

Annual Report

2013-14



DARWINWATERFRONT
CORPORATION



Letter to the minister

Level 5, Hospitality Building
7 Kitchener Drive
Darwin Waterfront Precinct, 0800

GPO Box 4396
Darwin NT 0801

The Hon Peter Glen Chandler MLA
Minister for Lands, Planning and the Environment
GPO Box 3146
Darwin NT 0801

Dear Minister

I have pleasure in presenting the 2013-14 Annual Report of the Darwin Waterfront Corporation.
The report details the activities and operations of the corporation for the year ending 30 June 2014,
in accordance with the provisions of Section 30 of the *Darwin Waterfront Corporation Act*.

There is no additional information attached to the report that is required to be presented under Section 30 of the Act, as there were no directions, objections, confirmations or reasons given under Section 20 of the Act during the period to which the report relates.

Yours faithfully



GRAEME LEWIS

Chairman
7 November 2014



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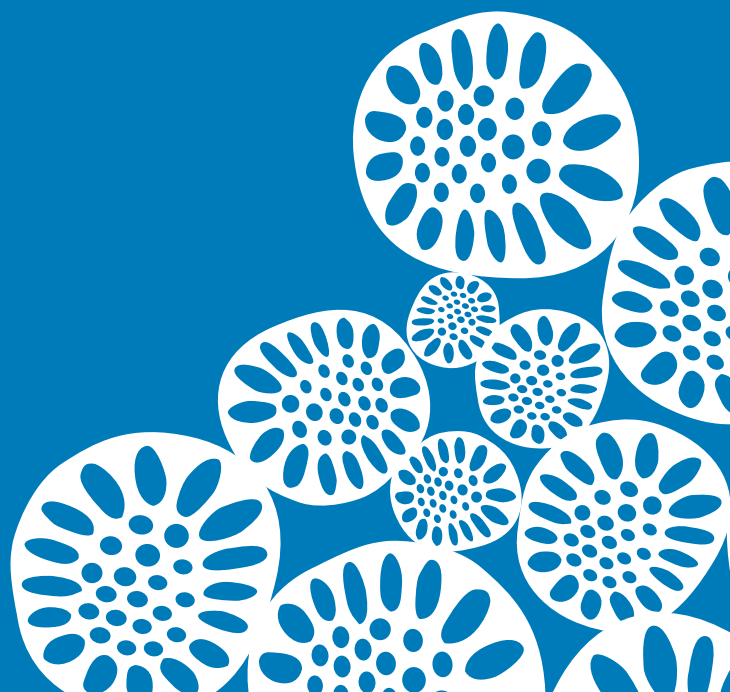
Acknowledgment

Cover photo courtesy of Resident Magazine

Chow photo courtesy of Resident Magazine (page 36)

Pump house boilers, V.Honecker Collection,
Northern Territory Library (page 18)

Pump house machinery, V.Honecker Collection,
Northern Territory Library (page 19)



Chairman's overview

2013-14 has been another highly successful year for the Darwin Waterfront Corporation, with more than 1 million visits to the Darwin Waterfront Precinct.

The corporation continued to drive the Darwin Waterfront developments, provide premium-level municipal services, and manage public infrastructure and parklands while activating the precinct as a destination to live, visit and do business.

The Charles Darwin University Business School is nearing completion and will commence occupation in late 2014.

New residential buildings at Wharf 2 are now complete, bringing more living space for Territorians. The \$90 million stage 2a development will also include a mix of public parklands, boardwalks, roads and services, including stage 1 of Goyder's Park, where explorer George Goyder and his survey party first camped beneath the former Fort Hill in 1869.

2013-14 saw a record of 190 events at the precinct—20 more than the previous year—bringing an estimated 58 000 extra visitors to the Darwin Waterfront. New Year's Eve celebrations continue to be the biggest event, attracting more than 6000 people last year.

Some 125 000 people visited the Wave Lagoon in 2013-14, with an impressive average daily visitation of 344 people.

Consultation with key stakeholders will continue to be a key focus of the Darwin Waterfront Corporation in 2014-15, and I was pleased to offer a standing invitation to the Chairman of the Principal Body Corporate to present to any future board meeting.

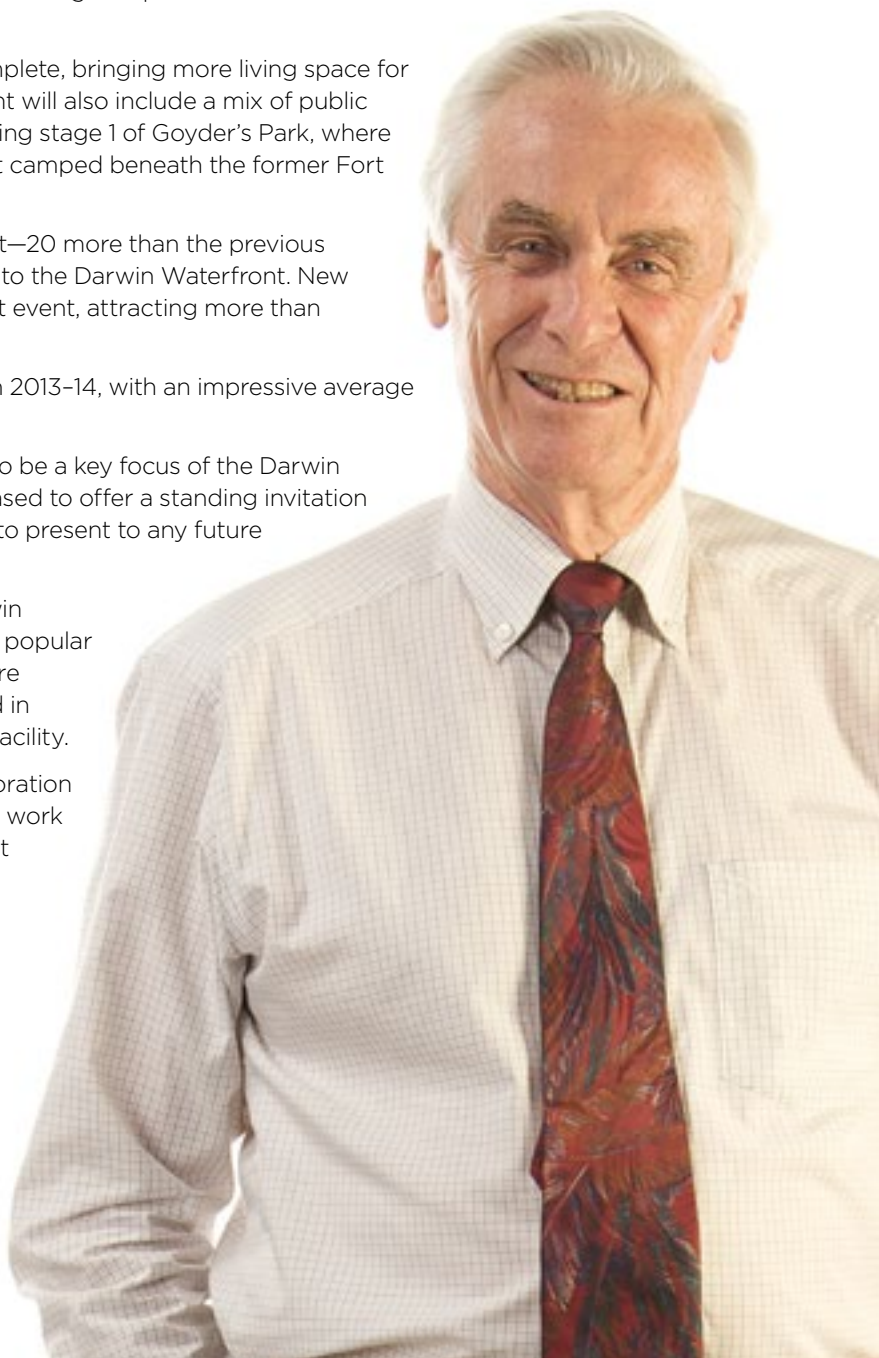
This was the sixth year of operations for the Darwin Convention Centre, and it has certainly become a popular venue for business and entertainment events. More than 200 conventions and other events were held in 2013-14, attracting almost 65 000 people to the facility.

I would like to thank the Darwin Waterfront Corporation staff and my fellow board members for their hard work and valued contribution to one of Australia's finest waterfront communities.



GRAEME LEWIS

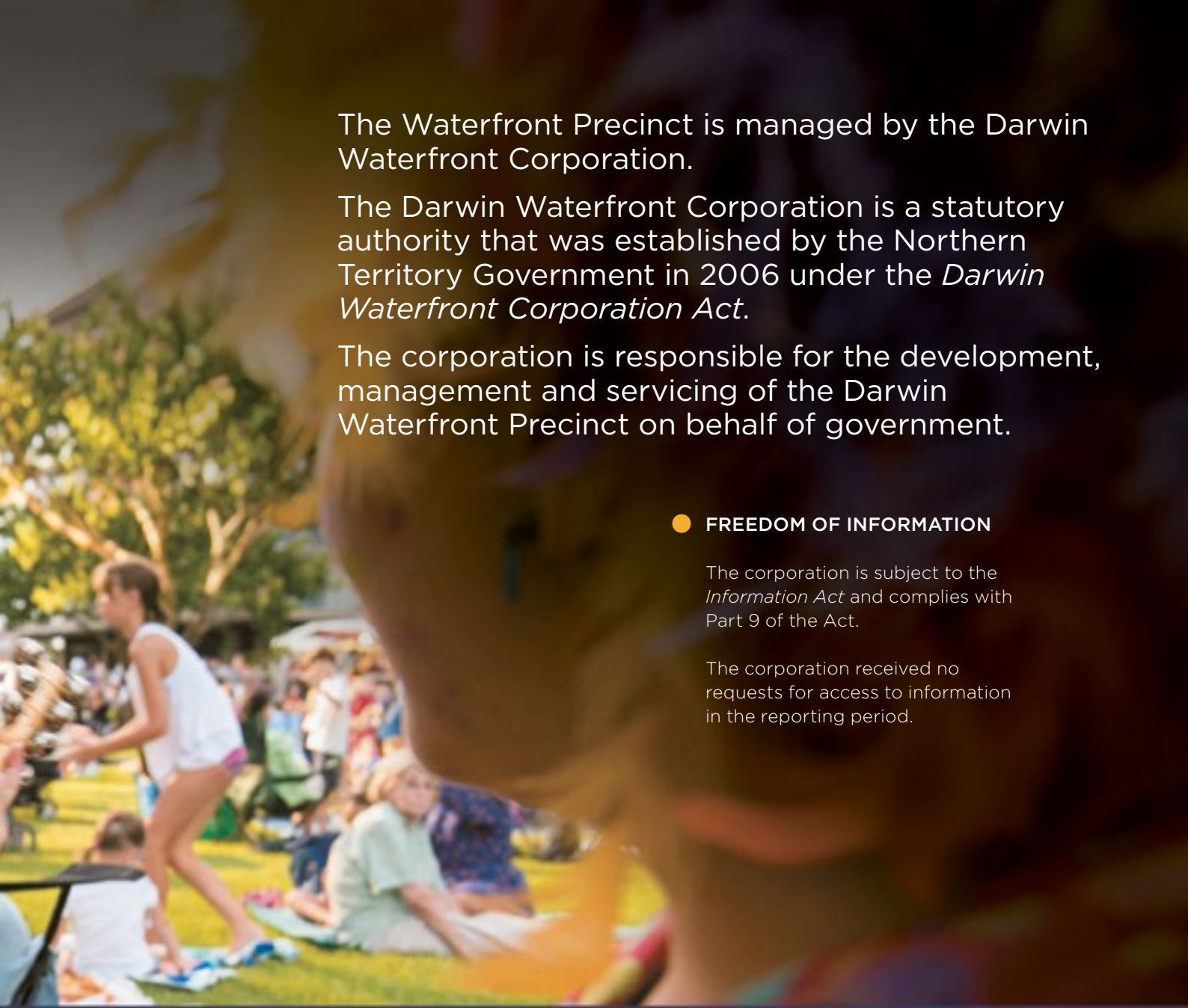
Chairman



The Darwin Waterfront Corporation



IN ONLY SIX YEARS THE DARWIN WATERFRONT PRECINCT HAS ESTABLISHED ITSELF AS AN ICONIC DARWIN DESTINATION, WITH MORE THAN 1 MILLION VISITS IN 2013-14. ● **THE WATERFRONT** IS NOW THE HOME OF 156 RESIDENTIAL APARTMENTS, 17 COMMERCIAL OFFICES, 19 RETAIL SHOPFRONTS AND RESTAURANTS, AND A CHARLES DARWIN UNIVERSITY BUSINESS SCHOOL FACILITY, WHICH IS DUE FOR OCCUPATION IN LATE 2014. ● **DARWIN'S BEAUTIFUL HARBOUR SIDE**, COUPLED WITH THE ENERGETIC AND VIBRANT PRECINCT, MAKES THE DARWIN WATERFRONT THE CITY'S PREMIER LIFESTYLE AND VISITOR DESTINATION.



The Waterfront Precinct is managed by the Darwin Waterfront Corporation.

The Darwin Waterfront Corporation is a statutory authority that was established by the Northern Territory Government in 2006 under the *Darwin Waterfront Corporation Act*.

The corporation is responsible for the development, management and servicing of the Darwin Waterfront Precinct on behalf of government.

● FREEDOM OF INFORMATION

The corporation is subject to the *Information Act* and complies with Part 9 of the Act.

The corporation received no requests for access to information in the reporting period.

THE DARWIN WATERFRONT CORPORATION HAS THREE CORE AREAS OF RESPONSIBILITY:

PRECINCT OPERATIONS

Like a city council, the corporation provides municipal services and manages its civic amenities. Its responsibility includes sanitation, roads, footpaths, car parks, aquatic facilities, the sea wall, public lifts, public art, parks, toilets, storm drainage and street lighting. In addition, the corporation promotes and develops visitation to the Waterfront Precinct.

DEVELOPMENT

The Darwin Waterfront Precinct is a 15-year, two-stage development on behalf of the Northern Territory Government. Stage one was completed in 2008, and construction of stage two commenced in December 2012.

DARWIN CONVENTION CENTRE

Since it opened in 2008, the Darwin Convention Centre has established Darwin and the Northern Territory as a world-class convention destination.

The convention centre was developed in a partnership between the Northern Territory Government and a private consortium, the latter of which will run the centre for 25 years. During this time, the corporation's role is to ensure that the operator complies with the agreed marketing and operational requirements before ownership of the facility reverts back to the Northern Territory.

OUR PURPOSE

To continue to develop and sustain the Darwin Waterfront as a premier lifestyle precinct and as a place for people to meet, work, relax, experience, shop, dine and explore.

Precinct operations



THE DARWIN WATERFRONT ATTRACTED MORE THAN 1 MILLION VISITORS IN 2013-14. FOR MANY TRAVELLERS AND LOCALS, THE DARWIN WATERFRONT IS BECOMING THE DESTINATION OF CHOICE TO **MEET, SWIM, SOCIALISE, RELAX, SHOP AND DINE.** ● THE DARWIN WATERFRONT CORPORATION IS RESPONSIBLE FOR SUPPORTING THOSE VISITOR EXPERIENCES THROUGH ITS ONGOING MANAGEMENT OF THE PRECINCT'S DAY-TO-DAY OPERATIONS, FROM THE ATTRACTIONS, EVENTS AND PUBLIC ART, TO PARKLANDS, ROADS AND CAR PARKS.



RECREATIONAL ATTRACTIONS

THE STAR ATTRACTIONS TO THE DARWIN WATERFRONT PRECINCT ARE THE **RECREATION LAGOON** AND THE **WAVE LAGOON**. ● THE PARKLANDS HAVE ALSO PROVEN TO BE A GREAT PLACE FOR PEOPLE TO GET ACTIVE, KICK A FOOTBALL OR THROW A FRISBEE. ● LARGE TREES THROUGHOUT THE PARKLANDS PROVIDE SHADE FOR **PICNICS OR A SPOT TO RELAX** WITH A BOOK.



RECREATION LAGOON

The manmade beach and saltwater Recreation Lagoon is popular for a leisurely swim or playtime with the kids. The outer Recreation Lagoon is used by avid swimmers and swimming clubs who often organise competitions, events or classes.

A sea wall designed to protect the entire site from a 1:100 storm surge captures a permanent body of water providing for swimming and other water-based activities.

Water is pumped in from the sea and the water quality is maintained through mechanical flushing and mixing.

Mesh screens are in place to prevent marine stingers entering the lagoon, and there is a stinger net providing more protection on the beach side. Further, lifeguards regularly drag and monitor the water and night spotting for marine stingers is carried out weekly.

The Recreation Lagoon is free to use and lifeguards patrol the water seven days a week between 9am – 6pm.

WAVE LAGOON

Some 125 000 people visited the palm-fringed Wave Lagoon in 2013-14, with an impressive average daily visitation of 344 people.

There are three parts to the Wave Lagoon – the 2500 square metre wave pool, 550 square metre wading pool and amenities.

Swimmers use tubes and boogie-boards to tackle the waves which roll in every 20 minutes. Other visitors choose more leisurely activities including relaxing on the banana lounges, beach umbrellas and shady patches of lawn.

The fully patrolled Wave Lagoon is two metres at its deepest point and slopes to a shallow area of still water, perfect for families.

Behind all the hours of fun there is just as much unseen work to keep the Wave Lagoon operational. The corporation is responsible for safety, cleaning, maintenance and repairs.

The two pools are operated using two different systems, so that each is a backup for the other. Underneath a section of the promenade lies a large balance tank which receives the water from both pools in two separate collection tanks and feeds the water through the filtration system and the electrolytical chlorinators. The water passes through the 2,500 litre filtration tanks which filter the water through fine volcanic soil screens.

Salt granules are poured into the balance tanks and the water is then run through the electrolytical chlorinators where the salt water is converted to chlorinated water.

The wave type is changed every 20 minutes through an automatic system. The waves are computer generated through four air generators which feed into an air plenum that can be timed to change the frequency and height of the waves. There are 10 different types of waves with heights ranging from 600mm to 1.7m for the double diamond wave.

The Wave Lagoon is open 10 am – 6 pm seven days a week, including public holidays. It is closed all day on Good Friday and open 2 pm – 6 pm on Christmas day.

● WAVE LAGOON ENTRY FEES

have been kept low to provide an affordable outing option. \$18 gets a family of two adults and three kids all day entry, single entry is \$5 for children and seniors, or \$7 for adults.

Events and visitation



EVENTS ARE FUNDAMENTAL TO THE DARWIN WATERFRONT. ● EVENTS MEAN VISITORS HAVE GREAT EXPERIENCES, AND **GREAT EXPERIENCES** TRANSLATE TO INCREASED AND REPEAT VISITATION. ● A PROGRAM OF EVENTS WAS CHOSEN FOR 2013-14 TO ACTIVATE THE PRECINCT WITH LIFE, **COLOUR AND MOVEMENT** AND SHOWCASE AN EXCITING DESTINATION FOR BOTH VISITORS TO DARWIN AND TO ENTICE LOCALS TO KEEP COMING BACK.





A fundamental component of a successful events program is to engage and secure the support of existing retail and commercial facilities within the precinct.

In 2013-14, **190 events** were held at the Darwin Waterfront, which attracted approximately **58 000 people** to the lush harbour-side parklands.

The number of events held at the precinct has increased significantly over a six-year period. The corporation has focussed on both building on the hugely popular large events as well as creating a regular program of smaller events to encourage repeat visitation.

YEAR	NO. OF EVENTS	PATRONAGE
2009-10	NOT RECORDED	11 000
2010-11	52 EVENTS	31 000
2011-12	92 EVENTS	43 000
2012-13	170 EVENTS	49 000
2013-14	190 EVENTS	58 000

SIGNIFICANT EVENTS IN 2013-14 WERE:

- 22-25 August 2013: Darwin Festival 'Trade Winds' event (3520 attendees)
- 7 September 2013: Zoo in the City (2500 attendees)
- 22 September 2013: Splashfest – Celebrating Water Safety Week (2000 attendees)
- 29 September 2013: Saltwater Craft Fair (more than 2500 attendees)
- 31 December 2013: New Year's Eve celebration (more than 6000 attendees)
- 26 January 2014: Australia Day Fun Run (more than 3000 attendees)
- 19 April 2014: Easter Saturday celebrations (more than 3000 attendees)
- 9 May 2014: Saltwater Craft Fair (more than 2000 attendees)
- 24 May 2014: Darwin Symphony Orchestra concert and fireworks (more than 3000 attendees)
- 31 May 2014: Darwin Waterfront Harmony Soiree (more than 4000 attendees)

REGULAR EVENTS AT THE WATERFRONT DURING 2013-14:

- Free beginners Tai Chi every Saturday from 7am (827 attended)
- Wave Lagoon Aqua Zumba every Sunday from 9am (1191 attended)
- Live at the Lagoon every Sunday in the dry season (5523 attended)
- Movie under the stars – monthly from May to October (5635 attended).

EVENTS FOR LOCALS

Darwinites are choosing to celebrate events and holidays at the Darwin Waterfront Precinct. Annual celebrations such as New Year's Eve, Australia Day, Easter and Christmas collectively attract the highest visitation to the Darwin Waterfront. These events are growing in popularity and patronage every year.

Free school holiday activities each weekday throughout the school breaks have proven a popular option for parents to entertain the

kids during 2013-14. Activities range from art and craft to sport activities, circus workshops, water slides and family fun days.

Locals are also becoming familiar with the Waterfront's regular events program, including weekly Aqua Zumba and Tai Chi, and the jam-packed dry season program of monthly movies under the stars and live music each Sunday at the Recreation Lagoon.

POP-UP ZOO IN THE CITY

The Darwin Waterfront Corporation partnered with the Territory Wildlife Park to bring the pop-up zoo in the city to the Darwin Waterfront for the first time on 7 September 2013. The event was held to mark Threatened Species Day, a national day held each year to commemorate the death of the last remaining Tasmanian tiger at Hobart Zoo in 1936. The day is used to create awareness and educate the public on threatened species and the small changes people can make in their everyday lives that can help stem the tide of extinction.





The event included interactive displays for a variety of stallholders and attracted more than 2500 people.

There were cameo appearances from live animals including a sea turtle, python, owl and blue-tongued lizard. Visitors could take home a photo souvenir from the popular Wild Encounter photo booth.

The event was a huge success and is now set to become a regular annual event at the Darwin Waterfront.

TRADE WINDS

More than 3500 people made their way to the Waterfront to watch 'Trade Winds', which was part of the Darwin Festival. The event took place over four nights (22 to 25 August 2013) at the Recreation Lagoon, which was transformed into an enchanting technicolour world of Polytoxic, where the traditions of the Pacific collide with the trappings of popular culture.


As the sun set on the Darwin Waterfront's Recreation Lagoon and across the shimmering water, two majestic figures serenely move. This is Trade Winds, an evocative performance installation depicting the journey of two women from different cultures. Their movements are drawn from traditionally inspired and ritualised gestures and their visual world changes and grows as they travel from one land to another – from one of muted tones to a bright pop-aesthetic.

This stunning new collaboration between the innovative and imaginative team from dance-theatre company, Polytoxic, and one of Australia's most exciting contemporary Pacific visual artists, Samuel Tupou, is a magical event for the whole family.

Two performers literally dance on the water and as they move they become giant screens illuminated by a world of exquisite animated projections. Surrounding the figures float origami boats carrying messages and stories of the hopes and dreams of the audience, created in a series of pre-show workshops. The result is breathtakingly beautiful and a unique festival experience for all ages.

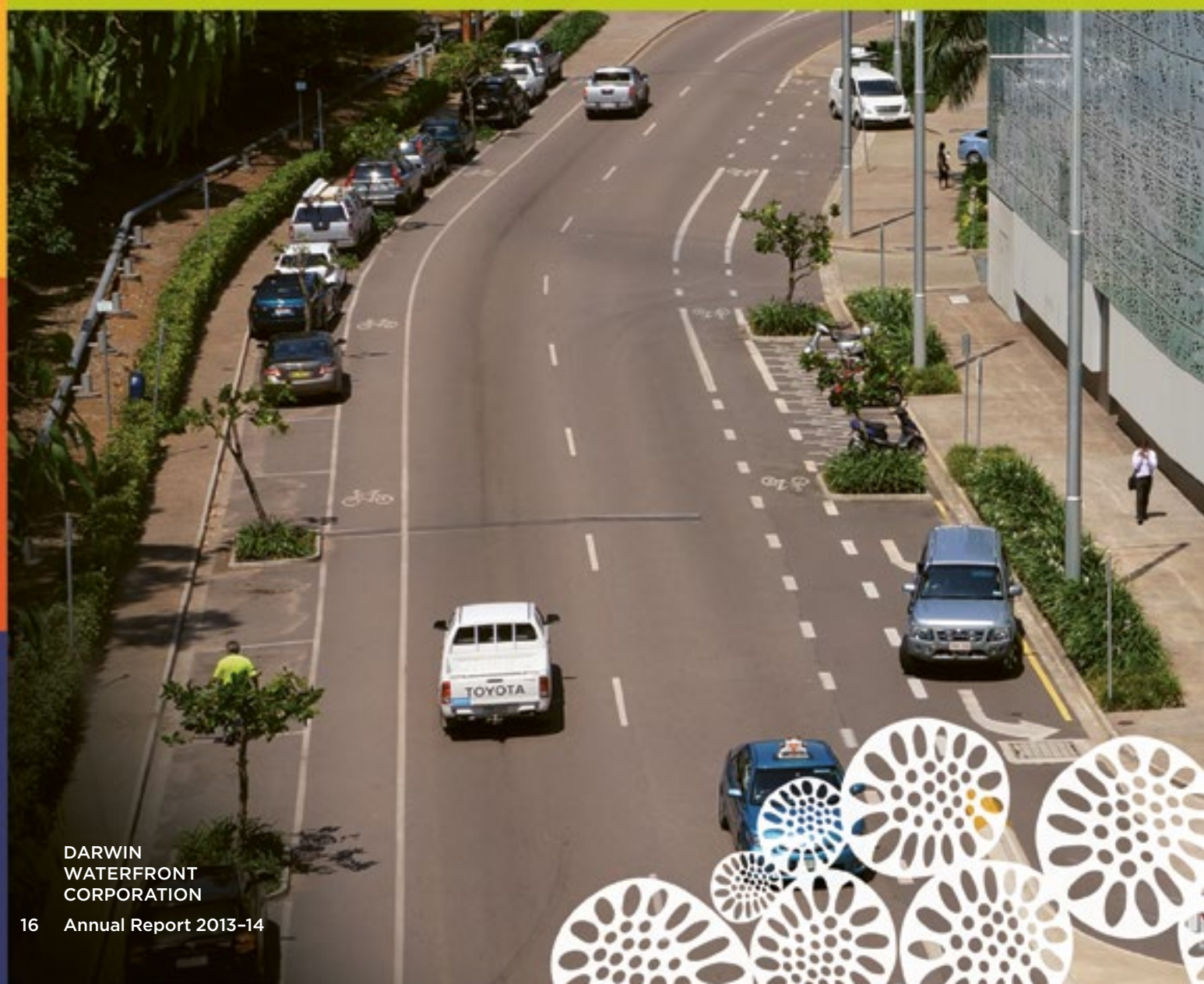
Stokes Hill and Fort Hill Wharf



A large cruise ship, the Celebrity Solstice, is docked at a port. The ship is white with a red funnel and is surrounded by other smaller boats. In the background, there is a city skyline with several buildings. The sky is blue with some clouds. The image is framed by decorative white circular patterns with floral designs in the top right and bottom left corners.

THIRTY-EIGHT CRUISE SHIPS CARRYING 39 309 PASSENGERS AND 20 519 CREW VISITED DARWIN DURING 2013-14. ● THE LARGEST SHIP WAS **'CELEBRITY SOLSTICE'**, WHICH ARRIVED ON 1ST MARCH CARRYING 2 741 PASSENGERS AND 1 219 CREW. ● IN ADDITION, 20 SMALLER SHIPS CARRYING UP TO 1 200 PASSENGERS ALSO STOPPED AT THE PORT THROUGHOUT THE YEAR. ● THE MAJORITY OF PASSENGERS (65-70%) **EXPLORED THE AREA** ON THEIR OWN, COMPARED TO 30-35% OF PASSENGERS WHO PARTICIPATED IN A TOUR UPON DISEMBARKING.

UNDER ITS MUNICIPAL RESPONSIBILITIES, THE DARWIN WATERFRONT CORPORATION MANAGES THE PUBLIC ROADS AND CAR PARKS WITHIN THE DARWIN WATERFRONT PRECINCT BOUNDARIES. ● ITS RESPONSIBILITIES INCLUDE TRAFFIC CONTROL, STREET CLEANING, LANDSCAPING AND STREET LIGHTS MAINTENANCE.



ROADS AND CAR PARKS

The roads within the Darwin Waterfront Precinct include Stokes Hill Road, Mavie Street, Jervois Road, Kitchener Drive and Hughes Avenue.

The corporation manages parking and street management in-house with one full-time ranger.

Car parking at the Darwin Waterfront Precinct is available at a number of off-street locations, at 27 on-street parking bays along Kitchener Drive and in the Kitchener Drive multistorey car park.

Parking in the multi-level car park is free for the first two hours, with low rates for short-term parking thereafter.

Parking is for everyone who visits the precinct: people who work at the precinct, hotel guests, and visitors to the precinct's facilities, events and businesses.

The car park only reached full capacity during large events at the precinct during 2013–14, including the Boat Show, the Darwin Life Expo, New Year's Eve and the Darwin Waterfront Harmony Soiree.



Heritage



Pump house boilers, V.Honecker Collection, Northern Territory Library

PH 392/12

DARWIN
WATERFRONT
CORPORATION

*Pump House Boilers
and crane*

Steam Pump House

The steam-driven oil pump house in the precinct is one of the significant remaining reminders of the precinct's role in the development of Darwin.

Its establishment was part of the infrastructure to support a broader plan by the Australian Navy to convert their coal-driven ships to oil.

The relocation of the refuelling facility from Thursday Island to Darwin in the late 1920s had a lasting effect on the future of the city, through the development of its military infrastructure and strategic importance.

Work began on the Steam Pump House in late 1927, and the boilers and pumps were tested in early March 1928. On 16 March its first real task was to fill the completed Tank No. 1 with 7896 tonnes of Borneo oil from the tanker 'War Krishna'. Barely three weeks later, on 4 August, Tank No. 2 was filled from the same ship.

The two main oil pumps were manufactured by Kelly & Lewis in Melbourne in 1927. They consist of an integrated pump/steam engine unit generally described as a horizontal duplex non-rotating steam pumping engine. The engines were fed with live steam from the boilers to a pair of double-acting, side-by-side cylinders that exhausted to the atmosphere.

While the pumps were not unusual in their time, the fact that they survived in operation for so long and have been preserved in such good condition since being decommissioned is remarkable.

There are several major factors that enhance the pump house's significance. Firstly, the Steam Pump House is directly connected with one of the most dramatic episodes of Australian history—the bombing of Darwin in 1942. Secondly, the pump house is a classic example of late Victorian steam engineering, incorporating all the characteristics of ruggedness and long life for which this era is remembered.

The whole installation is very much as it was originally conceived and built—only the boiler has been modernised. The building is unremarkable in appearance, but having survived the Second World War and several cyclones, it gives an aura of permanency.

On 25 November 1992, the Steam Pump House was declared a heritage place and listed on the Northern Territory Heritage Register.

The Steam Pump House is located on Stokes Hill Road (next to Indo-Pacific Marine). Public viewing can be arranged by phoning the Department of Lands, Planning and the Environment on 8999 6114.



Pump house machinery, V.Honecker Collection, Northern Territory Library

Pump House Machs
Darwin

PH 292/11

Development

STAGE 2

WHARF 2 CONSTRUCTION UPDATE AT 30 JUNE 2014:

- **The Pavilion:** 18 units 100% complete.
- **Charles Darwin University facility:** nearing completion with fit-out ongoing.
- **Parkside:** structure complete, apartment fit-out 95% complete and landscaping works ongoing.
- **Quayside:** nine-level structure complete, unit fit-outs ongoing.

APARTMENT SALES UPDATE AT 30 JUNE 2014:

136 of 138 Wharf 2 apartments were sold, with one-bedroom apartments selling between \$445 000 and \$515 000 and for two-bedroom apartments between \$590 000 and \$800 000. Total retail value in the order of \$78.5 million.



An aerial photograph of the Darwin Waterfront development, showing a mix of urban buildings, green spaces, and waterfront areas. The image is overlaid with a pattern of green circles, each containing a white, stylized floral or sunburst design. The text is positioned in the upper half of the image, set against a solid green background that matches the pattern's color.

THE TOGA GROUP HAS PARTNERED WITH THE DARWIN WATERFRONT CORPORATION TO DEVELOP **STAGE 2** OF THE DARWIN WATERFRONT. ● STAGE 2 WILL INCLUDE MORE **RESIDENTIAL APARTMENTS**, A NEW CHARLES DARWIN UNIVERSITY **BUSINESS SCHOOL**, ADDITIONAL COMMERCIAL AND RETAIL SPACES, **PARKLANDS AND BOARDWALKS**. ● UNDER ITS DEVELOPMENT RESPONSIBILITY, THE DARWIN WATERFRONT CORPORATION MUST MANAGE ENVIRONMENTAL REMEDIATION, DELIVER MAJOR SERVICES TO THE PRECINCT AND WORK WITH THE DEVELOPER TO ENSURE DELIVERY IN ACCORDANCE WITH THE PROJECT'S MASTER PLAN.

Construction of stage 2 of the Darwin Waterfront development project commenced in October 2012 with the first sub-stage—stage 2A, which is scheduled for completion in late 2014.

The stage 2A development is called 'Wharf 2' and comprises four buildings and various public infrastructure components. The apartment structures will be similar to the three buildings of Wharf One and located to the west of the stage 1 development, towards the Fort Hill end of the site and extending from Kitchener Drive to the man-made Recreation Lagoon on Kitchener Bay.

The \$90 million development will also include a public parkland, foreshore boardwalks, construction of a new road (Anchorage Court), a private pool for residents, installation of all utilities and delivery of the first stage of Goyder's Park with survey, fencing, grassing, irrigation and tree planting.

Wharf 2 development update

‘WHARF 2’ IS THE FIRST COMPONENT OF THE SECOND STAGE OF THE DARWIN WATERFRONT PRECINCT. ● IT IS MADE UP OF **FOUR BUILDINGS** SIMILAR TO THOSE OF WHARF ONE AND POSITIONED DIRECTLY BEHIND THEM TO FORM THE SECOND ‘FINGER’ THAT STRETCHES TO THE HARBOUR’S EDGE.





THE BUILDINGS OF WHARF TWO ARE:

- **The Pavilion:** 18 residential apartments.
- **CDU Business School:** a five storey building.
- **Parkside:** six storeys including 48 apartments and a basement car park.
- **Quayside:** nine storeys, including 72 residential apartments and 900 square metres of ground-level interchangeable space with basement parking facility.

Significant construction progress was made on all four Wharf 2 buildings during 2013-14.

At June 30 2014, the Pavilion apartments were fully complete and settled, and new residents of the 18 apartments were beginning to move in. The CDU building was nearing completion with fit-out works in progress.

Construction of the Parkside building was almost finished at year end, and Quayside was 60 per cent complete.

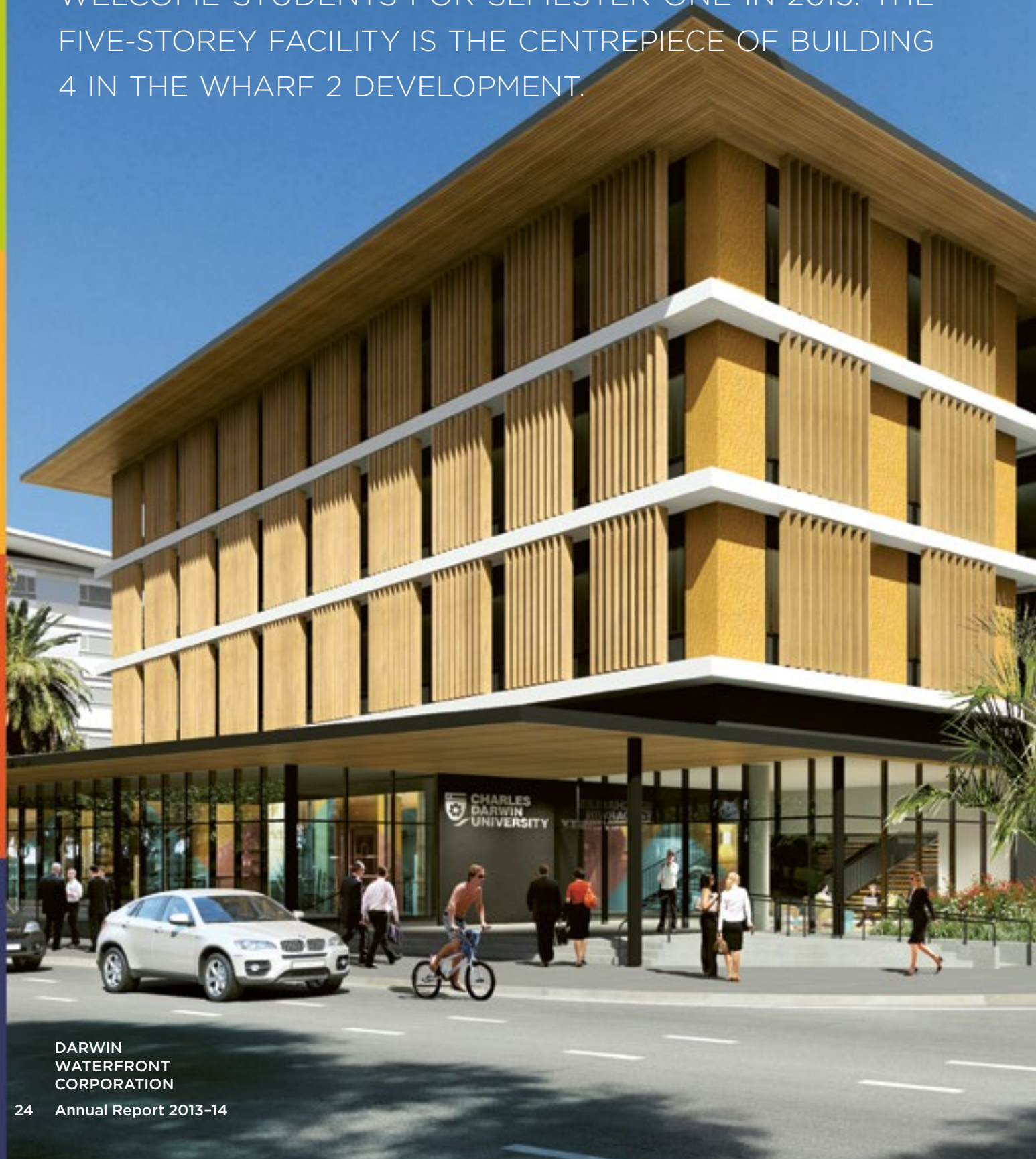
The 138 apartments in the three apartment buildings are a mix of one and two-bedroom luxury waterfront units. All 138 apartments were fully sold before the end of 2013-14—a pleasing result, said Toga Group Executive Manager Fabrizio Perilli.

‘We had a great result up front and then progressively sold apartments over the course of the year’, he said. ‘It’s very pleasing that we’d sold out prior to construction being completed.’

At 30 June, new residents had started moving into the Pavilion building, with the other two to follow in late 2014.

CDU's new business school

CHARLES DARWIN UNIVERSITY'S NEW BUSINESS SCHOOL AT THE WATERFRONT IS EXPECTED TO BE READY TO WELCOME STUDENTS FOR SEMESTER ONE IN 2015. THE FIVE-STOREY FACILITY IS THE CENTREPIECE OF BUILDING 4 IN THE WHARF 2 DEVELOPMENT.




The new 'dual sector' school will offer both vocational education and training (VET) and higher education courses—a first for Darwin and one of only six Australian universities to be structured this way. As well as business disciplines, the school will offer higher education courses in tourism, hotel and event management, and hospitality.

CDU Vice-Chancellor Professor Simon Maddocks said the facility was well underway with fit-out at year's end. 'This will be a state-of-the-art facility; it will match anything available anywhere else in Australia,' he said.

The 600 students currently studying these subjects at the Casuarina campus will move to the new facility, which is also expected to boost CDU's international student numbers considerably.

'We have a constant recruitment program for international students, and a number of international partners are looking at the opportunities presented by this new facility with great interest,' Professor Maddocks said. 'CDU is actively building its international student profile, and the new Waterfront facility will be an added asset to that. We're very excited about getting into it—it'll be great to see it full of people and buzzing with activity.'

VIETNAMESE RESTAURANT ‘CHOW’ OPENED AT THE DARWIN WATERFRONT PRECINCT IN JUNE 2013 — RIGHT IN THE MIDDLE OF DARWIN’S BUSY TOURIST SEASON. ● ITS **WELL-KNOWN LOCAL PROPRIETOR**, JASON HANNA, SAID THAT WHILE IT’S NOT HIS NORMAL STRATEGY, THE LAUNCH WAS A SUCCESS AND **CHOW’S FIRST YEAR** WAS A GOOD ONE.



‘I usually don’t open venues with a bang...I prefer nice and quiet and slow to get your act together and iron the kinks out’, he said. ‘So our customers in those first few weeks were part of the experiment, but we got there pretty quickly.’

Chow’s menu has a strong Vietnamese influence with other elements of South East Asia. Fresh local produce is used whenever possible. ‘I tell people to think bubble tea-style cocktails, whole coconuts and rice paper rolls’, Jason said. ‘Steaming bowls of pho and laksa, beautiful Japanese crockery. Share plates. Bruce Lee and Monkey Magic.’

‘Chow is fun and fresh and affordable’, Jason said. ‘The nature and style of the venue is we’re trying to keep it light hearted and fun. The chopsticks are on the table; you can have a quick, tasty meal. It’s just easily accessible and the price point is right.’

Jason said the Waterfront’s high-density tourist clientele has been great for Chow’s first year and sees real value in being part of the Waterfront’s diverse collection of restaurants and eateries. ‘We initially thought our main customers would be workers in the precinct and that the restaurants close to the water had a better spot, but I think we’ve proven that wrong’, he said.

‘And we’ve had fantastic landlords in Toga. They take a lot of pride in the Waterfront and go above and beyond. I’m really pleased to be working with them.’

Hotels

The precinct's two hotels, the Vibe Hotel and the Adina Apartment Hotel (formerly called the 'Medina Grand'), opened in June 2009. The Adina offers 121 self-serviced apartments and the Vibe has 120 hotel-style rooms.

Both share a swimming pool, gym and common foyer, which is also the location of the Curve Cafe and Bar.

HOTEL FAST FACTS:

- Adina/Vibe celebrated its fifth birthday in June 2014
- total guests in 2013-14: 102 385
- average length of stay: 2.73 days
- average occupancy level in 2013-14: 88.05%.

NEW BUSINESSES IN 2013-14:

MINI MARKET

OPENED APRIL 2014

PEARL GALLERIA

OPENED APRIL 2014

CREPE ESCAPE

OPENED JUNE 2014



Darwin Convention Centre

THE DARWIN CONVENTION CENTRE WAS DEVELOPED UNDER A 'PUBLIC PRIVATE PARTNERSHIP' BETWEEN THE NORTHERN TERRITORY GOVERNMENT AND THE DARWIN COVE CONSORTIUM. ● THE DARWIN COVE CONSORTIUM HOLDS THE CONCESSION DEED.



The 'build, own, operate and transfer' arrangement means the consortium is responsible for the design, construction and operation of the centre for 25 years from the date it opened. Therefore, in June 2033, the facility will revert to Territory ownership.

The convention centre concession is held by Darwin Cove Convention Centre. The centre is operated by AEG and maintained by Honeywell.

On behalf of the Northern Territory Government, the Darwin Waterfront Corporation is responsible for ensuring the convention centre operates in accordance with the Concession Deed.

In 2013-14, the Darwin Convention Centre facilitated 203 events that attracted more than 65 000 people to the centre.

Industry insiders discover Darwin

In August 2013, the Darwin Convention Centre, in partnership with the Northern Territory Convention Bureau, hosted its sixth annual familiarisation program 'Meet Darwin—a Journey of Discovery'. The four-day showcase of the city to conference decision-makers shone the spotlight on Darwin once more as a compelling destination for business events.

The familiarisation group included CEOs, event managers, marketing executives and academics from industry associations and events companies. They travelled from Australia and Asia to take part in the action-packed itinerary, which highlighted Darwin's unique destination drawcards.

'Our 'Meet Darwin' event has proven to be one of our most successful initiatives', said Darwin Convention Centre's Business Development Manager, Carrie Altamura. 'Having had such an exciting and informative visit, they leave Darwin as ambassadors for our city with plenty of inspiration for planning future conferences.'

An exciting events forecast for 2014-15 at the Darwin Convention Centre

Darwin Convention Centre is geared up for an event-packed 2014 conference season with more than 9000 delegates expected to converge on Darwin from July to November.

Scientists, researchers and academics in fields as diverse as higher education, fish biology, head and neck oncology, rural surgery, paediatric endocrine, vocational learning, and medicines management—as well as the movers and shakers of high-profile brands like Flight Centre, Bendigo Bank and Tupperware—are convening at the convention centre in what promises to be one of the Centre's busiest conference seasons since opening in 2008.

The Australia-Japan Joint Business Conference will be held in the Darwin Convention Centre in October 2014. The event will attract the top executives from the Japanese and Australian business community with representatives from Japanese companies including INPEX, Mitsubishi Corporation, JGC, Chiyoda and Mitsui, as well as the three Japanese mega banks, Sumitomo Mitsui Banking Corporation (SMBC), Mizuho Bank and Bank of Tokyo-Mitsubishi.

The business events will contribute significant economic activity to the city and the Territory, estimated at more than \$33 million. Delegate spending will largely go to businesses in and around Darwin for accommodation, dining out, transport, entertainment, shopping, cultural experiences and tourist attractions.

'We are pleased to host an incredible array of events, all of which feature innovative and vitally important research and discussions', said General Manager, Janet Hamilton.

Board member profiles



Mr Graeme Lewis



Mr John Coleman

CHAIR

MR GRAEME LEWIS

Long-term Territorian Graeme Lewis has close to 40 years' experience in accounting and finance positions in Darwin, including 11 years as Partner with Peat Marwick Mitchell, seven years as Darwin Private Hospital's General Manager and the last nine years as a Chartered Accountant with Lowry's Accountants.

Graeme was appointed to the management board of the Darwin Waterfront Corporation in December 2012. He was made Chair of the Darwin Waterfront Corporation Board on 29 July 2013.

Graeme is a long-term member of the Country Liberal Party, Darwin Turf Club, Cullen Bay Marina Management Board and Tourism Top End. He's also a Fellow of the Australian Institute of Company Directors and a Fellow of the Institute of Chartered Accountants.

CHIEF EXECUTIVE OFFICER

MR JOHN COLEMAN

John Coleman was appointed in December 2012 with more than 35 years' experience in the Northern Territory Public Sector—12 as Senior Ministerial Officer in numerous portfolio areas, including Treasury.

John is currently the Chief Executive Officer of the Department of Lands, Planning and Environment, and the Land Development Corporation.

John's agency experience includes Primary Industry; Fisheries; Mines and Energy; Parks and Wildlife; Tourism; Sacred Sites Authority; Corrections; Health; Public Service Commission; Archives; Museums; Police, Fire and Emergency Services; Racing and Gaming; TIO; Asian Relations and Trade; and Lands and Planning.

Since 2007, John has overseen the operations of the Land Development Corporation as General Manager, as well as remaining part of the Executive within the Department of Lands and Planning.

In that role, John was involved in the strategic planning for key developments such as the Gas Task Force, Major Projects, Defence Estate negotiations, Marine Supply Base, Alcan G3, Trans Territory Pipeline, ConocoPhillips gas plant and INPEX onshore plant and support site negotiations.



Mr Michael Burgess



Ms Jennifer Prince



Mr Tony Mayell

MEMBER

MR MICHAEL BURGESS

Mike Burgess has been a resident of the Northern Territory since 1979 and has lived and worked in Darwin, Alice Springs and Katherine. He has been a member of the board since February 2008.

Mike has worked in areas ranging from water supply, wastewater and electricity supply to sustainable natural resource management and major project development.

He has held senior positions in the Northern Territory Government, including Chief Executive of various agencies including the Department of the Chief Minister; the Department of Business, Industry and Resource Development; the Department of Business, Economic and Regional Development; and the Department of Local Government, Housing and Sport.

Mike has also served on the boards of various NT authorities and research institutions, including the Power and Water Corporation, Savannas CRC, the Darwin Port Corporation, the Land Development Corporation, the Major Events Company, the Conservation Land Corporation and the Tourism NT Advisory Board. He is now the Director of MNT Consulting, based in Darwin.

MEMBER

MS JENNIFER PRINCE

Jennifer Prince was appointed to the Waterfront Development Corporation Board when it was established 2006.

Jennifer was the Under Treasurer of the Northern Territory from June 2002 to September 2012 and has a deep understanding of the Northern Territory economy and the Territory's financial arrangements.

Jennifer has contributed to the development of a number of significant projects sponsored by the Territory Government that have contributed to the Territory's economic growth and diversification. She has represented the Territory in a range of complex negotiations with the Australian Government, including ensuring the Territory receives a fair share in the distribution of national revenue.

MEMBER

MR TONY MAYELL

Tony Mayell was appointed Chief Executive Officer of Tourism NT and Executive Director, Southern Region, based in Alice Springs, in November 2012.

Tony has been a member of the board since February 2013.

Tony has more than 35 years' experience in tourism in both the private and public sectors, including senior management roles in transport, aviation, resort accommodation and destination marketing.

He has held the positions of CEO and Managing Director of the Northern Territory Tourist Commission; CEO of Tourism Tasmania; Resort General Manager of Voyages Ayers Rock Resort; Managing Director, Domestic and Online for AOT Group; CEO of World Travel Headquarters; and General Manager, Europe for the Australian Tourist Commission.

Tony has been a member of the Uluru-Kata Tjuta Park Management Board, Business Events Tasmania, Desert Knowledge Australia and the Parks and Wildlife Commission of the Northern Territory, as well as Chair of the NT Aviation Committee. Tony is a board member of TQAL Australia, the Australian Standing Committee on Tourism and the Australian Tourism Data Warehouse and the Kakadu Board of Management. He's also a member of the Tourism CEOs Forum.

Board members' report

The board members present their report on the accounts for the year ended 30 June 2014.

Members

The following persons held office as Members of the Darwin Waterfront Corporation Board during the year and up to date of this report:

- Graeme Lewis - Chairman
- John Coleman - Chief Executive Officer
- Jennifer Prince - Member
- Michael Burgess - Member
- Anthony Mayell - Member

Further details on members are provided at Note 21 to the financial statements and member profiles at pages 61 and 62 of the annual report.

Principal activities

The Darwin Waterfront Corporation is a statutory authority established to develop, manage and service the Darwin Waterfront Precinct for the benefit of the community and on behalf of the NT Government. The corporation is promoting the precinct as a place of residence and business and a venue for public events and entertainment.

Ministerial directions

No written ministerial directions were received by the corporation under Section 20 of the *Darwin Waterfront Corporation Act* for the year ended 30 June 2014.

Review of Operations and Significant Changes during the Financial Period.

The corporation was established on 19 September 2006. Functions bestowed upon it under the *Darwin Waterfront Corporation Act* include:

- management of property (including land and marine infrastructure) in the precinct that is owned and controlled by the corporation
- undertaking the client role on behalf of the Territory Government for demolition works currently being carried out within the precinct
- promoting the precinct as a place of residence and business and a venue for public events and entertainment
- preservation of good order in the precinct
- provision of municipal services in the precinct
- maintenance of civic amenities and facilities in the precinct
- advising the minister about the precinct
- development and management of land not currently forming part of the precinct as directed by the Chief Minister and in accordance with regulations.

Operationally, the number of public events organised at the precinct increased by about 12%,

resulting in a 19% increase in patronage numbers compared to the previous year.

The development partner for the precinct, Toga Group, continued financial contributions to the staging of events providing a welcomed boost to the promotion of the precinct.

The year also saw a further growth in the patronage numbers of the multistorey car park, showing a 12% increase in comparison to the 2012-13 financial year in line with the increased attraction of patrons to the precinct through public events organised.

The Convention Centre met base case requirements for its establishment in attracting interstate delegates with associated benefits to the Northern Territory economy. International delegates showed a 9% increase from the previous year, showing an improvement in the current economic conditions.

The Wave Lagoon visitation saw a 4% decline in patronage numbers from the previous financial year due to increased competition from other venues that provide similar services.

Toga Group is nearing completion of the stage 2 (a) development with all the 138 residential apartments currently sold. There have been no other significant changes to operations.

Operating results

The operating result of the Darwin Waterfront Corporation for 2014 was a Deficit of \$3.296 million (2013: Deficit \$3.405 million).

Matters subsequent to the end of the financial period

At the date of this report, there is no matter or circumstance which has arisen since 30 June 2014 that has significantly affected or may significantly affect:

- a) the operations, in the financial periods subsequent to 30 June 2014, of the corporation
- b) the results of those operations or
- c) the state of affairs, in financial periods subsequent to 30 June 2014, of the corporation.

Likely developments and expected results of operations

The corporation expects to receive operational grants from the Territory Government for payments towards operational expenditure during the 2014–15 financial years, and perform any other services necessary to perform responsibilities required under the *Darwin Waterfront Corporation Act*.

Auditor

The Auditor-General is appointed Auditor in accordance with Section 32 of the *Darwin Waterfront Corporation Act*.

This report is made in accordance with a resolution of the board members.

**GRAEME LEWIS**

Chairman

October 2014

JOHN COLEMAN

Chief Executive Officer

October 2014

Board members' declaration

The board members declare that:

1. The financial statements and notes:

- a) are in accordance with the *Darwin Waterfront Corporation Act* and comply with Australian Accounting Standards (including Australian Accounting Interpretations)
- b) give a true and fair view of the corporation's financial position as at 30 June 2014 and of its performance for the year ended on that date

2. In the opinion of the board members, there are reasonable grounds to believe that the corporation 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 members.



GRAEME LEWIS

Chairman

October 2014

JOHN COLEMAN

Chief Executive Officer

October 2014



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Statement of Comprehensive Income

For the year ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
REVENUE			
User Charges		2,044	1,783
Other		40	64
Operating Grants and Other Contributions		17,842	17,366
Total Revenue	3	19,926	19,213
EXPENSES			
Employee Expenses		857	810
Property Maintenance	4	1,924	1,859
Agent Service Arrangements	5	1,039	874
Depreciation and Amortisation	6	4,360	4,383
Grants and Subsidies	7	6,531	6,323
Finance Costs	8	5,597	5,687
Other Expenses	9	2,914	2,682
Total Expenses		23,222	22,618
Deficit for the year		(3,296)	(3,405)
Other Comprehensive Income		-	-
Total Comprehensive Income		(3,296)	(3,405)

The Statement of Comprehensive Income should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2014

	Note	2014 \$'000	2013 \$'000
CURRENT ASSETS			
Cash and Cash Equivalents	10	714	837
Trade and Other Receivables	11	157	197
Other Assets	12	128	308
Total Current Assets		999	1342
NON CURRENT ASSETS			
Property, Plant and Equipment	13	224,546	228,090
Total Non Current Assets		224,546	228,090
TOTAL ASSETS		225,545	229,432
CURRENT LIABILITIES			
Trade and Other Payables	15	3,704	3,672
Finance Lease Liability	16	1,624	1,439
Total Current Liabilities		5,328	5,111
Non Current Liabilities			
Finance Lease Liability	16	81,594	83,218
Total Non Current Liabilities		81,594	83,218
TOTAL LIABILITIES		86,922	88,329
NET ASSETS		138,623	141,103
EQUITY			
Contributed Equity		159,428	158,612
Accumulated Funds		(20,805)	(17,509)
TOTAL EQUITY		138,623	141,103

The Statement of Financial Position should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

For the year ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
BALANCE AT 1 JULY		141,103	144,134
CONTRIBUTED EQUITY			
Balance at 1 July		158,612	158,238
Equity Injections		816	373
Balance at 30 June		159,428	158,612
ACCUMULATED FUNDS			
Balance at 1 July		(17,509)	(14,104)
Total Comprehensive Income for the Year		(3,296)	(3,405)
Balance at 30 June		(20,805)	(17,509)
BALANCE AT 30 JUNE		138,623	141,103

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Cash Flow Statement

For the year ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from Operations		4,095	2,859
Grants and Subsidies Received		17,842	17,366
Interest Received		41	65
Payments to Employees		(856)	(725)
Payments for Goods and Services		(7,678)	(6,627)
Interest Paid		(5,597)	(5,687)
Grants and Subsidies Paid		(6,531)	(6,323)
Net cash provided by operating activities	19	1,316	928
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Property, Plant & Equipment		-	(27)
Net cash used in investing activities		-	(27)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance Lease Payments		(1,439)	(1,268)
Net cash used in financing activities		(1,439)	(1,268)
Net decrease in cash and cash equivalents		(123)	(367)
Cash and cash equivalents at the beginning of the financial year		837	1,203
Cash and cash equivalents at the end of the financial year	10	714	837

The Cash Flow Statement should be read in conjunction with the notes to the financial statements.

Notes to and forming part of the financial statements

As at 30 June 2014

1. GENERAL INFORMATION

The Darwin Waterfront Corporation is a statutory authority operating within Darwin, Northern Territory, Australia.

Principal place of business: Level 5 Hospitality
7 Kitchener Drive, Darwin NT 0800

Postal address: GPO Box 1449, Darwin NT 0801

The corporation was established to develop, manage and service the Waterfront Precinct for the benefit of the community and on behalf of government.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements are general purpose financial statements which have been prepared in accordance with the *Darwin Waterfront Corporation Act, Corporations Act 2001* and Australian Accounting Standards (including Australian Accounting Interpretations), and complies with other requirements of the law.

The financial statements were authorised for issue by the board members on 6 October 2014.

Basis of Preparation

The financial statements have been prepared on an accrual basis using historical costs.

The corporation is a not-for-profit entity for financial reporting purposes.

Cost is based on the fair values of the consideration given in exchange for assets.

All amounts 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.

Going Concern Basis

The ongoing operations of the corporation are reliant on continued funding by the Northern Territory Government.

Judgements and Assumptions

The corporation has made no judgements or assumptions which would cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Adoption of New and Revised Accounting Standards

The Corporation has adopted all the new, revised and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

AASB 13 Fair Value Measurement, AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010 7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]

AASB 13 replaces the guidance on fair value measurement in existing AASB accounting literature with a single standard. It clarifies the definition of fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. With some exceptions, the standard requires entities to classify these measurements into a fair value hierarchy based on the nature of the inputs. Additional disclosures following from the standard are included in the notes to the financial statements.

AASB CF 2013-1 Amendments to the Australian Conceptual Framework, AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments

AASB CF 2013-1 incorporates Chapters 1 and 3 of the IASB's Conceptual Framework for Financial Reporting into the AASB Framework for the Preparation and Presentation of Financial Statements.

It also withdraws SAC 2 Objective of General Purpose Financial Reporting. The standards do not impact the financial statements.

Australian Accounting Standards and Interpretations Issued but not yet Effective

At the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective. The corporation did not early adopt any new standards, amendments to standards and interpretations that were available for early adoption at 30 June 2014.

Standard/Interpretation	Summary	Effective for annual reporting periods beginning on or after	Impact on financial statements
AASB 9 Financial instruments, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (Dec 2010), AASB 2012-6 Amendments to Australian Accounting Standards- Mandatory Effective Date of AASB 9 and Transition Disclosures	AASB 9 simplifies requirements for the classification and measurement of financial assets and liabilities resulting from Phase 1 of the IASB's project to replace IAS 39 Financial instruments: recognition and measurement (AASB 139 Financial Instruments: recognition and measurement).	1 Jan 2017	Evaluation still being undertaken.
AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets	Addresses disclosures about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.	1 Jan 2014	Will have minimal impact on financial statements when adopted.

Other new standards that were issued prior to the sign-off date and are applicable to the future reporting period and are not expected to have a future financial impact on the corporation have not been reported.

a) Goods and Services Tax

- i. Revenues, 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 taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- ii. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as receivables or payables.
- iii. Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.
- iv. Commitments and contingencies are disclosed net of GST.

b) Revenue

Revenue is measured at the fair value of the consideration received or receivable exclusive of the amount of GST. Corporation revenue from ordinary activities comprises grants received from the Northern Territory Government, municipal rates and user charges from admission to the Wave Lagoon, car parking and venue hire. Municipal rates are recognised when levied, whilst user charges are recognised upon provision of the particular service.

Notes to and forming part of the financial statements

As at 30 June 2014

c) Government Grants

Government grants are non-reciprocal in nature and are recognised as revenue in the financial year in which they are receivable.

d) Income Tax

The corporation is exempt from income tax.

e) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement and the Balance Sheet, cash includes cash on hand and cash held in the corporation's bank account.

f) Financial Instruments

Non-derivative

Non-derivative financial instruments comprise cash and cash equivalents, trade and other receivables, finance lease liability, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the entity becomes a party to the contractual provisions of the instrument. Financial assets are recognised at trade date (less impairment). Financial assets are derecognised if the entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the entity obligations specified in the contract expire or are discharged or cancelled.

Derivative

The entity does not have any derivative financial instruments.

Impairment of Financial Assets

Financial assets are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. A financial asset or group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment, resulting from one or more loss events that occurred after initial recognition that indicates that it is probable that the entity will be unable to collect all amounts due. The carrying amount of a financial asset identified as impaired is reduced to its estimated recoverable amount.

g) Trade and Other Receivables

Trade receivable and other receivables are recognised at amortised cost less any allowance for impairment losses. The allowance for impairment losses represents the amount of receivables the corporation estimates are likely to be uncollectible and are considered doubtful.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, minus any reduction (directly through the use of an allowance account) for impairment or uncollectibility.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period.

Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule in Note 11. Reconciliation of changes in the allowance accounts is also presented.

h) Property, Plant and Equipment

The property, plant and equipment of the corporation comprises the Darwin Waterfront Precinct including land, community infrastructure and related items of plant and equipment.

The corporation values land, buildings and infrastructure assets in accordance with the Australian Accounting Standard AASB 116 Property, Plant & Equipment and annually reviews the carrying balances of its assets in accordance with Accounting Standards to ensure any impairment loss is appropriately recorded.

Whilst reviewing carrying balances, the corporation considers the nature of its operations as not for profit and its assets are held for the benefit of the community. Hence the service potential (value in use) of assets to the community, as opposed to asset's ability to generate profits, is paramount in determination of impairment and depreciated replacement cost is considered an appropriate basis on which to value the assets given the corporation would, if deprived of the assets, replace their remaining future economic benefits.

Darwin Waterfront community infrastructure is recorded at the cost of acquisition, being the purchase consideration determined at the date of acquisition plus costs incidental to the acquisition.

Plant and equipment acquired are recorded at the cost of acquisition, being the purchase consideration determined at the date of acquisition plus costs incidental to the acquisition.

The depreciated replacement cost of these assets is deemed to be their fair values.

Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life. The following useful lives are used in the calculation of depreciation:

Buildings and community infrastructure	4-100 years
Plant and equipment	3-5 years
Transport equipment	5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

i) Borrowings

Loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on an accrual basis.

j) Leases

Finance Leases

Finance leases are capitalised. A lease asset and a lease liability equal to the present value of the minimum lease payments are recognised at the inception of the lease. Lease payments are allocated between the principal component of the lease liability and the interest expense.

A finance lease is currently recognised in respect of the Darwin Convention Centre. Interest expenses associated with the repayment obligations are expensed in the period they are incurred.

Notes to and forming part of the financial statements

As at 30 June 2014

Darwin Convention Centre Concession Arrangements

The Northern Territory of Australia entered into contractual arrangements with Darwin Cove Convention Centre Pty Ltd (“the Concession Holder”) under which, in return for a right to operate a Convention Centre, the Concession Holder was required to design, finance, construct, commission, control, operate, maintain, repair and refurbish the centre.

The Concession Holder, in turn, entered into a contractual arrangement with Ogden IFC (Darwin) Pty Ltd, now AEG Ogden, (“the Operator”) to operate and manage the centre. The concession arrangement will operate for a period of 25 years until June 2033, including a 3 year hand-over phase.

The Concession Holder has also entered into separate contractual arrangements with Honeywell Ltd (“the Facilities Manager”) for the maintenance, repair and refurbishment of the facility over the period until the Centre is handed over to the Territory.

The concession arrangements provide for a payment by the corporation of periodic payments to the Concession Holder for the life of the concession period of 25 years following the construction of the centre. This payment primarily represents payments made in respect of debt, equity, construction and maintenance aspects of the project. Up to 75 per cent of this payment is subject to abatement if the facility should be unavailable, if the facility fails to meet availability standards or if the Operator fails to achieve key performance indicators.

In addition, the arrangements also provide for the payment of a Territory Operating Payment (TOP) that comprises the net cash shortfall arising from the operation of the Convention Centre during a year, capped to a maximum contribution and subject to negotiation. The legal framework for the centre includes incentives intended to encourage the Operator to exceed benchmark levels of performance.

Expenses incurred under the availability payment and operating payment arrangements are included in the Surplus/(Deficit) for the year.

The liability under the Territory Availability Payment (TAP) arrangement has been recognised as a liability of the corporation. This liability will reduce over the life of the concession arrangement in line with those payments that represent the principal component of the availability payment. The corporation has also recognised the Convention Centre as an asset, being the corporation’s equitable interest in the underlying physical asset. That asset will be amortised on a straight line basis over the useful life of the asset.

Operating Leases

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

k) Payables

Liabilities for trade creditors and other amounts are carried at amortised cost. These amounts are unsecured and are usually settled within normal trading terms.

l) Employee/Member Benefits

The Northern Territory Government has funded all corporation employee annual leave, leave bonuses, long service leave, Superannuation Guarantee Levy and other employee benefits. All employee provisions are retained within the accounts of the Northern Territory Government.

m) Comparative Amounts

Comparative information has been reclassified and restated where necessary to be consistent with disclosures in the current reporting format.

n) Commitments

Disclosures in relation to capital and other commitments are shown at note 17 and are consistent with the requirements contained in AASB 101. Commitments are those contracted as at 30 June 2014 where the amount of the future commitment can be reliably measured.

o) 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.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

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 that are 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 that are not available publicly, but are 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.

Notes to and forming part of the financial statements

As at 30 June 2014

	Note	2014 \$'000	2013 \$'000
3. REVENUE			
Revenue from Rendering of Services			
User Charges			
Car Parking Fees		751	571
Rates		471	441
Wave Lagoon Admissions		574	557
Other Income		248	214
Other			
Interest on Cash Balances		40	64
Operating Grants and Other Contributions			
Northern Territory Government		17,840	17,366
Other		2	-
Total Revenue		19,926	19,213
4. PROPERTY MAINTENANCE			
Cleaning		518	483
Grounds Maintenance		1,057	1,040
Security		276	242
Other		73	94
Total Property Maintenance		1,924	1,859
5. AGENT SERVICE ARRANGEMENTS			
Department of Corporate and Information Services		41	38
Department of Lands, Planning and the Environment		294	158
Surf Life Saving Northern Territory		658	630
Darwin City Council		46	48
Total Agent Service Arrangements		1,039	874
6. DEPRECIATION AND AMORTISATION			
Depreciation		2,253	2,276
Amortisation		2,107	2,107
Total Depreciation and Amortisation		4,360	4,383

	Note	2014 \$'000	2013 \$'000
7. GRANTS AND SUBSIDIES			
Grants			
Territory Efficiency Payments		-	42
Territory Incentive Payments		775	753
Total Grants		775	795
Subsidies			
Territory Operating Payments		2,870	2,744
Territory Availability Payments		2,886	2,784
Total Subsidies		5,756	5,528
TOTAL GRANTS AND SUBSIDIES		6,531	6,323
8. FINANCE COSTS			
Interest on obligations under finance lease		5,597	5,687
Total Finance Costs		5,597	5,687
9. OTHER EXPENSES			
Audit Fees (auditors received no other benefits)		38	35
Power		515	505
Water & Sewerage		195	205
Insurance		448	481
Marketing and Promotion		595	567
Other Operational Costs		1,123	889
Total Other Expenses		2,914	2,682
10. CASH AND CASH EQUIVALENTS			
Cash at Bank		711	831
Cash Advances		3	3
Cash in Transit		-	2
Total Cash and Cash Equivalents		714	837

The effective interest rate for cash and cash equivalents for the year was 2.28%.

Notes to and forming part of the financial statements

As at 30 June 2014

	Note	2014 \$'000	2013 \$'000
11. TRADE AND OTHER RECEIVABLES			
Current			
Trade Receivables	(i)	90	39
Other		28	98
Goods and Services Tax Recoverable		39	60
Total Trade and Other Receivables		157	197
Consisting of:			
Government Agencies		40	63
External Bodies		117	134

(i) The average credit period on sales of goods and rendering of services is 30 days. No interest is charged on the trade receivables. No allowance has been made for overdue trade receivable amounts arising from the past sale of goods and rendering of services, as these are not considered impaired or irrecoverable.

The Board does not hold any collateral in relation to these receivables.

Ageing of past due but not impaired			
30 – 60 days		24	27
60 – 90 days		-	-
90 + days		-	-
Total		24	27

12. OTHER ASSETS			
Current			
Prepayments		128	308
Total Other Assets		128	308

	Note	2014 \$'000	2013 \$'000
13. PROPERTY, PLANT AND EQUIPMENT			
Land		36,825	36,433
Total Land		36,825	36,433
Buildings Under Finance Lease			
Convention Centre		105,346	105,346
Less: Accumulated Amortisation		(12,642)	(10,535)
Total Buildings Under Finance Lease		92,704	94,811
Community Infrastructure			
Marine Infrastructure		43,411	43,398
Roads and Services		13,826	13,686
Multi Storey Car Park		10,920	10,918
Wave Lagoon		16,816	16,816
Amenities Building		1,472	1,472
Public Domain		16,558	16,303
Bridge Link		3,796	3,796
Less: Accumulated Depreciation		(11,808)	(9,610)
Total Community Infrastructure		94,991	96,779
Plant and Equipment			
Plant and Equipment		280	266
Less: Accumulated Depreciation		(263)	(213)
Total Plant and Equipment		17	53
Transport Equipment			
Transport Equipment		25	25
Less: Accumulated Depreciation		(17)	(12)
Total Transport Equipment		8	13
TOTAL PROPERTY, PLANT AND EQUIPMENT		224,546	228,090

In the corporation's review of impairment of assets at balance date, it has determined that both buildings under finance and community infrastructure assets had no diminution of service potential since the date of their hand over and as such no impairment loss has been recognised.

Notes to and forming part of the financial statements

As at 30 June 2014

Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

	Note	2014 \$'000	2013 \$'000
Land			
Carrying amount at beginning of year		36,433	36,433
Additions (via equity transfer)		392	-
Carrying Amount at End of Year		36,825	36,433
Buildings Under Finance Lease			
Carrying amount at beginning of year		94,811	96,918
Amortisation		(2,107)	(2,107)
Carrying Amount at End of Year		92,704	94,811
Community Infrastructure			
Carrying amount at beginning of year		96,779	98,598
Additions (via equity transfer)		410	373
Depreciation		(2,198)	(2,192)
Carrying Amount at End of Year		94,991	96,779
Plant and Equipment			
Carrying amount at beginning of year		53	118
Additions		14	14
Depreciation		(50)	(79)
Carrying Amount at End of Year		17	53
Transport Equipment			
Carrying amount at beginning of year		13	5
Additions		-	13
Depreciation		(5)	(5)
Carrying Amount at End of Year		8	13

14. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

a) Fair Value Hierarchy

Fair values of non-financial assets categorised by levels of inputs used to compute fair value are:

2014

	Level 1	Level 2	Level 3	Total Fair Value
	\$000	\$000	\$000	\$000
Asset Classes (Note 13)				
Land	-	-	36,825	36,825
Community Infrastructure	-	-	94,991	94,991
Plant and Equipment	-	-	17	17
Transport Equipment	-	-	8	8
Total	-	-	131,841	131,841

There were no transfers between Level 1 and Levels 2 or 3 during the period.

b) Valuation Techniques and Inputs

Valuation techniques used to measure fair value are:

	Level 2 Techniques	Level 3 Techniques
Asset Classes		
Land	-	Cost Approach
Community Infrastructure	-	Cost Approach
Plant and Equipment	-	Cost Approach
Transport Equipment	-	Cost Approach

There were no changes in valuation techniques during the period.

Level 3 fair values of community infrastructure, plant and equipment and transport equipment were determined by computing their depreciated replacement costs because an active market does not exist for such facilities. The depreciated replacement cost was based on a combination of internal records of the historical cost of the facilities. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

Notes to and forming part of the financial statements

As at 30 June 2014

c) Additional Information for Level 3 Fair Value Measurements

(i) Reconciliation of Recurring Level 3 Fair Value Measurements

	Land \$'000	Community Infrastructure \$'000	Plant and Equipment \$'000	Transport Equipment \$'000
Fair value as at 1 July 2013	36,433	96,779	53	13
Additions	392	410	14	-
Depreciation	-	(2,198)	(50)	(5)
Fair value as at 30 June 2014	36,825	94,991	17	8

(ii) Sensitivity analysis

Land – Unobservable inputs used in computing the fair value of land include the historical costs. Higher or lower costs will result in higher and lower fair values respectively.

Community Infrastructure, Plant & Equipment and Transport Equipment – Unobservable inputs used in computing the fair value of community infrastructure, Plant and Equipment and Transport Equipment include the historical cost and the consumed economic benefit for each asset. These assets are depreciated on useful lives ranging from 3 to 100 years. In respect of sensitivity of fair values to changes in input values, a higher historical cost results in a higher fair value and a greater consumption of economic benefits or useful lives, lowers the fair value.

	2014 \$'000	2013 \$'000
15. TRADE AND OTHER PAYABLES		
Current		
Trade Payables	24	215
Grants and Subsidies Payable	1,508	1,499
Accrued Expenses	2,172	1,958
Total Trade and Other Payables	3,704	3,672

Consisting of:

Government Agencies	176	195
External Bodies	3,528	3,477

	Note	2014 \$'000	2013 \$'000
16. FINANCE LEASE LIABILITY			
Current			
Finance Lease Liability		1,624	1,439
Non current			
Finance Lease Liability		81,594	83,218
Total Finance Lease Liability		83,218	84,657

17. COMMITMENTS

Under the Darwin Convention Centre Concession arrangements (refer to Note 2(j)) the corporation has commitments in relation to the Darwin Convention and Exhibition Centre. These commitments relate to the TAP and include payments in relation to debt, equity, construction and maintenance aspects of the project.

The debt principal commitments are recognised as a liability and are disclosed at Note 16. Principal and related interest commitments are disclosed at Note 20(h).

Additional TAP commitments excluding principal and interest can be quantified as follows:

Due within 1 year		2,761	2,670
Due within 2-5 years		11,991	11,610
Due after 5 years		57,643	60,786
Total Commitment		72,395	75,066

18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

Contingent Liabilities of the corporation relate to the granting of a concession to Darwin Cove Convention Centre Pty Ltd. Agreements for leases or licences of property, plant, or equipment generally contain standard indemnity provisions, similar to those commonly found in commercial leases, covering the lessor or licensor for any losses suffered as a result of the lease or licence agreement. The contingent liabilities resulting from the indemnities are unquantifiable.

The granting of a concession to Darwin Cove Convention Centre Pty Ltd, which has been described in note 2(j) gives rise to contingent liabilities associated with:

- Discriminatory changes in law
- Environmental clean-up costs
- Incentive payments to the Operator if performance targets established for the centre should be exceeded
- Negotiated payments to the operator in the early years of the centre's operation.

Notes to and forming part of the financial statements

As at 30 June 2014

For the categories listed above, neither the probability nor the amount that the Territory may be called upon to pay at some future date can be determined reliably. As a result these items are regarded as contingent liabilities, where the existence of an actual liability in the future will be confirmed only by the occurrence of uncertain future events that lie outside the control of the corporation.

Contingent Assets

A contingent asset also arises as a consequence of the concession arrangement. As described in note 2(j), a TAP is recognised as a liability on the corporation Statement of Financial Position. However, the Territory has the right to recover up to 75% of that liability if the Operator should not achieve certain performance criteria. Because neither the probability of such a recovery nor the amount that might be recovered can be determined reliably, the part of the TAP that might be subject to abatement is classified as a contingent asset.

19. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of operating surplus/(deficit) for the period to net cash flows from operating activities;

	Note	2014 \$'000	2013 \$'000
Operating Surplus/(Deficit)		(3,296)	(3,405)
Non-cash items			
Depreciation and Amortisation		4,360	4,383
Changes in assets and liabilities			
(Increase)/Decrease in receivables		40	52
(Increase)/Decrease in prepayments		180	34
(Decrease)/Increase in payables		32	(136)
Net cash from operating activities		1,316	928

20. 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.

a) Capital Risk Management

The corporation manages its capital to ensure that it will be able to continue as a going concern. Financial instruments held by the corporation include cash and cash equivalents, trade and other receivables, finance lease liability, and trade and other payables.

b) Categories of financial instruments

	Note	2014 \$'000	2013 \$'000
Financial Assets			
Cash and Cash Equivalents		714	837
Trade and Other Receivables		157	137
Total Financial Assets		871	974
Financial Liabilities			
Trade and Other Payables		3,704	3,672
Finance Lease Liability		83,218	84,657
Total Financial Liabilities		86,922	88,329

c) Financial Risk Management Objectives

The board has overall responsibility for the determination of risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the management team. The corporation's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the corporation where such impacts may be material. The board receives a minimum of four reports per annum from the Chief Executive Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

d) Credit Risk

Credit risk is the risk of financial loss and/or increased costs due to the failure of a counter party to meet its financial obligations. The entity has limited credit risk exposure (risk default) with government agencies. In respect of any dealings with organisations external to the government and individuals, the entity has adopted a policy of only dealing with credit worthy organisations and individuals.

Notes to and forming part of the financial statements

As at 30 June 2014

The entity's exposure to credit risk is influenced mainly by the individual characteristics of each non-government debtor. In monitoring debtor credit risk, debtors are grouped according to their ageing profile and existence of previous financial difficulties.

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

e) Liquidity Risk

Liquidity risk is the risk that the corporation will not be able to meet its financial obligations as they fall due. The corporation manages liquidity risk by continuously monitoring forecast and actual cash flows and is funded by the Northern Territory Government as required.

f) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the corporation is exposed to is interest rate risk.

i. Interest Rate Risk

Interest rate risk is the risk of financial loss and/or increased costs due to adverse movements in the values of financial assets and liabilities as a result of changes in interest rates.

The entity has minimal exposure to interest rate risk with the exception of cash at bank. The debt profile on Convention Centre payments was locked in at financial close of the project in May 2005 and incorporates two bond components, one fixed and one linked to CPI. As such, Convention Centre payments are not exposed to interest rate risk.

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have the following effect on the corporation's profit or loss and equity.

	Profit or Loss and Equity	
	100 basis points increase \$'000	100 basis points decrease \$'000
30 June 2014		
Financial assets – cash at bank	7	(7)
Net Sensitivity	7	(7)
30 June 2013		
Financial assets – cash at bank	8	(8)
Net Sensitivity	8	(8)

g) Net Fair Value

Other than the finance lease liability, the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values. The finance lease liability has a fair value of \$89 million and a carrying value of \$83 million.

	Total Carrying Amount \$'000	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Net Fair Value Total \$'000
2014					
Financial Assets					
Cash and Cash Equivalents	714	714	-	-	714
Trade and Other Receivables	157	157	-	-	157
Total Financial Assets	871	871	-	-	871
Financial Liabilities					
Trade and Other Payables	3,704	3,704	-	-	3,704
Finance lease liability	83,218	-	-	88,874	88,874
Total Financial Liabilities	86,922	3,704	-	88,874	92,578
2013					
Financial Assets					
Cash and Cash Equivalents	837	837	-	-	837
Trade and Other Receivables	137	137	-	-	137
Total Financial Assets	974	974	-	-	974
Financial Liabilities					
Trade and Other Payables	3,672	3,672	-	-	3,672
Finance lease liability	84,657	-	-	89,198	89,198
Total Financial Liabilities	88,329	3,672	-	89,198	92,870

The fair value of the Finance lease liability is estimated by discounting the remaining liability till contractual maturity date using the Australian Financial Markets Association (AFMA) swap reference rates plus NT Treasury Corporation's lending margin rate.

Notes to and forming part of the financial statements

As at 30 June 2014

h) Maturity Analysis

The following tables detail the corporation's remaining contractual maturity for commitments relating to its financial assets and liabilities:

2014	Carrying Amount \$'000	1 Year or Less \$'000	2 to 5 Years \$'000	Over 5 years \$'000
Financial Liabilities				
Trade and Other Payables	3,704	3,704	-	-
Lease Commitments				
- Fixed (including interest)	69,614	3,713	14,851	51,050
- Variable (including interest)	80,190	3,406	14,497	62,287
Less Interest Components	(66,586)	(5,495)	(20,696)	(40,395)
Total Lease Liabilities	83,218	1,624	8,652	72,942
Total Financial Liabilities	86,922	5,328	8,652	72,942
Financial Assets				
Cash and Cash Equivalents	714	714	-	-
Trade and Other Receivables	157	157	-	-
Total Financial Assets	871	871	-	-
2013				
Financial Liabilities				
Trade and Other Payables	3,672	3,672	-	-
Lease Commitments				
- Fixed (including interest)	73,327	3,713	14,851	54,763
- Variable (including interest)	83,513	3,323	14,143	66,047
Less Interest Components	(72,183)	(5,597)	(21,239)	(45,347)
Total Lease Liabilities	84,657	1,439	7,755	75,463
Total Financial Liabilities	88,329	5,111	7,755	75,463
Financial Assets				
Cash and Cash Equivalents	837	837	-	-
Trade and Other Receivables	137	137	-	-
Total Financial Assets	974	974	-	-

21. DETAILS OF BOARD MEMBERS

Members' Remuneration

The number of members of the corporation whose income from the corporation falls within the following bands:

	2014	2013
\$0	2	4
\$40,000 to \$89,999	3	1
Total income paid or payable, or otherwise made available to all members of the corporation from the corporation	\$165,000	\$35,000

Two of the five board members were Northern Territory public servants during the 2013-14 financial year and were remunerated by their respective agencies. The CEO and General Manager's remuneration are included in key management personnel remuneration below.

Key Management Personnel Remuneration

	2014 \$'000	2013 \$'000
Short-term employee benefits	78	129
Other long term benefits	-	-
Post-employment benefits	-	-
Termination benefits	-	-
Total Remuneration	78	129

Short-term benefits as stated above incorporate the services of the Chief Executive Officer and the General Manager for the year. These benefits are paid on a reimbursement basis as the corporation's personnel are paid by the Territory's Government.

Full Meetings of Board Members

There were 4 meetings for the 2013-14 year attended by:

Member	Meetings Eligible to Attend	Meetings Attended
Graeme Lewis	4	4
John Coleman	4	4
Jennifer Prince	4	4
Michael Burgess	4	4
Anthony Mayell	4	4

Notes to and forming part of the financial statements

As at 30 June 2014

Election and Continuation in Office of Board Members

The date of appointment of members:

Member	Initial Date of Appointment
Graeme Lewis	3 December 2012
John Coleman	11 December 2012
Jennifer Prince	3 December 2006
Michael Burgess	21 February 2008
Anthony Mayell	15 February 2013

Anthony Mayell resigned from the board on the 15 July 2014.

22. OTHER STATUTORY INFORMATION

Distributions

No dividends or distributions were made during the financial period ended 30 June 2014.

No dividends or distributions are proposed.

Number of Employees

The corporation had seven employees during the financial period, fully remunerated by the Northern Territory Government.

Indemnifying Officers

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid by the corporation, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.

Segments

The corporation operates solely in Australia to manage and operate the Darwin Waterfront Precinct.

23. 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.



Auditor-General

Independent Auditor's Report to the Board

Darwin Waterfront Corporation

I have audited the accompanying financial report of Darwin Waterfront Corporation which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Board Members' declaration.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Darwin Waterfront Corporation Act* (the "Act") and for such internal controls as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

Opinion

In my opinion the financial report gives a true and fair view of the financial position of the Darwin Waterfront Corporation as at 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Darwin Waterfront Corporation Act*.

Julie Crisp

Auditor-General for the Northern Territory
Darwin, Northern Territory

7 October 2014



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CORPORATION

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