Integrity NT

Office of the Integrity and
Ethics Commissioner

Annual Report

2025-26

Purpose of this report

The 2025-26 Annual Report of the Office of the Integrity and Ethics Commissioner (**Integrity NT**) has been prepared to comply with annual reporting requirements under:

- section 28 of the *Public Sector Employment and Management Act 1993* (PSEMA)
- sections 11 and 13 of the *Financial Management Act 1995*
- parts 3 and 9 of the *Information Act 2002*.

This is the inaugural Annual Report of Integrity NT.

Integrity NT was established under the *Integrity and Ethics Commissioner Act 2025*, which commenced on 1 June 2026. The Integrity and Ethics Commissioner (the "Commissioner") and the Chief Executive Officer (CEO) formally commenced on that date. Integrity NT brings together the functions previously exercised by the following Integrity Offices under a single independent statutory office:

- Office of the Independent Commissioner Against Corruption
- Office of the Ombudsman
- Office of the Information Commissioner
- Health and Community Services Complaints Commission.

While Integrity NT only commenced from 1 June 2026, preparatory work was undertaken for the transition throughout 2025-26. This report provides a whole-of-agency overview of performance, governance, corporate services, financial management and strategic outcomes achieved during the establishment year of Integrity NT.

More detailed operational reporting for individual statutory functions is provided through separate annual reports published in accordance with legislative requirements.

Acknowledgement of Country

Integrity NT acknowledges Aboriginal and Torres Strait Islander people as Traditional Custodians of the land on which we work and live, and pays respect to Elders past and present, and emerging community leaders.

Published by Integrity NT

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Letter of Transmittal

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

Dear Chief Minister

In accordance with the provisions of the *Public Sector Employment and Management Act 1993,* I am pleased to submit to you the Office of the Integrity and Ethics Commissioner 2025-26 Annual Report.

Pursuant to the *Public Sector Employment and Management Act 1993*, the *Financial Management Act 1995* and the *Information Act 2002*, I advise that, to the best of my knowledge and belief:

a) proper records of all transactions affecting the agency are kept and that employees under their control observe the provisions of the *Financial Management Act 1995*, the Financial Management Regulations and Treasurer's Directions

b) procedures within the agency afford proper internal control and a current description of such procedures is recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the *Financial Management Act 1995*

c) no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists (or where this is not the case, details to be provided of any such instances)

d) in accordance with the requirements of section 15 of the *Financial Management Act 1995*, the internal audit capacity available to the agency is adequate and the results of internal audits have been reported to the accountable officer

e) the financial statements included in the annual report have been prepared from proper accounts and records and are in accordance with Treasurer's Directions

f) reporting required under Employment Instructions issued by the Commissioner for Public Employment has been satisfied

g) the Office has implemented processes to achieve compliance with the archives and records management provisions prescribed in Part 9 of the *Information Act 2002.*

In addition, in relation to items (a), (e) and (g) above, the Chief Executive of the Department of Corporate and Digital Development has advised that, to the best of her knowledge and belief, proper records are kept of transactions undertaken by that Department on behalf of Integrity NT and the employees under her control observe the provisions of the *Financial Management Act 1995*, the Financial Management Regulations, Treasurer's Directions and Part 9 of the *Information Act 2002.*

Yours sincerely



Reece P Kershaw APM
Chief Executive Officer
30 September 2026

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The Commissioner's perspective

Together with the Chief Executive Officer, Reece P Kershaw APM, it is our pleasure to present the inaugural Annual Report of the Office of the Integrity and Ethics Commissioner (Integrity NT).

The creation of Integrity NT represents a significant reform of the Northern Territory integrity framework. The establishment of a single independent office responsible for multiple integrity functions provides a unique opportunity to strengthen oversight, improve service delivery and enhance public confidence in government institutions.

The establishment of Integrity NT was not simply an administrative exercise. It was the beginning of a new integrity model designed to provide stronger coordination, greater organisational capability and more efficient use of public resources, while preserving the independence of each statutory function. Throughout the year, considerable effort was directed toward creating governance arrangements, integrating systems and building a common organisational culture. However, much work remains to be done over the coming year.

Despite the challenges associated with establishing a new agency, staff continued to deliver critical services to Territorians. Integrity NT assessed allegations of improper conduct, investigated corruption risks, resolved complaints about government administration and service providers, promoted transparency and privacy protections, reviewed systemic issues and supported improvements across public administration.

The achievements of this transitional year would not have been possible without the professionalism and dedication of our staff. Their commitment ensured continuity of service while simultaneously building a new organisation.

As we move into our first full year of operation as an integrated agency, we remain committed to the principles of integrity, independence, accountability, fairness and public confidence that underpin our work.



Peter Shoyer
Integrity and Ethics Commissioner

Building the foundations

The 2025–26 financial year has been one of the most significant periods of organisational change experienced by any Northern Territory integrity agency.

Alongside the Commissioner, I have had the privilege of leading the creation of the Office of the Integrity and Ethics Commissioner (Integrity NT) and supporting the integration of multiple statutory functions into a single independent agency.

The year required the transfer of people, systems, assets, liabilities, records and governance arrangements from predecessor agencies while ensuring continuity of operational delivery. This work was undertaken while maintaining service standards across all statutory functions and preserving the independence of office holders and investigators.

A key focus was creating a sustainable operating model to support the delivery of integrity and oversight services over the long term. Significant progress was made in workforce planning, financial management, risk oversight, strategic planning, information management and corporate governance.

Integrity NT closed its inaugural year with:

- Revenue of $10.681 million
- Expenditure of $9.107 million
- A net surplus of $1.574 million
- Net assets of $6.434 million
- Workforce strength of 42.66 FTE.

These results place the agency in a strong position as we enter our first full year of operation.

I thank all staff, stakeholders and partner agencies who contributed to the successful establishment of Integrity NT.

Reece P Kershaw APM
Chief Executive Officer

Our organisation

Purpose

The Office of the Integrity and Ethics Commissioner (Integrity NT) exists to strengthen integrity, accountability, transparency and public confidence across the Northern Territory public sector.

Functions

Integrity NT supports the statutory responsibilities of the:

- Integrity and Ethics Commissioner
- Independent Commissioner Against Corruption
- Ombudsman
- Information Commissioner
- Health and Community Services Complaints Commissioner
- Judicial Commission support functions.

Establishing Integrity NT

A new integrity framework

The establishment of Integrity NT represented one of the most significant integrity reforms undertaken in the Northern Territory.

The reform consolidated previously separate integrity functions into a single, independent office to improve coordination, strengthen capability and create opportunities for more efficient delivery of services.

During the year Integrity NT:

- integrated financial and corporate systems
- consolidated corporate services functions
- implemented machinery-of-government transfers
- built a unified workforce and organisational culture
- welcomed formal commencement of legislation underpinning the new model on 1 June 2026.

Governance

Integrity NT operates within a comprehensive governance framework supporting:

- strategic leadership
- corporate governance
- financial stewardship
- risk management
- workforce capability
- information governance
- legislative compliance.

Integrity NT remains accountable through parliamentary oversight, audit processes, statutory reporting obligations and independent external scrutiny arrangements.

Office performance

A brief description of the performance of each component of Integrity NT during the year is set out below. More detail is included in separate annual reports.

Office of the Independent Commissioner Against Corruption operations

Objective: Improved integrity in public administration by reducing improper conduct

TABLE 1: OUTPUT GROUP 1 - KEY PERFORMANCE INDICATORS

KPIs	2025-26 Target	2025-26 Actual
Allegations received	300	530
Assessments completed within 20 business days of receipt of report	≥ 90%	100%
Average time (in days) to complete an investigation	365	463
Referrals to other public bodies with a direction to report back	40	45
Reviews or evaluations completed	4	1
Percentage of review recommendations accepted by agencies	≥ 90%	100%
Education and prevention activities conducted	100	180
Satisfaction rate of participants on face to face and online learning sessions	≥ 75%	84%

Ombudsman's operations

Objective: Improved quality of decision-making and administrative practices in public authorities

TABLE 2: OUTPUT GROUP 2 - KEY PERFORMANCE INDICATORS

KPIs	2025-26 Target	2025-26 Actual
Approaches received	2 200	2 308
Approaches finalised	2 200	2 206
Police approaches finalised within 90 days	≥ 80%	79%
Other approaches finalised within 28 days	≥ 90%	90%

Information Commissioner operations

Objective: Improved understanding and awareness of freedom of information (FOI) and privacy rights

TABLE 3: OUTPUT GROUP 3 - KEY PERFORMANCE INDICATORS

KPIs	2025-26 Target	2025-26 Actual
General enquiries	300	277
Complaints/applications received	30	43
Complaints/applications finalised	30	35

Judicial Commission operations

Objective: Effective management of complaints against judicial officers and Northern Territory Civil and Administrative Tribunal members

TABLE 4: OUTPUT GROUP 4 - KEY PERFORMANCE INDICATORS

KPIs	2025-26 Target	2025-26 Actual
Complaints finalised within 6 months	≥ 80%	78%

Health and Community Services Complaints Commission

Objective: Improve the quality of health, aged and disability services in the Territory

TABLE 5: OUTPUT GROUP 5 - KEY PERFORMANCE INDICATORS

KPIs	2025-26 Target	2025-26 Actual
Health and Community Services Complaints Commission complaints and enquiries closed	100%	97%

Statutory reports published separately

Detailed legislative annual reporting for the following functions is provided to relevant Ministers for tabling in the NT Parliament, with reports ultimately published on Office websites:

Independent Commissioner Against Corruption

Reports on corruption assessments, investigations, strategic reviews, referrals, recommendations and prevention activities.

Ombudsman

Reports on complaint handling, police conduct, correctional services oversight and statutory auditing functions.

Information Commissioner

Reports on freedom of information, privacy, data breaches and information governance matters.

Judicial Commission

Reports on complaints regarding judicial officers and tribunal members.

Health and Community Services Complaints Commissioner

Reports on complaints and issues regarding health, disability, and aged care services.

Corporate Services Unit

Functions and objectives

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

In addition to the Corporate Services Unit, Integrity NT receives services from the Department of Corporate and Digital Development (DCDD) for information communications and technology, and delivery of across government systems. Integrity NT also receives services from the Department of Logistics and Infrastructure (DLI) for minor capital works, and repairs and maintenance.

The Corporate Services Unit had 7 allocated positions as of 30 June 2026.

Corporate Services Unit performance

The Corporate Services Unit provided the following assistance in relation to Integrity NT's projects during the reporting period:

- Drafted and established new policies and procedures to combine all integrity offices into one and ensure compliance with legislated obligations.
- Assisted in monitoring Integrity NT's key priorities and KPIs for monitoring and reporting.
- Continued Integrity NT's effective financial management through monthly reporting and monitoring of expenditure against budget.
- Continued to implement and monitor Integrity NT's risk management framework, including updates and maintenance of the strategic risk register.

Audit, Risk and Compliance Committee (ARCC)

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

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

- monitor Integrity NT's risk registers, risk appetite statements and provide advice to the CEO on management of risk within Integrity NT
- oversee the development and implementation of the Internal Audit Plan linked to Integrity NT's risk registers
- review internal and external audit reports and oversee implementation of recommendations
- review public accountability disclosures, including financial and performance information in Integrity NT's annual report, in line with legislative requirements.

External oversight

Integrity and Ethics Oversight Inspector

On 1 June 2026, the role of the Inspector of the ICAC ceased, following the full commencement of the *Integrity and Ethics Commissioner Act 2025* (the "Act").

This role has been replaced by the Integrity and Ethics Oversight Inspector. Mr Bruce McClintock SC commenced in that role on 1 June 2026.

The Inspector has the following functions in relation to the Commissioner and Integrity NT:

- to evaluate the Commissioner's performance (as each Integrity Officer and otherwise), and report on the evaluation, in accordance with sections 35 and 36 of the Act;
- to evaluate any aspect of the Commissioner's operations or any conduct of a member of Integrity NT;
- to receive and deal with complaints about the Commissioner, Integrity NT or its members;
- to determine how any conflict of interest that arises because of the Commissioner concurrently being each Integrity Officer will be resolved; and
- to make recommendations to the Commissioner regarding practices or procedures in relation to the exercise of powers and performance of functions under an Integrity Act.

Any complaints about the Integrity and Ethics Commissioner or Integrity NT should be sent to inspector@oicac.nt.gov.au.

Procurement

The Integrity Offices continued to follow their Agency Procurement Management Plans during the period.

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

From 1 July 2025 to 30 June 2026, Integrity NT awarded 3 contracts in tiers 2 to 5 procurement activities that do not fall under section 5(2) of the *Procurement Act 1995* and did not receive any procurement-related complaints.

Human resources

Integrity NT had staff of 42.66 FTE at the last pay period in 2025-26. The staff headcount at 30 June 2026 was 46.

Employee demographics

TABLE 6: CLASSIFICATION OF HEADCOUNT, LEVEL AND GENDER, AS AT THE FINAL PAY PERIOD IN 2025-26 (PAY 26)

Paid Classification Code	Female	Male	Total
Administrative Officer 4 (AO4)	4	1	5
Administrative Officer 5 (AO5)	2	-	2
Administrative Officer 6 (AO6)	7	2	9
Administrative Officer 7 (AO7)	7	3	10
Senior Administrative Officer 1 (SAO1)	4	2	6
Senior Administrative Officer 2 (SAO2)	4	2	6
Professional 2 (P2)	1	-	1
Senior Professional 2 (SP2)	3	-	3
Executive Officer 3 (EO3)	-	1	1
Executive Contract Officer 2 (EO2C)	1	-	1
Executive Contract Officer 6 (EO6C)	-	1	1
Integrity and Ethics Commissioner (IEC)	-	1	1
TOTAL	**33**	**13**	**46**

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

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

From 1 July 2025 to 30 June 2026, Integrity NT had 7 employees who had approved individual flexible work arrangements, in addition to Flextime arrangements for staff of some Integrity Offices.

Compliance with PSEMA

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

TABLE 7: COMPLIANCE WITH PUBLIC SECTOR PRINCIPLES

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

Employment Instructions are the rules issued by the NT Commissioner for Public Employment to provide direction to agencies on applying the PSEMA and regulations. Integrity NT's performance against each Employment Instruction (EI) is reported in the table below.

TABLE 8: COMPLIANCE WITH EMPLOYMENT INSTRUCTIONS

Employment Instruction	Action
Filling vacancies	Integrity NT ensures all members of a selection panel have completed the face-to-face Merit Selection training and that the recruitment process is undertaken in accordance with Employment Instruction 1 and the NTPS Recruitment and Selection Policy.
Probation	Integrity NT has probation guidelines consistent with PSEMA. Managers discuss the probation process with new employees during their induction to Integrity NT.
Natural justice	The principle of natural justice is reflected in Integrity NT's guidelines for staff, policies and procedures, and is adhered to in dealings with staff.
Employee performance management and development systems	Performance management systems are in place for all staff. Review and consolidation of systems across the former Integrity Offices will be undertaken in due course.
Medical examinations	There were no requests for medical examination issued during 2025-26.
Performance and inability	Integrity NT uses the information provided on the Office of the Commissioner for Public Employment (OCPE) website for performance and inability matters. The Corporate Services Unit supports managers dealing with under-performance issues.
Internal agency complaints and section 59 grievance reviews	Integrity NT has internal grievance policies and procedures available to all staff. Review and consolidation of policies and procedures across the former Integrity Offices will be undertaken in due course.
Employment records	Secure storage and disposal of employee records is ensured in accordance with the NTPS Organisations Records and Information Management Standards and the *Information Act 2002*.
Equality of employment opportunity programs	Integrity NT is supportive of a diverse workforce and adheres to the EmployAbility Strategy 2024-2027.
Occupational health and safety standards programs	Each of the Integrity Offices has a WHS Management Plan that outlines its commitment to implementation of a safe working environment in accordance with the *Work Health and Safety (National Uniform Legislation) Act 2011*. A new combined WHS Management Plan is being developed by the Corporate Services Unit.
Code of conduct	The NTPS Code of Conduct is included in the induction pack for all Integrity NT employees. Managers must ensure employees adhere to the standards of conduct required.
Appropriate workplace behaviours	Appropriate Workplace Behaviour policies are in place to promote a respectful working environment. Review and consolidation of policies and procedures across the former Integrity Offices will be undertaken in due course.
Redeployment and redundancy procedures	There were no instances of redeployment or redundancy in the reporting period.
Special measures	The Integrity Offices have in place special measures plans that provide priority consideration to eligible First Nations people applying for positions with varying applications across the Integrity Offices. A new Special Measures Plan was submitted for approval subsequent to the financial year covering the new amalgamated office.

Freedom of information

Integrity NT continues to work in compliance with the *Information Act 2002.*

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

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

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

Staff learning and development

Learning and development opportunities were available to all staff and provided in accordance with their myPerformance agreement or other approved procedures.

Staff members are supported from commencement and continuously offered the tools and resources required to conduct their roles effectively and safely.

For the 2025-26 financial year, the staff members of Integrity NT completed the following essential training (noting other professional development activities are recorded in annual reports for individual offices).

TABLE 9: ESSENTIAL TRAINING

Essential Training	Completions
Foundational Cross-Cultural Training	14
Creating Respectful Workplaces	9
Introduction to ICAC and Mandatory Reporting	20
Merit Selection Training	15
Code of Conduct	12
OneNTG Fraud and Corruption Awareness	22
OneNTG Online Orientation	7
OneNTG Regional and Remote Orientation	4
OneNTG Appropriate Workplace Behaviours Online	13

Work health and safety (WHS)

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

WHS strategies Integrity NT has employed include:

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

There was one WHS incident and one hazard reported during 2025-26 that needed to be addressed by Integrity NT.

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

- access to employee assistance programs
- ergonomic assessments
- access to flu vaccinations
- flexible working arrangements.

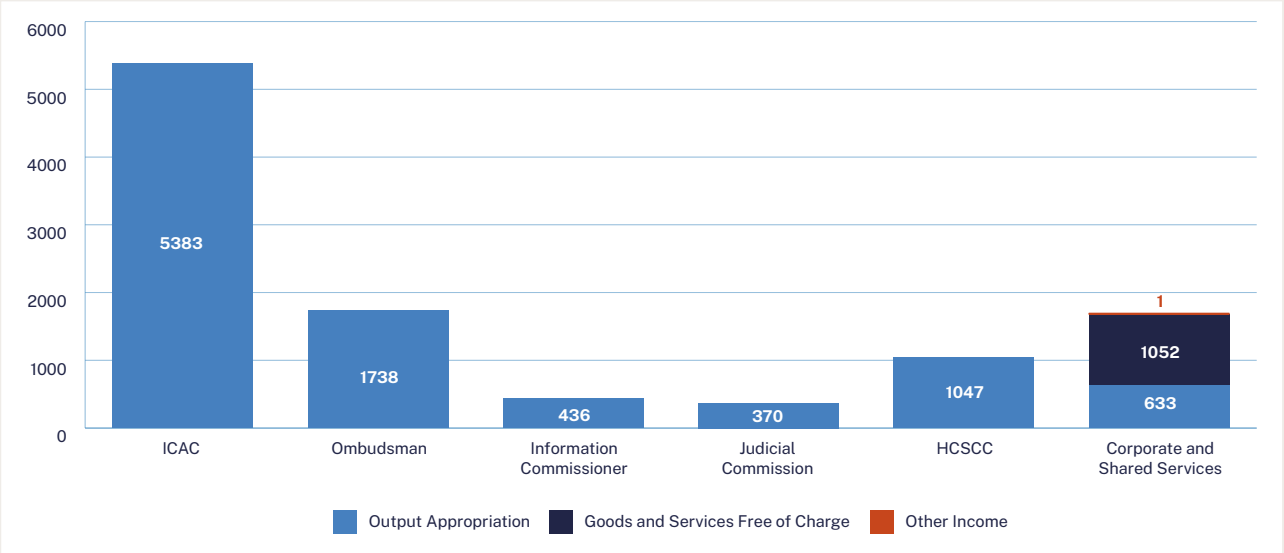
Financial statement overview

During the 2025-26 financial year, being its first year of operation, Integrity NT achieved a net surplus of $1,574,000. This was largely due to savings from transitional staffing arrangements and creation of the new agency. Total income for the period was $10,681,000 and expenses $9,107,000.

Income

Integrity NT's primary source of income is output appropriation, which comprised $9.6 million. Notional revenue from goods and services received free of charge was $1,052,000. The following figure shows the revenue by output group as received by Integrity NT in 2025-26.

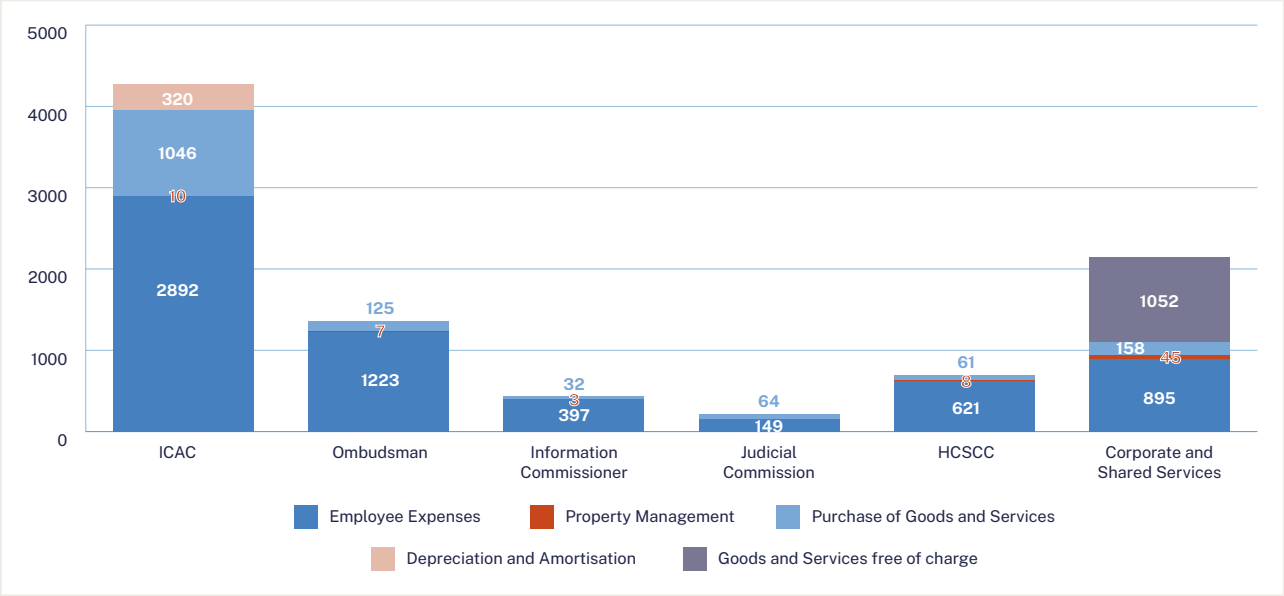
FIGURE 1: INCOME BY OUTPUT GROUP ($000)



Expenses

Approximately 68% of Integrity NT's $9.1 million total expenditure for the year was attributed to employee related expenses which comprised $6,176,000. Administrative expenses totalled $2,931,000. A breakdown of major administrative expense categories is shown below.

FIGURE 2: EXPENSES BY CATEGORY ($000)



Financial position

On commencement as a result of machinery of government changes, Integrity NT received transfers in of $5,935,000 in assets and $1,075,000 in liabilities. When combined with its operating surplus of $1,574,000 this left Integrity NT with a total of $6,434,000 in equity at the conclusion of the reporting period. This included a cash balance as at 30 June 2026 of $5,892,000.

Summary of financial position at 30 June 2026	($000)
Total assets	7 527
Total liabilities	(1 093)
NET ASSETS	**6 434**

Certification of the financial statements

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

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2026 and the financial position on that date.

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



Reece P Kershaw APM
Chief Executive Officer
28 August 2026



Adrian Fojas CA
A/Director Corporate Services and Chief Financial Officer
28 August 2026

Comprehensive operating statement

For the year ended 30 June 2026

	Note	2026
		($000)
INCOME		
Appropriation	4	9 607
Output		
Goods and services received free of charge	5	1 052
Other income		22
TOTAL INCOME	3	**10 681**
EXPENSES		
Employee expenses	6	6 176
Administrative expenses		
Property management	7	73
Purchases of goods and services	12	1 486
Depreciation and amortisation		320
Other administrative expenses[1]		1 052
TOTAL EXPENSES	3	**9 107**
NET SURPLUS		**1 574**
TOTAL COMPREHENSIVE INCOME		**1 574**

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

[1] *Includes DCDD service charges and DLI repairs and maintenance service charges.*

Balance sheet

As at 30 June 2026

	Note	2026
		($000)
ASSETS		
Current assets		
Cash and deposits	9	5 892
Receivables	11	163
Total current assets		**6 055**
Non-current assets		
Property, plant and equipment	12	1 472
Total non-current assets		**1 472**
TOTAL ASSETS		**7 527**
LIABILITIES		
Current liabilities		
Payables	14	339
Provisions	15	754
Total current liabilities		**1 093**
TOTAL LIABILITIES		**1 093**
NET ASSETS		**6 434**
EQUITY		
Capital		1 242
Accumulated funds	0	5 192
TOTAL EQUITY		**6 434**

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

Statement of changes in equity

For the year ended 30 June 2026

				Transactions with owners in their capacity as owners			
2026	*Note*	**Equity at 1-Jul**	**Comprehensive result**	**ICAC**	**Ombudsman**	**HCSC**	**Equity at 30-Jun**
		($000)	($000)	($000)	($000)	($000)	($000)
ACCUMULATED FUNDS							
Accumulated funds	*1*	-	1 574	2 582	1 036	-	**5 192**
Total Accumulated funds		**-**	**1 574**	**2 585**	**1036**	**-**	**5 192**
CAPITAL – TRANSACTIONS WITH OWNERS							
Equity injections							
Capital appropriation		-	-	-	573	-	**573**
Equity transfers in		-	-	3 069	(346)	-	**2 723**
Other equity injections		-	-	50	171	-	**221**
Equity withdrawals							
Capital withdrawal		-	-	(2 050)	(104)	(121)	**(2 275)**
Total Capital transactions with owners		**-**	**-**	**1 069**	**294**	**(121)**	**1 242**
TOTAL EQUITY AT END OF FINANCIAL YEAR		**-**	**1 574**	**3 651**	**1 330**	**(121)**	**6 434**

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

Cash flow statement

For the year ended 30 June 2026

	Note	2026
		($000)
CASHFLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Appropriation received		
Output		9 607
Receipt from sales of goods and services		110
Total Operating receipts		**9 717**
Operating payments		
Payments to employees		(6 260)
Payments for goods and services		(1 575)
Total operating payments		**(7 835)**
NET CASH FROM OPERATING ACTIVITIES	*10*	**1 882**
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Equity transfers in due to Administrative Restructure	*1*	4 010
Total Financing receipts		**4 010**
NET CASH FROM FINANCING ACTIVITIES		**4 010**
NET INCREASE IN CASH HELD		**5 892**
Cash at beginning of financial year		-
CASH AT END OF FINANCIAL YEAR		**5 892**

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

Notes to the financial statements

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2. Statement of material accounting policy information
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4. Appropriation
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1. Objectives and funding

The Integrity and Ethics Commissioner is the Territory's principal integrity officer, consolidating the functions of the Independent Commissioner Against Corruption, Ombudsman, Information Commissioner, and Health and Community Services Complaints Commissioner. The Commissioner is supported by the Office of the Integrity and Ethics Commissioner (the Agency), led by a Chief Executive Officer.

Additional information in relation to the Office of the Integrity and Ethics Commissioner and its principal activities may be found elsewhere in this annual report. Information in relation to the principal activities of the Office of the Independent Commissioner Against Corruption, Ombudsman, Information Commission, Judicial Commission Office, and Health and Community Services Complaints Commission may be found in their respective annual reports.

The Agency considered primary users of these financial statements and their needs for information and quantitative thresholds to determine which accounting policy information is material and therefore must be disclosed.

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

Machinery of government changes

A machinery of government change refers to the reallocation of certain functions and responsibilities, arising from revisions to the Administrative Arrangements Order (AAO) by government or at the discretion of the relevant ministers, chief executives or by Cabinet decision.

It is usual practice to include in the financial statements comparative results of the prior financial year. During the reporting period however, the Agency was significantly impacted by administrative restructuring as part of machinery of government changes initiated in June 2026. This restructuring involved wide scale transfer of functions from 3 different agencies creating a new Agency. Because of these changes it was not administratively practical to have attempted to recast an opening balance covering all transferred functions.

Transfers in

Details of transfer:	All functions from the Office of the Ombudsman NT, All functions from the Office of the Independent Commissioner Against Corruption, Health and Community Services Complaints function from the Attorney-General's Department.
Basis of transfer:	*Administrative Arrangements Order 2026*
Date of transfer:	Effective from 1 July 2025

The assets and liabilities transferred as a result of this change were as follows:

	($000)
ASSETS	
Cash	4 010
Receivables	17
Other Prepaid	116
Property, plant and equipment	1 792
LIABILITIES	
Payables	(200)
Provisions	(875)
	(1 075)
NET ASSETS	**4 860**

2. Statement of material accounting policy information

Statement of compliance

i. Compliance framework

These financial statements are general purpose financial statements and have been prepared in accordance with the requirements of the *Financial Management Act 1995*, related Treasurer's Directions and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board. The *Financial Management Act 1995* requires the Office of the Integrity and Ethics Commissioner to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements should include:

- a certification of the financial statements
- a comprehensive operating statement
- a balance sheet
- a statement of changes in equity
- a cash flow statement and
- applicable explanatory notes to the financial statements.

ii. Standards and interpretations effective from 2025-26 financial year

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

iii. Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2025-26 financial year.

The following new Australian Accounting Standard has been issued but are not yet effective are expected to impact future reporting periods:

AASB *18 Presentation and Disclosure of Financial Statements (AASB 18)*

AASB 18 Presentation and Disclosure in Financial Statements replaces AASB 101 and introduces new presentation and disclosure requirements for income statements, cash flow statements, and management-defined performance measures.

The standard is proposed to apply to not-for-profit public sector entities for annual reporting periods beginning on or after 1 January 2028 (the 2028–29 financial year for the agency).

AASB 18 would primarily affect the presentation and disclosure of financial information, including the classification of income and expenses, additional subtotals in the operating statement, revised cash flow classifications for interest and dividends, and new disclosures for management-defined performance measures. The standard does not affect the recognition or measurement of amounts.

Any changes to presentation of financial statements and disclosures will be incorporated into future Treasurer's Directions on proforma financial statements.

b) Agency and Territory items

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

Central Holding Authority

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

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

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

c) Presentation and rounding of amounts

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

d) Contributions by and distributions to government

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

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

3. Comprehensive operating statement by output group

	Note	ICAC 2026	Ombudsman 2026	Information Commissioner 2026	Judicial Commission 2026	HCSCC 2026	Corporate and Shared Services 2026	Total 2026
		($000)	($000)	($000)	($000)	($000)	($000)	($000)
INCOME								
Appropriation								
Output	4	5 383	1 738	436	370	1 047	633	9 607
Goods and services received free of charge	5	-	-	-	-	-	1 052	1 052
Other income		-	-	-	21	-	1	22
TOTAL INCOME		**5 383**	**1 738**	**436**	**391**	**1 047**	**1 686**	**10 681**
EXPENSES								
Employee expenses	6	2 892	1 223	397	149	621	895	6 176
Property management		10	7	3	-	8	45	73
Purchases of goods and services	7	1 046	125	32	64	61	158	1 486
Depreciation and amortisation	12	320	-	-	-	-	-	320
Other administrative expenses[1]		-	-	-	-	-	1 052	1 052
TOTAL EXPENSES		**4 268**	**1 355**	**432**	**213**	**690**	**2 150**	**9 107**
NET SURPLUS/(DEFICIT)		**1 115**	**383**	**4**	**178**	**357**	**(464)**	**1 574**
COMPREHENSIVE RESULT		**1 115**	**383**	**4**	**178**	**357**	**(464)**	**1 574**

The Office of the Integrity and Ethics Commissioner is predominantly funded by parliamentary appropriations for the provision of outputs. Outputs are the services provided or goods produced by an agency for users external to the agency. They support the delivery of the agency's objectives and/or statutory responsibilities. The above table disaggregates revenue and expenses that enable delivery of services by output group which form part of the balances of the agency.

[1] *Includes DCDD service charges and DLI repairs and maintenance service charges.*

4. Appropriation

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

2026	Revenue from contracts with customers	Other	Total
	($000)	($000)	($000)
Receivables	-	9 607	9 607
Total appropriation in the operating statement	**-**	**9 607**	**9 607**

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

There were no changes to output appropriation throughout the financial year.

Refer to Note 22 Budgetary information for detailed information on variations to the agency's actual outcome compared to budget for revenue and expenses.

Output appropriations reflect funding as a direct result of government-approved decisions, with actual funding received by the Office of the Integrity and Ethics Commissioner in line with the budgeted amounts.

5. Goods and services received free of charge

2026	
	($000)
Goods and services received free of charge	
Corporate and information services	1 045
Repairs and maintenance	7
Total goods and services received free of charge	**1 052**

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

Repairs and maintenance expenses incurred on the agency's assets and costs associated with administration of these expenses are centralised and in the Department of Logistics and Infrastructure on behalf of the agency, and form part of goods and services received free of charge by the agency.

In addition, the following corporate services staff and functions are centralised and provided by Department of Corporate and Digital Development on behalf of the agency and form part of goods and services received free of charge by the agency:

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

6. Employee benefits expense

2026	
	($000)
Salaries and wages	5 224
Superannuation expenses	607
Fringe benefits tax	19
Payroll tax	326
Total employee benefits expense	**6 176**

The number of full-time equivalent employees for 2025-26 was 42.66.

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

The recognition and measurement policy for employee benefits is detailed in Note 14: Payables and Note 15: Provisions.

7. Purchases of goods and services

2026	
	($000)
THE NET SURPLUS HAS BEEN ARRIVED AT AFTER CHARGING THE FOLLOWING EXPENSES:	
Goods and services expenses	
Consultants [1]	47
Marketing and promotion [2]	32
Document production	10
Legal expenses [3]	395
Recruitment [4]	40
Training and study	40
Official duty fares	38
Travelling allowance	9
Information technology and communication charges	569
Motor vehicle expenses	51
Audit fees	36
Workers compensation insurance	21
Other	143
Total purchases of goods and services	**1 486**

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

8. Write-offs, postponements, waivers, gifts and ex gratia payments

The Office of the Integrity and Ethics Commissioner had no write-offs postponements, waivers, gifts or ex gratia payments 2025-26.

9. Cash and deposits

2026	
	($000)
Cash on hand	-
Cash at bank	5 892
Total cash and deposits	**5 892**

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

10. Cash flow reconciliation

The total of agency 'Cash and deposits' of $5,892 million recorded in the balance sheet is consistent with that recorded as 'Cash' in the cash flow statement.

RECONCILIATION OF NET SURPLUS TO NET CASH FROM OPERATING ACTIVITIES

2026	
	($000)
NET SURPLUS	**1 574**
Non-cash items:	
Depreciation and amortisation	320
CHANGES IN ASSETS AND LIABILITIES NET OF TRANSFERS IN DUE TO ADMINISTRATIVE RESTRUCTURING:	
Increase in receivables	(30)
Increase in payables	139
Decrease in other provisions	(121)
Net cash from operating activities	**1 882**

[1] *Includes marketing, promotion and IT consultants.*
[2] *Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.*
[3] *Includes legal fees, claim and settlement costs.*
[4] *Includes recruitment-related advertising costs.*

11. Receivables

2026	
	($000)
Current	
GST receivables	8
Prepayments	140
Other receivables	14
Total receivables	**162**

Receivables are initially recognised when the agency becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairments. Other receivables are generally settled within 30 days.

12. Property, plant and equipment

2026	
	($000)
Plant and equipment	
At fair value	3 071
Less: accumulated depreciation	(1 599)
Total Property, Plant and Equipment	**1 472**

Reconciliation of carrying amount of property, plant and equipment

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

2026	Plant and equipment	Total
	($000)	($000)
Carrying amount as at 1 July	1 792	1 792
Depreciation/amortisation expense	(320)	(320)
Carrying amount as at 30 June	**1 472**	**1 472**

i. Acquisitions

Property, plant and equipment are initially recognised at cost.

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

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

ii. Revaluation of assets

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

iii. Impairment of assets

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

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

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

In certain situations, an impairment loss may subsequently be reversed. Impairment loss may only be reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed the revised estimate of its recoverable amount, nor exceed the net carrying amount that would have been determined had not impairment loss been recognised for the asset in the prior years. Where an asset is carried at a revalued amount, impairment reversal is recognised in the comprehensive operating statement as income to the extent that an impairment loss was previously recognised in the profit or loss, otherwise, impairment reversal results in an increase in the asset revaluation surplus.

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2026. No impairment adjustments were required as a result of this review.

iv. Depreciation and amortisation expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated using the straight-line method over their estimated useful lives. Assets are depreciated from the date of acquisition or from the time an asset is completed and held ready for use.

The estimated useful lives for each class of asset are in accordance with the agency's determination as follows:

2026	
Plant and equipment	5-10 years

Inter-governmental leases

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

i. Total cash outflows associated with leases

The following table presents total cash outflows associated with leases:

2026	
	($000)
Lease liability payments	-
Short-term lease payments	69
Low-value asset lease payments	-
Total cash outflows	**69**

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

ii. Amounts recognised in the comprehensive operating statement

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

2026	
	($000)
Expense relating to short-term leases	16
Expense relating to leases of low-value assets	-
Intergovernmental leases	53
Total amount recognised in the comprehensive operating statement	**69**

iii. Future minimum lease payments under non-cancellable leases not recorded as liabilities

2026	Internal	External
	($000)	($000)
Not later than one year	-	12
Later than one year and not later than five years	-	-
Later than five years	-	-
	-	**12**

13. Intangibles

2026	
	($000)
INTANGIBLES WITH A FINITE USEFUL LIFE	
Computer software	
Gross carrying amount	611
Less: accumulated amortisation	(611)
Carrying amount at 30 June	-
Total intangibles	**-**

The agency's intangibles relate to computer software.

Intangible assets are initially measured at cost. Where an asset is acquired at no or nominal cost, the cost is the fair value as at the date of acquisition.

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

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

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

The estimated useful lives for finite intangible assets are in accordance with the agency's determination as follows:

2026	
Computer software	5-6 years

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

Agency intangible assets were assessed for impairment as at 30 June 2026. No impairment adjustments were required as a result of this review.

14. Payables

2026	
	($000)
Accounts payable	59
Accrued salaries and wages	190
Other accrued expenses	90
Total payables	**339**

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

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

15. Provisions

2026	
	($000)
Current	
Employee benefits	
Recreation leave	521
Leave loading	83
Other provisions[1]	150
Total payables	**754**

Employee benefits

Provision for employee benefits include wages and salaries and recreation leave accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid.

All recreation leave is classified as a current liability.

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

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

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

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

[1] *Includes provisions for Fringe Benefits tax, Payroll tax and Superannuation*

16. Other liabilities

Superannuation

Employees' superannuation entitlements are provided through the:

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

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

17. Fair value measurement

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

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

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

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

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

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

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

Level 3 – inputs are unobservable.

All the agency's non financial assets are measured at Level 3 and are held primarily for service potential rather than to generate cash inflows. Carrying amounts and reconciliation of movements are disclosed in Note 12 Property, Plant and Equipment. These assets are measured using inputs not based on observable market data.

18. Financial instruments

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

The agency's financial instruments include cash and deposits, receivables and payables. These items represent noncomplex and standard financial instruments, with limited or no exposure to credit, market or liquidity risks.

19. Related parties

a) Related parties

The Office of the Integrity and Ethics Commissioner is a government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of the Agency include:

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

b) Key management personnel (KMP)

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Agency. These include the Chief Executive Officer and the Commissioner.

c) Remuneration of key management personnel

The details below exclude the salaries and other benefits of the Chief Minister as portfolio minister for the Agency, as the minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements.

The aggregate compensation of key management personnel of the Agency is set out below:

2026	
	($000)
Short-term benefits	1 077
Post-employment benefits	76
Total remuneration of key management personnel	**1 153**

Long service leave benefits are centrally recognised and paid by the Central Holding Authority and do not form part of agency's accounts or cash outflows. As there is no financial impact on the agency's financial statements, long service leave benefits are excluded from the quantitative disclosures of key management personnel compensation.

d) Related party transactions: Transactions with Northern Territory Government-controlled entities

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

The Agency also has significant transactions with the Department of Corporate and Digital Development for the delivery of goods and services and the Department of Treasury and Finance with regards to payroll tax.

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

Related party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	($000)	($000)	($000)	($000)
All NTG Government departments	1 074	1 074	-	100

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

Other related party transactions are as follows:

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

20. Contingent liabilities and contingent assets

The Office of the Integrity and Ethics Commissioner had no contingent liabilities or contingent assets as at 30 June 2026.

21. Events subsequent to balance date

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

22. Budgetary information

The following tables present the variation between the 2025-26 budget estimate financial statements, as reported in 2025-26 Budget Paper No. 3 Agency Budget Statements and the 2025-26 actual amounts reported in the financial statements, together with explanations for significant variations.

The Budget Estimates, published in May 2026, reflects the initial effects of this administrative restructuring. Accordingly, the Agency, within its discretion, chose this published budget as the point of comparison as it affords more meaningful evaluation of end of year results.

The variations within these tables do not include changes to budgeted appropriations from 2025-26 original budget to 2025-26 final budget. Refer to Note 1a for summary changes to budget appropriations.

Comprehensive operating statement	2026 Actual	2026 Revised budget	Variance	*Note*
	($000)	($000)	($000)	
INCOME				
Appropriation				
Output	9 607	9 607	-	
Goods and services received free of charge	1 052	1 029	23	
Other income	22	-	22	
TOTAL INCOME	**10 681**	**10 636**	**45**	
EXPENSES				
Employee expenses	6 176	8 164	(1 988)	*1*
Administrative expenses				
Property management	73	-	73	
Purchases of goods and services	1 486	1 443	43	
Depreciation and amortisation	320	323	(3)	
Other administrative expenses	1 052	1 029	23	
TOTAL EXPENSES	**9 107**	**10 959**	**(1 852)**	
NET SURPLUS/(DEFICIT)	**1 574**	**(323)**	**1 897**	
COMPREHENSIVE RESULT	**1 574**	**(323)**	**1 897**	

Notes:

The following note descriptions relate to variances greater than 20% or $200,000:

1. The variance relates to vacancies for part or all of the reporting period, together with executive positions either remaining unfilled or being occupied at lower classifications while organisational restructure arrangements were being finalised.

Balance sheet	2026 Actual	2026 Revised budget	Variance	*Note*
	($000)	($000)	($000)	
ASSETS				
Current assets				
Cash and deposits	5 892	4 009	1 883	*1*
Receivables	163	133	30	
TOTAL CURRENT ASSETS	**6 055**	**4 142**	**1913**	
Non-current assets				
Property, plant and equipment	1 472	1 488	(16)	
TOTAL NON-CURRENT ASSETS	**1 472**	**1 488**	**(16)**	
TOTAL ASSETS	**7 527**	**5 630**	**1 897**	
LIABILITIES				
Current liabilities				
Payables	339	199	140	*2*
Provisions	754	875	(121)	
TOTAL CURRENT LIABILITIES	**1 093**	**1 074**	**19**	
TOTAL LIABILITIES	**1 093**	**1 074**	**19**	
NET ASSETS	**6 434**	**4 556**	**1 878**	
EQUITY				
Capital	1 242	1 261	(19)	*1*
Accumulated funds	5 192	3 295	1 897	
TOTAL EQUITY	**6 434**	**4 556**	**1 878**	

Notes:

The following note descriptions relate to variances greater than 20% or $200,000:

1. The variance relates to additional cash retained from higher than budgeted surplus due to lower than budgeted employee expenses.
2. Increased payables relating to timing of outstanding payments.

Cash flow statement	2026 Actual	2026 Revised budget	Variance	*Note*
	($000)	($000)	($000)	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Receipts				
Appropriation				
Output	9 607	9 607	-	
Receipts from sales of goods and services	110	(5)	115	
TOTAL OPERATING RECEIPTS	**9 717**	**9 602**	**115**	
Operating payments				
Payments to employees	(6 260)	(7 650)	1 390	*1*
Payments for good and services	(1 575)	(1 448)	(127)	
TOTAL OPERATING PAYMENTS	**(7 835)**	**(9 098)**	**1 263**	
NET CASH FROM OPERATING ACTIVITIES	**1 882**	**504**	**1 378**	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Equity Injections				
Equity transfers in due to Administrative Restructure	4 010	3 505	505	*2*
TOTAL FINANCING RECEIPTS	**4 010**	**3 505**	**505**	
NET CASH FROM FINANCING ACTIVITIES	**4 010**	**3 505**	**505**	
NET INCREASE IN CASH HELD	**5 892**	**4 009**	**1 883**	
Cash at the beginning of the financial year	-	-	-	
CASH AT END OF FINANCIAL YEAR	**5 892**	**4 009**	**1 883**	

Notes:

The following note descriptions relate to variances greater than 20% or $200,000:

1. Variances as outlined in the Comprehensive operating statement.
2. The variance relates to equity injections received as part of the transfer of Ombudsman functions under machinery-of-government (MOG) changes.

Glossary

Abbreviation	Meaning
AAO	Administrative Arrangements Order
AASB	Australian Accounting Standards Board
AO	Administrative Officer (includes AO4, AO5, AO6 and AO7)
ARCC	Audit, Risk and Compliance Committee
CA	Chartered Accountant
CEO	Chief Executive Officer
CSS	Commonwealth Superannuation Scheme
Cth	Commonwealth
DCDD	Department of Corporate and Digital Development
DLI	Department of Logistics and Infrastructure
EO	Executive Officer (includes EO3)
EOC	Executive Contract Officer (includes EO2C and EO6C)
EI	Employment Instruction
FOI	Freedom of information
FTE	Full-time equivalent
HCSCC	Health and Community Services Complaints Commission
ICAC	Independent Commissioner Against Corruption
ICAC Act	*Independent Commissioner Against Corruption Act 2017*
IEC	*Integrity and Ethics Commissioner*
Integrity NT	The Office of the Integrity and Ethics Commissioner
KMP	Key management personnel
KPIs	Key performance indicators
MLA	Member of the Legislative Assembly
NT	Northern Territory
NTPS	Northern Territory Public Sector
NTGPASS	Northern Territory Government and Public Authorities Superannuation Scheme
OCPE	Office of the Commissioner for Public Employment
OICAC	Office of the Independent Commissioner Against Corruption
OIEC	Office of the Integrity and Ethics Commissioner
P2	Professional 2
PIPS	Personnel Information and Payroll System
PSEMA	*Public Sector Employment and Management Act 1993*
SaaS	Software as a Service
SAO	Senior Administrative Officer, (includes SAO1 and SAO2)
SC	Senior Counsel
SP2	Senior Professional 2
WHS	Work health and safety

