

CANDELIVER LIMITED

Objectives

CanDeliver Limited was incorporated on 22 September 1997 under Corporations Law and the *Territory Owned Corporations Act 1990* (TOC Act).

CanDeliver was set up by the Government in response to the Commonwealth Government's decision to outsource corporate functions. CanDeliver provides a way of promoting and supporting local businesses and a means of keeping jobs in Canberra. The corporation's operating model allows for a small management group to operate CanDeliver and all service delivery, project and contract management to be outsourced to the ACT business community. This model assists firms to be involved in bids for large public sector contracts that would otherwise be beyond their capacity.

The Corporation's objective is to operate a successful business, at least as efficiently as any comparable business, while securing commercial opportunities for local business and promoting job opportunities locally.

1999-2000 Highlights

Strategic and operational issues to be pursued in 1999-2000 include:

- pursuing further contracts similar to the current contract gained in 1998-99 for corporate and support services within the Commonwealth Department of Prime Minister and Cabinet;
- continuing to gain market intelligence and proficiency at projecting the rate and timing of market activity and aim to keep more jobs in the ACT; and
- building on the success of contracts gained in 1998-1999, CanDeliver will focus on aggressively targeting and securing further contracts with public sector organisations during 1999-2000.

Budget Summary	1999-2000 Planned \$'000
Government Appropriations	
• Working capital	1 000
Own Sourced Revenues	
• User charges - non ACT Government	2 914
• User charges - ACT Government	801
• Interest	2
Services Provided	
• Corporate services	4 612

CanDeliver Limited Operating Statement

1998-99 Budget \$'000		1998-99 Est.Outcome \$'000	1999-00 Budget \$'000	Var %	2000-01 Estimate \$'000	2001-02 Estimate \$'000	2002-03 Estimate \$'000
Revenue							
13 558	User Charges - Non ACT Government	1 180	2 914	147	12 109	14 787	15 851
3 288	User Charges - ACT Government	723	801	11	1 110	1 209	1 329
20	Interest	3	2	-33	0	0	0
16 866	Total Revenue	1 906	3 717	95	13 219	15 996	17 180
Expenses							
198	Employee Expenses	217	231	6	243	255	268
69	Superannuation Expenses	32	34	6	36	38	39
308	Administrative Expenses	2 372	4 344	83	12 829	15 580	16 736
6	Depreciation and Amortisation	0	3	-	3	4	4
36	Interest	28	0	-100	0	0	0
15 859	Cost of Goods Sold	0	0	-	0	0	0
16 476	Total Expenses	2 649	4 612	74	13 111	15 877	17 047
390	Operating Result Before Abnormal Items	-743	-895	-20	108	119	133
0	Abnormal Revenue	0	1 850	-	0	0	0
390	Operating Result Before Extraordinary Items	-743	955	229	108	119	133
144	Income Tax Equivalent	0	0	-	0	0	0
246	Operating Result	-743	955	229	108	119	133
104	Accumulated Funds - Start of Period	-120	-863	-619	92	200	319
350	Accumulated Funds - End of Period	-863	92	111	200	319	452

CanDeliver Limited
Statement Of Financial Position

Budget as at 30/6/99 \$'000		Est.Outcome as at 30/6/99 \$'000	Planned as at 30/6/00 \$'000	Var %	Planned as at 30/6/01 \$'000	Planned as at 30/6/02 \$'000	Planned as at 30/6/03 \$'000
Current Assets							
607	Cash	-3	63	#	47	93	187
2 343	Receivables	434	546	26	2 889	3 335	3 580
56	Other	11	11	-	11	11	11
3 006	Total Current Assets	442	620	40	2 947	3 439	3 778
Non Current Assets							
0	Receivables	11	11	-	11	11	11
33	Property, Plant and Equipment	4	12	200	19	15	11
33	Total Non Current Assets	15	23	53	30	26	22
3 039	TOTAL ASSETS	457	643	41	2 977	3 465	3 800
Current Liabilities							
2 189	Creditors	468	549	17	2 775	3 144	3 346
500	Borrowings	0	0	-	0	0	0
0	Employee Entitlements	2	2	-	2	2	2
2 689	Total Current Liabilities	470	551	17	2 777	3 146	3 348
Non Current Liabilities							
0	Borrowings	850	0	-100	0	0	0
0	Total Non Current Liabilities	850	0	-100	0	0	0
2 689	TOTAL LIABILITIES	1 320	551	-58	2 777	3 146	3 348
350	NET ASSETS	-863	92	111	200	319	452
REPRESENTED BY FUNDS EMPLOYED							
350	Accumulated Funds	-863	92	111	200	319	452
350	TOTAL FUNDS EMPLOYED	-863	92	111	200	319	452

CanDeliver Limited Cashflow Statement

1998-99 Budget \$'000		1998-99 Est.Outcome \$'000	1999-00 Budget \$'000	Var %	2000-01 Estimate \$'000	2001-02 Estimate \$'000	2002-03 Estimate \$'000
4	CASH AT BEGINNING OF REPORTING PERIOD	61	-3	-105	63	47	93
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
14 506	User Charges	1 552	3 593	132	10 876	15 551	16 935
20	Interest Received	3	2	-33	0	0	0
14 526	Operating Receipts	1 555	3 595	131	10 876	15 551	16 935
	Payments						
264	Related to Employees	249	265	6	279	293	307
282	Related to Administration	2 192	4 254	94	10 603	15 212	16 534
36	Finance Costs	28	0	-100	0	0	0
13 841	Other	0	0	-	0	0	0
14 423	Operating Payments	2 469	4 519	83	10 882	15 505	16 841
103	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-914	-924	-1	-6	46	94
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Payments						
0	Purchase of Property, Plant and Equipment	0	10	-	10	0	0
0	Investing Payments	0	10	-	10	0	0
0	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	0	-10	-	-10	0	0
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
0	Capital Injection from Government	0	1 000	-	0	0	0
500	Borrowings Received	850	0	-100	0	0	0
500	Financing Receipts	850	1 000	18	0	0	0
500	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	850	1 000	18	0	0	0
603	NET INCREASE/(DECREASE) IN CASH HELD	-64	66	203	-16	46	94
607	CASH AT THE END OF THE REPORTING PERIOD	-3	63	#	47	93	187

Notes to the Budget Statements

Operating Statement

Significant variations are as follows:

- operating revenue: the increase of \$1.811m in 1999-2000 is due to the additional contracts being secured as the corporation becomes fully operational;
- operating expenses: the increase of \$1.963m in 1999-2000 is due to the expected increase in activity of the corporation; and
- abnormal revenue: of \$1.850m relates to a Government contribution of \$1m to provide the corporation with working capital, and the write off of a \$0.850m loan from the Government.

Statement of Financial Position

Significant variations are as follows:

- receivables: the increase of \$0.112m is a direct result of the increased activity of the corporation; and
- borrowings: of \$0.850m in 1998-99 have reduced to zero reflecting the Government decision to write off an existing loan.

