

TOTALCARE INDUSTRIES LIMITED

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Although the company is no longer active as a business, Totalcare still exists as a corporation and will continue to do so for the medium term, while its residual liabilities are being assessed and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
Income							
Revenue							
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
0	Total Revenue	749	537	-28	546	308	13
Gains							
0	Total Gains	0	0	-	0	0	0
0	Total Income	749	537	-28	546	308	13
Expenses							
100	Supplies and Services	441	495	12	495	495	0
0	Other Expenses	118	0	-100	6	0	0
100	Total Ordinary Expenses	559	495	-11	501	495	0
-100	Operating Result	190	42	-78	45	-187	13

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
Current Assets							
0	Cash	310	324	5	365	408	421
0	Receivables	6	6	-	0	0	0
0	Other	204	230	13	230	0	0
0	Total Current Assets	520	560	8	595	408	421
Non Current Assets							
17,280	Receivables	0	0	-	0	0	0
0	Other	17,280	12,280	-29	7,280	0	0
17,280	Total Non Current Assets	17,280	12,280	-29	7,280	0	0
17,280	TOTAL ASSETS	17,800	12,840	-28	7,875	408	421
Current Liabilities							
0	Payables	12	10	-17	0	0	0
0	Total Current Liabilities	12	10	-17	0	0	0
Non Current Liabilities							
17,280	Employee Benefits	17,280	12,280	-29	7,280	0	0
17,280	Total Non Current Liabilities	17,280	12,280	-29	7,280	0	0
17,280	TOTAL LIABILITIES	17,292	12,290	-29	7,280	0	0
0	NET ASSETS	508	550	8	595	408	421
REPRESENTED BY FUNDS EMPLOYED							
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
0	TOTAL FUNDS EMPLOYED	508	550	8	595	408	421

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
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
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
0	Operating Receipts	539	5,535	927	5,536	7,588	13
Payments							
0	Related to Employees	0	5,000	#	5,000	7,280	0
100	Related to Supplies and Services	441	521	18	495	265	0
100	Operating Payments	441	5,521	#	5,495	7,545	0
-100	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	98	14	-86	41	43	13
-100	NET INCREASE/(DECREASE) IN CASH HELD	98	14	-86	41	43	13
100	CASH AT BEGINNING OF REPORTING PERIOD	212	310	46	324	365	408
0	CASH AT THE END OF THE REPORTING PERIOD	310	324	5	365	408	421

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	Opening Balance	318	508	60	550	595	408
	Accumulated Funds						
-100	Operating Result for the Period	190	42	-78	45	-187	13
	Reserves						
-100	Total Income And Expense For The Period	190	42	-78	45	-187	13
	Transactions Involving Equity Holders Affecting Accumulated Funds						
0	Closing Balance	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.