

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mrs Lambley to the Treasurer:

NT Infrastructure Development Fund – NT Beverages

- 1. Please provide an update on the now defunct NT Infrastructure Development Fund and the outstanding money, approximately \$7 million, owed by NT Beverages.**

There is no further money recoverable by government.

- 2. Has the Northern Territory Government undertaken a full investigation into the NT Infrastructure Development Fund's allocation of \$10.5 million to NT Beverages within months of it going into administration?**

In 2019, the Auditor-General for the Northern Territory undertook an audit of the NTIDF and made a number of recommendations to the Legislative Assembly, noting that government announced prior to completion of the audit that the NTIDF was to be wound up.

- 3. Exactly how much does NT Beverages owe the Northern Territory Government, from the former NT Infrastructure Development Fund?**

NT Beverages has been liquidated, the NTIDF has been wound up, and there are no further funds recoverable.

- 4. What due diligence was undertaken by the NT Infrastructure Development Fund before allocating \$10.5 million of public money to NT Beverages?**

Investment decisions were the remit of the independent Board. The Investment Manager of the NTIDF, Infrastructure Capital Group (ICG) was responsible for providing advice to the NTIDF Board.

- 5. Has anyone within the Northern Territory Government been held responsible for the apparent loss of approximately \$7 million of tax payers funds, allocated to NT Beverages by the NT Infrastructure Development Fund?**

It was a body independent of government.

- 6. What explanation has been given by the former board of the NT Infrastructure Development Fund for why they funded NT Beverages \$10.5 million?**

The investment in NT Beverages was recommended by the investment manager. The poor performance of the NTIDF's only investment was a significant factor in the discussions between government and the NTIDF Board in the lead up to the decision to wind up the NTIDF in October 2018.

- 7. Has this matter been referred by the Northern Territory Government to the Independent Commission Against Corruption? If so, when was this referral made?**

The Independent Commissioner Against Corruption Commissioner is independent and any questions should be referred to him.

- 8. Will NT Beverages be paying back the \$7 million outstanding to the former Infrastructure Development Fund or Northern Territory Government?**

NT Beverages has been liquidated, and there is no prospect for the recovery of further funds from NT Beverages.

- 9. How many projects did the NT Infrastructure Development Fund allocate funds to? Provide details of what companies received funding and how much?**

The NTIDF's only investment was the investment in NT Beverages.

- 10. How is this program now being managed given that the NT Infrastructure Development Fund has been mothballed?**

The NTIDF has been wound up.

- 11. How long did the NT Infrastructure Development Fund operate, from what dates?**

The interim board was appointed in late 2015 and the NTIDF was formally terminated on in December 2018. The NTIDF deregistered in January 2020.

- 12. How much money did it cost to operate this fund during this period, include the cost of administration and management?**

Government invested \$14.7 million into the NTIDF and received \$2.48 million on final wind-up.

This is offset by the return on the \$200 million (less amounts invested) set aside in the Central Holding Authority for investment in the NTIDF, which has earned a net return in the order of \$15.9 million.

- 13. What was the opening balance of the NT Infrastructure Development Fund, at the commencement of operation?**

The initial capital provided to the NTIDF on establishment of the trust structure totalled \$1.5 million.

- 14. What was the closing balance of the NT Infrastructure Development Fund, at the conclusion of operation?**

\$2.48 million.