

Construction Division

Business Line	2007-08 Estimate	2008-09 Budget
	\$000	\$000
Income	44 502	44 662
Project Management	44 502	44 662
Expenses	42 585	42 466
Project Management	42 585	42 466
SURPLUS/DEFICIT BEFORE INCOME TAX	1 917	2 196

2008-09 Staffing: 253

Profile

The Construction Division is responsible for assisting Government client agencies to identify construction requirements and for designing, procuring and supervising the construction and maintenance of built assets for Government client agencies.

The division has a responsibility to ensure social impacts are identified and to work collaboratively with clients to ensure the integrity of program development processes.

The division has no construction workforce of its own and arranges private contractors for all construction work on behalf of its clients.

The division's key functional responsibility is to deliver Government's Infrastructure Program, comprising capital works, minor new works, and repairs and maintenance.

Strategic issues facing the division in 2008-09 include:

- maximising Indigenous employment opportunities for remote construction projects;
- assisting to deliver the Strategic Indigenous Housing Intervention Program; and
- delivering the Government's economic and social infrastructure objectives as prioritised in the 2008-09 Budget and Infrastructure Program.

Budget Highlights

- Victoria Highway upgrade to improve flood immunity, including bridges at Big Horse and Little Horse creeks.
- Continued delivery of Red Centre Way.
- Development of the Desert Knowledge Precinct.
- Delivery of the Closing the Gap infrastructure program.
- Focus on Indigenous employment and training opportunities in Government construction works.
- Assisting deliver the Strategic Indigenous Housing Intervention Program.

Performance

Construction Division's overall result before income tax is forecast to increase from \$1.9 million in 2007-08 to \$2.2 million in 2008-09.

Business Line: Project Management

Project management of the construction and maintenance of built assets for the Northern Territory Government.

The outcome is efficient, customer-focused delivery of both construction and maintenance services.

Performance Measures		2007-08 Estimate	2008-09 Estimate
<i>Quantity</i>	Projects managed	2 500	2 500
	Available hours charged to projects	80%	80%
	Total projects managed	\$400M	\$420M
<i>Quality</i>	Clients satisfied with service and product	80%	85%
<i>Timeliness</i>	Projects completed within agreed timeframes	80%	85%
	Cash flow targets met	90%	90%

Operating Statement

	2007-08 Estimate	2008-09 Budget
	\$000	\$000
INCOME		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations		
Sales of goods and services	44 382	44 542
Interest revenue	120	120
Rent and dividends		
Gain(+)/loss(-) on disposal of assets		
Other revenue		
TOTAL INCOME	44 502	44 662
EXPENSES		
Employee expenses	20 373	20 696
Administrative expenses		
Purchases of goods and services	21 975	21 638
Repairs and maintenance		
Depreciation and amortisation	42	42
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Interest expense	195	90
TOTAL EXPENSES	42 585	42 466
SURPLUS(+)/DEFICIT(-) BEFORE INCOME TAX	1 917	2 196
Income tax expense	572	656
NET SURPLUS(+)/DEFICIT(-)	1 345	1 540

Balance Sheet

	2007-08 Estimate	2008-09 Budget
	\$000	\$000
ASSETS		
Cash and deposits	7 112	5 573
Receivables	6 198	6 198
Prepayments		
Inventories		
Advances and investments		
Property, plant and equipment	49	17
Other assets		
TOTAL ASSETS	13 359	11 788
LIABILITIES		
Deposits held	3 159	3 159
Creditors and accruals	1 163	1 136
Borrowings and advances	2 500	
Provisions	4 975	5 156
Other liabilities		
TOTAL LIABILITIES	11 797	9 451
NET ASSETS	1 562	2 337
EQUITY		
Capital		
Opening balance	183	183
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	702	1 379
Current year surplus(+)/deficit(-)	1 345	1 540
Dividends paid/payable	- 668	- 765
Accounting policy changes and corrections		
TOTAL EQUITY	1 562	2 337

Cash Flow Statement

	2007-08 Estimate	2008-09 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Grants and subsidies received		
Current		
Capital		
Community service obligations		
Receipts from sales of goods and services	44 382	44 542
Interest received	120	120
Total operating receipts	44 502	44 662
Operating payments		
Payments to employees	20 276	20 696
Payments for goods and services	21 975	21 638
Grants and subsidies paid		
Current		
Capital		
Interest paid	195	117
Income tax paid	136	572
Total operating payments	42 582	43 023
NET CASH FROM OPERATING ACTIVITIES	1 920	1 639
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	10	10
Advances and investing payments		
Total investing payments	10	10
NET CASH FROM INVESTING ACTIVITIES	- 10	- 10
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing receipts		
Proceeds of borrowings		
Deposits received		
Equity injections		
Total financing receipts		
Financing payments		
Repayment of borrowings		2 500
Finance lease payments		
Dividends paid	1 178	668
Equity withdrawals		
Total financing payments	1 178	3 168
NET CASH FROM FINANCING ACTIVITIES	- 1 178	- 3 168
Net increase(+)/decrease(-) in cash held	732	- 1 539
Cash at beginning of financial year	6 380	7 112
CASH AT END OF FINANCIAL YEAR	7 112	5 573