



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

PUBLIC ACCOUNTS COMMITTEE

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# Memorandum of Understanding

## Public Accounts Committee and Auditor-General for the Northern Territory

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### Members of the Committee

Mr Clinton Howe MLA – Member for Drysdale  
(Chair)

Mrs Laurie Zio MLA – Member for Fannie Bay  
(Deputy Chair)

Mr Manuel Brown MLA – Member for Arafura

Justine Davis MLA – Member for Johnston

Mr Brian O’Gallagher MLA – Member for Karama



## Preamble

The Public Accounts Committee is appointed at the commencement of each Legislative Assembly in accordance with Standing Order 177. The role of the Public Accounts Committee includes to:

- examine the accounts of the receipts and expenditure of the Northern Territory and each statement and reports tabled in the Legislative Assembly pursuant to the *Financial Management Act 1995* and the *Audit Act 1995*; and
- inquire into and report on any matters within the executive authority of Ministers of the Territory which the Committee is of the opinion should be brought to the attention of the Assembly.

The Auditor-General is an independent statutory officer appointed under the *Audit Act 1995* by the Administrator of the Northern Territory, on recommendation of the Legislative Assembly. The Auditor-General's primary relationship is with the Legislative Assembly. The Auditor General's role is to audit Territory public sector agencies and bodies to provide an independent view of their performance and financial management to the Legislative Assembly. This responsibility supports the Parliament's role as representative of all Territorians.

This Memorandum of Understanding between the Public Accounts Committee (the Committee) and the Auditor-General for the Northern Territory (the Auditor-General) reflects the common mission of promoting accountability<sup>1</sup> and transparency<sup>2</sup> across Territory entities to ensure proper use and management of public resources.

## Supporting the Function of the Committee

The Auditor-General supports the Committee's functions and will work towards assisting the Committee in its role.

The Auditor-General's gateway to Parliament is through the Committee. The Auditor-General will provide an advance notice of their intention to table a report in the Legislative Assembly.

The Auditor-General (or the staff of the Northern Territory Auditor-General's Office) will offer to brief the Committee on all reports tabled in the Legislative Assembly pursuant to the *Audit Act* and any other legislation (for example the *Public Information Act 2010*). To ensure relevance of the briefings, the Auditor-General and the Committee will endeavour for briefings to take place at the Committee's meetings following the tabling of each report. The aim of the briefings is to discuss areas of interest to both parties and to encourage open and frank discussion between the Committee and the Auditor-General which assists the Committee in its role of examining reports of the Auditor-General.

The Auditor-General may bring matters to the attention of the Committee that the Auditor-General determines warrant consideration by the Committee in addition to, or in place of, a review by the Auditor-General. The Committee will give serious consideration to any such matters and notify the Auditor-General of its decision.

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<sup>1</sup> Accountability means that *officials* are responsible for the actions and decisions that they take in relation to the *use and management of money, property and appropriations* and for the resulting outcomes.

<sup>2</sup> Transparency involves *relevant entities* taking steps to enable appropriate scrutiny of their activity.

## Supporting the Role of the Auditor-General

Acknowledging that the Auditor-General's independence is essential to public sector accountability, the Committee will work with the Auditor-General to ensure that this independence is not compromised.

The Committee undertakes to support efforts to strengthen the independence of the Auditor-General and give due consideration to reports of the Auditor-General in reviewing the effective, efficient, economical and ethical use and management of public resources by both the executive government and the public sector in general.

The Committee will respond to the Auditor-General's reports as it sees fit.

The Committee may bring matters to the attention of the Auditor-General that it determines warrant consideration by the Auditor-General in addition to or in place of investigation by the Committee. The Auditor-General will give serious consideration to any such matters and notify the Committee of their decision.

The Committee and the Auditor-General will meet annually in time for the preparation of the annual audit work program and to inform the strategic direction of the Northern Territory Auditor-General's Office.

The Auditor-General will seek input from the Committee into the annual audit work program and will acquit back to the Committee the annual audit work program for the previous year.

## Annual Declaration of Interests

The *Audit Act* requires the Auditor-General to act independently, impartially and in the public interest when performing or exercising the functions or powers conferred on him or her by the *Audit Act*. This independence is further regulated under the *Corporations Act 2001*, Australian Auditing Standards issued by the Auditing and Assurance Standards Board and APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board.

It is understandable that from time to time conflicts of interest will arise and that the mere existence of a conflict of interest does not imply wrongdoing. However, at all times it is important to ensure that such conflicts are identified, disclosed and managed in a rigorous and transparent way. This promotes public confidence in the impartiality and integrity of the role of the Auditor-General.

Public sector employees are required to disclose any financial or other private interests to their chief executive officer. The *Northern Territory Auditor-General's Office Disclosure and Declaration of Interest Policy* requires all employees to declare their interests to the Auditor General.

In the interest of openness and transparency, the Auditor-General will provide an annual statement of interests based on information required to be disclosed by members of the Legislative Assembly. The Auditor-General will update the statement of interests as soon as practicable if circumstances change.

## Auditor-General's Gifts and Benefits Statement

On a quarterly basis the Auditor-General will forward to the Committee an extract from the Northern Territory Auditor-General's Office's gifts and benefits register detailing gifts and benefits offered, received or declined by the Auditor-General during the previous quarter.

## Auditor-General's Expenses

On a quarterly basis the Auditor -General will forward to the Committee expenses incurred in the course of official duties and functions. Considering that the authorisation of expenditure for the Auditor-General is performed by subordinate staff of the Northern Territory Auditor-General's Office, providing this information to the Committee will improve the scrutiny and transparency over the expenditure of public funds by the Auditor-General.

## Obligations to Protect Information


In reaching this Memorandum of Understanding each party respects the rights and obligations of the other concerning matters of privilege, confidentiality, legislative and procedural requirements.

The *Audit Act* imposes strict confidentiality requirements on the Auditor-General, the Northern Territory Auditor General's Office personnel and authorised auditors. Section 23 (3) of the *Audit Act* prevents the Auditor-General from disclosing anything that came to his or her knowledge in the performance of the functions or the exercise of the powers under the *Audit Act*.

## Frequency of Meetings

The Committee and the Auditor-General will meet periodically and/or on an as needs basis, initiated by either party but at least annually to discuss the plan of works.

The Committee Chair or the Auditor-General may initiate an informal meeting outside of scheduled meetings of the Committee.



Clinton Howe MLA  
**Committee Chair**

19 March 2025



Jara K Dean  
**Auditor-General**

19 March 2025

