to fall into deficit towards the end of this decade;
- economic impacts of coronavirus may be wide ranging and very severe, and scenarios considered in the Report did not attempt to capture all potential impacts;
- current levy rate of 0.1% may not be sustainable in the longer term; and
- current levy rate of 0.1% of leviable activity is below break-even levy rate estimated to be between 0.29-0.35%.

A high level overview of the outcome of previous triennial reviews is documented below:

- first review relating to the period ending 30 June 2008 resulted in:
 - approval of 20% temporary reduction in the levy rate, from 0.5% to 0.4% for two years, commencing from 1 July 2009 until 30 June 2011; and
 - introduction of a \$1 billion threshold for the purpose of calculating the levy on large scale construction projects, effective from 1 July 2009;
- second review relating to the period ending 30 June 2011 resulted in approval of ongoing 25% reduction in the levy rate, from 0.4% to 0.3%, effective from 1 April 2012;
- third review relating to the period ending 30 June 2014 resulted in retention of the existing levy rate of 0.1% (noting that the levy had been reduced from 0.3% to 0.1% in April 2014, outside of the triennial review process);
- fourth review relating to the period ending 31 December 2016 resulted in retention of the existing levy rate of 0.1%; and
- fifth review relating to the period ending 31 March 2020 resulted in retention of the existing levy rate of 0.1%.

It has been noted by the actuary over successive triennial reviews that the 0.1% levy is below the break-even levy rate, so is not sustainable over the longer term. Given the Scheme's current surplus the Board remains comfortable with the rate remaining unchanged, but notes that this position may need to be revisited over the longer term as surplus is eroded.

Part 2: Operational Governance

Part 2 Operational governance

The Board

Functions and powers

The CILSLB Act sets out the Board's main functions as well as the powers that the Board may exercise in performing those functions.

The functions of the Board in administering the portable long service leave scheme (provided for in section 55 of the CILSLB Act) include:

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

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

Membership

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

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

A person may be eligible for appointment to the Board if they hold suitable qualifications, or have suitable knowledge or experience, relating to the functions of the Board. Board members are able to hold office for a period of up to five years, and may be reappointed.

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

The membership of the NT Build Board on 30 June 2022 was as follows.

Chairperson	Michael Martin OAM Former senior NT public servant Chair of NT Government Remuneration Tribunal
Other members	Dick Guit OAM Chair of the Master Builders Fidelity Fund Director/Chair of the Industry Capability Network NT Director Charles Darwin University Council Chair NT Land Development Committee Panel Member NT National Security Advisory Group
	David Hayes NT Organiser, Electrical Trades Union (ETU)
	David Malone Executive Officer, Master Builders NT
	Michael Milatos Director, Cento Pty Ltd
Additional members	Sarah Rummery Assistant Under Treasurer Economics, Department of Treasury and Finance
	Rosemary Campbell Director, Merit Partners

Conducting business

Meetings

During this reporting period the Board convened a total of 11 times, including 6 regular meetings and 5 occasions involving specific matters that required attention between scheduled meetings.

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

Remuneration

Board members are remunerated in accordance with the rates and conditions determined under the *Assembly Members and Statutory Officers (Remunerations and Other Entitlements) Act 2006*; based on a classification that recognises the range of duties, powers and responsibilities assigned to the Board.

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

General decisions

In the course of the 11 meetings of the Board held over the 2021-22 reporting period, 66 general items of business were resolved, covering a range of issues concerning governance, investment, scheme administration and the financial and operational management of NT Build.

Board Policies

Three Board policies were issued during this reporting period, being:

- Policy Number 02-2021 (Administration of the Long Service Levy Assessment and Payment Provisions), which replaced former Policy Number 03-2014;
- Policy Number 03-2021 (Treatment of an amount of levy overpaid or an amount of levy (including interest penalty) underpaid), which replaced former Policy Number 04-2014; and
- Policy Number 02-2022 (Defined weekly benefit level and application).

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

Ministerial directions

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

No directions pursuant to section 67(1) of the CILSLB Act were given during the year ending 30 June 2022.

Disclosure of interests

As required under the CILSLB Act a register of the interests of members of the Board is maintained. All members submit an initial declaration stating any interests of relevance to Board business and a process has been implemented to ensure any new or amended declarations are disclosed at each meeting. In addition, at the end of each financial year, all Board members submit the requisite Key Management Personnel Related Party Disclosures Declaration for the relevant reporting period.

Reconsideration/reviews

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

Table 2.1 below illustrates that one application for reconsideration was received during this reporting period. This involved an employee request for reconsideration by the Board under section 84, with reference to the section 21(8) "exceptional circumstance" provision, and was

made in response to the Registrar’s refusal to re-register the employee (noting that the Registrar had no discretion to re-register the employee based on the particular circumstances, without the requisite Board approval).

Table 2.1: Summary - applications for reconsideration lodged - Section 84

YEAR	B/FWD	LODGED AGAINST		RESOLVED	C/FWD
		decision of Registrar	decision of Board		
2021-22	-	1	-	1	-
2020-21	-	2	-	2	-
2019-20	-	-	-	-	-
2018-19	-	1	-	1	-

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

No applications for a review by the Local Court were received during the 2021-22 reporting period.

The Office

Registrar

The CILSLB Act requires that a Registrar (who is to be an employee within the meaning of the *Public Sector Employment and Management Act 1993*) be formally appointed by the Board for the Scheme. Mr Theo Tsikouris is the appointed Registrar for the Scheme.

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

- administering the Scheme in accordance with any directions given by the Board;
- exercising any powers or functions delegated by the Board;
- maintaining construction worker and employer registers;
- approving of forms to be used for the Scheme; and
- approving registration requests and de-registrations for the Scheme.

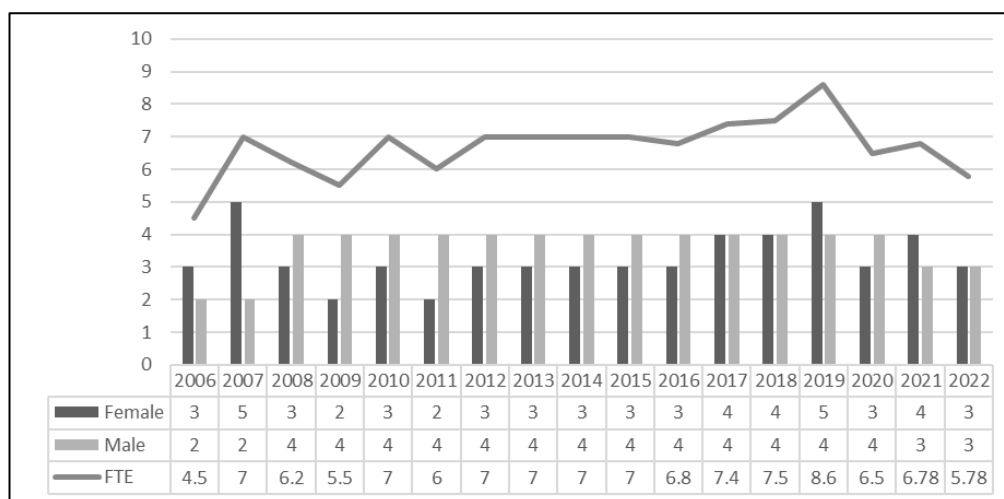
Staff

Section 59 of the CILSLB Act enables the Board to engage any person to assist it in exercising its powers and performing its functions. To date, the Board has opted to source employees from within the Northern Territory Public Sector (NTPS), rather than employ directly.

In accordance with the Administrative Arrangements Order, in force for the period ended 30 June 2022, responsibility for the administration of the CILSLB Act rests with the Department of Industry, Tourism and Trade (DITT). This means that, for administrative purposes, NT Build reported direct to the Minister for Mining and Industry. Likewise, the staff of NT Build are included in DITT's FTE numbers, but are made available to the NT Build Board under an agreed full cost recovery arrangement.

As illustrated in the chart below, the staffing profile for NT Build as at 30 June 2022 consisted of six staff.

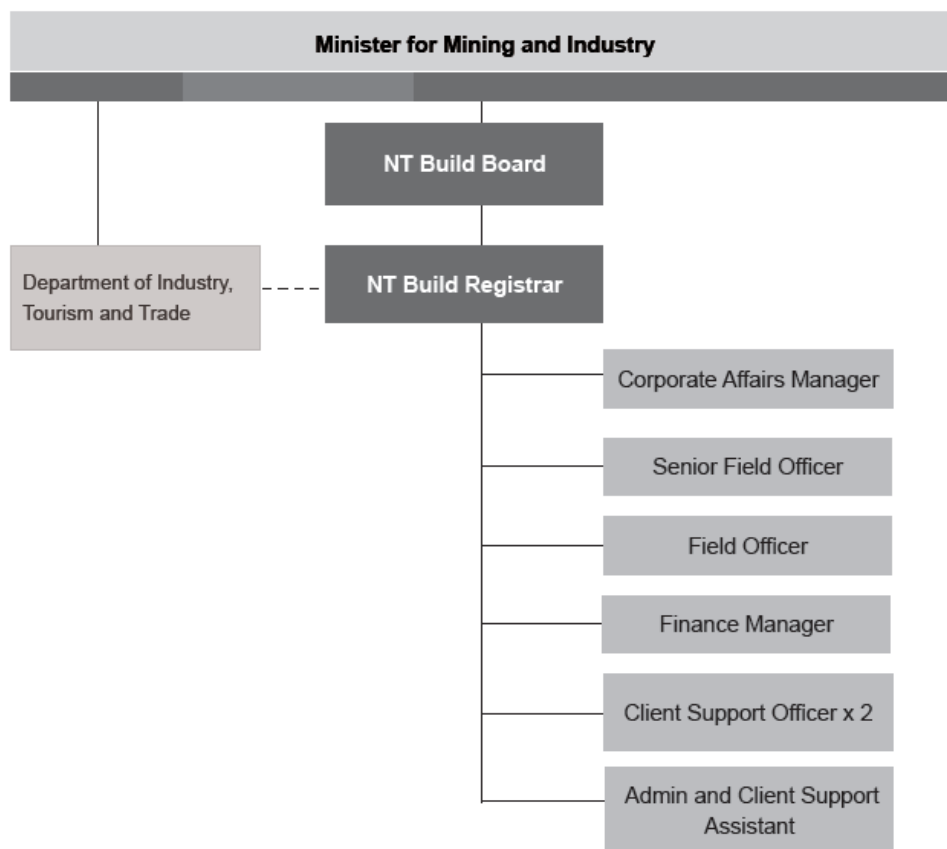
Chart 2.1: Staffing FTE and profile as at 30 June 2022



For the purpose of managing staff, the Registrar and other NTPS employees made available to the Board are engaged under the standard NTPS employment arrangements. In addition, the Registrar has been provided with delegations equivalent to those applicable to an NTPS Chief Executive Officer under the provisions of the *Public Sector Employment and Management Act 1993*, in relation to the staff of NT Build.

Organisation structure

The following diagram represents the organisation structure as at 30 June 2022.



Information management

Information Privacy and Access (FOI)

As a 'body corporate' established under Northern Territory legislation, NT Build is an identified entity for the purpose of reporting under section 98 of the *Information Act 2002*.

In accordance with section 98 of the *Information Act 2002*, NT Build had no requests to report for the access to information held by NT Build during the 2021-22 reporting period.

Managing Access

NT Build strives to make general information of interest available to any interested party, where such information is allowable under the CILSLB Act and does not interfere with the essential public interest, individual privacy or the effective operation of NT Build. In most cases, levy payers and registered workers and employers seeking access to their own information held by NT Build can obtain the information more quickly under the provisions of the CILSLB Act rather than by making an application for access under the *Information Act 2002*.

Managing Privacy and Protection

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

More information is published on our internet site at: ntbuild.com.au

Records management

Part 9 (Records and Archives Management) of the *Information Act 2002* provides for the establishment and implementation of records management standards. Adequate records management underpins the access, correction and privacy components of the *Information Act 2002* by ensuring that Government information (records) can be found, read and reproduced in response to requests.

Notwithstanding that NT Build is a 'body corporate' established by Northern Territory legislation, the Department of Industry, Tourism and Trade (DITT) is the agency designated under the Administrative Arrangements Order with responsibility for the general administration of the CILSB Act, as at 30 June 2022.

For the purpose of Part 9 of the *Information Act 2002*, all records relating to the administration of the CILSB Act handled by NT Build are managed in accordance with the DITT records management framework and policies.

Information systems

Office environment

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

Business system

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

Communication and marketing

General marketing activities

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

These have included:

- advertising in relevant industry publications and directories;
- maintenance of the NT Build website;
- production and maintenance of a range of targeted customer information bulletins and fact sheets.

Industry consultation

Information sessions and briefings

During the reporting period, NT Build staff provided a range of information and briefing sessions to construction industry organisations, such as:

- general presentations at industry forums;
- targeted presentations to employer and developer groups; and
- tailored on-site briefing sessions to employees, employers and developers.

Presentations to the Board

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

Liaison with other construction industry long service leave schemes

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

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

Hosting of these meetings are managed on state/territory rotation basis, and have proceeded via virtual rather than face-to-face meetings over the 2021-22 reporting period due to ongoing logistical impacts associated with the COVID-19 pandemic.

Insurance and risk management

Insurance

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

Finance, Risk and Audit (FRA) committee

The FRA committee has been established by the Board for the purpose of providing:

- reasonable assurance to the Board that NT Build's core business goals and objectives are being achieved in an efficient and economical manner, within an appropriate framework of internal control and risk management; and
- strategic oversight and focus on the key financial and strategic risks and controls across NT Build but does not replace the appropriate function of the Board.

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

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

Members of the FRA Committee for the 2021-22 reporting period were Ms Rosemary Campbell (Chair), Mr Michael Milatos and Ms Sarah Rummery.

During this reporting period the FRA committee convened a total of five times.

Financial sustainability

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

The Scheme is funded by the generation of levies, based on project construction cost and payable by project owners, along with investment returns on the same.

The Scheme's solvency ratio remained strong over the 2021-2022 reporting period, notwithstanding the losses experienced on the Scheme's managed funds. However, the Board notes the real possibility of near-term solvency adjustments, given ongoing uncertainty and equity market fluctuations.

Related to the above, the findings in the report in the actuary's last two triennial reviews (February 2017 and June 2020), indicate that the Scheme is not sustainable in the long term at the current 0.1% levy rate.

Solvency management

NT Build is a Scheme established to pay benefits in the future, based on past service in the NT construction industry.

The effective monitoring and management of the solvency of the Scheme is therefore crucial to ensuring NT Build has the necessary funds to meet the current and future long service leave obligations of registered building and construction industry workers in the Northern Territory.

The Board's capital management plan, which provides a framework for the regular monitoring the Scheme's solvency position, is reviewed periodically. In addition, the Board has been particularly focused and active in monitoring investment performance and its impact on Scheme solvency over the 2021-22 reporting period, with regular reporting and presentations from JANA representatives, along with ad hoc procurement of actuarial analysis.

Financial and internal audit services

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

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

- on-going ad-hoc general advice in regard to the accounting and taxation implications of NT Build activities;
- preparation of annual Financial Statements for statutory auditing and reporting; and
- advice and assistance with the delivery of a compliance audit program.

Fraud control and prevention

Fraud prevention is the responsibility of all NT Build Board members and staff, all of whom are required to:

- behave in an ethical way that is consistent with the NT Government Boards Handbook, and the Northern Territory Public Sector Code of Conduct respectively, along and relevant provisions contained in the CILSLB Act; and
- report and manage any incidents of suspected fraud consistent with the ICAC's Whistleblower Protection Guidelines and Directions and Mandatory Reporting Directions and Guidelines.

Levy compliance program

NT Build operates a 'Strategic audit and levy compliance program' to support its strategic audit framework. This framework introduced an annual audit program aimed at increasing knowledge and awareness of CILSLB Act requirements, strengthening levy compliance, and supporting the effective and efficient administration of the Scheme. The programme involves routine audits of selected construction projects each year, to ensure that levy payers are declaring and remitting the correct amount of levy that is required.

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

The final report prepared by the auditor of a compliance review, including audit findings, are considered by the FRA Committee prior to the Board's consideration and determination of any further action.

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

This includes a full refund where the reconciled total cost of the construction project is determined to be less than \$1 million.

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

Table 2.2 provides a summary of the status of the levy compliance audits undertaken.

As a result of the COVID-19 pandemic, the two audits initiated during the later half of the 2019-20 reporting period, were postponed until 2020-21. One audit was finalised prior to 30 June 2021. The other was well progressed, but was carried over to the 2021-22 for finalisation.

Table 2.2: Summary of the audits undertaken

	B/FWD	STARTED	FINALISED	C/FWD
2021-22	1	2	1(a)	2
2020-21	2		1(a)	1
2019-20	-	2	-	2
2018-19	3	-	3 (2a)(d)	-

(a) = Additional levy payable - audited final construction cost more than reconciled project cost declared.

(b) = Partial levy refunded - audited final construction cost less than reconciled project cost declared.

(c) = Full levy refunded - audited final construction cost assessed as less than \$200 000 levy exemption amount.

(d) = No levy adjustment required - audited final construction cost same as reconciled project cost declared.

External audit

As required under the provisions of the CILSLB Act the annual statutory audit of the financial statements relating to the Board's operation for the year ended 30 June 2022 was undertaken by the NT Auditor-General.

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

Legal advice

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

When required or appropriate, the Solicitor for the Northern Territory facilitates the outsourcing of a request for legal services for specialist advice or assistance. No out sourced legal services were engaged during this reporting period.

Part 3: Financial Accountability



Part 3 Financial accountability

Financial Statements for year ended 30 June 2022

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Auditor-General

Independent Auditor's Report to the Board NT Build

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Opinion

I have audited the accompanying Financial Report of NT Build which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the Financial Report, including a summary of significant accounting policies and other explanatory information, and Board Members' Declaration.

In my opinion the accompanying Financial Report of NT Build has been prepared in accordance with Australian Accounting Standards, giving a true and fair view of the financial position of NT Build as at 30 June 2022, and of its financial performance and its cash flows for the year then ended.

Basis for Opinion

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

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

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

Emphasis of Matter

I draw attention to Note 11(b) and (c) to the financial statements which describes the uncertainty related to the Long Service Leave liability valuation as carried out on 9 August 2022. My opinion is not modified in respect of this matter.

Responsibilities of the Board for the Financial Report

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

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

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



Auditor-General

Page 2 of 2

Auditor's Responsibilities for the audit of the Financial Report

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

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

- identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NT Build's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on NT Build's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report however, future events or conditions may cause NT Build to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Julie Crisp
Auditor-General for the Northern Territory
Darwin, Northern Territory

20 October 2022


NT Build

Board Members' Declaration

The members of the NT Build board declare that:

1. the financial statements and notes for the year ended 30 June 2022 are in accordance with the Northern Territory *Construction Industry Long Service Leave and Benefits Act 2005* and:
 - a. comply with Accounting Standards, as stated in basis of preparation in Note 1 to the financial statements, and
 - b. give a true and fair view of the financial position and performance of NT Build.
2. In the opinion of the members of the Board, there are reasonable grounds to believe that NT Build will be able to pay its debts as and when they become due and payable.

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

Board Member 

Board Member 

Dated this 19 day of October 2022

NT Build

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Contributions from levy payers		4,881,075	2,814,403
Movement in market value of equity investments		(14,800,918)	11,017,144
Other income	3	8,568,613	5,477,620
Employee benefits expense		(916,314)	(894,736)
Depreciation and amortisation expense	4	(84,626)	(164,161)
Fees and allowances	4	(40,285)	(35,820)
Long service leave benefits payments		(6,699,747)	(5,623,998)
Long service leave scheme revaluation	11	(5,406,000)	(288,000)
Occupancy costs		(23,523)	(26,078)
Other expenses		(424,889)	(421,163)
Finance expenses		(11,493)	(12,966)
Net surplus/(deficit) for the year		(14,958,107)	11,842,245
Total comprehensive income for the year		(14,958,107)	11,842,245

The accompanying notes form part of these financial statements.

NT Build

Statement of Financial Position As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	43,904	8,131,894
Trade and other receivables	6	2,709,496	865,846
Other financial assets	7	96,757,515	100,122,868
TOTAL CURRENT ASSETS		99,510,915	109,120,608
NON-CURRENT ASSETS			
Property, plant and equipment	8	522,220	606,845
TOTAL NON-CURRENT ASSETS		522,220	606,845
TOTAL ASSETS		100,033,135	109,727,453
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	233,100	201,005
Lease liabilities	10	79,615	78,113
Short-term provisions	11	15,600,000	12,800,000
Other financial liabilities	12	6,563	102,755
TOTAL CURRENT LIABILITIES		15,919,278	13,181,873
NON-CURRENT LIABILITIES			
Lease liabilities	10	447,428	527,044
Long-term provisions	11	44,522,000	41,916,000
TOTAL NON-CURRENT LIABILITIES		44,969,428	42,443,044
TOTAL LIABILITIES		60,888,706	55,624,917
NET ASSETS		39,144,429	54,102,536
EQUITY			
Reserves	13	296,867	296,867
Retained earnings		38,847,562	53,805,669
TOTAL EQUITY		39,144,429	54,102,536

The accompanying notes form part of these financial statements.

NT Build

Statement of Changes in Equity For the Year Ended 30 June 2022

2022

	Retained Earnings \$	Implementation Funding \$	Total \$
Balance at 1 July 2021	53,805,669	296,867	54,102,536
Deficit for the year	(14,958,107)	-	(14,958,107)
Balance at 30 June 2022	<u>38,847,562</u>	<u>296,867</u>	<u>39,144,429</u>

2021

	Retained Earnings \$	Implementation Funding \$	Total \$
Balance at 1 July 2020	41,963,423	296,867	42,260,290
Surplus for the year	11,842,246		11,842,246
Balance at 30 June 2021	53,805,669	296,867	54,102,536

The accompanying notes form part of these financial statements.

NT Build

Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Levies received and other income	4,081,510	22,732,701
Payments to employees	(1,009,238)	(875,942)
Interest received	7,780	56,493
Long service leave payments	(6,602,861)	(5,641,797)
Payments for goods and services	(461,560)	(560,988)
Investment distributions received	28,382	4,120,081
Net cash provided by/(used in) operating activities	19 <u>(3,955,987)</u>	<u>19,830,548</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of listed managed funds	(5,542,397)	(12,620,752)
Proceeds from sale of listed managed funds	1,500,000	-
Net cash used in investing activities	<u>(4,042,397)</u>	<u>(12,620,752)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(89,606)	(89,606)
Net cash used in financing activities	<u>(89,606)</u>	<u>(89,606)</u>
Net increase/(decrease) in cash and cash equivalents held	(8,087,990)	7,120,190
Cash and cash equivalents at beginning of year	8,131,894	1,011,704
Cash and cash equivalents at end of financial year	5 <u>43,904</u>	<u>8,131,894</u>

The accompanying notes form part of these financial statements.

NT Build

Notes to the Financial Statements

For the Year Ended 30 June 2022

Reporting Entity

The financial report covers NT Build as an individual entity. The financial report was authorised for issue in accordance with a resolution of the board members on 19 October 2022.

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

The functional and presentation currency of NT Build is Australian dollars and rounded to the nearest dollar.

1. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Northern Territory Construction Industry Long Service Leave and Benefits Act 2005*.

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

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

2. Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 *Revenue from Contracts with Customers* is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration NT Build expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of NT Build have any financing terms.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2. Summary of Significant Accounting Policies (continued)

(a) Revenue and other income (continued)

Specific revenue streams

The revenue recognition policies for the principal revenue streams of NT Build are:

Long service leave levies

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

Other income

Other income is recognised on an accruals basis when NT Build is entitled to it.

(b) Income Tax

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

(c) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

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

(d) Property, plant and equipment

Classes of property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation and impairment. Costs include purchase price, other directly attributable costs and the initial estimate of costs of dismantling and restoring the asset, where applicable.

Plant and equipment

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

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to NT Build, commencing when the asset is ready for use.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2. Summary of Significant Accounting Policies (continued)

(d) Property, plant and equipment (continued)

Depreciation (continued)

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Fixed asset class	Amortisation/ Depreciation rate
Furniture, Fixtures and Fittings	10%
Office Equipment	20%
Computer Equipment	33.3%
Computer Software	33.3%
Leasehold improvements	20%
Right-of-Use - Buildings	9%
Right-of-Use - Motor Vehicles	20%

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

When an asset is disposed, the gain or loss is calculated by comparing proceeds received from disposal with its carrying amount and is taken to profit or loss.

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

(e) Financial instruments

Financial instruments are recognised initially on the date that NT Build becomes party to the contractual provisions of the instrument.

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, NT Build classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI) - equity instrument (FVOCI - equity)

Notes to the Financial Statements

For the Year Ended 30 June 2022

2. Summary of Significant Accounting Policies (continued)

(e) Financial instruments (continued)

Financial assets (continued)

- fair value through other comprehensive income (FVOCI) - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless NT Build changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms that give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

NT Build's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

NT Build has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. These investments are carried at fair value with changes in fair value recognised in the profit and loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2. Summary of Significant Accounting Policies (continued)

(e) Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, NT Build considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on NT Build's historical experience and informed credit assessment and including forward looking information.

NT Build uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

NT Build uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to NT Build in full, without recourse by NT Build to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to NT Build in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets has been determined using the simplified approach in AASB 9 *Financial Instruments* which uses an estimation of lifetime expected credit losses. NT Build has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where NT Build renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost is determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2. Summary of Significant Accounting Policies (continued)

(e) Financial instruments (continued)

Financial liabilities

NT Build measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of NT Build comprise trade payables and lease liabilities.

(f) Impairment of non-financial assets

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

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

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

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

(g) Cash and cash equivalents

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

(h) Leases

(i) Right-of-use asset

At the lease commencement, NT Build recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where NT Build believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is amortised over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

(ii) Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2. Summary of Significant Accounting Policies (continued)

(h) Leases (continued)

(ii) Lease liability (continued)

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured when there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in NT Build's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

NT Build has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. NT Build recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Long Service Leave Benefits Provisions

(i) Long Service Leave Benefits Expense

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

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

(ii) Accrued Long Service leave Benefits Liability

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

(j) Long service levy

A two tier levy regime is applied for the calculation of the long service levy on all eligible construction projects undertaken in the Northern Territory and the levy regime detailed below was current as at the reporting date. However, the *Construction Industry Long Service Leave and Benefit Amendment Bill 2022* was passed by the Northern Territory Legislative Assembly on 30 August 2022 and amended the *Construction Industry Long Service Leave and Benefits Act 2005*. The amendment increased the threshold at which the project specific levy rate is applied to large construction projects from \$1 billion to \$5 billion, effective 13 September 2022. The amendment applies to construction work not completed before the commencement of the amendment.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2. Summary of Significant Accounting Policies (continued)

(j) Long service levy (continued)

1. A 'standard' prescribed levy rate is applied to the first \$1 billion of the projects construction costs. The following 'standard' levy rates apply:

- 0.1% on projects started from 7 April 2014 - regardless of completion date;
- 0.3% on projects started from 1 April 2012 to 6 April 2014 - regardless of completion date;
- 0.4% on projects started from 1 July 2009 to 31 March 2012 - regardless of completion date; and
- 0.5% on projects started from 1 July 2005 to 30 June 2009 - regardless of completion date.

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

- \$1 million or more in value for projects that commenced on or after 7 April 2014; or
 - \$200,000 or more in value for projects that commenced between 1 July 2005 and 6 April 2014, regardless of completion rate.
2. A project specific levy rate, determined by the responsible Minister and informed by actuarial advice, is applied to the projects that exceed the \$1 billion threshold.

(k) Going concern

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

The Scheme has recorded a net loss of \$14,958,107 as at the end of this current reporting period.

While the Scheme currently has a moderate surplus net asset position, it is predicted to gradually decline over the following years as growth in liabilities continue to accrue at a greater rate than expected income. The underlying concern expressed by the actuary in his 2020 triennial actuarial review report dated March 2020, and reiterated in his scheme financial projection dated 9 August 2022, that the current levy rate of 0.1% continues to be well below the break-even rate, remains.

Notwithstanding the concerns, the Board remains satisfied that adequate governance practices and review mechanisms are in place for the ongoing monitoring of the financial sustainability of the Scheme.

(l) Adoption of new and revised accounting standards

NT Build has adopted all standards which became effective for the first time at 30 June 2022. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of NT Build.

(m) Standards and interpretations issued but not yet effective

No Australian accounting standards have been early adopted for 2021-22.

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

Notes to the Financial Statements

For the Year Ended 30 June 2022

2. Summary of Significant Accounting Policies (continued)

(n) Critical accounting estimates and judgements

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

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

The significant estimates and judgements made have been described below.

Long service leave benefits - Note 2(i), Note 11(a): Provisions

Non-current liabilities in respect of long service leave benefits are measured at the present value of estimated future cash outflows based on the appropriate asset based rate, estimates of future salary and wage levels and employee periods of service. The accuracy of provisions is the key estimate included in these financial statements as noted in Note 11(a).

Allowance for impairment losses - Note 6 - Trade and other receivables

The value of the provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the aging of receivables, historical collection rate and specific knowledge of the individual debtors financial position.

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

3. Other Income

	2022	2021
	\$	\$
Other Income		
- Interest received	4,137	60,136
- Investment income	7,168,009	4,120,082
- Manager fee rebate	253,542	194,179
- Reciprocal income	1,142,925	1,103,223
	<u>8,568,613</u>	<u>5,477,620</u>

4. Expenses

	2022	2021
	\$	\$
Depreciation and Amortisation:		
- Depreciation and amortisation expense	84,626	164,161
Remuneration of auditor:		
- auditing the financial report*	26,000	24,000
Fees and allowances		
- board member fees	40,285	35,820

* The auditor of NT Build is the Northern Territory Auditor-General.

5. Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash on hand	200	200
Cash at bank	43,704	594,687
Short-term deposits	-	7,537,007
	<u>43,904</u>	<u>8,131,894</u>

6. Trade and Other Receivables

	2022	2021
	\$	\$
CURRENT		
Trade receivables	787,764	742,817
Accrued levy income	1,899,107	101,399
Prepayments	22,625	21,630
	<u>2,709,496</u>	<u>865,846</u>

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

6. Trade and Other Receivables (continued)

(a) Impairment of receivables

NT Build applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2022 is determined as follows, the expected credit losses incorporate forward looking information.

7. Other Financial Assets

(a) Financial assets at fair value through profit or loss

	2022	2021
	\$	\$
CURRENT		
JANA Moderate Trust	96,757,515	100,122,868
	96,757,515	100,122,868

(b) Breakdown of investment split

	2022	2021
	%	%
- Australian shares	29	27
- Global shares	32	35
- Bonds	34	33
- Property Securities	5	5
Total	100	100

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

8. Property, plant and equipment

	2022	2021
	\$	\$
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	15,547	15,547
Accumulated depreciation	(15,547)	(15,547)
Total furniture, fixtures and fittings	-	-
Office equipment		
At cost	8,842	12,181
Accumulated depreciation	(8,842)	(12,181)
Total office equipment	-	-
Computer equipment		
At cost	4,642	4,642
Accumulated depreciation	(4,642)	(4,642)
Total computer equipment	-	-
Leasehold Improvements		
At cost	309,944	309,944
Accumulated amortisation	(309,018)	(306,440)
Total leasehold improvements	926	3,504
Total plant and equipment	926	3,504
RIGHT-OF-USE		
Right-of-Use - Buildings		
Under lease	639,295	639,295
Accumulated amortisation	(174,353)	(116,236)
Total Right-of-Use - Buildings	464,942	523,059
Right-of-Use - Motor Vehicles		
Under lease	116,511	116,511
Accumulated amortisation	(60,159)	(36,229)
Total Right-of-Use - Motor Vehicles	56,352	80,282
Total right-of-use	521,294	603,341
Total property, plant and equipment and Right-of-Use assets	522,220	606,845

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

8. Property, plant and equipment (continued)

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

	Leasehold Improvements	Right-of-Use - Buildings	Right-of-Use - Motor Vehicles	Total
	\$	\$	\$	\$
Year ended 30 June 2022				
Balance at the beginning of year	3,504	523,059	80,282	606,845
Amortisation/ Depreciation	(2,578)	(58,117)	(23,930)	(84,625)
Balance at the end of the year	926	464,942	56,352	522,220

	Leasehold Improvements	Right-of-Use - Buildings	Right-of-Use - Motor Vehicles	Total
	\$	\$	\$	\$
Year ended 30 June 2021				
Balance at the beginning of year	6,082	581,177	104,212	691,471
Amortisation/ Depreciation	(2,578)	(58,118)	(23,930)	(84,626)
Balance at the end of the year	3,504	523,059	80,282	606,845

9. Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	61,806	13,379
Other payables	171,294	187,626
	233,100	201,005

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

10. Lease liabilities

	2022	2021
	\$	\$
Current	79,615	78,113
Non-current	447,428	527,044
	527,043	605,157

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

11. Provisions

	2022	2021
	\$	\$
Current	15,600,000	12,800,000
Non-current	44,522,000	41,916,000
	<u>60,122,000</u>	<u>54,716,000</u>

(a) Movement in carrying amounts

	2022	2021
	\$	\$
Opening balance	54,716,000	54,428,000
Actuarial valuation adjustment - based on asset-based discount rate	5,406,000	288,000
	<u>60,122,000</u>	<u>54,716,000</u>

(b) Actuary valuation adjustment

The NT Build Long Service Leave liability valuation was carried out on 9 August 2022 by Cumpston Sarjeant Pty Ltd, Consulting Actuaries, in respect of the year ended 30 June 2022.

For each future year the amounts of entitlement expected to be paid in service and on termination of membership have been determined by making a projection based on assumed rates of claiming benefits in service, rates of death, retirement, and resignation, and assumed escalation in the benefit rate. The resulting cash flows have then been converted to a present value by discounting from the expected date of payment to the valuation date at the assumed discount rate.

The greatest unknowns in the liability valuation are the assumptions regarding member movements (exit rates and recommencement rates), and regarding the ability of the scheme to remain in contact with inactive members so as to pay available deregistration benefits. While not a circumstance that has arisen in a significant way in the scheme yet, the general problem of lost members due to the transitory nature of the NT construction workforce is perhaps a greater issue than for interstate schemes.

Other elements such as the rate of claiming benefits in service are not as important. Further scheme experience over time will refine the member movement assumptions made and gradually reduce uncertainty in the valuation from this area, although the effect of uncertainty in asset returns will remain significant while current asset allocation is maintained.

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

11. Provisions (continued)

(c) Reconciliation of current year movement

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

	<u>\$ (million)</u>
Liability previously determined excl. expenses as at June 2021	47.6
plus Interest on liability @ 4.0% for one year to 2022	1.9
less Expected payments during FY22 from accrued liability at 2021	<u>(7.1)</u>
Expected liability excluding expense at 2022 for pre-2021 service	42.4
plus Changes in valuation assumption - impact on pre-2021 liability	
Change to assumed future benefit rate increases	1.5
Change to assumed future investment return	<u>(1.9)</u>
Expected pre-2021 liability at 2022 on new valuation basis	42.0
plus Experience gains/losses	
Benefit payments lower than projected	1.6
Benefit rate increase on 1/7/22 higher than forecast	1.2
Other experience gains/losses	<u>0.0</u>
Liability at June 2022 for service to June 2021, excluding expenses	44.9
plus Liability for service accruals in FY22	<u>7.4</u>
Total liability excluding expenses at 30 June 2022	52.3
plus Liability for expenses @ 15% of liability	<u>7.8</u>
Total liability including expenses at 30 June 2022	<u>60.1</u>

*progression may not tally precisely due to rounding

The most significant elements of the above progression include:

- Benefit payments in FY22 were \$1.6 million lower than expected in 2021, resulting in a moderate increase in liability compared to prior expectations;
- The benefit rate increased by more than previously expected on 1 July 2022, increasing liability by \$1.2 million;
- Changes in future economic assumptions largely offset each other, with both the discount rate and the benefit rate growth assumption increasing by 1% pa. The net impact was a \$0.4 million decrease in liability;
- Other experience gains/losses are minor.

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

12. Other Financial Liabilities

	2022	2021
	\$	\$
CURRENT		
Amounts received in advance	<u>6,563</u>	102,755
	<u>6,563</u>	<u>102,755</u>

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

13. Reserves

	2022	2021
	\$	\$
Implementation Funding		
Opening balance	296,867	296,867
Total Reserves	<u>296,867</u>	<u>296,867</u>

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

14. Commitments

Operating Leases expiring in 5 years

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

NT Build leases computer equipment and entered into a software licensing operating lease for a further 5 years, however this agreement may be terminated by either party by giving 6 months notice. Future operating lease commitments not recognised as liabilities are payable as follows:

	2022	2021
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	247,057	124,182
- between one year and five years	70,875	213,712
- later than five years		22,263
	<u>317,932</u>	<u>360,157</u>

Contractual Commitments

At year end, NT Build had outstanding additional contracted commitments with a value of \$31,721. These commitments relate to advertising services yet to be provided. NT Build expect these commitments will become due in 2023FY.

15. Financial Risk Management

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

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

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

NT Build does not speculate in financial assets.

Notes to the Financial Statements

For the Year Ended 30 June 2022

15. Financial Risk Management (continued)

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

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by NT Build are:

- Trade receivables
- Cash at bank
- Investments in listed shares
- Trade and other payables

Objectives, policies and processes

The Board has overall responsibility for the establishment of NT Build's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives. Whilst retaining ultimate responsibility, in December 2015 the Board established a Finance, Risk and Audit (FRA) Sub-committee. This FRA Sub-committee, which consists of three members and met three times during the 2021-22 reporting period, is charged with providing reasonable assurance to the Board that NT Build's core business goals and objectives are being achieved in an efficient and economical manner, within an appropriate framework of internal control and risk management. The Committee also provides strategic oversight and focus on the key financial and strategic risks and controls across NT Build but does not replace the appropriate function of the Board.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and NT Build's activities.

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

Liquidity risk

Liquidity risk arises from NT Build's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that NT Build will encounter difficulty in meeting its financial obligations as they fall due.

NT Build

Notes to the Financial Statements

For the Year Ended 30 June 2022

15. Financial Risk Management (continued)

Liquidity risk (continued)

NT Build's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. NT Build maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

NT Build manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that NT Build expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since NT Build has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

The table below reflects the undiscounted contractual maturity analysis for financial assets and liabilities (excluding lease liabilities for the current year - refer to note 10).

Financial asset and liability maturity analysis - Non-derivative

	Weighted average		Floating Interest Rate		Within 1 Year		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	%	%	\$	\$	\$	\$	\$	\$
Financial assets - cash flows realisable								
Cash and cash equivalents	0.27	0.40	43,904	8,131,894	-	-	43,904	8,131,894
Trade, term and loans receivables	-	-	856,143	830,648	-	-	856,143	830,648
Other investments	3.20	8.00	96,757,515	100,122,868	-	-	96,757,515	100,122,868
Financial liabilities due for payment								
Trade and other payables (excluding estimated annual leave)	-	-	-	-	61,116	12,517	61,116	12,517
Total anticipated outflows			97,657,562	109,085,410	61,116	12,517	97,718,678	109,097,927

The timing of expected outflows is not expected to be materially different from contracted cashflows.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to NT Build.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

NT Build

Notes to the Financial Statements

For the Year Ended 30 June 2022

15. Financial Risk Management (continued)

Credit risk (continued)

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables and contract assets

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

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

	2022	2021
	\$	\$
Non-instalment	128,789	149,820

Other financial assets held at amortised cost

The NT Build does not hold any other assets at amortised cost.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Sensitivity analysis

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +1.00% and -1.00% (2021: +1.00%/-1.00%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports. The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

	2022		2021	
	+1.00%	-1.00%	+1.00%	-1.00%
	\$	\$	\$	\$
Net results	968,014	968,014	1,082,547	1,082,547
Equity	968,014	968,014	1,082,547	1,082,547

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

15. Financial Risk Management (continued)

(a) Fair value estimation

	2022 Net Carrying Value \$	2022 Net Fair Value \$	2021 Net Carrying Value \$	2021 Net Fair Value \$
Financial assets				
Cash and cash equivalents	43,904	43,904	8,131,894	8,131,894
Trade and other receivables	881,852	856,143	865,846	825,188
Financial assets at fair value through profit or loss: Investments	96,757,515	96,757,515	100,122,868	100,122,868
	97,683,271	97,657,562	109,120,608	109,079,950
Financial liabilities				
Trade and other payables	233,098	233,098	201,006	201,006
Lease liabilities	527,043	527,043	605,157	605,157
	760,141	760,141	806,163	806,163

16. Key Management Personnel Remuneration

NT Build is a statutory corporation established by the *Construction Industry Long Service Leave and Benefits Act 2005* (the CILSLB Act) to provide a portable long service leave benefit scheme to building and construction workers in the Northern Territory. It is not an agency within the meaning of the *Financial Management Act 1995* or the *Public Sector Employment and Management Act 1993*.

Under the Administrative Arrangements Order in force for the period ended 30 June 2022 the Department of Industry, Tourism and Trade had the principal responsibility for the general administration of the CILSLB Act. However, in accordance with the CILSLB Act, the Board holds the specific responsibility for the day-to-day management of the Scheme and for providing advice and making recommendations to the Minister about the operation of the legislation.

Key management personnel of NT Build are those persons having authority and responsibility for planning, directing and controlling the activities of NT Build. These include the Minister for Mining and Industry, The Hon Nicole Manison MLA, the Registrar, Mr Theo Tsikouris, Ms Belinda Peacocke (as Acting Registrar from 3 May 2022) and the NT Build Board as listed below.

The names of the members of the Board who held office during the year are Mr Michael Martin OAM, Mr Dick Guit OAM, Mr David Malone, Mr Michael Milatos, Ms Rosemary Campbell, Ms Sarah Rummery and Mr David Hayes.

The details below exclude the salaries and other benefits of the Minister for Mining and Industry as the Minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's Annual Financial Statements.

The details below also exclude the salaries and other benefits of a Board Member who is an employee of the Department of Treasury and Finance as their remunerations and allowances are payable by the Department of Treasury and Finance and consequently disclosed within the Department of Treasury and Finance Annual Financial Statements.

NT Build

Notes to the Financial Statements

For the Year Ended 30 June 2022

16. Key Management Personnel Remuneration (continued)

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

	2022 \$000	2021 \$000
Short-term employee benefits	269	239
Long-term benefits	-	-
Post-employment benefits	32	30
Termination benefits	-	-
Total	301	269

Attendance at meetings

	Eligible Meetings*	Meetings Attended
Sarah Rummery	9	8
Dick Guit	11	7
David Malone	11	9
Michael Milatos	11	8
Michael Martin	11	11
Rosemary Campbell	11	9
David Hayes	11	9

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

17. Contingencies

In the opinion of the Directors, the NT Build did not have any contingencies at 30 June 2022 (30 June 2021:None).

18. Related Parties

(a) The NT Build's main related parties are as follows:

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

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

Key management personnel - refer to Note 16.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

NT Build

Notes to the Financial Statements For the Year Ended 30 June 2022

18. Related Parties (continued)

(b) Transactions with Northern Territory Government controlled entities

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

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

	Revenue from related parties 2022 \$	Payments to related parties 2022 \$	Amounts owed by related parties 2022 \$	Amounts owed to related parties 2022 \$
Related Party				
All NT Government Departments	-	1,078,272	-	31,302
	-	1,078,272	-	31,302
	Revenue from related parties 2021 \$	Payments to related parties 2021 \$	Amounts owed by related parties 2021 \$	Amounts owed to related parties 2021 \$
Related Party				
All NT Government Departments	-	1,059,254	-	134,908
	-	1,059,254	-	134,908

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

Notes to the Financial Statements

For the Year Ended 30 June 2022

19. Cash Flow Information

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

	2022	2021
	\$	\$
Net surplus for the year	(14,958,107)	11,842,246
Cash flows excluded from net surplus attributable to operating activities		
Non-cash flows in profit:		
- depreciation and amortisation	84,626	164,161
- interest on lease liabilities	11,493	12,966
- movement in market value of investments	14,800,918	(11,017,143)
- manager fee rebate	(253,542)	(194,179)
- distribution income capitalised	(7,139,627)	-
- scheme liability expenses	5,406,000	288,000
Changes in assets and liabilities net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(1,846,298)	18,723,458
- decrease in other assets	3,643	-
- (increase) in prepayments	(995)	(8)
- increase/(decrease) in income in advance	(96,192)	91,615
- increase/(decrease) in trade and other payables	32,094	(80,568)
Cashflows from operations	<u>(3,955,987)</u>	<u>19,830,548</u>

(a) Changes in liabilities arising from financing activities

	1 July 2021	Lease liability repayment	Other non- cash movement	30 June 2022
	\$	\$	\$	\$
Leases - motor vehicles	78,501	(24,816)	1,003	54,688
Leases - buildings	526,656	(64,789)	10,488	472,355
Total liabilities from financing activities	<u>605,157</u>	<u>(89,605)</u>	<u>11,491</u>	<u>527,043</u>

State/Territory schemes

- recognised under the National Reciprocal Agreement for the provision of long service in the building and construction industry

Australia Capital Territory

Construction Industry Long Service Leave Authority

Trevor Pearcey House
Unit 1, 28 Thynne Street
Bruce ACT 2617
Tel: (02) 6247 3900
Email: construction@actleave.act.gov.au
Web: actleave.act.gov.au

Queensland

QLeave

Unit 1
62 Crockford Street
Northgate QLD 4013
Toll Free: 1300 753 283
Email: member@qleave.qld.gov.au
Web: qleave.qld.gov.au

Tasmania

TasBuild

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

Western Australia

MyLeave Construction Industry Long Service Leave Scheme

Level 3
50 Colin Street
West Perth WA 6005
Toll Free: 1800 198 136
Email: hi@myleave.wa.gov.au
Web: myleave.wa.gov.au

New South Wales

Long Service Corporation

32 Mann Street
Gosford NSW 2250
Toll Free: 13 14 41
Email: info@longservice.nsw.gov.au
Web: longservice.nsw.gov.au

South Australia

Portable Long Service Leave

155 Fullarton Road
Rose Park SA 5067
Tel: (08) 8332 6111
Email: hello@portableleave.org.au
Web: portableleave.org.au

Victoria

CoInvest

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

Ausleave

Ausleave

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

Web: ausleave.com.au

NT Build – portable long service leave

Street: Units 32-33 / 12 Charlton Court
Woolner NT 0820

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Winnellie NT 0821

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Office phone: (08) 8936 4070

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