



# ANNUAL REPORT

## 2023-24





## LETTER TO THE MINISTER FOR LOGISTICS AND INFRASTRUCTURE

The Hon William Yam MLA  
Minister for Logistics and Infrastructure  
GPO Box 3146  
Darwin NT 0801

Dear Minister Yam

RE: AUSTRALASIA RAILWAY CORPORATION ANNUAL REPORT

I have pleasure in presenting the 2023-24 Annual Report of the AustralAsia Railway Corporation.

The report details the activities and operations of the Corporation for the year ending 30 June 2024, in accordance with the provisions of section 32(2) of the AustralAsia Railway Corporation Act.

There is no additional information attached to the report that is required to be presented under section 32(1) of the Act, as there were no directions, objections, confirmations or reasons given under Section 19 of the Act during the period to which the report relates.

Yours faithfully



Alastair Shields  
Chairman

23 November 2024





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# Chairman's Overview

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The 2023-24 year was one of resilience and aspiration for the AustralAsia Railway Corporation and our operator Aurizon Bulk Central (North). A consistent 2.7 million tonnes of freight were transported over the AustralAsia Railway corridor in the 2023-24 financial year, with growth in bulk minerals.

The operator, Aurizon, presented a vision to the share market of a land-bridging strategy to utilise Darwin's deep-water port, increased handling facilities (including its own stevedoring), the AustralAsia railway network and its national network to open up time-sensitive freight logistics opportunities that avoid the congestion of major southern ports. Savings including six days at sea present an exciting opportunity for the Northern Territory, South Australia and our network. Aurizon continue to identify and work with proponents to advance the hundreds of potential projects and opportunities throughout our two shareholder jurisdictions - reinforcing the value of the rail corridor as an asset that underpins economic prosperity.

Aurizon's vision was timely given the Corporation and governments celebrated the 20th Anniversary of the First Train to Darwin in February 2024. The Corporation is proud to have procured the development of a new book "The Meeting Place - A Social History of the Adelaide to Darwin Railway" by renowned local author and history-buff Dr Jane Munday to mark the occasion. The book is a remarkable achievement, as was the eventual delivery of our nation-building railway - and is available at independent bookstores and through our website [www.aarail.com.au](http://www.aarail.com.au)

The AustralAsia Railway Corporation and Aurizon continue to work with Journey Beyond's Ghan passenger service which is experiencing record breaking demand which directly benefits the regional tourism economies as well as Darwin and Adelaide. Accommodation of additional capacity on our network and consistency of passenger experiences is a priority for the coming years.

The network proved its resilience during the year with significant weather events during the 2023-24 year associated with Tropical Cyclone Kirrily and Tropical Cyclone Lincoln occurring only one month apart and both severely impacting the track, particularly around Tennant Creek. Kirrily caused 2800m of ballast washaway as well as formation damage over three sections, however was repaired in record time by Aurizon crews from Darwin as



soon as access could be secured – ensuring minimal disruption to vital intermodal services to Darwin. In the end, the track was only closed for nine days. Lincoln caused further washout which was also expeditiously repaired with only three days of track closure. On behalf of both jurisdictions and the Corporation, I recognise and thank the efforts of Aurizon work crews and management to keep the services running in extremely difficult circumstances.

Expansive linear infrastructure is difficult to manage and maintain. The Corporation has overseen the delivery of milestone Prescribed Maintenance under the Concession Deed to improve track quality with Aurizon's straightening of 40,000 misaligned welds along the corridor completed in April 2024.

The Corporation continues to manage matters impacting the railway corridor including facilitating new developments, granting service and access easements, and managing landholder entitlements to ensure the proper operation of the railway now and into the future. The Sun Cable project continues as the most significant project for non-rail utilisation of our railway corridor and work steadily progresses on detailed design and delivery. The Corporation is also working with Aurizon, the Northern Territory and Commonwealth Governments on new capability in and around the network including with Logistics Hub funding.

This year I want to specifically thank and recognise the efforts of the Aurizon team, particularly Matthew Jones and his team including Paul Baker who led the recovery from Tropical Cyclones Kirrily and Lincoln. I also thank our CEO Samuel Burke and Board Members Mr Mike Wilde and Mr Timothy Materne (South Australia) and Mr Andrew Kirkman (Northern Territory). The Corporation's work and achievements are possible because of our strong collection of motivated Board Members who are always generous with their advice and assistance and are passionate about this important asset.

Toodles



Alastair Shields  
Chairman

23 November 2024



# Business Overview

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## Aggregate Volumes

A combined total of 2.7 million tonnes of freight were transported in 2023-24, consistent with the 2022-23 year and stabilising the post-COVID rebound. Business performance categorised as Intermodal, Bulk Products and Passenger Train Access was as follows:

## INTERMODAL

There has been no changes to the number of trains per week operating between Adelaide and Darwin. Rail continues to retain an estimated 76% market share, with ~85% of the contestable market for intermodal freight on the corridor ex SA.

2023-24 volumes and revenue were impacted by weather events north of Tennant Creek in January and March 2023 attributed to Tropical Cyclones Kirrily and Lincoln.

Intermodal tonnes decreased marginally (~1%) from 708,376 tonnes in 2022-23 to 699,074 tonnes in 2023-24. Of the 699k tonnes, 686,990 tonnes was General Freight and 12,084 tonnes was Automotive.

ABCN continue to work with the relevant parties on a variety of opportunities, particularly given Aurizon's land-bridging strategy announcements.

## BULK PRODUCTS

### Bulk minerals traffic

Tonnages for 2023-24 were 2.4 million tonnes, representing an increase of 0.4 million tonnes from the previous year levels of 2 million tonnes.

The increased volume is largely driven by additional AOL services although this was partially offset by the cessation of CU River movements and marginally lower OZ Minerals bulk.

### Bulk Liquids

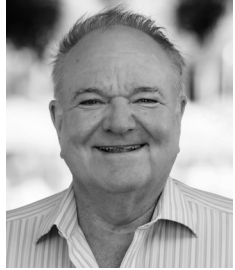
Bulk Liquid are in line with previous year volumes.





# Board Members

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**ALASTAIR SHIELDS** B.Bus (Acctg), LLB, EMPA

*Appointed 2 September 2014*

Alastair is Chair of the AustralAsia Railway Corporation, Chair of the Racing Commission (NT), and Chief Executive Officer of the Darwin Waterfront Corporation. He is also the Northern Territory Government representative on the Joint Management Board for Kakadu National Park. Alastair also provides specialist consulting services.

Alastair was born and educated in Darwin and has more than 35 years of public sector experience in the Northern Territory, most of it at the Northern Territory Department of the Attorney General and Justice and its predecessors. In the period 2013 to 2017, Alastair held a number of Chief Executive Officer roles for Northern Territory Government agencies.

Alastair has been involved in commercial negotiations for many major projects in the Northern Territory, including the AustralAsia Railway. He has qualifications in Law and



**SAMUEL BURKE**

*Appointed CEO 31 May 2020*

Sam Burke is the Chief Executive Officer of the AustralAsia Railway Corporation. Sam was raised and educated in the Territory and is passionate about business growth, major projects and tourism development. Previous roles include as a commercial and litigation lawyer, prosecutor with the Northern Territory Director of Public Prosecutions, Ministerial advisor and Chief of Staff, and Executive Director of Northern Territory Major Projects. Sam is currently also the Deputy Chief Executive Officer of the Darwin Waterfront Corporation, which is co-located with the AustralAsia Railway Corporation in Darwin. The Darwin Waterfront Precinct enjoys an average 1 million visits every year and Sam's role with the Corporation has broad responsibilities, including as Project Administrator for the Darwin Convention Centre PPP and management of the Stokes Hill Wharf.



## ANDREW KIRKMAN

*Appointed 14 October 2015*

Andrew is the Chief Executive of the newly formed Northern Territory Department of Agriculture and Fisheries. Prior to that he was the Chief Executive of the Department of Infrastructure, Planning and Logistics for 8 years. With over 25 years' experience in the Northern Territory Public Sector, Andrew has previously held positions as the Chief Executive of the Department of Transport and as Deputy Chief Executive and Executive Director in the Department of Housing. In addition to key roles in the AustralAsia Railway Corporation, Department of the Chief Minister and NT Treasury, he has worked in finance and commercial roles in the private sector, locally in the mining industry and overseas on public private partnerships. Andrew holds tertiary qualifications in business and is a Certified Practising Accountant.



## TIM MATERNE

*Appointed 25 November 2019*

Tim is Legal Counsel for the Northern Water desalination plant and pipeline project being undertaken by the South Australian Government, and is an executive solicitor of the Commercial, Environment and Native Title Section at the South Australian Crown Solicitor's Office. Tim advises on all of the legal aspects of the project, and previously held a similar role in respect of the North South Corridor Torrens to Darlington road tunnel mega-project. Tim's experience also includes being Special Counsel representing the South Australian Government in major and complex litigation, and as a partner in private practice specialising in marine, transport insurance and utilities law.



## MIKE WILDE

*Appointed 28 July 2016*

Mike Wilde is the Manager, Transport Supply Chain in the South Australian Department for Infrastructure and Transport (DIT). Prior to joining DIT, Mr Wilde spent over 32 years in the rail freight industry with experience in business development, customer service delivery, and operations planning roles. This includes 15 years in freight activities on the Alice Springs and Darwin corridors, holding senior management positions with FreightLink and as a board member for the Tarcoola to Darwin corridor maintenance joint venture.

# Board Members' Report

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The Board Members present their report on the accounts for the financial year ended 30 June 2024.

## Members

The following persons held office as Members of the AustralAsia Railway Corporation ("the Corporation") Board during the year and up to date of this report:

- Alastair Shields (Appointed 2 September 2014)
- Andrew Kirkman (Appointed 14 October 2015)
- Mike Wilde (Appointed 28 July 2016)
- Timothy Materne (Appointed 25 November 2019)
- Samuel Burke (Appointed 31 May 2020)

Further details on Members are provided at Member Profiles and Note 13 to the financial statements at page 9 and 29 of the Annual Report.

## Principal Activities

The functions of the Corporation are specified in the *AustralAsia Railway Corporation Act 1996 (NT)*.

The Corporation was created to facilitate the completion of the AustralAsia Railway on behalf of the Northern Territory and South Australian Governments and subsequent to completion, to monitor operations of the railway throughout the fifty year concession period to ensure obligations and responsibilities of the Concession Holder and Governments under the Concession Deed are met.

## Ministerial Directions

No ministerial directions were received by the Corporation under Sections 18 or 19 of the *AustralAsia Railway Corporation Act 1996 (NT)* for the financial year ended 30 June 2024.

## Review of Operations and Significant Changes during the Financial Year

The Corporation's role is to monitor operations to ensure responsibilities under the Concession Deed and the statutory obligations pursuant to the *AustralAsia Railway Corporation Act 1996 (NT)* are met. The Concession Deed covers the rights, responsibilities and obligations of the Concession Holder and Governments throughout the fifty year concession period from 2004.

Significant responsibilities of the Corporation include ensuring that the rail infrastructure, including the \$445.5 million (valued at cost) of Corporation owned infrastructure, is maintained in a 'fit for purpose' state by the Concession Holder throughout the Concession Period and that secure title over the rail corridor is held throughout this time.

The Corporation also provides advice and assistance to the Northern Territory and South Australian Governments on AustralAsia Railway matters.

The concession owners, Aurizon, have continued to meet best practice obligations, including completing a number of prescribed maintenance tasks ahead of schedule. The year has continued to focus on growing business, promoting the economic benefits of the railway and managing reporting regimes with the Concession Holder to ensure that both Aurizon and the Corporation meet their responsibilities in accordance with the Concession Deed.

During the year the entire misaligned weld project along the corridor was completed and track quality remains as good or better than when the line first

opened. Work to celebrate the 20th anniversary of the Alice Springs to Darwin line culminated in the publication of a book celebrating the human stories of the rail corridor. Aurizon also launched its vision to use the railway to land-bridge the nation, providing an alternative logistics network for priority freight from around the world through the Port of Darwin.

Activities during the year resulted in the Corporation recording an operating deficit of \$2.85 million (2023: Deficit \$2.80 million). This operating deficit resulted from depreciation charges of \$2.95 million to the accounts, reflecting use of the Corporation's \$445.5 million (valued at cost) rail infrastructure assets. Operating deficits do not affect the operations of the Corporation, with Governments providing the necessary resources to ensure the going concern of the entity.

### Matters Subsequent to the End of the Financial Year

There are no transactions or events of a material nature likely, in the opinion of the Board, to affect significantly the operations of the Corporation, the results of those operations, or the state of affairs of the Corporation, in the subsequent financial year.

### Likely Developments and Expected Results of Operations

In accordance with contractual agreements resulting from operations during past financial years, the Corporation expects to continue to receive operational grants and payments towards operational expenditure during the 2024-25 financial year and perform any other services necessary to monitor operations of the AustralAsia Railway on behalf of the Northern Territory and South Australian Governments.

### Auditor

The independent audit firm of BDO Audit (NT) continued as auditor in accordance with Section 27 of the *AustralAsia Railway Corporation Act 1996 (NT)* and Section 327 of the *Corporations Act 2001*.

### Auditor's Independence Declaration

A copy of the auditor's independence declaration, as required under Section 307C of the *Corporations Act 2001*, is set out on page 12.

This report is made in accordance with a resolution of the Board Members.



**ALASTAIR SHIELDS**  
Chairman  
28 October 2024



**SAMUEL BURKE**  
Chief Executive Officer  
28 October 2024

# DECLARATION OF INDEPENDENCE BY C TAZIWA TO THE BOARD MEMBERS OF AUSTRALASIA RAILWAY CORPORATION

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As auditor of Australasia Railway Corporation for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australasia Railway Corporation during the year ended 30 June 2024.



Casmel Taziwa  
Audit Partner  
BDO Audit (NT)

Darwin, 30 October 2024

BDO Audit (NT) ABN 48 242 540 619 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (NT) and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

## Board Members' Declaration

The Board Members declare that:

1. The financial statements and accompanying notes;
  - a) are in accordance with the *Corporations Act 2001* and comply with Australian Accounting Standards (including Australian Accounting Interpretations); and
  - b) give a true and fair view of the Corporation's financial position as at 30 June 2024 and of its performance for the period 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.



**ALASTAIR SHIELDS**  
Chairman  
28 October 2024



**SAMUEL BURKE**  
Chief Executive Officer  
28 October 2024

# Dashboard

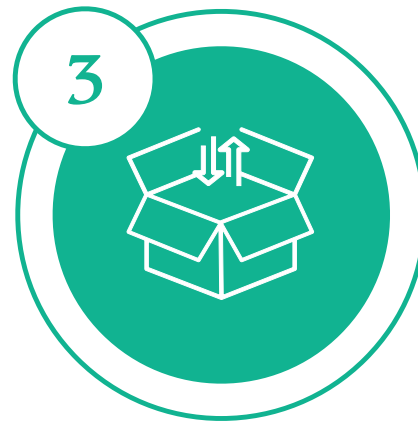
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20th anniversary of the Alice Springs to Darwin line celebrated



Running from Adelaide to Darwin, the Ghan travelled 3,047km in 54 hours



2.7 million tonnes of freight transported over the corridor



Property plant and equipment carrying amount \$376 million

# Financial Statements 2023-24

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## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Income</b>			
Income from Ordinary Activities		302	302
Other Income		216	195
<b>Total Income</b>	<b>3</b>	<b>518</b>	<b>497</b>
<b>Expenses</b>			
Employee Expenses		199	190
Depreciation and Amortisation	7	2,953	2,953
Other Expenses	4	211	151
<b>Total Expenses</b>		<b>3,363</b>	<b>3,294</b>
<b>Deficit for the Year</b>		<b>(2,845)</b>	<b>(2,797)</b>
<b>Other Comprehensive Income</b>			
Other Comprehensive Income for the Year		-	-
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Deficit for the Year</b>		<b>(2,845)</b>	<b>(2,797)</b>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

## Statement of Financial Position

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Current Assets</b>			
Cash and Cash Equivalents	5	1,170	892
Trade and Other Receivables	6	9	171
<b>Total Current Assets</b>		<b>1,179</b>	<b>1,063</b>
<b>Non Current Assets</b>			
Property, Plant and Equipment	7	376,309	379,262
<b>Total Non-Current Assets</b>		<b>376,309</b>	<b>379,262</b>
<b>TOTAL ASSETS</b>		<b>377,488</b>	<b>380,325</b>
<b>Current Liabilities</b>			
Trade and Other Payables	8	35	27
<b>Total Current Liabilities</b>		<b>35</b>	<b>27</b>
<b>Non-Current Liabilities</b>			
Net Loans	9	-	-
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>35</b>	<b>27</b>
<b>NET ASSETS</b>		<b>377,453</b>	<b>380,298</b>
<b>Equity</b>			
Assets Revaluation Reserves		18,020	18,020
Accumulated Funds		359,433	362,278
<b>TOTAL EQUITY</b>		<b>377,453</b>	<b>380,298</b>

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 2024

	Note	2024 \$'000	2023 \$'000
<b>Accumulated Funds</b>			
Balance at 1 July		362,278	365,075
Deficit for the Period		(2,845)	(2,797)
<b>Balance at 30 June</b>		<b>359,433</b>	<b>362,278</b>
<b>Assets Revaluation Reserves</b>			
Balance at 1 July		18,020	18,020
Other Comprehensive Income		-	-
Changes in asset revaluation reserve		-	-
<b>Total Comprehensive result for the year</b>		<b>-</b>	<b>-</b>
<b>Balance at 30 June</b>		<b>18,020</b>	<b>18,020</b>
<b>TOTAL EQUITY</b>		<b>377,453</b>	<b>380,298</b>

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

## Statement of Cash Flows

### For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Cash Flows from Operating Activities</b>			
Grants and Subsidies Received		302	302
Net Payments for Goods and Services		(403)	(344)
Interest Received		44	23
Other Income		335	10
<b>Net Cash Provided by/ (used in) Operating Activities</b>	<b>10</b>	<b>278</b>	<b>(9)</b>
Net Increase/(decrease) in Cash and Cash Equivalents		278	(9)
Cash and Cash Equivalent at the Beginning of the Financial Year		892	901
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	<b>5</b>	<b>1,170</b>	<b>892</b>

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

# Notes to the Financial Statements for the year ended 30 June 2024

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## 1. General Information

The AustralAsia Railway Corporation (“the Corporation”) is a statutory authority, incorporated in Australia and 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 facilitate the completion of the AustralAsia Railway on behalf of the Northern Territory and South Australian Governments and subsequent to completion, to monitor operations of the railway throughout the fifty year concession period (which commenced in 2004) to ensure obligations and responsibilities of the Concession Holder and Governments under the Concession Deed are met.

## 2. Material Accounting Policies

### Statement of Compliance

The financial statements are general purpose financial statements and have been prepared to fulfil the Corporation’s reporting requirements under the *AustralAsia Railway Corporation Act 1996 (NT)* and the *Corporations Act 2001*. The accounting policies used in the preparation of these financial statements are consistent with those of previous years unless stated otherwise, and in the opinion of the Board Members are appropriate to meet the needs of the AustralAsia Railway Corporation.

The general purpose financial statements have been prepared in accordance with the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *AustralAsia Railway Corporation Act 1996 (NT)* and the *Corporations Act 2001*.

The financial statements comprise AustralAsia Railway Corporation financial statements as an individual reporting entity. For the purposes of preparing the financial statements, the Corporation is a not-for-profit entity.

These financial statements are presented in Australian dollars, which is the Corporation’s functional and presentation currency. The financial statements were authorised for issue by the Board Members on 28 October 2024.

### a) Basis of Preparation

The general purpose financial statements have been prepared on an accrual basis using historical cost, except for the revaluation of certain non-current assets and financial instruments that are measured at re-valued amounts or fair values, as explained in the accounting policies below. Cost is based on the fair values of the consideration given in exchange for assets.

The Corporation is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to ‘rounding off’. All amounts are presented in Australian dollars and have been rounded off in accordance with that ASIC Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar. Figures in the financial statements and notes may not equate due to rounding.

### Critical Accounting Estimates and Judgements

The Board Members evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current

information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

### ***Key Estimates - Impairment***

The Corporation assesses impairment at each reporting date by evaluating conditions specific to the Corporation that may lead to impairment of assets. Where an impairment indicator exists during the year, the recoverable amount of the asset is assessed by management and impairment losses are recognised in profit and loss where an asset's carrying value exceeds its recoverable amount. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash generating unit to which the asset belongs.

### **b) New and Revised Accounting Standards**

#### ***Standards and interpretations effective from 2023-24***

Several amending standards and AASB interpretations have been issued that apply to the current reporting periods but are considered to have no or minimal impact on Corporation financial reporting.

The Corporation adopted the amendments to AASB 101 for the first time in the current year. The amendments change the requirements in AASB 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of financial statements make on the basis of those financial statements. Other than the change in the terminology of the accounting policy, the application of the amendments did not have a material impact on the Corporation financial statements.

#### ***Standards and Interpretations Issued but not yet effective***

No Australian accounting standards have been early adopted for 2023-24. Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on Corporation reporting.

### **c) Going Concern Basis**

The ongoing operations of the Corporation are reliant on continued funding by the Northern Territory and South Australian Governments.

### **d) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) 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; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as receivables or payables.

Cash flows are included in the statement of cash flows 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.

### **e) Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Corporation expects to be entitled in exchange for those goods or services. Performance obligations may be completed at a point in time or over time.

Corporation revenue from ordinary activities comprises grants received from the Northern Territory and South Australian Governments.

### **f) Government Grants**

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the Corporation to transfer goods or services to the grantor or a third party beneficiary, the transaction is accounted for under AASB15. In this case, revenue is initially deferred as a contract liability when received in advance and recognised as or when the performance obligations are satisfied.

Where grant agreements do not meet criteria above, it is accounted for under AASB 1058 and income is recognised on receipt of funding except for capital grants revenue received for the purchase or construction of non-financial assets to be controlled by the Corporation. Capital grants with enforceable contracts and sufficiently specific obligations are recognised as an unearned revenue liability when received and subsequently recognised progressively as revenue as or when the Corporation satisfies its obligations under the agreement. Where a non-financial asset is purchased, revenue is recognised at the point in time the asset is acquired and control transfers to the Corporation.

Government appropriation and grants are recognised in the profit or loss at the time of their receipt.

#### **g) Income Tax**

The Corporation is exempt from income tax as per the Income Tax Assessment Act 1936.

#### **h) Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows and Statement of Financial Position, cash and cash equivalents includes cash on hand and cash held in the Corporation's bank account.

#### **i) 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.

Financial assets and liabilities are recognised on the Statement of Financial Position when the Corporation becomes a party to the contractual provisions of the financial instrument. The Corporation's financial instruments include cash and deposits; receivables; advances paid; investment in shares; payables; advances received; borrowings and derivatives.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments: Presentation. These include statutory receivables arising from taxes including GST and penalties.

The Corporation has limited exposure to financial risks as discussed below.

#### ***Classification and measurement***

Financial instruments have been reclassified into one of three measurement bases - amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification of these instruments is based on the Corporation's business model for managing the financial assets and the contractual terms of the cash flows.

The Corporation's debt instruments are comprised of receivables, and loan receivables. As these assets are held to collect contractual cash flows that are solely payments of principal and interest, and are measured at amortised cost.

The Corporation has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the Corporation's financial liabilities.

#### ***Impairment of Financial Assets***

The Corporation assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available-for-sale reserve.

### ***Derecognition of Financial Assets***

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

### ***Non-Derivative Financial Liabilities***

The Corporation initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Corporation becomes a party to the contractual provisions of the instrument.

The Corporation derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Corporation classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise loans and borrowings, debt securities issued, bank overdrafts and trade and other payables. Bank overdrafts that are repayable on demand and form an integral part of the Corporation's cash management are included as a component of cash and cash equivalents for the statement of cash flows.

### ***j) Trade and Other Receivables***

Trade and other receivables are recognised at fair value less any allowance for impairment losses. Collectability of receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. The allowance for impairment losses represents the amount of receivables the Corporation estimates are likely to be uncollectible and are considered doubtful.

Trade receivables are generally settled within 30 days.

### ***k) Property, Plant and Equipment***

The property, plant and equipment of the Corporation comprises mainly of railway infrastructure. This represents the Corporation's share of the \$1.1 billion rail infrastructure located between Alice Springs and Darwin completed in 2004.

The Corporation values land 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.

Railway infrastructure is recorded at the cost of acquisition, being the purchase consideration determined at the date of the construction plus costs incidental to the construction.

The infrastructure assets, except for land, earthworks and capping layer, is depreciated on a straight-line basis over each assets expected useful life.

The following useful lives are used in the calculation of depreciation:

Railway Infrastructure	
Culverts and Bridges	50 years
Yards and Freight Handling Facilities	50 years
Signalling	15 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.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Corporation. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

### ***l) Borrowings***

Loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs. Interest expense is recognised on an accrual basis (refer Note 9). No interest was payable on loans for either financial period.

**m) Trade and Other Payables**

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Corporation. These amounts are unsecured and are usually settled within normal trading terms of 30 days.

**n) Employee/Member Benefits**

The Corporation reimburses the Northern Territory Government for the relevant proportion of employee annual leave, leave bonuses, long service leave, Superannuation Guarantee Levy and other employee benefits.

**o) Comparative Amounts**

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

**p) Commitments**

Disclosures in relation to capital and other commitments are shown at note 14 and are consistent with the requirements contained in AASB 101. Commitments are those contracted as at 30 June 2024 where the amount of the future commitment can be reliably measured.

**q) Services Received Free of Charge**

During the 2024 financial year the Corporation received advisory services from officers of the Northern Territory and South Australian Governments at no charge. These amounts are not readily determined and are considered immaterial.



<b>3. Income</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Income from Ordinary Activities</b>		
<b><u>Operating Grants and Other Contributions</u></b>		
Northern Territory Government	152	152
South Australian Government	150	150
<b><u>Other Income</u></b>		
Interest on Cash Balances	45	25
Other Income*	171	170
<b>Total Income</b>	<b>518</b>	<b>497</b>

\*\$150,000 is the annual consideration for a commercial-in-confidence tenure agreement.

#### 4. Other Expenses

Audit Fees (auditors received no other benefits)*	10	10
Other Operational Costs	201	141
<b>Total Other Expenses</b>	<b>211</b>	<b>151</b>

\*Audit fees payable for services provided for the 2023-24 financial statement audit is \$10,500.

#### 5. Cash and Cash Equivalents

Cash at Bank	1,170	892
<b>Total Cash and Cash Equivalents</b>	<b>1,170</b>	<b>892</b>

#### 6. Trade and Other Receivables

Trade receivables	3	167
Accrued interest	4	3
Goods and Services Tax Recoverable	2	1
<b>Total Trade and Other Receivables</b>	<b>9</b>	<b>171</b>

Consisting of:

Government Agencies	2	1
External Bodies	7	170

Receivables are all current and are neither due nor impaired. The Corporation does not hold any financial assets whose terms have been renegotiated but would otherwise be past due or impaired. No collateral is held as security for any of the trade or other receivables balances.





<b>7. Property, Plant and Equipment</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land</b>		
At Cost	18,020	18,020
<b>Total Land</b>	<b>18,020</b>	<b>18,020</b>
<b>Infrastructure Assets</b>		
<b>Earthworks and Capping Layer</b>		
At Cost	270,917	270,917
<b>Total Earthworks and Capping Layer</b>	<b>270,917</b>	<b>270,917</b>
<b>Culverts and Bridges</b>		
At Cost	127,662	127,662
Less: Accumulated Depreciation	(52,128)	(49,575)
<b>Total Culverts and Bridges</b>	<b>75,534</b>	<b>78,087</b>
<b>Freight Handling and Signalling</b>		
At Cost	28,920	28,920
Less: Accumulated Depreciation	(17,082)	(16,682)
<b>Total Freight Handling and Signalling</b>	<b>11,838</b>	<b>12,238</b>
<b>Total Property, Plant and Equipment</b>	<b>376,309</b>	<b>379,262</b>

#### Reconciliations

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

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land</b>		
Carrying Amount at Beginning of Year	18,020	18,020
<b>Carrying Amount at End of Year</b>	<b>18,020</b>	<b>18,020</b>
<b>Earthworks and Capping Layer</b>		
Carrying Amount at Beginning of Year	270,917	270,917
<b>Carrying Amount at End of Year</b>	<b>270,917</b>	<b>270,917</b>
<b>Culverts and Bridges</b>		
Carrying Amount at Beginning of Year	78,087	80,640
Depreciation	(2,553)	(2,553)
<b>Carrying Amount at End of Year</b>	<b>75,534</b>	<b>78,087</b>
<b>Freight Handling and Signalling</b>		
Carrying Amount at Beginning of Year	12,237	12,638
Depreciation	(400)	(401)
<b>Total Freight Handling and Signalling</b>	<b>11,837</b>	<b>12,237</b>
<b>Total Property, Plant and Equipment</b>	<b>376,309</b>	<b>379,262</b>

<b>8. Trade Payables</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Trade Payables	35	27
<b>Total Trade and Other Payables</b>	<b>35</b>	<b>27</b>

Consisting of:

Government Agencies	5	5
External Bodies	30	22

<b>9. Other Financial Liabilities</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Net Loans</b>		
Loan from Northern Territory Government	25,000	25,000
Loan from South Australia Government	25,000	25,000
<b>Total Loans from Governments</b>	<b>50,000</b>	<b>50,000</b>
Loans to the Concession Holder	(50,000)	(50,000)
<b>Net Loans</b>	<b>-</b>	<b>-</b>

The Corporation received loans from the Northern Territory and South Australian Governments totaling \$50 million for the purpose of on lending to the Concession Holder. With the acquisition of the concession by Aurizon Holdings Ltd on 29 July 2022, Aurizon Holdings Ltd has accepted responsibility to repay these loans on the same terms as applied to the Consortium (the original Concession Holder). Repayment of loans to Government is conditional upon receipt of loan repayments from the Concession Holder.

Therefore, the loan liability of \$50 million has been netted off against the loan asset of \$50 million in the statement of financial position. The full amount of \$50 million was drawn down by the original Concession Holder and is not repayable until the completion of the 50-year concession period. Interest on the loan is triggered only after significant cumulative profits are earned by the Concession Holder and these are not anticipated in the short to medium term. Interest on the loan to the Concession Holder is secured over the assets of the Concession Holder.



## 10. Notes to the Statement of Cash Flows

Reconciliation of operating deficit for the period to net cash flows from operating activities:

	2024 \$'000	2023 \$'000
<b>Operating Deficit</b>	<b>(2,845)</b>	<b>(2,797)</b>
<b><u>Non-Cash Items</u></b>		
Depreciation and Amortisation	2,953	2,953
<b><u>Changes in Assets and Liabilities</u></b>		
Decrease/(Increase) in Receivables	162	(170)
Increase/(Decrease) in Payables	8	5
<b>Net Cash provided/(used in) by Operating Activities</b>	<b>278</b>	<b>(9)</b>

## 11. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The 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 deposits, receivables, payables, loan receivables and loans payables.

### Financial instruments

Financial assets and liabilities are recognised on the Statement of Financial Position when the Corporation becomes a party to the contractual provisions of the financial instrument.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments Presentation.

These include statutory receivables arising from taxes including GST and penalties. Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities.

### (a) Categories of Financial Instruments

The carrying amounts of the Corporation's financial assets and liabilities by category are disclosed in the table below

<b>2023-24 Categorisation of Financial Instruments</b>			
<b>Fair Value through Profit and Loss</b>	<b>Designated at Fair Value</b>	<b>Financial Assets - Amortised Cost</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cash and Cash Equivalents	-	1,170	1,170
Receivables <sup>1</sup>	-	7	7
Loans Receivable	-	50,000	50,000
<b>Total Financial Assets</b>		<b>51,177</b>	<b>51,177</b>
Payables <sup>1</sup>		35	35
Loans Payable		50,000	50,000
<b>Total Financial Liabilities</b>		<b>50,035</b>	<b>50,035</b>



## 11. Financial Instruments (continued)

### 2022-23 Categorisation of Financial Instruments

Fair Value through Profit and Loss	Designated at Fair Value	Financial Assets – Amortised Cost	Total
	\$'000	\$'000	\$'000
Cash and Cash Equivalents	-	892	892
Receivables <sup>1</sup>	-	170	170
Loans Receivable	-	50,000	50,000
<b>Total Financial Assets</b>		<b>51,062</b>	<b>51,062</b>
Payables <sup>1</sup>		22	22
Loans Payable		50,000	50,000
<b>Total Financial Liabilities</b>		<b>50,022</b>	<b>50,022</b>

1. Total amounts disclosed exclude statutory amounts.

The Corporation classifies its financial assets in the following measurement category:

- those to be measured subsequently at fair value (through the profit or loss), and
- those to be measure at amortised cost.

#### Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

#### Financial Liabilities at Amortised Cost

Financial instrument liabilities measured at amortised cost include all advances received, finance lease liabilities and borrowings. Amortised cost is calculated using the effective interest method.

#### 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 Corporation 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.

#### Financial assets or financial liabilities at fair value through profit or loss

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL. Financial instruments classified as at FVTPL are initially and subsequently measured at fair value. Gains or losses on these assets are recognised in the net result for the year.

#### (b) 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 an appropriate number of 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.

#### (c) 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 Corporation has minimal exposure to interest rate risk with the exception of cash at bank. The exposure to interest rate risk on financial assets and financial liabilities is set out in the following table.

	2024 \$'000	2023 \$'000
<b>Variable Rate Instrument</b>		
Financial Assets	1,177	1,063

#### d) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Corporation incurring a financial loss. Credit risk arises from cash assets and deposits with financial institutions, as well as credit exposures to the Corporation's outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the Corporation securing trade and other receivables.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 6.

#### 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 and South Australian 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.

#### g) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values apart from the following provided below:

	2024		2023	
	Total Carrying Amount \$'000	Net Fair Value Level 3 \$'000	Total Carrying Amount \$'000	Net Fair Value Level 3 \$'000
<b>Financial Assets and Liabilities</b>				
Loans Receivable	50,000	14,691	50,000	14,691
Borrowings and Advances	(50,000)	(14,691)	(50,000)	(14,691)
<b>Total Financial Assets and Liabilities</b>	-	-	-	-

The fair value of the loan receivable and borrowings is estimated by discounting the remaining contractual maturity at the current Commonwealth Bond rate. Refer to Note 9 for the further information on right of set-off.



## 11. Financial Instruments (continued)

### h) Maturity Analysis

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

	Carrying Amount \$'000	1 Year or Less \$'000	2 to 5 Years \$'000	Over 5 Years \$'000
<b>2023-2024</b>				
<b>Financial Assets</b>				
Receivables	9	9	-	-
Loans to Concession Holder	50,000	-	-	50,000
<b>Total Financial Assets</b>	<b>50,009</b>	<b>9</b>	<b>-</b>	<b>50,000</b>
<b>Financial Liabilities</b>				
Payables	35	35	-	-
State/Territory Govt Loans	50,000	-	-	50,000
<b>Total Financial Liabilities</b>	<b>50,035</b>	<b>35</b>	<b>-</b>	<b>50,000</b>
<b>2022-2023</b>				
<b>Financial Assets</b>				
Receivables	171	171	-	-
Loans to Concession Holder	50,000	-	-	50,000
<b>Total Financial Assets</b>	<b>50,171</b>	<b>171</b>	<b>-</b>	<b>50,000</b>
<b>Financial Liabilities</b>				
Payables	27	27	-	-
State/Territory Govt Loans	50,000	-	-	50,000
<b>Total Financial Liabilities</b>	<b>50,027</b>	<b>27</b>	<b>-</b>	<b>50,000</b>

## 12. Related Parties

AustralAsia Railway Corporation is a statutory authority and operates within Darwin. Related parties of the Corporation include:

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

### Key Management Personnel (KMP)

Key management personnel of the AustralAsia Railway Corporation are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation. These include the Chief Executive Officer and the 4 members of the Board Directors of the AustralAsia Railway Corporation as listed on page [10]

### Remuneration of Key Management Personnel

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

	2024 \$'000	2023 \$'000
Short-term benefits	184	184
Post-Employment Benefits	17	18
<b>Total</b>	<b>201</b>	<b>202</b>

Short-term benefits as stated above incorporate the part-time services of the Chief Executive Officer. These benefits are paid on a reimbursement basis as the Corporation's personnel are employed by the Northern Territory Government.

### Related party transactions

Significant transactions with government related entities includes funding received from the Northern Territory Government and South Australian Government in the form of grant funding. The Corporation also transacts with other government entities; however these are not individually significant.

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

#### 2023-24 Related Party Transactions

Related Party	Revenue from related parties year \$'000	Payments to related parties year \$'000	Amounts owed by related parties year \$'000	Amounts owed to related parties year \$'000
All NT Government departments	197	321	4	7
SA Government department	150	-	-	-

#### 2022-23 Related Party Transactions

Related Party	Revenue from related parties year \$'000	Payments to related parties year \$'000	Amounts owed by related parties year \$'000	Amounts owed to related parties year \$'000
All NT Government departments	177	127	3	6
SA Government department	150	-	-	-

Outside of normal citizen type transactions with the Territory, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

All other transactions that have occurred with KMP and their related parties have been minor or domestic in nature. In this context, transactions are only disclosed when they are considered material in influencing the financial statements.

## 13. Details of Board Members

### Members Remuneration

The number of Members of the Corporation whose income from the Corporation falls within the following bands:

	2024 \$'000	2023 \$'000
\$0	3	3
\$1 to \$79,999	1	1
\$79,001 to \$150,000	1	1

Apart from the Chair and the CEO who is paid by the Corporation, all current Board Members are Northern Territory or South Australian public servants and are remunerated by their respective jurisdictions.

### Meetings of Board Members

There were four scheduled meetings for the 2023-24 financial period attended by:

Member	Meetings eligible to Attend	Meetings Attended
Alastair Shields	4	4
Andrew Kirkman	4	4
Mike Wilde	4	4
Timothy Materne	4	4
Samuel Burke	4	4

### 13. Details of Board Members (continued)

#### Election and Continuation in Office of Board Members

The date of appointment of members:

Member	Initial Date of Appointment
Alastair Shields	2 September 2014
Andrew Kirkman	14 October 2015
Mike Wilde	28 July 2016
Timothy Materne	25 November 2019
Samuel Burke	31 May 2020

### 14. Commitments

There are no commitments other than those quantified within the financial statements as at 30 June 2024.

### 15. Contingent Liabilities

Guarantees and indemnities provided under contracts to which the Corporation is a party are ultimately underwritten by the Governments of the Northern Territory and/or South Australia. The Corporation has provided a number of indemnities under the project documents according to a risk allocation structure agreed with the Concession Holder and other parties to the project documents.

Principally, the Corporation has granted indemnities to ensure that title to the railway corridor is secure for the construction and operation of the railway infrastructure. These indemnities cover risks related to native title, claims under the Aboriginal Land Rights Act, undisclosed interests on the corridor, environmental contamination, heritage and sacred sites, and environmental assessment processes. For all of these risks, the Corporation has undertaken extensive work to secure appropriate title and to minimise the likelihood of any problems arising. The contingent liabilities arising from these indemnities are unquantifiable, though there is a low probability that they will arise.

The project documents provide for the early termination of the concession arrangement by the Concession Holder in certain circumstances that would give rise to the payment of an Early Termination Amount. The Early Termination Amount will be calculated by reference to the market value of the Project as at

the date of termination. In return for making the Early Termination Amount payment, ownership of the railway infrastructure will return to the Corporation.

There is an extensive risk management regime in place for all events that would give rise to an Early Termination Amount payment. In particular, the Corporation has specified periods to cure the event that would give rise to the termination. For all of these events, the cure is within the control of either the Corporation and/or the NT/SA Governments. During the cure period, the Corporation provides an indemnity to the Concession Holder for any losses it suffers as a result of the event that the Corporation/Governments are seeking to cure.

The contingent liabilities arising from all of the above guarantees and indemnities are unquantifiable but expected to be immaterial. However, for all of the events that would give rise to the liabilities, the Corporation has comprehensive risk management procedures in place. Accordingly, although the prospects of any one of the contingent liabilities eventuating is considered to be minimal, the Corporation has established contract management procedures to deal with possible eventualities should they arise.





## 16. Supplementary Information

### Distributions

No dividends or distributions were paid or proposed during the financial period ended 30 June 2024.

### Number of Employees

The Corporation reimbursed the Northern Territory Government for an average of four part time employees contracted to the Corporation during the financial year.

### Indemnifying Officers

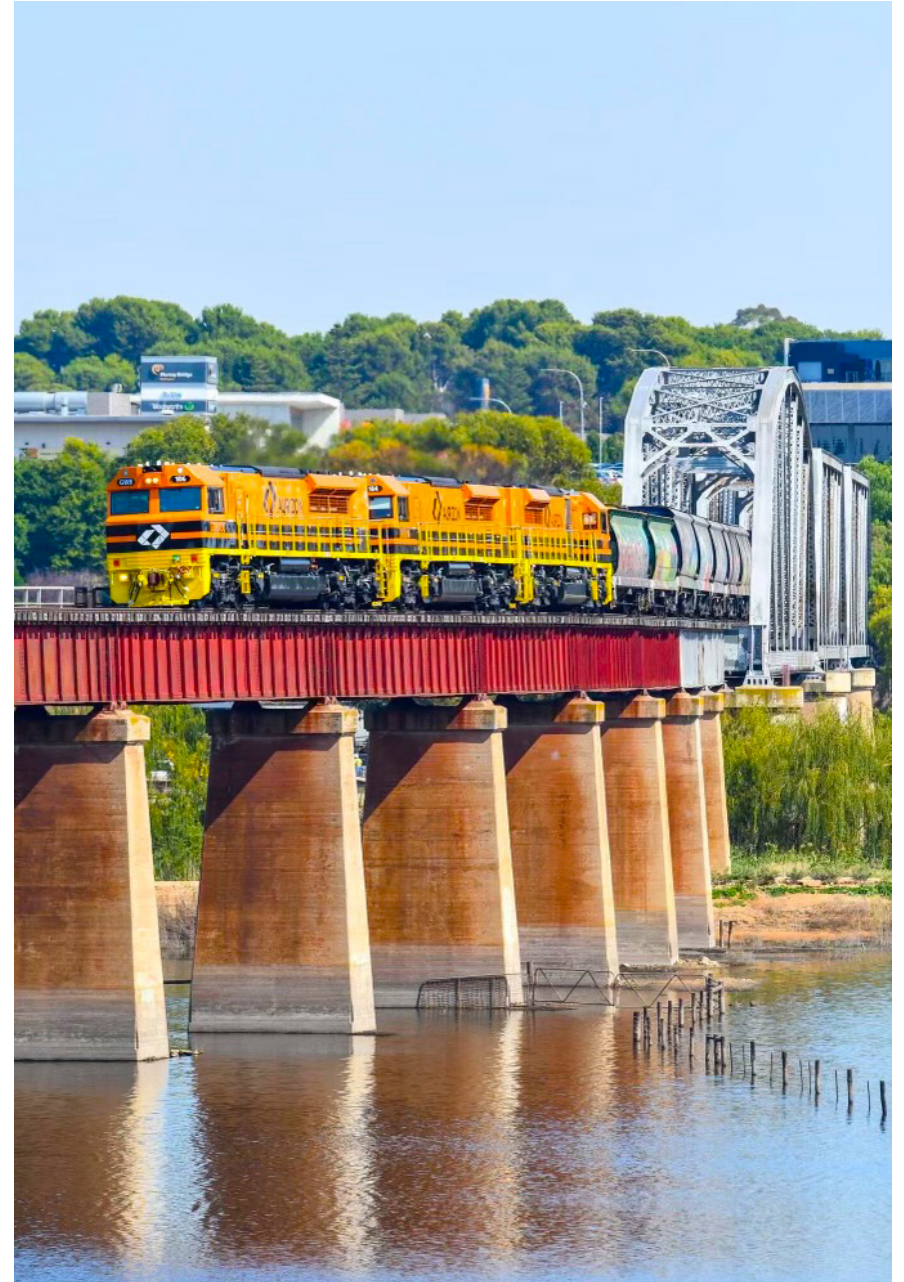
No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid by the Corporation, during or since the end of the financial year, to any person who is or has been an officer or auditor of the Corporation.

### Segments

The Corporation operates solely in Australia to monitor the operations of the AustralAsia Railway on behalf of the Northern Territory and South Australian Governments.

## 17. Events Subsequent to Balance Date

There are no events occurred subsequent to balance sheet.



# Independent Auditor's Report



Tel: +61 8 8981 7066  
Fax: +61 8 8981 7493  
www.bdo.com.au

72 Cavenagh St  
Darwin NT 0800  
GPO Box 4640 Darwin NT 0801  
Australia

## INDEPENDENT AUDITOR'S REPORT

To the members of Australasia Railway Corporation

### Opinion

We have audited the financial report of AustralAsia Railway Corporation (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the board members' declaration.

In our opinion the accompanying financial report of AustralAsia Railway Corporation, is in accordance with the *Corporations Act 2001* and *Australasian Railway Corporation Act 1996 (NT)*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the board members of the Company, would be in the same terms if given to the board members as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The board members are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the board members' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the management and board members for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Corporations Act 2001* and *Australasia Railway Corporation Act 1996 (NT)* and is appropriate to meet the needs of members.

Management's responsibility also includes such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board members are responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

This description forms part of our auditor's report.

BDO Audit (NT)

Darwin: 30 October 2024

C Taziwa  
Audit Partner

# Legislation

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The AustralAsia Railway Corporation was established by the AustralAsia Railway Corporation Act (NT) which was assented to on 7 January 1997, and commenced on 25 August 1997. The legislation is supported by the complementary enactment of the Alice Springs to Darwin Railway Act 1997 (SA).

## **The AustralAsia Railway Corporation Act (NT) has been amended by:**

- AustralAsia Railway Corporation Amendment Act 1998
- AustralAsia Railway Corporation Amendment Act 2000
- AustralAsia Railway Corporation Amendment Act No. 2 2000
- AustralAsia Railway Corporation Amendment Act 2001
- AustralAsia Railway (Special Provisions) Regulations 2000
- Corporation Reform (Consequential Amendments NT) Act 2001

The Northern Territory and South Australian Governments have also passed additional supporting legislation that ensures an efficient interface between various pieces of South Australian and Northern Territory legislation and the processes involved in constructing and operating the AustralAsia Railway.

## **In the Northern Territory, the legislation includes:**

- AustralAsia Railway (Special Provisions) Act 1999
- AustralAsia Railway (Special Provisions) Amendment Act 2000
- AustralAsia Railway (Special Provisions) Amendment Act (No. 2) 2000
- AustralAsia Railway (Third Party Access) Act 1999
- AustralAsia Railway (Special Provisions) Amendment Act 2003
- AustralAsia Railway (Third Party Access) Amendment Act 2003
- AustralAsia Railway (Special Provisions) Amendment Act 2004

## **In South Australia, the legislation includes:**

- Alice Springs to Darwin Railway Act 1997
- Alice Springs to Darwin Railway (Financial Commitment) Amendment Act 1999
- AustralAsia Railway (Third Party Access) Act 1999
- Alice Springs to Darwin Railway (Miscellaneous) Amendment Act 2000
- Alice Springs to Darwin Railway (Financial Commitment Amendment) Act 2001







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**T:** 08 8999 5155 | **F:** 08 8999 5210

**E:** [AustralAsia.Railway@nt.gov.au](mailto:AustralAsia.Railway@nt.gov.au)

**W:** [www.aarail.com.au](http://www.aarail.com.au)

Level 5, Hospitality Building,  
7 Kitchener Drive, Darwin NT 0800