

Territory Discoveries

Business Line	2008-09 Estimate	2009-10 Budget
	\$000	\$000
Income	7 673	7 803
Holiday Sales	7 673	7 803
Expenses	7 673	7 916
Holiday Sales	7 673	7 916
SURPLUS/DEFICIT BEFORE INCOME TAX		- 113

2009-10 Staffing: 56

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 2009-10 include:

- converting interest in the Northern Territory into actual holiday travel, given the current economic environment;
- increasing competition from rival destinations worldwide for potential consumers;
- increasing trade support and "buy local" promotional campaigns in key source markets interstate;
- managing the impact on holiday package development of low-cost carriers increasing flights into the Northern Territory and of decreasing commissions from airlines;
- increasing service expectations from the global marketplace, with real-time bookings and contact mechanisms becoming the industry standard; and
- positioning the business for growth as consumer confidence returns.

Budget Highlights

- Increased focus on consumer direct activities through the online booking system, proactive marketing to draw consumers to the website and immediate response mechanisms utilising call centre sales staff such as 'click-to-chat'. A dedicated team has been established in Alice Springs to service this area.
- \$50 000 for a 'Tell 20' marketing campaign aimed at encouraging interstate travel by providing incentives for Territory Discoveries' customers to refer other customers.
- Developing niche travel packages for consumers that appeal to global experience seekers who travel with a key purpose in mind (e.g. packages for Indigenous culture, wildlife or art enthusiasts).
- Developing a platform for special interest organisations to engage with Territory Discoveries allowing them to promote unique yet relevant Territory experiences for their members. Potential partnerships include the National Trust, Menzies School of Health Research, Returned Services League and others.

Performance

A decrease in demand for holiday sales is expected in 2009-10 due to the global financial crisis.

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, online and other promotional activities.

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

Performance Measures		2008-09 Estimate	2009-10 Estimate
<i>Quantity</i>	NT tourism operators contracted	141	171
	NT tourism experiences featured in wholesale programs ¹	202	242
	Average value of holiday bookings generated ²	\$1 600	\$1 650
	Gross travelled revenue ³	\$21.0M	\$21.0M
<i>Quality</i>	Client satisfaction	80%	80%
<i>Timeliness</i>	Call abandonment rate ⁴	< 3%	< 3%

1 Reflects the number of experiences offered by each contracted operator, irrespective of the number of product variations or options associated with each experience.

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

3 Gross travelled revenue estimate reflects total travelled holiday packages sold.

4 Call abandonment rates are based on total calls not answered within set service level standards. The 3% estimate represents national call centre industry standards.

Operating Statement

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
INCOME		
Grants and subsidies revenue		
Current	1 913	1 693
Capital		
Community service obligations	833	903
Sales of goods and services	4 314	4 707
Interest revenue	463	350
Rent and dividends		
Gain(+)/loss(-) on disposal of assets		
Other revenue	150	150
TOTAL INCOME	7 673	7 803
EXPENSES		
Employee expenses	3 300	3 365
Administrative expenses		
Purchases of goods and services	4 373	4 551
Repairs and maintenance		
Depreciation and amortisation		
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Interest expense		
TOTAL EXPENSES	7 673	7 916
SURPLUS(+)/DEFICIT(-) BEFORE INCOME TAX		- 113
Income tax expense		
NET SURPLUS(+)/DEFICIT(-)		- 113

Balance Sheet

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
ASSETS		
Cash and deposits	9 631	9 518
Receivables	277	277
Prepayments		
Inventories	56	56
Advances and investments		
Property, plant and equipment	3	3
Other assets		
TOTAL ASSETS	9 967	9 854
LIABILITIES		
Deposits held	5 891	5 891
Creditors and accruals	643	643
Borrowings and advances		
Provisions	230	230
Other liabilities		
TOTAL LIABILITIES	6 764	6 764
NET ASSETS	3 203	3 090
EQUITY		
Capital		
Opening balance	5 676	5 676
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	- 2 473	- 2 473
Current year surplus(+)/deficit(-)		- 113
Dividends paid/payable		
Accounting policy changes and corrections		
TOTAL EQUITY	3 203	3 090

Cash Flow Statement

	2008-09 Estimate	2009-10 Budget
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts		
Grants and subsidies received		
Current	1 913	1 693
Capital		
Community service obligations	833	903
Receipts from sales of goods and services	4 092	4 857
Interest received	463	350
Total operating receipts	7 301	7 803
Operating payments		
Payments to employees	3 300	3 365
Payments for goods and services	4 001	4 551
Grants and subsidies paid		
Current		
Capital		
Interest paid		
Income tax paid		
Total operating payments	7 301	7 916
NET CASH FROM OPERATING ACTIVITIES		- 113
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		
Equity injections		
Total financing receipts		
Financing payments		
Repayment of borrowings		
Finance lease payments		
Dividends paid		
Equity withdrawals		
Total financing payments		
NET CASH FROM FINANCING ACTIVITIES		
Net increase(+)/decrease(-) in cash held		- 113
Cash at beginning of financial year	9 631	9 631
CASH AT END OF FINANCIAL YEAR	9 631	9 518