

Land Development Corporation

	2004-05 Estimate	2005-06 Budget
	\$000	\$000
Output Group		
Industrial Land Development	1 555	2 636
Total Operating Expenses	1 555	2 636
Output Appropriation	1 280	1 445
Capital Appropriation		

2005-06 Staffing: 5

Agency Profile

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 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 Land Development 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 agency 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 links with other business and development agencies to provide comprehensive project support.

Strategic issues facing the agency in 2005-06 include:

- continuing to improve the profile and reputation of the agency as the Territory's pre-eminent provider of strategically located industrial land; and
- maximising 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

- Appointment of commercial marketing agents for the Darwin Business Park.
- Continued development of the Darwin Business Park at East Arm to provide land for industries utilising the rail and port facilities to create a comprehensive transport hub.
- Continue to develop a long-term marketing strategy for the disposal of land within the Darwin Business Park to meet the future demands of industry.
- The following table shows the approved major capital project for 2005-06. For further details of this, or other projects, see *Budget Paper No. 4*.

2005-06 Major Capital Works Projects	\$M
Darwin Business Park – stage 2 – extend sewerage headworks to remaining blocks in stage 1 adjacent to the AustralAsia Railway	1.5

Outputs and Performance

Key Variations

The Industrial Land Development output is higher in 2005-06 due to increased land

Output Group/Output	2004-05	2005-06	Variation
	Estimate	Budget	
	\$000	\$000	\$000
Industrial Land Development	1 555	2 636	1 081
Industrial Land Development	1 555	2 636	1 081
Total Operating Expenses	1 555	2 636	1 081

servicing works and marketing activities.

Output Group: 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.

The outcome is support for the sustainable 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		2004-05 Estimate	2005-06 Estimate
<i>Quantity</i>	Capacity to provide policy advice	\$0.82M	\$1.48M
	Tenancies managed	8	9
<i>Quality</i>	Stakeholder satisfaction with advice	95%	95%
<i>Timeliness</i>	Rentals collected on time	95%	95%

Statement of Financial Performance

	2004-05 Estimate	2005-06 Budget
	\$000	\$000
OPERATING REVENUE		
Taxation revenue		
Grants and subsidies		
Current		
Capital		
Sales of goods and services		
Output revenue	1 280	1 445
Other agency revenue	195	573
Interest revenue		
Miscellaneous revenue		
Goods and services received free of charge	44	44
Profit/loss on disposal of assets	36	
TOTAL OPERATING REVENUE	1 555	2 062
OPERATING EXPENSES		
Employee expenses	485	472
Administrative expenses		
Purchases of goods and services	992	1 920
Repairs and maintenance	34	200
Depreciation and amortisation		
DCIS services free of charge	44	44
Other administrative expenses		
Grants and subsidies		
Current		
Capital		
Community service obligations		
Interest expense		
TOTAL OPERATING EXPENSES	1 555	2 636
NET OPERATING SURPLUS		- 574

Statement of Financial Position

	2004-05 Estimate	2005-06 Budget
	\$000	\$000
ASSETS		
Cash and deposits	306	5 897
Receivables	287	287
Prepayments		
Inventories		
Advances and investments	223	223
Land and improvements	37 881	31 716
Plant and equipment		
Other assets		
TOTAL ASSETS	38 697	38 123
LIABILITIES		
Deposits held	43	43
Creditors and accruals	20	20
Borrowings and advances		
Provisions	65	65
Other liabilities		
TOTAL LIABILITIES	128	128
NET ASSETS	38 569	37 995
EQUITY		
Capital		
Opening balance	44 376	38 676
Equity injections/withdrawals	-5 700	
Reserves		
Accumulated funds		
Opening balance	- 107	- 107
Current year surplus(+)/deficit(-)		- 574
TOTAL EQUITY	38 569	37 995

Statement of Cash Flows

	2004-05 Estimate	2005-06 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Receipts from sales of goods and services		
Output revenue received	1 280	1 445
Other agency receipts	195	573
Interest received		
Total operating receipts	1 475	2 018
Operating payments		
Payments to employees	485	472
Payments for goods and services	1 026	2 120
Grants and subsidies paid		
Current		
Capital		
Community service obligations		
Interest paid		
Total operating payments	1 511	2 592
NET CASH FROM OPERATING ACTIVITIES	- 36	- 574
CASH FLOWS FROM INVESTING ACTIVITIES		
Investing receipts		
Proceeds from asset sales	152	6 165
Repayment of advances		
Sales of investments		
Total investing receipts	152	6 165
Investing payments		
Purchases of assets		
Advances and investing payments		
Total investing payments		
NET CASH FROM INVESTING ACTIVITIES	152	6 165
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Proceeds of borrowings		
Deposits received		
Equity injections		
Capital appropriation		
Other equity injections		
Total financing receipts		
Financing payments		
Repayment of borrowings		
Finance lease payments		
Equity withdrawals	5 700	
Total financing payments	5 700	
NET CASH FROM FINANCING ACTIVITIES	-5 700	
Net increase in cash held	-5 584	5 591
Cash at beginning of financial year	5 890	306
CASH AT END OF FINANCIAL YEAR	306	5 897