

## **PART 3**

### **1999-2000 Estimated Outcome**



### 3. 1999-2000 ESTIMATED OUTCOME

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This chapter provides information on the projected financial outcome for 1999-2000. Projected 1999-2000 financial statements have been provided for each of the general government and public trading enterprises, and for the whole of the Territory. More detailed information and the audited result for 1999-2000 will be available following the completion of the 1999-2000 financial year.

#### General Government Sector

The estimated operating result for the general government sector (GGS) for 1999-2000 is a loss of \$3.08m. This is a \$60.58m improvement compared to the original 1999-2000 budgeted operating loss of \$63.66m.

The improvement from the original budget is mainly due to increases in taxation revenue (\$45.53m), the ACTEW dividend (\$14.27m) and land sales (\$23.03m). These movements will be explained in more detail below.

**Table 3.1**  
**1999-2000 GGS Forecast Outcome**

	<b>Annual Budget</b>	<b>Estimated Outcome</b>	<b>Variation*</b>	
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>%</b>
Revenue	1 723	1 856	133	7.7
Expenses	1 787	1 859	72	4.0
<b>Operating Result</b>	<b>-64</b>	<b>-3</b>	<b>61</b>	<b>95</b>

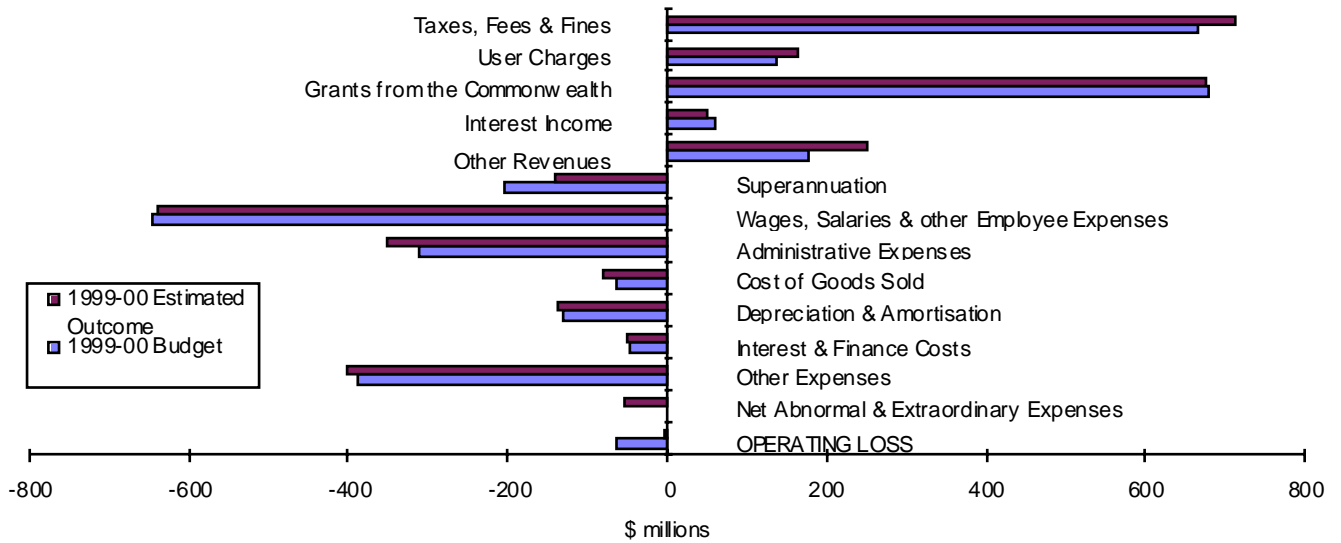
\* Variation is to Original Budget

Expenses include net abnormal and extraordinary expenses

Balances for GGS assets are expected to be \$7,191m by 30 June 2000, an increase of \$635m over the audited opening position for 1999-2000. Total GGS liabilities are anticipated to be \$2,499m, an increase of \$353m over the audited opening position. These movements result in a net asset position for the GGS sector of \$4,693m, an increase from the opening position of \$5m. This improvement is due mainly to the improvement in the estimated budget result, resulting in increased investment balances, receivables and decreased borrowings, offset partially by the CIT property devaluations of \$16m and an increase in employee entitlements.

The following graph compares the original budget to the current estimated outcome for 1999-2000 for major revenue and expense items.

**Figure 3.1  
Revenue and Expenses**



### *Factors Influencing the 1999-2000 Outcome*

#### *Taxes, Fees and Fines*

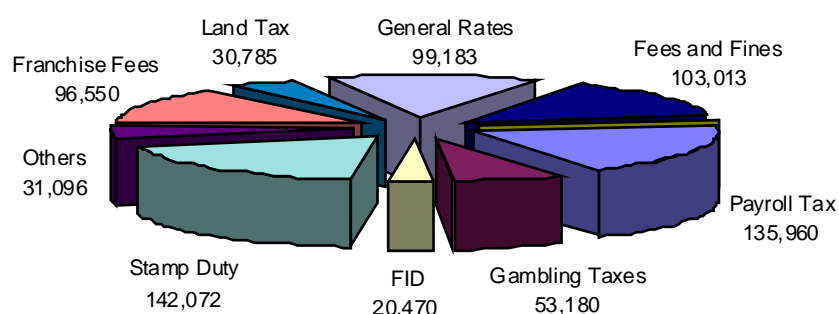
The 1999-2000 estimated outcome for Taxes, Fees and Fines is \$45.5m better than the original 1999-2000 budget. This is a result of increases in conveyancing revenue (\$24.6m), transfers of motor vehicle registration (\$4.1m), financial institutions duty (\$2.7m), gaming machine taxes (\$4.0m) and payroll tax (\$9.7m).

Stamp duty from conveyances has increased significantly due to the rise in residential land and housing purchases prior to the introduction of the GST. Transfers of motor vehicle registrations have also improved from the original budget as a result of high economic activity.

Payroll tax has increased due to stronger economic activity than originally estimated. Financial institutions duty has increased due to increased money market activity and a one-off compliance payment by a major financial institution.

Figure 3.2 provides a graph of the estimated 1999-2000 outcome for GGS revenue.

**Figure 3.2  
Taxation Revenue Composition**



### *Land Revenue*

The 1999-2000 estimated outcome for land revenue is \$23.030m higher than the original 1999-2000 budget. There has been a significant demand for land releases, both commercial and residential, again due to buyers wanting to purchase before the introduction of the GST. The net gain generated has been through direct land sales at auction and joint venture revenues from land development in the Gungahlin area.

### *Deferral of Revenues and Expenses*

A number of projects which were budgeted to occur in 1999-2000 have been deferred to 2000-01 or the forward years. The effect of these deferrals on the 1999-2000 outcome is an improvement of \$7.920m on the original operating result for the GGS.

The deferrals include:

- Olympic expenses (\$2m): a number of major expenses were budgeted to occur in 1999-2000, such as policing, transport and general operations. These will now occur in July and August 2000, closer to the Olympic Event;
- Very Fast Train Project Success Fee revenue (\$1.5m): this revenue was budgeted to be received in 1999-2000. The assessment of the Speedrail prove-up bid has taken longer than originally envisaged, resulting in the revenue stream being deferred to 2000-01;
- Hepatitis C Financial Assistance Scheme (net \$2.640m): the delayed commencement of both the scheme and the settlements has resulted in this amount being deferred to 2000-01. The impact of the deferral is \$2.640m, which comprises \$4.440m in expenses and \$1.8m in the revenue contribution from the Commonwealth to the Scheme; and
- other health related deferrals: delays in health related expenditure have also seen \$4.5m in expenses relating to the Australian Health Care Agreement (\$3.5m) and the

Canberra Hospital's redundancy program (\$1.0m) deferred to 2000-01 and forward years.

#### *Dividend from ACTEW*

The dividend from ACTEW in 1999-2000 has been revised by \$14.270m. This increase is a result of a one-off adjustment to the tax provision, arising from the changes in the corporate tax rate from 36% down to 34% in 2000-01 and 30% thereafter.

#### *Superannuation Triennial Review*

The three year actuarial triennial review of the Territory's superannuation liability was undertaken in 1999-2000. This identified an emerging cost deficit (\$23.320m), which has been reported as an abnormal expense in the Superannuation Provision Unit's financial statements. This is the level of actuarially assessed emerging cost underpayment for superannuation paid over the three years to 30 June 1998. The Commonwealth Department of Finance and Administration has agreed that this can be repaid over the next three years.

However, the 1999-2000 estimated outcome also reflects an annual amortised gain of (\$25.8m) and a reduction in the superannuation expense (\$37.2m), both resulting from actuarial reviews of the superannuation liability. The amortised gain results from the 1998-99 actuarial review (\$8.3m) and a further review, during 1999-2000, of financial and demographic assumptions (\$17.5m) used to derive the estimates of superannuation liabilities. The revision of these assumptions brings them into line with current projections for salary growth, CPI, investment returns and the actuary's analysis of updated superannuation data from ComSuper.

The net effect of these adjustments is an improvement in the operating result of \$39.7m.

#### *Factors Offsetting the Improvement*

##### *ACTION Operating Result*

The budgeted expenses for ACTION, in 1999-2000, were \$63.8m. During the year, ACTION's employee and administrative expenses increased considerably over budget, due to non-achievement of savings under the current EBA, unanticipated network costs, and an increase in the price of fuel. The outcome for total expenses is anticipated to be \$70.3m. In addition to these cost pressures, there is expected to be a shortfall in fare revenue of \$2.3m against the original budget.

As a consequence of the cost pressures and fare revenue shortfall, ACTION requires a supplementary appropriation of \$7.724m, which has a direct impact on the GGS operating result.

### *CIT Asset Revaluation*

As part of the audited outcome for the Canberra Institute of Technology, a significant revaluation was made to the value of the campuses. This resulted in a loss of \$16.380m. The valuation was undertaken based on deprival methodology and assumes that, should the Institute be deprived of the Watson campus, it would not be replaced and if deprived of the Fyshwick campus, it would be replaced but on a substantially smaller scale.

### *Criminal Injuries Compensation*

Criminal Injuries Compensation (CIC) payments made by the Department of Justice and Community Safety have increased by \$4.896m from the original budget during this financial year (bringing total CIC payments to \$8.415m). This increase is due primarily to the delay in the passage of amendments to the *Criminal Injuries Compensation Act 1983*, which replaced lump sum payments to victims of crime with the provision of support services. Since the passage of the legislation, payments have substantially decreased and this trend is reflected in the Budget and forward estimates.

### *Other Factors*

Other factors offsetting the improvement in the 1999-2000 operating result include:

- costs associated with the GMC 400 V8 Racing Series (\$3.1m);
- reduction in Home Loan Interest (\$1.5m);
- delays in achieving the TCH rectification plan savings (\$5.3m);
- increased abnormal expenses for TotalCare for redundancies (\$3.3m);
- costs associated with the recent AFP certified agreement (\$2.8m);
- reduction in the issue of traffic infringement notices (\$2.6m);
- costs associated with GST administration costs (\$3.5m);
- increased depreciation expense for DUS associated with its 1998-99 audited outcome and a review of depreciation rates during 1999-2000 (\$7.2m).

**Table 3.2**  
**General Government Sector**  
**1999-2000 Forecast Operating Statement**

	<b>1999-00 Budget \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>Revenue</b>		
Taxes, Fees and Fines	666 783	712 309
User Charges - Non ACT Government	125 570	139 986
User Charges - ACT Government	12 282	24 818
Grants from the Commonwealth	679 173	676 644
Interest	61 770	49 889
Other Revenue	177 340	252 825
<b>Total Revenue</b>	<b>1 722 918</b>	<b>1 856 471</b>
<b>Expenses</b>		
Employee Expenses	647 107	651 387
Superannuation Expenses	204 107	165 067
Administrative Expenses	309 216	356 113
Depreciation and Amortisation	128 642	137 661
Interest	46 717	47 942
Cost of Goods Sold	63 806	81 877
Grants and Purchased Services	304 149	305 736
Other Expenses	82 835	113 767
<b>Total Expenses</b>	<b>1 786 579</b>	<b>1 859 550</b>
<b>Operating Result</b>	<b>-63 660</b>	<b>-3 079</b>

**Table 3.3**  
**General Government Sector**  
**1999-2000 Forecast Statement of Financial Position**

	<b>1999-00 Budgeted Opening Balance \$'000</b>	<b>1999-00 Audited Opening Balance \$'000</b>	<b>Budgeted Result 30 June 2000 \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>Current Assets</b>				
Cash	62 284	21 190	65 812	50 276
Receivables	75 497	125 499	77 146	123 428
Investments	509 944	603 379	861 965	961 540
Inventories	11 836	14 964	13 660	29 715
Works in Progress	1 887	0	0	0
Other	8 656	35 981	8 489	12 207
<b>Total Current Assets</b>	<b>670 104</b>	<b>801 013</b>	<b>1 027 072</b>	<b>1 177 166</b>
<b>Non-Current Assets</b>				
Receivables	190 374	199 563	465 637	520 396
Investments	50 071	37 383	53 649	68 346
Inventories	9 012	3 984	8 945	2 700
Property, Plant and Intangibles	5 361 025	5 440 436	5 361 596	5 335 989
Capital Works in Progress	1 627	0	0	1 326
Other	41 480	42 018	72 068	81 260
Other	91 679	31 441	86 382	4 232
<b>Total Non Current Assets</b>	<b>5 745 267</b>	<b>5 754 825</b>	<b>6 048 277</b>	<b>6 014 249</b>
<b>TOTAL ASSETS</b>	<b>6 415 372</b>	<b>6 555 838</b>	<b>7 075 349</b>	<b>7 191 415</b>
<b>Current Liabilities</b>				
Creditors	42 490	127 246	36 351	118 611
Borrowings	117 564	131 641	456 123	170 207
Finance Leases	12 807	9 901	11 926	15 286
Employee Entitlements	105 069	108 176	112 240	143 097
Other Provisions	2 212	1 499	2 212	1 420
Other	19 047	29 379	14 682	28 263
<b>Total Current Liabilities</b>	<b>299 190</b>	<b>407 842</b>	<b>633 533</b>	<b>476 884</b>
<b>Non-Current Liabilities</b>				
Creditors	4 268	5 507	8 469	10 794
Borrowings	350 851	355 217	278 782	529 784
Finance Leases	54 605	46 927	44 031	50 978
Employee Entitlements	1 340 954	1 328 087	1 504 085	1 423 015
Other Provisions	1 051	2 168	976	1 475
Other	1 116	1 077	925	5 951
<b>Total Non-Current Liabilities</b>	<b>1 752 846</b>	<b>1 738 983</b>	<b>1 837 268</b>	<b>2 021 997</b>
<b>TOTAL LIABILITIES</b>	<b>2 052 035</b>	<b>2 146 825</b>	<b>2 470 801</b>	<b>2 498 881</b>
<b>NET ASSETS</b>	<b>4 363 337</b>	<b>4 409 013</b>	<b>4 604 548</b>	<b>4 692 534</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>				
Accumulated Funds	3 960 557	3 892 506	4 198 707	4 188 797
Reserves	402 780	516 507	405 841	503 737
<b>TOTAL FUNDS EMPLOYED</b>	<b>4 363 337</b>	<b>4 409 013</b>	<b>4 604 548</b>	<b>4 692 534</b>

**Table 3.4**  
**General Government Sector**  
**1999-2000 Forecast Cashflow Statement**

	<b>1999-00 Budget \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>284 665</b>	<b>23 049</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Taxes, Fees and Fines	666 881	710 550
User Charges	139 365	166 143
Interest Received	37 383	38 128
Grants received from the Commonwealth	679 173	677 044
Other Revenue	95 590	114 259
<b>Operating Receipts</b>	<b>1 618 391</b>	<b>1 706 124</b>
<b>Payments</b>		
Related to Employees	675 183	677 864
Related to Administration	301 549	354 813
Finance Costs	46 715	42 831
Grants and Purchased Services	314 472	314 043
Other	134 531	140 907
<b>Operating Payments</b>	<b>1 472 450</b>	<b>1 530 458</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>145 941</b>	<b>175 666</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Receipts</b>		
Sale of Property Plant and Equipment	2 901	7 910
Proceeds from Sale/Maturity of Investments	1 805 517	1 324 509
Repayment of Advance	2 190	14 616
Repayment of Home Loan Principal	25 273	30 702
Dividends	46 827	57 943
Capital Distributions from Govt Agencies	300 000	300 000
<b>Investing Receipts</b>	<b>2 182 708</b>	<b>1 735 680</b>
<b>Payments</b>		
Purchase of Property, Plant and Equipment	133 971	140 124
Purchase of Investments	2 133 348	1 649 584
Advances Issued to Govt Agencies	300 000	265 000
Capital Payments to Government Agencies	3 578	30 508
<b>Investing Payments</b>	<b>2 570 897</b>	<b>2 085 216</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>(388 189)</b>	<b>(359 536)</b>

**Table 3.4 (continued)**  
**General Government Sector**  
**1999-2000 Forecast Cashflow Statement**

	<b>1999-00</b>	<b>1999-00</b>
	<b>Budget</b>	<b>Estimated</b>
	<b>\$'000</b>	<b>Outcome</b>
		<b>\$'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Receipts</b>		
Borrowings Received	1 251 411	1 150 892
Proceeds from Finance Leases	0	161
<b>Financing Receipts</b>	<b>1 251 411</b>	<b>1 151 053</b>
<b>Payments</b>		
Repayment of Borrowings	869 889	817 946
Repayment of Finance Lease	11 300	9 213
Repayment of Investment to Agencies	127 439	116 503
Repayment of Transferred Cash Balances	0	7 035
<b>Financing Payments</b>	<b>1 008 628</b>	<b>950 697</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>242 783</b>	<b>200 356</b>
<b>NET CASH INFLOW/(OUTFLOW) IN CASH HELD</b>	<b>536</b>	<b>26 486</b>
<b>CASH AT END REPORTING PERIOD</b>	<b>285 201</b>	<b>49 535</b>

*Note: Cash on the cashflow statement may not equal cash at bank on the balance sheet due to some agencies reporting cash as investments.*

## Public Trading Enterprise Sector

The consolidated public trading enterprise sector result after tax for 1999-2000 is expected to be a \$54.23m profit. This is a 97.6% improvement against the original budget outcome of \$27.45m. The movement from the original budget is mainly due to the Notional Income Tax Equivalents budgeted at \$21.7m but the estimated actual tax expense is \$0.25m.

**Table 3.2**  
**1999-2000 PTE Forecast Outcome**

	<b>Annual Budget \$m</b>	<b>Estimated Outcome \$m</b>	<b>Variation*</b>	
			<b>\$m</b>	<b>%</b>
Revenue	529	553	24	4.5
Expenses	502	499	-3	-0.6
<b>Operating Result</b>	<b>27</b>	<b>54</b>	<b>27</b>	<b>100</b>

\* Variation is to Original Budget

Expenses include net abnormal and extraordinary expenses and income tax equivalents

### *Factors Influencing the Operating Result*

#### *ACTEW Operating Result*

ACTEW has improved its operating result by \$12.4m, due mainly to increased electricity and water sales (weather related) and a decrease in administrative expenses, related to improvements in work practices.

#### *ACT Housing Property Portfolio*

Depreciation expenses for ACT Housing have fallen \$13.3m below budget. The decrease in depreciation is directly related to a revision in the 'useful life' assessment of ACT Housing's properties. The useful life of the public housing portfolio has improved as a result of an improvement in the property market, as well as funds spent to maintain and update the portfolio.

ACT Housing has also transferred 120 properties to Community Housing Canberra, costing the Government \$16.4m. This transfer was not incorporated into the original budget. The aim of the transfer is to improve the standard of property management services provided to ACT public housing tenants, by allowing a community based group to manage the houses and utilise profits to maintain, improve and expand on existing housing.

#### *Bruce Stadium*

The Stadiums Authority was transferred from the Chief Minister's Department during the 1999-2000 financial year. The budget associated with the Authority was therefore part of the GGS sector in the original budget. The revised operating result of \$3.19m loss for the Authority impacts directly on the PTE sector results. The loss is due to the operating costs

of the Authority being higher than the revenue, as attendances and event numbers have not been as high as originally anticipated.

**Table 3.6**  
**Public Trading Enterprise Sector**  
**1999-2000 Forecast Operating Statement**

	<b>1999-00 Budget \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>Revenue</b>		
User Charges - Non ACT Government	416 659	419 664
User Charges - ACT Government	95 414	110 106
Interest	2 319	4 465
Other Revenue	14 541	14 512
Resources Received free of charge	132	5 425
<b>Total Revenue</b>	<b>529 065</b>	<b>554 172</b>
<b>Expenses</b>		
Employee Expenses	102 787	114 820
Superannuation Expenses	12 832	12 414
Administrative Expenses	124 017	106 582
Depreciation and Amortisation	79 932	66 587
Interest	16 324	24 713
Cost of Goods Sold	122 207	130 602
Other Expenses	23 767	49 211
<b>Total Expenses</b>	<b>481 866</b>	<b>504 929</b>
<b>Operating Result Before Tax</b>	<b>47 199</b>	<b>49 243</b>
Income Tax Equivalents	21 697	250
Injection for Operating Requirements	1 943	5 241
<b>Operating Result After Tax</b>	<b>27 445</b>	<b>54 234</b>

**Table 3.7**  
**Public Trading Enterprise Sector**  
**1999-2000 Forecast Statement of Financial Position**

	<b>1999-00 Budgeted Opening Balance \$'000</b>	<b>1999-00 Audited Opening Balance \$'000</b>	<b>Budgeted Result 30 June 2000 \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>Current Assets</b>				
Cash	13 497	8 825	13 996	13 284
Receivables	61 660	67 111	64 353	70 098
Investments	18 839	54 673	21 154	26 203
Inventories	24 882	20 846	25 207	21 142
Other	6 985	3 342	6 892	4 323
<b>Total Current Assets</b>	<b>125 862</b>	<b>154 796</b>	<b>131 601</b>	<b>135 050</b>
<b>Non-Current Assets</b>				
Investments	7 099	17 290	5 670	13 100
Inventories	40 434	38 937	40 434	38 937
Property, Plant and Works in Progress	2 563 463	2 623 156	2 558 162	2 594 619
Intangibles	407			338
Other	55	768	459	169
<b>Total Non Current Assets</b>	<b>2 643 561</b>	<b>2 685 693</b>	<b>2 643 054</b>	<b>2 687 232</b>
<b>TOTAL ASSETS</b>	<b>2 769 423</b>	<b>2 840 489</b>	<b>2 774 654</b>	<b>2 822 282</b>
<b>Current Liabilities</b>				
Creditors	30 230	35 722	30 824	40 161
Borrowings	10 268	10 269	10 761	10 447
Finance Leases	285	0	0	328
Employee Entitlements	18 290	16 883	16 642	16 966
Other Provisions	11 562	17 387	12 111	13 824
Other	5 248	9 494	4 362	11 656
<b>Total Current Liabilities</b>	<b>75 883</b>	<b>89 754</b>	<b>74 700</b>	<b>93 382</b>
<b>Non-Current Liabilities</b>				
Creditors	225	224	343	342
Borrowings	227 887	252 563	536 417	512 620
Finance Leases	1 684	1 684	1 356	1 356
Employee Entitlements	22 753	18 721	20 842	22 692
Other Provisions	84 709	4 154	101 090	48
<b>Total Non-Current Liabilities</b>	<b>337 258</b>	<b>277 346</b>	<b>660 048</b>	<b>537 058</b>
<b>TOTAL LIABILITIES</b>	<b>413 141</b>	<b>367 101</b>	<b>734 748</b>	<b>630 440</b>
<b>NET ASSETS</b>	<b>2 356 282</b>	<b>2 473 388</b>	<b>2 039 906</b>	<b>2 191 842</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>				
Accumulated Funds	1 868 825	1 943 424	1 562 446	1 671 849
Reserves	487 457	529 964	477 460	519 993
<b>TOTAL FUNDS EMPLOYED</b>	<b>2 356 282</b>	<b>2 473 388</b>	<b>2 039 906</b>	<b>2 191 842</b>

**Table 3.8**  
**Public Trading Enterprise Sector**  
**1999-2000 Forecast Cashflow Statement**

	<b>1999-00 Budget \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>27 496</b>	<b>45 316</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
User Charges	515 311	531 541
Interest Received	2 319	4 167
Grants Received from Commonwealth	0	1 145
Other Revenue	3 339	2 238
<b>Operating Receipts</b>	<b>520 969</b>	<b>539 091</b>
<b>Payments</b>		
Related to Employees	116 111	126 252
Related to Administration	125 362	113 427
Finance Costs	16 206	20 143
Other	140 901	161 632
<b>Operating Payments</b>	<b>398 580</b>	<b>421 454</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>122 389</b>	<b>117 637</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Receipts</b>		
Sale of Property, Plant and Equipment	35 141	37 813
Proceeds from Sale/Maturity of Investments	50 700	70 658
Proceeds from Sale of Land and Intangibles	0	235
<b>Investing Receipts</b>	<b>85 841</b>	<b>108 706</b>
<b>Payments</b>		
Purchase of Property, Plant and Equipment	120 912	101 615
Purchase of Investments	46 802	44 821
<b>Investing Payments</b>	<b>167 714</b>	<b>146 436</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>(81 873)</b>	<b>(37 730)</b>

**Table 3.8 (continued)**  
**Public Trading Enterprise Sector**  
**1999-2000 Forecast Cashflow Statement**

	<b>1998-99 Budget \$'000</b>	<b>1998-99 Estimated Outcome \$'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Receipts</b>		
Capital Injection from Government	3 578	30 508
Borrowings Received	320 000	265 000
Receipt of Transferred Cash Balances	0	7 035
<b>Financing Receipts</b>	<b>323 578</b>	<b>302 543</b>
<b>Payments</b>		
Dividends to Government	46 827	57 943
Repayment of Advance		
Repayment of Borrowings	10 269	38 906
Repayment of Finance Lease	285	285
Repayment of Transferred Cash Balances	0	0
Capital Distributions to Govt.	300 000	300 000
<b>Financing Payments</b>	<b>357 381</b>	<b>397 134</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>(33 803)</b>	<b>(94 591)</b>
<b>NET CASH INFLOW/(OUTFLOW) IN CASH HELD</b>	<b>6 713</b>	<b>(14 684)</b>
<b>CASH AT END REPORTING PERIOD</b>	<b>34 209</b>	<b>30 632</b>

*Note: Cash on the cashflow statement may not equal cash at bank on the balance sheet due to some agencies reporting cash as investments.*

## Total Territory

### *Operating Statement*

The Territory operating loss of \$8.54m is a consolidation of the GGS loss of \$3.08m and the PTE profit of \$54m. The difference is due primarily to dividends that the PTE sector pays to the GGS sector (\$59.7m), as these are eliminated from the whole of government result. The Territory result is a significant improvement from the budgeted result of a \$63.43m loss.

**Table 3.3**  
**1999-2000 Total Territory Forecast Outcome**

	Annual Budget	Estimated Outcome	Variation*	
	\$m	\$m	\$m	%
Revenue	2 046	2 152	106	5.2
Expenses	2 109	2 161	52	2.5
<b>Operating Result</b>	<b>-63</b>	<b>-9</b>	<b>54</b>	<b>85.7</b>

\* Variation is to Original Budget

Expenses include net abnormal and extraordinary expenses

### *Statement of Financial Position*

Assets of the Territory are expected to total \$9,584m by 30 June 2000. This is an improvement on the budgeted result (by \$128.8m), as a result of increased cash and investments, increased receivables (reflected in the rise in user charge revenue) and a higher level of capital works in progress. The improvement contributes to a net asset position of \$6,815m for the Territory.

The net asset position has decreased from the opening position, due mainly to the operating loss result for 1999-2000, however the net asset position is expected to improve over time as the GGS sector moves into a surplus result.

**Table 3.10**  
**Consolidated Total Territory**  
**1999-2000 Forecast Operating Statement**

	<b>1999-00 Budget \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>Revenue</b>		
Taxes, Fees and Fines	642 217	688 463
User Charges - Non ACT Government	542 229	559 650
Grants from the Commonwealth	679 173	676 644
Interest	60 588	41 277
Other Revenue	121 962	187 206
<b>Total Revenue</b>	<b>2 046 169</b>	<b>2 153 240</b>
<b>Expenses</b>		
Employee Expenses	742 841	759 067
Superannuation Expenses	204 301	166 248
Administrative Expenses	402 955	418 129
Depreciation and Amortisation	208 574	204 248
Interest	59 540	59 578
Cost of Goods Sold	186 013	212 479
Grants and Purchased Services	236 072	228 593
Other Expenses	69 305	113 436
<b>Total Expenses</b>	<b>2 109 600</b>	<b>2 161 778</b>
<b>Operating Result</b>	<b>(63 431)</b>	<b>(8 538)</b>

**Table 3.11**  
**Consolidated Total Territory**  
**1999-2000 Forecast Statement of Financial Position**

	<b>1999-00 Budgeted Opening Balance \$'000</b>	<b>1999-00 Audited Opening Balance \$'000</b>	<b>Budgeted Result 30 June 2000 \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>Current Assets</b>				
Cash	75 781	30 015	79 808	63 560
Receivables	120 367	173 288	124 125	162 738
Investments	524 835	640 752	883 119	983 943
Inventories	36 718	35 809	38 867	50 857
Works in Progress	1 887			
Other	15 637	39 151	15 377	16 530
<b>Total Current Assets</b>	<b>775 224</b>	<b>919 015</b>	<b>1 141 296</b>	<b>1 277 628</b>
<b>Non-Current Assets</b>				
Receivables	152 020	136 210	129 355	194 115
Investments	19 419	19 440	17 990	15 705
Inventories	49 446	42 922	49 379	41 637
Property, Plant and Intangibles	7 924 489	8 060 327	7 919 757	7 927 343
Capital Works in Progress	2 034		1 680	1 664
Other	73 583	47 560	110 396	121 329
Other	91 734	32 209	85 161	4 401
<b>Total Non Current Assets</b>	<b>8 312 724</b>	<b>8 338 668</b>	<b>8 313 719</b>	<b>8 306 194</b>
<b>TOTAL ASSETS</b>	<b>9 087 948</b>	<b>9 257 683</b>	<b>9 455 014</b>	<b>9 583 822</b>
<b>Current Liabilities</b>				
Creditors	71 502	142 681	66 918	144 193
Borrowings	125 642	139 720	464 366	178 464
Finance Leases	13 092	10 186	12 254	15 614
Employee Entitlements	123 359	125 059	128 882	160 063
Other Provisions	4 402	4 939	4 458	3 428
Other	24 295	38 053	19 044	39 396
<b>Total Current Liabilities</b>	<b>362 292</b>	<b>460 639</b>	<b>695 922</b>	<b>541 158</b>
<b>Non-Current Liabilities</b>				
Creditors	4 270	5 509	8 471	10 796
Borrowings	540 607	544 650	479 258	710 983
Finance Leases	56 289	48 611	45 387	53 334
Employee Entitlements	1 363 707	1 346 809	1 524 927	1 445 707
Other Provisions	3 103	6 487	2 976	1 523
Other	1 116	1 077	925	5 951
<b>Total Non-Current Liabilities</b>	<b>1 969 092</b>	<b>1 953 143</b>	<b>2 061 944</b>	<b>2 227 294</b>
<b>TOTAL LIABILITIES</b>	<b>2 331 385</b>	<b>2 413 782</b>	<b>2 757 865</b>	<b>2 768 452</b>
<b>NET ASSETS</b>	<b>6 756 563</b>	<b>6 843 901</b>	<b>6 697 149</b>	<b>6 815 370</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>				
Accumulated Funds	5 866 325	5 797 431	5 814 705	5 791 640
Reserves	890 238	1 046 470	882 445	1 023 730
<b>TOTAL FUNDS EMPLOYED</b>	<b>6 756 563</b>	<b>6 843 901</b>	<b>6 697 149</b>	<b>6 815 370</b>

**Table 3.12**  
**Consolidated Total Territory**  
**1999-2000 Forecast Cashflow Statement**

	<b>1999-00 Budget \$'000</b>	<b>1999-00 Estimated Outcome \$'000</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>312 162</b>	<b>68 365</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Taxes, Fees and Fines	642 329	688 983
User Charges	545 857	558 144
Interest Received	36 319	34 032
Grants received from the Commonwealth	679 173	678 189
Other Revenue	76 412	96 768
<b>Operating Receipts</b>	<b>1 980 089</b>	<b>2 056 116</b>
<b>Payments</b>		
Related to Employees	771 612	785 960
Related to Administration	396 734	420 889
Finance Costs	59 538	54 711
Grants and Purchased Services	236 073	227 765
Other	247 801	273 488
<b>Operating Payments</b>	<b>1 711 758</b>	<b>1 762 813</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>268 331</b>	<b>293 303</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Receipts</b>		
Sale of Property Plant and Equipment	38 042	45 723
Proceeds from Sale/Maturity of Investments	1 805 517	1 336 846
Proceeds from Sale of Land	0	235
Repayment of Housing Loan	25 273	30 702
<b>Investing Receipts</b>	<b>1 868 832</b>	<b>1 413 506</b>
<b>Payments</b>		
Purchase of Property, Plant and Equipment	254 883	241 739
Purchase of Investments	2 133 398	1 649 584
<b>Investing Payments</b>	<b>2 388 281</b>	<b>1 891 323</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>(519 449)</b>	<b>(477 817)</b>

**Table 3.12 (continued)**  
**Consolidated Total Territory**  
**1999-2000 Forecast Cashflow Statement**

	<b>1999-00</b>	<b>1990-00</b>
	<b>Budget</b>	<b>Estimated</b>
	<b>\$'000</b>	<b>Outcome</b>
		<b>\$'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Receipts</b>		
Borrowings received	1 165 792	1 066 092
Proceeds from Finance Leases	0	161
<b>Financing Receipts</b>	<b>1 165 792</b>	<b>1 066 253</b>
<b>Payments</b>		
Repayment of Borrowings	877 968	842 236
Repayment of Finance Lease	11 585	9 498
Repayment of Investment to Agencies	17 872	18 203
<b>Financing Payments</b>	<b>907 425</b>	<b>869 937</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>258 367</b>	<b>196 316</b>
<b>NET CASH INFLOW/(OUTFLOW) IN CASH HELD</b>	<b>7 250</b>	<b>11 802</b>
<b>CASH AT END REPORTING PERIOD</b>	<b>319 412</b>	<b>80 167</b>

*Note: Cash on the cashflow statement may not equal cash at bank on the balance sheet due to some agencies reporting cash as investments.*

