

Land Development Corporation

EXPENSES AND APPROPRIATION SUMMARY

	2003-04 Estimate	2004-05 Budget
Output Group		
Industrial Land Development	1 295	1 283
Total Operating Expenses	1 295	1 283
<i>less</i>		
DCIS Services Free of Charge	35	35
Agency Revenue (a)	174	178
Other Accrual/Non-cash Items	6	
<i>equals</i>		
Output Appropriation	1 080	1 070

Capital Appropriation

Total 2004-05 Staffing: 4

(a) Operating Revenue less Output Revenue, Goods and Services Received Free of Charge and Profit/Loss on Disposal of Assets

Agency Profile

Overview

In accordance with section 26 of the *Land Development Corporation Act*, all assets, liabilities, interests and rights of the Trade Development Zone Authority were taken over by the Land Development Corporation (the Corporation), effective from 1 July 2003. (In accordance with the provisions of the *Trade Development Zone Act Repeal Act*, the *Trade Development Zone Act* ceased to have effect from 1 July 2003, and the Trade Development Zone Authority ceased trading as at 30 June 2003.)

The Corporation is a commercially-oriented land developer. The Corporation's role is to position the Northern Territory and its industries to take advantage of the major industrial projects that are about to start or accelerate.

Key responsibilities of the Corporation include:

- acquisition, development, marketing, management and disposal of industrial land;
- provision of business and development-orientated information on strategic industrial land;
- release of land in ways responsive to industry's short and long-term requirements with tenure terms reflective of market conditions;
- negotiation of a wide variety of tenure options; and
- development of strong linkages with other business and development agencies to provide comprehensive project support.

Strategic Issues

- Establish a profile and reputation to position the Corporation as the Territory's pre-eminent provider of strategically-located industrial land.
- Maximise partnerships and strategic alliances within Government to ensure that the objectives of the Corporation's charter accord with the Territory's Economic Development Strategy.

Budget Highlights

- Establish an Advisory Board providing strategic advice and policy input to enhance the objectives of the Economic Development Strategy, with a focus on integration of shipping through East Arm Wharf.
- Develop the Darwin Business Park at East Arm incorporating the railway terminal and the East Arm Wharf to create a comprehensive transport hub.
- Prepare a long-term marketing strategy for the disposal of land within the Darwin Business Park to meet the future demands of industry.

Outputs and Performance

OUTPUT COSTS

Output Group/Output	2003-04 Estimate	2004-05 Budget	Variation
	\$000	\$000	\$000
Industrial Land Development	1 295	1 283	- 12
Industrial Land Development	1 295	1 283	- 12
Total Operating Expenses	1 295	1 283	- 12

Industrial Land Development

Provide policy advice and strategic management of the industrial estate at East Arm, including marketing, development, and disposal of land and buildings, and the management of tenancies within the Darwin Business Park.

Outcome

Support for the sustainable economic development of the Territory economy by ensuring land and related information is available to allow the private sector to capitalise on the major industrial projects that are emerging or about to accelerate.

Performance Measures ¹	2003-04 Estimate	2004-05 Estimate
<i>Quantity</i>		
Capacity to provide policy advice	\$0.61M	\$0.60M
Tenancies managed	10	13
<i>Quality</i>		
Stakeholder satisfaction with advice	85%	95%
Rentals collected on time	80%	95%
<i>Cost</i>		
Average cost per tenancy	\$68 600	\$52 300

¹ The 2003-04 and 2004-05 years are a transitional period during which the Land Development Corporation is being established. Accordingly, detailed performance measures and targets will be further determined and refined over time.

Statement of Financial Performance

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
OPERATING REVENUE		
Taxation Revenue		
<i>Grants and Subsidies</i>		
Current		
Capital		
<i>Sales of Goods and Services</i>		
Output Revenue	1 080	1 070
Other Agency Revenue	174	178
Interest Revenue		
Miscellaneous Revenue		
Goods and Services Received Free of Charge	35	35
Profit/Loss on Disposal of Assets		
TOTAL OPERATING REVENUE	1 289	1 283
OPERATING EXPENSES		
Employee Expenses	554	560
<i>Administrative Expenses</i>		
Purchases of Goods and Services	666	654
Repairs and Maintenance	34	34
Depreciation and Amortisation		
DCIS Services Free of Charge	35	35
Other Administrative Expenses	6	
<i>Grants and Subsidies</i>		
Current		
Capital		
Community Service Obligations		
Interest Expense		
TOTAL OPERATING EXPENSES	1 295	1 283
NET OPERATING SURPLUS	- 6	
AGENCY REVENUE FOR APPROPRIATION PURPOSES	174	178
(Operating Revenue less Output Revenue, Goods and Services Received Free of Charge and Profit/Loss on Disposal of Assets)		

Statement of Financial Position

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
ASSETS		
Cash and Deposits	1 809	1 809
Receivables	49	49
Prepayments	1	1
Inventories		
Advances and Investments	562	562
Land and Improvements	5 240	5 240
Plant and Equipment		
Other Assets		
TOTAL ASSETS	7 661	7 661
LIABILITIES		
Deposits Held	64	64
Creditors and Accruals	31	31
Borrowings and Advances		
Provisions	50	50
Other Liabilities		
TOTAL LIABILITIES	145	145
NET ASSETS	7 516	7 516
EQUITY		
<i>Capital</i>		
Opening Balance	7 296	7 356
Equity Injections/Withdrawals	60	
Reserves		
<i>Accumulated Funds</i>		
Opening Balance	166	160
Current Year Surplus/(Deficit)	- 6	
TOTAL EQUITY	7 516	7 516

Statement of Cash Flows

	2003-04 Estimate	2004-05 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Receipts		
Taxes Received		
<i>Grants and Subsidies Received</i>		
Current		
Capital		
<i>Receipts from Sales of Goods and Services</i>		
Output Revenue Received	1 080	1 070
Other Agency Receipts	174	178
Interest Received		
Total Operating Receipts	1 254	1 248
Operating Payments		
Payments to Employees	554	560
Payments for Goods and Services	700	688
<i>Grants and Subsidies Paid</i>		
Current		
Capital		
Community Service Obligations		
Interest Paid		
Total Operating Payments	1 254	1 248
NET CASH FROM OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing Receipts		
Proceeds from Asset Sales		
Repayment of Advances		
Sales of Investments		
Total Investing Receipts		
Investing Payments		
Purchases of Assets		
Advances and Investing Payments		
Total Investing Payments		
NET CASH FROM INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing Receipts		
Proceeds of Borrowings		
Deposits Received		
<i>Equity Injections</i>		
Capital Appropriation		
Other Equity Injections		
Total Financing Receipts		
Financing Payments		
Repayment of Borrowings		
Finance Lease Payments		
Equity Withdrawals		
Total Financing Payments		
NET CASH FROM FINANCING ACTIVITIES		
Net Increase in Cash Held		
Cash at Beginning of Financial Year	1 809	1 809
CASH AT END OF FINANCIAL YEAR	1 809	1 809