

## **TOTALCARE INDUSTRIES LIMITED**

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### **Objectives**

Totalcare Industries Limited (Totalcare) previously provided a range of services to the government and non-government sectors. In 2003, the Government decided to transfer Totalcare's business units to Government departments and businesses as follows:

- Facilities Management to the Department of Urban Services (DUS) on 1 March 2004;
- Road Maintenance to DUS on 1 March 2004;
- Linen Services to DUS on 1 April 2004;
- Sterilisation Services to ACT Health on 1 April 2004; and
- Fleet Business to Rhodium Asset Solutions on 1 January 2005.

Although the company is no longer active as a business, Totalcare still exists as a corporation and will continue to do so for the medium term, while its residual liabilities are being assessed and acquitted. The Company will be wound up when its liabilities, which mostly relate to superannuation, have been dealt with properly.

## Totalcare Operating Statement

2005-06 Budget \$'000		2005-06 Est.Outcome \$'000	2006-07 Budget \$'000	Var %	2007-08 Estimate \$'000	2008-09 Estimate \$'000	2009-10 Estimate \$'000
<b>Income</b>							
<b>Revenue</b>							
0	User Charges - ACT Government	15	0	-100	0	0	0
0	Interest	8	10	25	11	13	13
0	Other Revenue	726	527	-27	535	295	0
<b>0</b>	<b>Total Revenue</b>	<b>749</b>	<b>537</b>	<b>-28</b>	<b>546</b>	<b>308</b>	<b>13</b>
<b>Gains</b>							
<b>0</b>	<b>Total Gains</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Total Income</b>	<b>749</b>	<b>537</b>	<b>-28</b>	<b>546</b>	<b>308</b>	<b>13</b>
<b>Expenses</b>							
100	Supplies and Services	441	495	12	495	495	0
0	Other Expenses	118	0	-100	6	0	0
<b>100</b>	<b>Total Ordinary Expenses</b>	<b>559</b>	<b>495</b>	<b>-11</b>	<b>501</b>	<b>495</b>	<b>0</b>
<b>-100</b>	<b>Operating Result</b>	<b>190</b>	<b>42</b>	<b>-78</b>	<b>45</b>	<b>-187</b>	<b>13</b>

## Totalcare Balance Sheet

Budget as at 30/6/06 \$'000		Est.Outcome as at 30/6/06 \$'000	Planned as at 30/6/07 \$'000	Var %	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000
<b>Current Assets</b>							
0	Cash	310	324	5	365	408	421
0	Receivables	6	6	-	0	0	0
0	Other	204	230	13	230	0	0
<b>0</b>	<b>Total Current Assets</b>	<b>520</b>	<b>560</b>	<b>8</b>	<b>595</b>	<b>408</b>	<b>421</b>
<b>Non Current Assets</b>							
17,280	Receivables	0	0	-	0	0	0
0	Other	17,280	12,280	-29	7,280	0	0
<b>17,280</b>	<b>Total Non Current Assets</b>	<b>17,280</b>	<b>12,280</b>	<b>-29</b>	<b>7,280</b>	<b>0</b>	<b>0</b>
<b>17,280</b>	<b>TOTAL ASSETS</b>	<b>17,800</b>	<b>12,840</b>	<b>-28</b>	<b>7,875</b>	<b>408</b>	<b>421</b>
<b>Current Liabilities</b>							
0	Payables	12	10	-17	0	0	0
<b>0</b>	<b>Total Current Liabilities</b>	<b>12</b>	<b>10</b>	<b>-17</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non Current Liabilities</b>							
17,280	Employee Benefits	17,280	12,280	-29	7,280	0	0
<b>17,280</b>	<b>Total Non Current Liabilities</b>	<b>17,280</b>	<b>12,280</b>	<b>-29</b>	<b>7,280</b>	<b>0</b>	<b>0</b>
<b>17,280</b>	<b>TOTAL LIABILITIES</b>	<b>17,292</b>	<b>12,290</b>	<b>-29</b>	<b>7,280</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>NET ASSETS</b>	<b>508</b>	<b>550</b>	<b>8</b>	<b>595</b>	<b>408</b>	<b>421</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
0	Accumulated Funds	-1,206	-1,164	3	-1,119	-1,306	-1,293
0	Reserves	1,714	1,714	-	1,714	1,714	1,714
<b>0</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>508</b>	<b>550</b>	<b>8</b>	<b>595</b>	<b>408</b>	<b>421</b>

## Totalcare Cash Flow Statement

2005-06 Budget \$'000		2005-06 Est.Outcome \$'000	2006-07 Budget \$'000	Var %	2007-08 Estimate \$'000	2008-09 Estimate \$'000	2009-10 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
0	Interest Received	8	10	25	11	13	13
0	Other Revenue	461	5,525	#	5,525	7,575	0
0	Extraordinary Receipts	70	0	-100	0	0	0
<b>0</b>	<b>Operating Receipts</b>	<b>539</b>	<b>5,535</b>	<b>927</b>	<b>5,536</b>	<b>7,588</b>	<b>13</b>
<b>Payments</b>							
0	Related to Employees	0	5,000	#	5,000	7,280	0
100	Related to Supplies and Services	441	521	18	495	265	0
<b>100</b>	<b>Operating Payments</b>	<b>441</b>	<b>5,521</b>	<b>#</b>	<b>5,495</b>	<b>7,545</b>	<b>0</b>
<b>-100</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>98</b>	<b>14</b>	<b>-86</b>	<b>41</b>	<b>43</b>	<b>13</b>
<b>-100</b>	<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>98</b>	<b>14</b>	<b>-86</b>	<b>41</b>	<b>43</b>	<b>13</b>
<b>100</b>	<b>CASH AT BEGINNING OF REPORTING PERIOD</b>	<b>212</b>	<b>310</b>	<b>46</b>	<b>324</b>	<b>365</b>	<b>408</b>
<b>0</b>	<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>310</b>	<b>324</b>	<b>5</b>	<b>365</b>	<b>408</b>	<b>421</b>

## Totalcare Statement of Changes in Equity

Budget as at 30/6/06 \$'000		Est.Outcome as at 30/6/06 \$'000	Planned as at 30/6/07 \$'000	Var %	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000
100	<b>Opening Balance</b>	318	508	60	550	595	408
	<b>Accumulated Funds</b>						
-100	Operating Result for the Period	190	42	-78	45	-187	13
	<b>Reserves</b>						
-100	<b>Total Income And Expense For The Period</b>	190	42	-78	45	-187	13
	<b>Transactions Involving Equity Holders Affecting Accumulated Funds</b>						
0	<b>Closing Balance</b>	508	550	8	595	408	421

### Notes to the Budget Statements

Totalcare continues to exist while its residual liabilities are being assessed and acquitted. Given the uncertainty surrounding the extent of activities required to acquit Totalcare's liabilities at the time of the 2005-06 Budget, the original estimates were indicative only. Significant variations therefore exist between the 2005-06 estimated outcome and the 2005-06 Budget.

Significant variations are as follows:

#### *Operating Statement*

- other revenue: the decrease in the 2006-07 Budget from the 2005-06 estimated outcome largely reflects refunds of Fringe Benefits and Goods and Services Tax payments;
- supplies and services: the increase of \$0.054 million in the 2006-07 Budget from the 2005-06 estimated outcome is mainly due to projected increases in legal fees arising from superannuation issues and unrelated litigation settlements; and
- other expenses: the decrease of \$0.118 million in the 2006-07 Budget from the 2005-06 estimated outcome largely reflects the recognition of doubtful debts in 2005-06.

#### *Balance Sheet*

- other non current assets and non current liabilities: the decrease of \$5 million in the 2006-07 Budget from the 2005-06 estimated outcome reflects the anticipated settlement pattern with respect to outstanding superannuation liabilities.

*Cash Flow Statement*

- receipts - other revenue: the increase of \$5.064 million in the 2006-07 Budget from the 2005-06 estimated outcome largely reflects the anticipated receipt of funds from the Territory for the part settlement of outstanding superannuation liabilities; and
- payments - related to employees: the increase of \$5 million in the 2006-07 Budget from the 2005-06 estimated outcome reflects the anticipated settlement pattern of outstanding superannuation liabilities.