

# Construction Division

<b>Business Line</b>	2008-09 Estimate	2009-10 Budget
	\$000	\$000
<b>Income</b>	<b>59 389</b>	<b>61 207</b>
Project Management	59 389	61 207
<b>Expenses</b>	<b>56 795</b>	<b>58 599</b>
Project Management	56 795	58 599
<b>SURPLUS/DEFICIT BEFORE INCOME TAX</b>	<b>2 594</b>	<b>2 608</b>

**2009-10 Staffing: 330**

## 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 work collaboratively with stakeholders and clients to ensure the infrastructure program is delivered effectively.

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 across the Northern Territory.

Strategic issues facing the division in 2009-10 include:

- delivering the Territory's infrastructure program and projects funded under the Nation Building and Jobs Plan National Partnership Agreement, including improved school facilities, new and upgraded social housing, and road repairs and maintenance;
- developing a whole of government policy on Indigenous employment opportunities in construction projects;
- ensuring the resource requirements and models are in place to enable effective program delivery for the Territory Government; and
- increasing engagement with industry and stakeholders.

## Budget Highlights

- Commencement of projects across the Territory under the Commonwealth's Nation Building and Jobs Plan, including:
  - repairs and maintenance to the road network; and
  - delivery of primary school infrastructure projects, such as new classrooms, libraries and multi-purpose facilities.
- Construction of Rosebery Middle School and Rosebery Primary School in Palmerston.
- Continued delivery of the Closing the Gap infrastructure program.
- Continued involvement with delivery of the Strategic Indigenous Housing and Infrastructure Program.
- Commence construction of Tiger Brennan Drive – Stage 2.
- Upgrade the Alice Springs Police Station.
- Completion of the Radiation Oncology facility at Royal Darwin Hospital.
- Commencement of headworks for the new Doug Owston Correctional Facility.
- Commence design and planning work for the Palmerston Water Park.
- Continuation of headworks at Palmerston East to service the new residential developments in Palmerston.
- Continuation of construction work at the Desert Knowledge Precinct.
- Completion of the Victoria Highway upgrade project including construction of four bridges in the Katherine region.

## Performance

Income and expenditure are expected to increase in 2009-10 in line with the increase in the infrastructure program and associated program delivery fees.

### 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		2008-09 Estimate	2009-10 Estimate
<i>Quantity</i>	Projects managed	2 500	2 850
	Available hours charged to projects	80%	80%
	Total projects managed	\$650M	\$870M
<i>Quality</i>	Clients satisfied with service and product	85%	85%
<i>Timeliness</i>	Projects completed within agreed timeframes	85%	85%
	Cash flow targets met	90%	90%

## Operating Statement

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
<b>INCOME</b>		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations		
Sales of goods and services	58 909	60 987
Interest revenue	480	220
Rent and dividends		
Gain(+)/loss(-) on disposal of assets		
Other revenue		
<b>TOTAL INCOME</b>	<b>59 389</b>	<b>61 207</b>
<b>EXPENSES</b>		
Employee expenses	27 124	27 739
Administrative expenses		
Purchases of goods and services	29 577	30 850
Repairs and maintenance		
Depreciation and amortisation	42	10
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Interest expense	52	
<b>TOTAL EXPENSES</b>	<b>56 795</b>	<b>58 599</b>
<b>SURPLUS(+)/DEFICIT(-) BEFORE INCOME TAX</b>	<b>2 594</b>	<b>2 608</b>
Income tax expense	778	782
<b>NET SURPLUS(+)/DEFICIT(-)</b>	<b>1 816</b>	<b>1 826</b>

## Balance Sheet

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	11 592	12 514
Receivables	7 772	7 772
Prepayments	30	30
Inventories		
Advances and investments		
Property, plant and equipment	10	10
Other assets		
<b>TOTAL ASSETS</b>	<b>19 404</b>	<b>20 326</b>
<b>LIABILITIES</b>		
Deposits held	8 125	8 125
Creditors and accruals	1 791	1 791
Borrowings and advances		
Provisions	5 212	5 221
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>15 128</b>	<b>15 137</b>
<b>NET ASSETS</b>	<b>4 276</b>	<b>5 189</b>
<b>EQUITY</b>		
Capital		
Opening balance	183	183
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	3 185	4 093
Current year surplus(+)/deficit(-)	1 816	1 826
Dividends paid/payable	- 908	- 913
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>4 276</b>	<b>5 189</b>

## Cash Flow Statement

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Grants and subsidies received		
Current		
Capital		
Community service obligations		
Receipts from sales of goods and services	58 909	60 987
Interest received	480	220
<b>Total operating receipts</b>	<b>59 389</b>	<b>61 207</b>
<b>Operating payments</b>		
Payments to employees	27 124	27 739
Payments for goods and services	29 577	30 850
Grants and subsidies paid		
Current		
Capital		
Interest paid	79	
Income tax paid	2 129	778
<b>Total operating payments</b>	<b>58 909</b>	<b>59 367</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>480</b>	<b>1 840</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	10	10
Advances and investing payments		
<b>Total investing payments</b>	<b>10</b>	<b>10</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 10</b>	<b>- 10</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	2 500	
Finance lease payments		
Dividends paid	2 483	908
Equity withdrawals		
<b>Total financing payments</b>	<b>4 983</b>	<b>908</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 4 983</b>	<b>- 908</b>
Net increase(+)/decrease(-) in cash held	- 4 513	922
Cash at beginning of financial year	16 105	11 592
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>11 592</b>	<b>12 514</b>