Auditor-General for the Northern Territory

MEDIA STATEMENT

27 November 2025

Results of Financial Audits

Auditor-General's Report to the Legislative Assembly No 5: 2025-26

The Auditor-General, Mr Jara Dean, tabled his report yesterday to the Legislative Assembly on the results of financial audits of public sector entities for the year ended 30 June 2025.

The report outlines the results of 17 annual audits of financial reports and includes a section on the utilities sector.

All entities included in this report received clean audit opinions on their financial reports, which means that Parliament and other users can have confidence in the information presented in the audited financial reports.

It took on average less than three months after the financial year end to finalise audits of the entities included in this report. Timeliness of financial reporting impacts the relevance and usefulness of financial information and is fundamental for transparency, accountability and public trust.

The report made the following observations:

- Power and Water Corporation reported an underlying loss of $129.7 million, a deterioration of $100.3 million on last year's loss primarily because of the increased cost of emergency gas resulting from curtailment of supply from its main gas supplier.
- Jacana Energy received $124.7 million in community service obligation payments to electricity to households and small businesses and paid the highest dividend of $5.6 million amongst the three government owned utility corporations.
- Power and Water borrowed an additional $176.0 million and its borrowings totalled $1.5 billion. Finance costs increased by $16.1 million as borrowings continued to grow and maturing loans were refinanced at a higher rate.
- Territory Generation's borrowings totalled $262 million.
- Audit reports for Desert Knowledge Australia and Indigenous Essential Services Pty Ltd (a wholly-owned subsidiary of Power and Water Corporation) highlighted funding issues in light of their dependency on and the lack of certainty around government funding.
- Land Development Corporation, which develops and manages strategic industrial land and marine infrastructure, borrowed an additional $13.0 million for an expansion of the Marine Industry Park development at East Arm. Its borrowings totalled $28.0 million.
- The Motor Accidents (Compensation) Commission recorded a profit of $79.4 million, a significant increase from $55.7 million reported last year. This improvement was largely driven by a $39.3 million rise in investment returns as the cost of claims outstripped revenue collected from Compulsory Third Party contributions by $15.9 million. The Commission had investments valued at $1.3 billion.
- The Northern Territory Treasury Corporation which is the Territory's central borrowing authority increased its borrowings to $12.3 billion to largely fund the budget deficit.

The 17 audits resulted in 53 audit findings, highlighting deficiencies in deficiencies in internal control, accounting issues or matters of governance interest.

The Auditor-General is a statutory position established under the *Audit Act 1995*. The Auditor-General and the Northern Territory Auditor-General's Office assist Parliament to hold Government accountable for its use of public resources by providing independent audits.

Auditor-General's Reports can be accessed online at *https://ago.nt.gov.au/* or via Library & Archives NT's digital repository Territory Stories at *https://territorystories.nt.gov.au/*

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