

# Territory Discoveries

<b>Business Line</b>	2006-07 Estimate	2007-08 Budget
	\$000	\$000
<b>Income</b>	<b>7 626</b>	<b>9 153</b>
Holiday Sales	7 626	9 153
<b>Expenses</b>	<b>7 657</b>	<b>8 054</b>
Holiday Sales	7 657	8 054
<b>SURPLUS/DEFICIT BEFORE INCOME TAX</b>	<b>- 31</b>	<b>1 099</b>

2007-08 Staffing: 50

## Profile

Territory Discoveries contributes to the Northern Territory's economic growth by developing tourism products for sale to consumers in the domestic and selected international marketplaces. The core performance objective of Territory Discoveries is to increase the exposure of, and potential economic returns to, the Territory's tourism industry, particularly small to medium-sized operators.

Strategic issues facing Territory Discoveries in 2007-08 include:

- adapting technology to take advantage of the rising use of the internet as a travel planning and booking tool;
- increasing competition from rival low-cost destinations world wide;
- escalating prices associated with marketing, information and communication systems; and
- increasing the Territory's share of domestic and selected international markets by converting consumer desire to visit the Territory into actual visitation.

## Budget Highlights

- Continuing the 'NT on Sale' campaign to increase the number of tourists to the Territory during the shoulder and low seasons.
- Developing niche travel packages that appeal to global 'experience seekers' who travel with a key purpose or special interest in mind (for example, Indigenous culture enthusiasts, wildlife enthusiasts, volunteer travellers).
- Developing a consumer website that features Northern Territory tourism businesses and an array of niche travel experiences, and includes customised itineraries, online booking and payment.

## Performance

An improved performance result is anticipated due to increased revenue from packaged holiday sales to consumers.

## Business Line: Holiday Sales

Territory Discoveries packages Northern Territory tourism products for sale in the domestic and selected international marketplaces. It promotes packaged products through the domestic retail network and directly to consumers through advertising and other promotional activities.

The outcome is increased tourist visitation to the Territory from the domestic and selected international marketplaces.

Performance Measures		2006-07 Estimate	2007-08 Estimate
<i>Quantity</i>	Territory tourism products featured in wholesale programs <sup>1</sup>	3 500	3 550
	Average value of holiday bookings generated <sup>2</sup>	\$1 300	\$1 350
	Gross sales revenue <sup>3</sup>	\$22.9M	\$26.9M
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Call abandonment rate <sup>4</sup>	3%	3%

1 The calculation of the number of products featured in wholesale programs includes total volume available for Territory Discoveries to sell.

2 Average value of holiday bookings generated excludes any air travel component of booking.

3 Growth of \$4 million reflects an increase in forecast holiday package sales, with commissions reflecting similar growth. Gross sales revenue estimates are GST exclusive.

4 Call abandonment rates are based on total calls not answered by the Holiday Centre within set service level standards. The 3 per cent estimate represents call centre national industry standards.

## Operating Statement

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
<b>INCOME</b>		
Grants and subsidies revenue		
Current	2 078	2 329
Capital		
Community service obligations	448	448
Sales of goods and services	4 894	6 118
Interest revenue	206	258
Rent and dividends		
Gain(+)/loss(-) on disposal of assets		
Other revenue		
<b>TOTAL INCOME</b>	<b>7 626</b>	<b>9 153</b>
<b>EXPENSES</b>		
Employee expenses	2 846	2 949
Administrative expenses		
Purchases of goods and services	4 798	5 105
Repairs and maintenance		
Depreciation and amortisation	13	
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Interest expense		
<b>TOTAL EXPENSES</b>	<b>7 657</b>	<b>8 054</b>
<b>SURPLUS(+)/DEFICIT(-) BEFORE INCOME TAX</b>	<b>- 31</b>	<b>1 099</b>
Income tax expense		
<b>NET SURPLUS(+)/DEFICIT(-)</b>	<b>- 31</b>	<b>1 099</b>

## Balance Sheet

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	8 422	9 521
Receivables	73	73
Prepayments		
Inventories	59	59
Advances and investments		
Property, plant and equipment	4	4
Other assets		
<b>TOTAL ASSETS</b>	<b>8 558</b>	<b>9 657</b>
<b>LIABILITIES</b>		
Deposits held	5 180	5 180
Creditors and accruals	431	431
Borrowings and advances		
Provisions	185	185
Other liabilities	1	1
<b>TOTAL LIABILITIES</b>	<b>5 797</b>	<b>5 797</b>
<b>NET ASSETS</b>	<b>2 761</b>	<b>3 860</b>
<b>EQUITY</b>		
Capital		
Opening balance	5 676	5 676
Equity injections/withdrawals		
Reserves	1	1
Accumulated funds		
Opening balance	- 2 885	- 2 916
Current year surplus(+)/deficit(-)	- 31	1 099
Dividends paid/payable		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>2 761</b>	<b>3 860</b>

## Cash Flow Statement

	2006-07 Estimate	2007-08 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Grants and subsidies received		
Current	2 078	2 329
Capital		
Community service obligations	448	448
Receipts from sales of goods and services	4 726	6 118
Interest received	206	258
<b>Total operating receipts</b>	<b>7 458</b>	<b>9 153</b>
<b>Operating payments</b>		
Payments to employees	2 846	2 949
Payments for goods and services	4 630	5 105
Grants and subsidies paid		
Current		
Capital		
Interest paid		
Income tax paid		
<b>Total operating payments</b>	<b>7 476</b>	<b>8 054</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 18</b>	<b>1 099</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Equity injections		
<b>Total financing receipts</b>		
<b>Financing payments</b>		
Repayment of borrowings		
Finance lease payments		
Dividends paid		
Equity withdrawals		
<b>Total financing payments</b>		
<b>NET CASH FROM FINANCING ACTIVITIES</b>		
Net increase(+)/decrease(-) in cash held	- 18	1 099
Cash at beginning of financial year	8 440	8 422
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>8 422</b>	<b>9 521</b>