

## DEPARTMENT OF TREASURY

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### Objectives

The Department of Treasury (Treasury) provides strategic financial and economic policy advice to the Government with the aim of promoting the Territory's financial position and economic management.

Treasury plays a leading role in promoting accountability and transparency in the delivery of services to the community. This is achieved through sound financial policies, management practices and analysis.

### 2010-11 Priorities

Strategic and operational issues to be pursued in 2010-11 include:

- assisting the Government to maintain the Territory's AAA credit rating through sound and sustainable economic and financial management;
- continuing expenditure reviews to advise the Government on options to achieve the savings adjustment required to return the Budget to surplus by 2013-14;
- undertaking post implementation program/initiative evaluations through the Expenditure Review and Evaluation Committee to provide advice to the Budget Committee of Cabinet on whether the desired objectives are being met and options to improve the efficiency and effectiveness of the existing public expenditure;
- providing regular updates to the Budget Committee of Cabinet on the Territory's finances;
- analysing and advising on the impact on the Territory of Australia's Future Tax System review;
- coordinating the Government's budget and reporting on financial outcomes;
- completing the codification of Change of Use project;
- continuing to improve the Territory's financial management framework;
- continuing to monitor and provide regular advice to the Government on the progress of its capital program, including regular reports to the Budget Committee of Cabinet;
- implementing the Seamless National Economy National Partnership;
- strengthening the Territory's Regulatory Impact Statement processes in harmony with the Council of Australian Governments agreement;
- assisting the Government on gaming machine caps and allocations;
- implementing reforms to funding arrangements for ACT racing clubs; and
- continuing reforms of the ACT compulsory third party scheme.

## Business and Corporate Strategies

Treasury will assist the Government to implement financially and economically sustainable policies and programs.

In accordance with its business, risk management and human resource plans, Treasury will:

- identify the most effective and efficient use of available resources through analysing programs and expenditure proposals;
- strengthen collaborative relationships with Government departments, external organisations and other agencies through negotiation, consultation, best practice governance arrangements and effective service delivery; and
- build Treasury's capabilities through effective leadership, staff retention, recruitment policies, and personal and professional development practices.

### Estimated Employment Level

2008-09 Actual Outcome	2009-10 Budget	2009-10 Est. Outcome	2010-11 Budget
174 <sup>2</sup> Staffing (FTE) <sup>1</sup>	185	173 <sup>2</sup>	185

**Notes:**

1. Excludes the Superannuation Provision Account.
2. These figures do not include contractors. The decrease of 12 FTEs in the 2009-10 estimated outcome from the original budget is due to temporary vacancies that existed as at April 2010.

## Strategic Indicators

### Strategic Indicator 1

#### Achieving a Budget Operating Surplus

The Government's objective is to achieve an operating surplus: temporary deficits must only occur if they are offset by surpluses at other times.

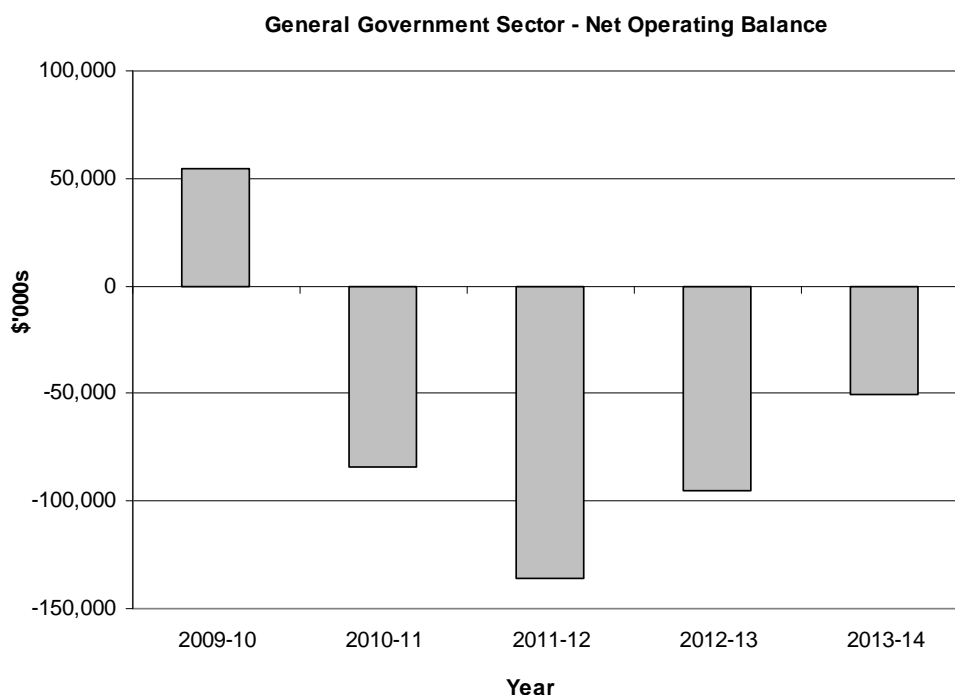
The Government introduced a Budget Plan in the 2009-10 Budget to outline a path to returning the Budget to surplus by 2015-16.

The General Government Sector is in deficit across the budget and forward estimates.

The Government remains committed to restoring the Budget to surplus.

The Budget Plan has been reset in the 2010-11 Budget, and now targets a return to surplus by 2013-14, two years earlier than projected. The Budget incorporates savings in order to progress this task. The Plan has also been updated to take account of changes in the economy, revenue growth and new policy initiatives.

Detailed information for this indicator, and the longer term plan to restore the budget to surplus, is included in *Budget Paper 3 — Budget Overview*.



## Strategic Indicators cont.

### Strategic Indicator 2 Maintaining a AAA Credit Rating

Standard & Poor's assesses the Territory's credit rating each year. The Territory currently has the highest possible credit rating - a AAA credit rating.

Treasury assists the Government to maintain this credit rating through the provision of sound policy advice.

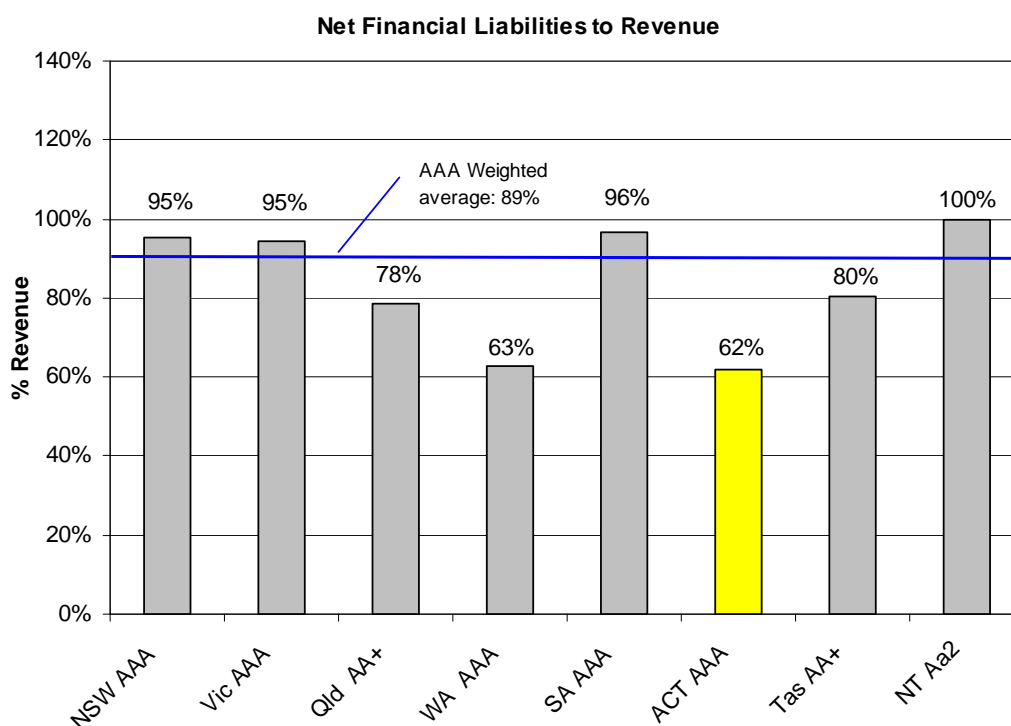
### Strategic Indicator 3 Maintain Net Financial Liabilities within the Range of AAA Rated Jurisdictions

Net financial liabilities are a broad measure of General Government Sector liabilities, including net debt and superannuation liabilities. The ACT continues to have a strong balance sheet, and remains below the weighted average level for all AAA rated jurisdictions.

The ratio for the 2010-11 Budget remains comparable to the 2009-10 Budget ratio.

The ratios appearing in the below table for all other jurisdictions are based on their Mid Year Reviews.

Detailed information for this indicator is included in *Budget Paper 3 - Budget Overview*.



## Strategic Indicators cont.

### Strategic Indicator 4

To be Among the Top 4 Jurisdictions in Taxation Revenue Forecasting Accuracy

Treasury assists the Government in achieving better policy and planning outcomes through forecasting economic and fiscal variables, including taxation revenue, that provide the basis for resource allocation in the annual budget process.

Actual taxation revenue will rarely precisely agree with the revenue forecast in a Budget due to factors outside the Government's control. There are, however, boundaries of acceptable variance. This strategic indicator is designed to identify if the forecast variance is within a reasonable limit of expectation or whether an improvement in the statistical models and the process of producing these forecasts is required.

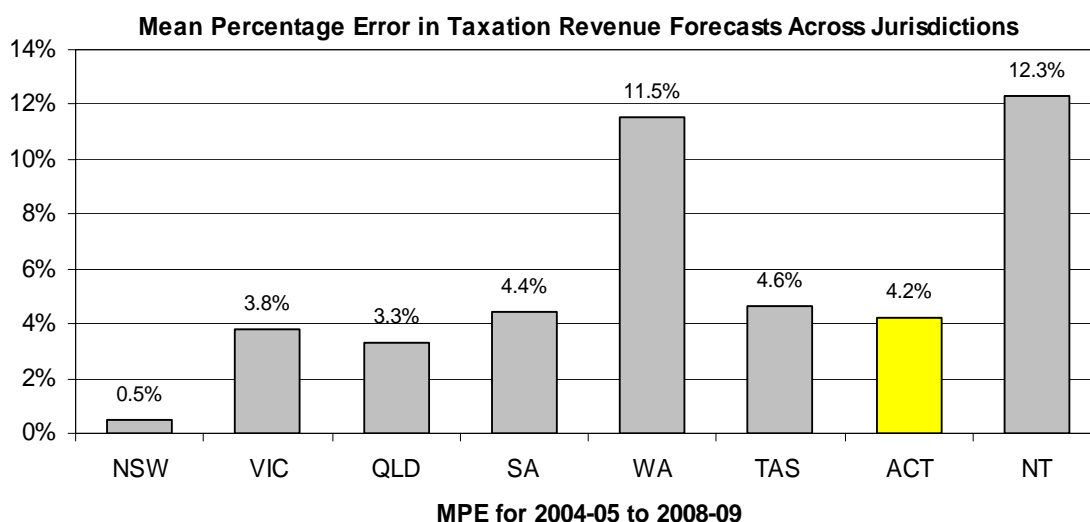
The Territory's forecasting performance is evaluated in comparison to other jurisdictions based on the Mean Percentage Error (MPE) of the most recent five years forecasts for General Government Sector taxation revenue<sup>1</sup>. A rolling average of five years forecast errors is used to minimise the influence of events at the national and international level that can have a dissimilar impact on jurisdictions due to their different economic structures and different sources of revenue.

The objective is for the Territory to be among the top four jurisdictions in taxation revenue forecasting accuracy.

MPE	ACT Ranking	NSW	VIC	QLD	SA	WA	TAS	ACT	NT
		%	%	%	%	%	%	%	%
2001-02 to 2005-06	3rd	2.3	4.6	10.0	7.2	13.8	12.2	5.9	*
2002-03 to 2006-07	4th	3.3	5.6	11.5	7.9	16.5	11.7	9.1	*
2003-04 to 2007-08	4th	2.4	6.3	9.3	7.6	17.8	10.3	8.3	12.8
2004-05 to 2008-09	4th	0.5	3.8	3.3	4.4	11.5	4.6	4.2	12.3

**Notes:**

1. Forecasts for General Government Sector taxation revenue are based on Australian Bureau of Statistics publications.
- \* Forecast variance information for the Northern Territory is not available.



## Output Classes

	Total Cost <sup>1</sup>		Government Payment for Outputs	
	2009-10	2010-11	2009-10	2010-11
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
<b>Output Class 1:</b>				
<b>Financial and Economic Management</b>	41,077	55,315	37,131	49,741
<b>Output 1.1: Economic Management</b>	5,623	8,065	5,525	7,814

**Note:**

1. Total cost includes depreciation and amortisation of \$1.567 million in 2009-10 and \$2.367 million in 2010-11.

### *Output Description*

This output covers a range of services including: economic policy advice, regulatory reform advice, analysis of major projects, federal financial relations, insurance policy advice, gambling and racing policy advice and oversight of the Territory's investments and debt.

The key outputs to be delivered in 2010-11 include:

- monitoring and advising on the state of the ACT economy;
- coordinating ACT Government involvement with the Commonwealth Grants Commission (CGC);
- overseeing the implementation of the COAG regulatory reform program;
- consolidating reforms to the ACT compulsory third party insurance scheme with the aim of facilitating the entry of additional insurers into the market;
- managing changes to the funding of the ACT racing industry; and
- implementing changes to gaming machine allocations.

	Total Cost		Government Payment for Outputs	
	2009-10	2010-11	2009-10	2010-11
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
<b>Output 1.2: Financial Management</b>	22,023	32,601	18,493	28,695

### *Output Description*

Provision of analysis, monitoring and reporting on the financial performance of agencies and the Territory's Budget, to assist the Government to achieve its policy objectives.

The key outputs to be delivered in 2010-11 include:

- the preparation and presentation of the Government's annual budget, budget review and annual financial statements;
- quarterly whole of government consolidated management reports;
- reporting to external agencies including the Australian Loan Council, the Australian Bureau of Statistics and the CGC;
- reviews of government programs and functions; and
- advice on the structure and operation of Government Business Enterprises.

## Output Classes cont.

	Total Cost		Government Payment for Outputs	
	2009-10	2010-11	2009-10	2010-11
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
<b>Output 1.3: Revenue Management</b>	13,431	14,649	13,113	13,232

### *Output Description*

This output provides for the administration of the ACT Government's taxation revenue. It also includes the provision of policy advice on taxation matters.

The key outputs to be delivered in 2010-11 include:

- collecting taxation revenue in line with budget estimates;
- providing high quality and timely advice to assist taxpayers meet their obligations;
- processing objections to assessments and decisions, in accordance with timeframes published on the ACT Revenue Office website;
- processing around 1,800 Home Buyer Concession Scheme transactions; and
- processing around 2,500 First Home Owner Grant applications.

## Accountability Indicators

	2009-10 Targets	2009-10 Est. Outcome	2010-11 Targets
<b>Output Class 1: Financial and Economic Management</b>			
<b>Output 1.1: Economic Management</b>			
a. Briefings on the ACT Economy	117	117	117
b. Submission to CGC Annual Update	1	1	1
c. Submissions to the CGC Major Review <sup>1</sup>	2	2	n/a
d. Submission to credit rating agency <sup>2</sup>	1	1	1

### Notes:

1. The CGC major review was completed in 2009-10 with the final report issued in February 2010. The CGC is not expected to conduct a major review in 2010-11.
2. The credit rating agency submission is a day long meeting with the agency, which includes a presentation.

	2009-10 Targets	2009-10 Est. Outcome	2010-11 Targets
<b>Output 1.2: Financial Management</b>			
a. Budget	1	1	n/a
b. Budget presented in accordance with legislative timeframes <sup>1</sup>	n/a	n/a	1
c. Budget Review presented in accordance with legislative timeframes <sup>2</sup>	n/a	n/a	1
d. Annual Financial Reports	1	1	n/a
e. Annual Financial Statements for the Territory provided in accordance with legislative timeframes <sup>3</sup>	n/a	n/a	1
f. Quarterly Reports	4	4	n/a
g. Quarterly Consolidated Financial Statements presented in accordance with legislative timeframes <sup>4</sup>	n/a	n/a	4
h. Policy/ Service Area Reviews	1	1	1

### Notes:

1. The Territory Budget presented to the Legislative Assembly in accordance with the timing prescribed in section 5 of the *Financial Management Act*.
2. The Budget Review for the Territory presented to the Legislative Assembly in accordance with the timing prescribed in section 20A of the *Financial Management Act*.
3. The Annual Financial Statements for the Territory to be provided to the Auditor-General in accordance with the timing prescribed in section 24 of the *Financial Management Act*.
4. The Quarterly Consolidated Financial Statements to be presented to the Legislative Assembly in accordance with the timing prescribed in section 26 of the *Financial Management Act*.

	2009-10 Targets	2009-10 Est. Outcome	2010-11 Targets
<b>Output 1.3: Revenue Management</b>			
a. Debt Management - level of overdue debt as a percentage of Treasury tax revenue <sup>1</sup>	2.5%	2.6%	2.5%
b. Compliance revenue per inspector	\$360,000	\$360,000	\$360,000

### Note:

1. The wording of the indicator has changed from 'level of outstanding debt' for 2009-10 to 'level of overdue debt' for 2010-11. The change is aimed at clarifying the measure and does not reflect a change in the existing methodology. The indicator measures the level of overdue collectable debt as a percentage of forecast Treasury tax revenue. Excludes matters subject to objection and appeals, under liquidation and agreements made by the ACT Government in respect of pending waivers.

## Changes to Appropriation

### Changes to Appropriation - Departmental

	2009-10	2010-11	2011-12	2012-13	2013-14
Government Payment for Outputs	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2009-10 Budget</b>	<b>42,496</b>	<b>34,818</b>	<b>31,253</b>	<b>31,204</b>	<b>31,204</b>
<b>FMA Section 16B Rollovers from 2008-09</b>					
Oracle Government Financials	96	-	-	-	-
<b>Technical Adjustment</b>					
Act of Grace Payment	25	-	-	-	-
<b>2010-11 Budget Policy Adjustments</b>					
Support for Accelerated Land Development	-	3,000	3,000	1,000	1,000
ACT Government Office Project - Procurement Planning and Documentation	-	3,100	-	-	-
Revised Wage Parameters	-	226	392	397	402
Efficiency Dividend	-	-	(312)	(477)	(652)
<b>2010-11 Budget Technical Adjustments</b>					
Revised Indexation Parameters	-	5	6	6	556
Racing Industry Funding Review	-	40	-	-	-
Restructure Fund	-	-	3,500	1,000	1,000
National Partnership - Standard Business Reporting Program	86	-	-	-	-
National Partnership - A Seamless National Economy	-	580	2,775	1,040	935
Transfer - Government Office Building (Project Advice) to the Department of Land and Property Services	(600)	-	-	-	-
Rollover - Administration of CTPI Levy	(140)	140	-	-	-
Rollover - Whole of Government - Capital Improvements Program	(431)	431	-	-	-
Rollover - Government Office Building (Project Advice)	(100)	100	-	-	-
Rollover - Whole of Government - Asset Management and Capital Delivery Planning	(1,159)	1,159	-	-	-
Rollover - Restructure Fund	(3,000)	3,000	-	-	-
Rollover - Government Financial Systems	(142)	142	-	-	-
Revised Funding Profile - Restructure Fund	-	3,000	716	-	-
<b>2010-11 Budget</b>	<b>37,131</b>	<b>49,741</b>	<b>41,330</b>	<b>34,170</b>	<b>34,445</b>

## Changes to Appropriation cont.

### Changes to Appropriation - Territorial

	2009-10	2010-11	2011-12	2012-13	2013-14
Payment for Expenses on Behalf of Territory	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2009-10 Budget</b>	<b>33,472</b>	<b>28,374</b>	<b>27,457</b>	<b>27,636</b>	<b>27,636</b>
<b>Technical Adjustments</b>					
National Partnership - First Home Owners Boost	14,048	-	-	-	-
Treasurer's Advance - First Home Owners Boost and First Home Owner Grant	2,500	-	-	-	-
<b>2010-11 Budget Technical Adjustment</b>					
Revised First Home Owner Grant	-	(747)	(967)	(1,046)	(1,056)
Revised First Home Owners Boost	-	(276)	93	-	-
Racing Development Funding Adjustment	-	371	(1,474)	(1,459)	(1,262)
<b>2010-11 Budget</b>	<b>50,020</b>	<b>27,722</b>	<b>25,109</b>	<b>25,131</b>	<b>25,318</b>

### Changes to Appropriation - Departmental

	2009-10	2010-11	2011-12	2012-13	2013-14
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2009-10 Budget</b>	<b>12,094</b>	<b>10,300</b>	<b>7,300</b>	<b>300</b>	<b>300</b>
<b>FMA Section 16B Rollovers from 2008-09</b>					
Oracle Government Financials	92	-	-	-	-
<b>2010-11 Budget Technical Adjustment</b>					
National Partnership - Standard Business Reporting	527	-	-	-	-
Cessation - Mortgage Relief Fund	-	-	-	-	(300)
<b>2010-11 Budget</b>	<b>12,713</b>	<b>10,300</b>	<b>7,300</b>	<b>300</b>	<b>-</b>

### Changes to Appropriation - Territorial

	2009-10	2010-11	2011-12	2012-13	2013-14
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2009-10 Budget</b>	<b>21,000</b>	<b>21,600</b>	<b>22,300</b>	<b>22,300</b>	<b>22,300</b>
<b>FMA Section 16B Rollovers from 2008-09</b>					
Rollover - Land Rent Scheme	10,169	-	-	-	-
<b>2010-11 Budget Technical Adjustment</b>					
Revised Funding Profile - Land Rent Scheme	-	10,000	-	-	-
<b>2010-11 Budget</b>	<b>31,169</b>	<b>31,600</b>	<b>22,300</b>	<b>22,300</b>	<b>22,300</b>

**Department of Treasury**  
**Operating Statement**

<b>2009-10 Budget \$'000</b>		<b>2009-10 Est.Outcome \$'000</b>	<b>2010-11 Budget \$'000</b>	<b>Var %</b>	<b>2011-12 Estimate \$'000</b>	<b>2012-13 Estimate \$'000</b>	<b>2013-14 Estimate \$'000</b>
<b>Income</b>							
<b>Revenue</b>							
42,496	Government Payment for Outputs	37,131	49,741	34	41,330	34,170	34,445
10	User Charges - ACT Government	10	10	-	10	10	10
893	Interest	1,064	1,710	61	2,093	2,250	2,250
500	Resources Received Free of Charge	1,150	1,150	-	1,150	1,150	1,150
<b>43,899</b>	<b>Total Revenue</b>	<b>39,355</b>	<b>52,611</b>	<b>34</b>	<b>44,583</b>	<b>37,580</b>	<b>37,855</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>43,899</b>	<b>Total Income</b>	<b>39,355</b>	<b>52,611</b>	<b>34</b>	<b>44,583</b>	<b>37,580</b>	<b>37,855</b>
<b>Expenses</b>							
15,474	Employee Expenses	15,653	15,912	2	15,996	16,040	16,110
2,672	Superannuation Expenses	2,678	2,734	2	2,712	2,593	2,626
13,442	Supplies and Services	11,887	19,271	62	13,048	12,917	13,188
2,003	Depreciation and Amortisation	1,567	2,367	51	2,372	927	124
894	Borrowing Costs	1,065	1,710	61	2,093	2,250	2,250
11,633	Grants and Purchased Services	8,202	13,321	62	10,828	3,881	3,782
0	Other Expenses	25	0	-100	0	0	0
<b>46,118</b>	<b>Total Ordinary Expenses</b>	<b>41,077</b>	<b>55,315</b>	<b>35</b>	<b>47,049</b>	<b>38,608</b>	<b>38,080</b>
<b>-2,219</b>	<b>Operating Result</b>	<b>-1,722</b>	<b>-2,704</b>	<b>-57</b>	<b>-2,466</b>	<b>-1,028</b>	<b>-225</b>
<b>-2,219</b>	<b>Total Comprehensive Income</b>	<b>-1,722</b>	<b>-2,704</b>	<b>-57</b>	<b>-2,466</b>	<b>-1,028</b>	<b>-225</b>

**Department of Treasury**  
**Balance Sheet**

<b>Budget</b>		<b>Est.Outcome</b>	<b>Planned</b>		<b>Planned</b>	<b>Planned</b>	<b>Planned</b>
<b>as at 30/6/10</b>		<b>as at 30/6/10</b>	<b>as at 30/6/11</b>	<b>Var</b>	<b>as at 30/6/12</b>	<b>as at 30/6/13</b>	<b>as at 30/6/14</b>
<b>\$'000</b>		<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current Assets</b>							
1,754	Cash and Cash Equivalents	1,704	1,617	-5	1,730	1,843	1,956
321	Receivables	269	329	22	389	449	449
12	Other	3	3	-	3	3	3
<b>2,087</b>	<b>Total Current Assets</b>	<b>1,976</b>	<b>1,949</b>	<b>-1</b>	<b>2,122</b>	<b>2,295</b>	<b>2,408</b>
<b>Non Current Assets</b>							
33,240	Receivables	33,240	43,480	31	50,720	50,960	50,960
98	Property, Plant and Equipment	454	432	-5	406	282	158
4,339	Intangibles	3,984	3,149	-21	803	0	0
0	Capital Works in Progress	1,510	0	-100	0	0	0
<b>37,677</b>	<b>Total Non Current Assets</b>	<b>39,188</b>	<b>47,061</b>	<b>20</b>	<b>51,929</b>	<b>51,242</b>	<b>51,118</b>
<b>39,764</b>	<b>TOTAL ASSETS</b>	<b>41,164</b>	<b>49,010</b>	<b>19</b>	<b>54,051</b>	<b>53,537</b>	<b>53,526</b>
<b>Current Liabilities</b>							
988	Payables	869	920	6	971	1,022	1,073
35	Finance Leases	76	76	-	76	76	76
4,549	Employee Benefits	5,295	5,490	4	5,646	5,809	5,972
<b>5,572</b>	<b>Total Current Liabilities</b>	<b>6,240</b>	<b>6,486</b>	<b>4</b>	<b>6,693</b>	<b>6,907</b>	<b>7,121</b>
<b>Non Current Liabilities</b>							
33,000	Interest Bearing Liabilities	33,000	43,000	30	50,000	50,000	50,000
0	Finance Leases	47	47	-	47	47	47
240	Employee Benefits	313	317	1	317	317	317
<b>33,240</b>	<b>Total Non Current Liabilities</b>	<b>33,360</b>	<b>43,364</b>	<b>30</b>	<b>50,364</b>	<b>50,364</b>	<b>50,364</b>
<b>38,812</b>	<b>TOTAL LIABILITIES</b>	<b>39,600</b>	<b>49,850</b>	<b>26</b>	<b>57,057</b>	<b>57,271</b>	<b>57,485</b>
<b>952</b>	<b>NET ASSETS</b>	<b>1,564</b>	<b>-840</b>	<b>-154</b>	<b>-3,006</b>	<b>-3,734</b>	<b>-3,959</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
952	Accumulated Funds	1,564	-840	-154	-3,006	-3,734	-3,959
<b>952</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>1,564</b>	<b>-840</b>	<b>-154</b>	<b>-3,006</b>	<b>-3,734</b>	<b>-3,959</b>

**Department of Treasury**  
**Cash Flow Statement**

2009-10 Budget \$'000		2009-10 Est.Outcome \$'000	2010-11 Budget \$'000	Var %	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
	<b>Receipts</b>						
42,496	Cash from Government for Outputs	37,131	49,741	34	41,330	34,170	34,445
10	User Charges	247	10	-96	10	10	10
893	Interest Received	1,064	1,710	61	2,093	2,250	2,250
1,068	Other Revenue	1,068	1,068	-	1,068	1,068	1,068
<b>44,467</b>	<b>Operating Receipts</b>	<b>39,510</b>	<b>52,529</b>	<b>33</b>	<b>44,501</b>	<b>37,498</b>	<b>37,773</b>
	<b>Payments</b>						
15,398	Related to Employees	15,520	15,713	1	15,840	15,877	15,947
2,650	Related to Superannuation	2,656	2,712	2	2,690	2,571	2,604
12,802	Related to Supplies and Services	10,750	17,981	67	11,758	11,627	11,898
894	Borrowing Costs	1,065	1,710	61	2,093	2,250	2,250
11,633	Grants and Purchased Services	8,202	13,321	62	10,828	3,881	3,782
4,503	Other	4,528	1,179	-74	1,179	1,179	1,179
<b>47,880</b>	<b>Operating Payments</b>	<b>42,721</b>	<b>52,616</b>	<b>23</b>	<b>44,388</b>	<b>37,385</b>	<b>37,660</b>
<b>-3,413</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>-3,211</b>	<b>-87</b>	<b>97</b>	<b>113</b>	<b>113</b>	<b>113</b>
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
	<b>Receipts</b>						
0	Repayment of Home Loan Principal	0	60	#	120	180	240
<b>0</b>	<b>Investing Receipts</b>	<b>0</b>	<b>60</b>	<b>#</b>	<b>120</b>	<b>180</b>	<b>240</b>
	<b>Payments</b>						
270	Purchase of Property, Plant and Equipment and Capital Works	797	0	-100	0	0	0
600	Purchase of Land and Intangibles	1,118	0	-100	0	0	0
8,300	Other Payments	8,300	10,360	25	7,420	480	240
<b>9,170</b>	<b>Investing Payments</b>	<b>10,215</b>	<b>10,360</b>	<b>1</b>	<b>7,420</b>	<b>480</b>	<b>240</b>
<b>-9,170</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-10,215</b>	<b>-10,300</b>	<b>-1</b>	<b>-7,300</b>	<b>-300</b>	<b>0</b>
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
	<b>Receipts</b>						
12,094	Capital Injection from Government	12,713	10,300	-19	7,300	300	0
<b>12,094</b>	<b>Financing Receipts</b>	<b>12,713</b>	<b>10,300</b>	<b>-19</b>	<b>7,300</b>	<b>300</b>	<b>0</b>
	<b>Payments</b>						
3	Repayment of Finance Lease	3	0	-100	0	0	0
<b>3</b>	<b>Financing Payments</b>	<b>3</b>	<b>0</b>	<b>-100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>12,091</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>12,710</b>	<b>10,300</b>	<b>-19</b>	<b>7,300</b>	<b>300</b>	<b>0</b>
<b>-492</b>	<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>-716</b>	<b>-87</b>	<b>88</b>	<b>113</b>	<b>113</b>	<b>113</b>
<b>2,246</b>	<b>CASH AT BEGINNING OF REPORTING PERIOD</b>	<b>2,420</b>	<b>1,704</b>	<b>-30</b>	<b>1,617</b>	<b>1,730</b>	<b>1,843</b>
<b>1,754</b>	<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>1,704</b>	<b>1,617</b>	<b>-5</b>	<b>1,730</b>	<b>1,843</b>	<b>1,956</b>

**Department of Treasury**  
**Statement of Changes in Equity**

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
	<b>Opening Equity</b>						
2,401	Opening Accumulated Funds	1,897	1,564	-18	-840	-3,006	-3,734
<b>2,401</b>	<b>Balance at the Start of the Reporting Period</b>	<b>1,897</b>	<b>1,564</b>	<b>-18</b>	<b>-840</b>	<b>-3,006</b>	<b>-3,734</b>
	<b>Comprehensive Income</b>						
-2,219	Operating Result for the Period	-1,722	-2,704	57	-2,466	-1,028	-225
<b>-2,219</b>	<b>Total Comprehensive Income</b>	<b>-1,722</b>	<b>-2,704</b>	<b>57</b>	<b>-2,466</b>	<b>-1,028</b>	<b>-225</b>
<b>0</b>	<b>Total Movement in Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Transactions Involving Owners Affecting Accumulated Funds</b>						
4,094	Capital Injections	4,713	300	-94	300	300	0
-3,324	Increase/(Decrease) in Net Assets due to Admin Restructure	-3,324	0	100	0	0	0
<b>770</b>	<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>	<b>1,389</b>	<b>300</b>	<b>-78</b>	<b>300</b>	<b>300</b>	<b>0</b>
	<b>Closing Equity</b>						
952	Closing Accumulated Funds	1,564	-840	-154	-3,006	-3,734	-3,959
<b>952</b>	<b>Balance at the End of the Reporting Period</b>	<b>1,564</b>	<b>-840</b>	<b>-154</b>	<b>-3,006</b>	<b>-3,734</b>	<b>-3,959</b>

### Notes to the Budget Statements

Significant variations are as follows:

#### *Operating Statement*

- government payment for outputs:
  - the decrease of \$5.365 million in the 2009-10 estimated outcome from the original budget is mainly due to the rollover of funding for the Restructure Fund (\$3 million), Whole of Government – Asset Management and Capital Delivery Planning initiative (\$1.159 million), Capital Improvements Program (\$0.431 million) and the transfer of funds for the Government Office Building – Project Advice initiative to the Department of Land and Property Services (LAPS) (\$0.6 million); and

- the increase of \$12.610 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to new funding for the Support for Accelerated Land Development initiative (\$3 million), revised funding profile for the Restructure Fund (\$2.485 million), the Whole of Government – Asset Management and Capital Delivery Planning initiative (\$2.283 million), ACT Government Office Project initiative (\$4.238 million), Seamless National Economy NP (\$1.930 million), indexation (\$0.291 million) and revised wage parameters (\$0.424 million) partially offset by decreased funding for the Capital Improvements Program (\$2.298 million), the Standard Business Reporting Program NP (\$0.186 million), the cessation of the Council of Australian Government Additional Resourcing initiative (\$0.143 million) and the efficiency dividend (\$0.325 million).
- interest received:
  - the increase of \$0.171 million in the 2009-10 estimated outcome from the original budget reflects an increase in interest rates during 2009-10; and
  - the increase of \$0.646 million in the 2010-11 Budget from the 2009-10 estimated outcome reflects the further drawdown of the finance facility to Community Housing Canberra (CHC) and an increase in interest rates.
- resources received free of charge: the increase of \$0.650 million in the 2009-10 estimated outcome from the original budget is to reflect actual legal expenditure trends in recent years.
- employee expenses:
  - the increase of \$0.179 million in the 2009-10 estimated outcome from the original budget is mainly due to revised wage parameters (\$0.104 million) and the increased expenditure for the Standard Business Reporting Program NP (\$0.086 million); and
  - the increase of \$0.259 million in the 2010-11 Budget from the 2009-10 estimated outcome mainly reflects revised wage parameters (\$0.342 million), partially offset by the cessation of the Council of Australian Government Additional Resourcing initiative in 2009-10 (\$0.114 million).
- supplies and services:
  - the decrease of \$1.555 million in the 2009-10 estimated outcome from the original budget is mainly due to the rollover of the Whole of Government – Asset Management and Capital Delivery Planning initiative (\$1.159 million) and the transfer of funds for the Government Office Building – Project Advice initiative to LAPS (\$0.6 million), partially offset by an increase in resources received free of charge to reflect actual expenditure trends in recent years (\$0.650 million); and
  - the increase of \$7.384 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to increased expenditure for the Whole of Government – Asset Management and Capital Delivery Planning initiative (\$2.283 million), ACT Government Office Project initiative (\$4.238 million), the Whole of Government Financial Systems (\$0.394 million) and indexation (\$0.291 million).

- depreciation and amortisation: the decrease of \$0.436 million in the 2009-10 estimated outcome from the original budget and the increase of \$0.8 million in the 2010-11 Budget from the 2009-10 estimated outcome mainly reflects delays associated with the Revenue IT System upgrades.
- borrowing costs:
  - the increase of \$0.171 million in the 2009-10 estimated outcome from the original budget reflects an increase in interest rates during 2009-10; and
  - the increase of \$0.645 million in the 2010-11 Budget from the 2009-10 estimated outcome mainly reflects the further drawdown of the finance facility to CHC and increase in interest rates.
- grants and purchased services:
  - the decrease of \$3.431 million in the 2009-10 estimated outcome from the original budget reflects the impact of rollovers between financial years; and
  - the increase of \$5.119 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to new expenditure for the Support for Accelerated Land Development initiative (\$3 million) and increased expenditure for the Seamless National Economy NP (\$1.930 million) and the Restructure Fund (\$2.485 million), partially offset by decreased expenditure from the Capital Improvements Program (\$2.298 million).

#### *Balance Sheet*

- non current receivables: the increase of \$10.240 million in the 2010-11 Budget from the 2009-10 estimated outcome reflects the amount expected to be drawn under the finance facility for Community Housing Canberra (\$10 million) and the net increase in loans expected to be provided under the Mortgage Relief Fund initiative (\$0.240 million).
- property, plant and equipment: the increase of \$0.356 million in the 2009-10 estimated outcome from the original budget is mainly due to the reassessment of leasehold improvements and leased plant and equipment following the 2008-09 audited outcome.
- intangibles:
  - the decrease of \$0.355 million in the 2009-10 estimated outcome from the original budget is mainly due to the reassessment of intangibles following the 2008-09 audit outcome and the delays associated with the finalisation of the Revenue IT System upgrades; and
  - the decrease of \$0.835 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to the amortisation associated with the upgrade of the Oracle Government Financials (\$1.542 million) and the Revenue IT System upgrades (\$0.804 million), partially offset by the increase due to the finalisation of the upgrade associated with the Standard Business Reporting Program NP (\$1.510 million).
- capital works in progress: the increase of \$1.510 million in the 2009-10 estimated outcome from the original budget and the decrease of \$1.510 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to delays with the finalisation of the system upgrade associated with the Standard Business Reporting Program NP and its move to intangibles.

- current employee benefits:
  - the increase of \$0.746 million in the 2009-10 estimated outcome from the original budget is mainly due to the reassessment of annual leave and long service leave liabilities following the 2008-09 audited outcome; and
  - the increase of \$0.195 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to the reassessment of annual leave and long service leave liabilities and revised wage parameters.
- non current interest bearing liabilities: the increase of \$10 million in the 2010-11 Budget from the 2009-10 estimated outcome reflects the additional amount drawdown for on-passing to Community Housing Canberra under the finance facility.

#### *Cash Flow Statement*

Variances in the statement are explained in the notes above.

#### *Statement of Changes in Equity*

- capital injections:
  - the increase of \$0.619 million in the 2009-10 estimated outcome from the original budget is due to increased funding for the Standard Business Reporting Program NP (\$0.527 million) and rollover of funding from 2008-09 for the Oracle Government Financials system upgrade (\$0.092 million); and
  - the decrease of \$4.413 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the one-off payout of the ACT Government Motor Vehicle facility with Macquarie Bank in 2009-10 (\$3.324 million) and decreased funding for the system upgrades which were finalised in 2009-10 (\$1.089 million).
- increase/(decrease) in net assets due to administrative restructure: the increase of \$3.324 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the one-off payout of the ACT Government Motor Vehicle facility with Macquarie Bank in 2009-10.

**Department of Treasury**  
**Statement of Income and Expenses on Behalf of the Territory**

<b>2009-10 Budget \$'000</b>		<b>2009-10 Est.Outcome \$'000</b>	<b>2010-11 Budget \$'000</b>	<b>Var %</b>	<b>2011-12 Estimate \$'000</b>	<b>2012-13 Estimate \$'000</b>	<b>2013-14 Estimate \$'000</b>
<b>Income</b>							
<b>Revenue</b>							
33,472	Payment for Expenses on behalf of Territory	50,020	27,722	-45	25,109	25,131	25,318
932,733	Taxes Fees and Fines	1,031,863	1,048,725	2	1,119,051	1,183,567	1,241,382
1,629,741	Grants from the Commonwealth	1,667,937	1,601,288	-4	1,586,456	1,646,499	1,737,349
21	Interest	21	21	-	21	21	21
98,569	Dividend Revenue	148,154	121,062	-18	166,154	197,295	202,885
818	Land Revenue	441	916	108	1,429	1,982	2,577
8,814	Other Revenue	7,664	230	-97	230	230	230
<b>2,704,168</b>	<b>Total Revenue</b>	<b>2,906,100</b>	<b>2,799,964</b>	<b>-4</b>	<b>2,898,450</b>	<b>3,054,725</b>	<b>3,209,762</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>2,704,168</b>	<b>Total Income</b>	<b>2,906,100</b>	<b>2,799,964</b>	<b>-4</b>	<b>2,898,450</b>	<b>3,054,725</b>	<b>3,209,762</b>
<b>Expenses</b>							
10,062	Supplies and Services	9,475	10,464	10	10,904	11,034	11,102
33,240	Grants and Purchased Services	49,788	27,489	-45	24,876	24,898	25,085
5,271	Other Expenses	17,002	1,731	-90	1,749	1,367	1,385
2,655,595	Transfer Expenses	2,829,835	2,760,280	-2	2,860,921	3,017,426	3,172,190
<b>2,704,168</b>	<b>Total Ordinary Expenses</b>	<b>2,906,100</b>	<b>2,799,964</b>	<b>-4</b>	<b>2,898,450</b>	<b>3,054,725</b>	<b>3,209,762</b>
<b>0</b>	<b>Operating Result</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Total Comprehensive Income</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Department of Treasury**  
**Statement of Assets and Liabilities on Behalf of the Territory**

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
<b>Current Assets</b>							
16,991	Cash and Cash Equivalents	12,278	12,278	-	12,278	12,278	12,278
84,956	Receivables	106,580	94,213	-12	99,793	104,361	109,636
<b>101,947</b>	<b>Total Current Assets</b>	<b>118,858</b>	<b>106,491</b>	<b>-10</b>	<b>112,071</b>	<b>116,639</b>	<b>121,914</b>
<b>Non Current Assets</b>							
41,400	Property, Plant and Equipment	31,400	63,000	101	85,300	107,600	129,900
<b>41,400</b>	<b>Total Non Current Assets</b>	<b>31,400</b>	<b>63,000</b>	<b>101</b>	<b>85,300</b>	<b>107,600</b>	<b>129,900</b>
<b>143,347</b>	<b>TOTAL ASSETS</b>	<b>150,258</b>	<b>169,491</b>	<b>13</b>	<b>197,371</b>	<b>224,239</b>	<b>251,814</b>
<b>Current Liabilities</b>							
80,345	Payables	109,727	96,960	-12	102,140	106,708	111,983
5,609	Other Provisions	5,245	5,645	8	6,045	6,045	6,045
10,193	Other	3,886	3,886	-	3,886	3,886	3,886
<b>96,147</b>	<b>Total Current Liabilities</b>	<b>118,858</b>	<b>106,491</b>	<b>-10</b>	<b>112,071</b>	<b>116,639</b>	<b>121,914</b>
<b>Non Current Liabilities</b>							
5,800	Payables	0	0	-	0	0	0
<b>5,800</b>	<b>Total Non Current Liabilities</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>101,947</b>	<b>TOTAL LIABILITIES</b>	<b>118,858</b>	<b>106,491</b>	<b>-10</b>	<b>112,071</b>	<b>116,639</b>	<b>121,914</b>
<b>41,400</b>	<b>NET ASSETS</b>	<b>31,400</b>	<b>63,000</b>	<b>101</b>	<b>85,300</b>	<b>107,600</b>	<b>129,900</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
41,400	Accumulated Funds	31,400	63,000	101	85,300	107,600	129,900
<b>41,400</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>31,400</b>	<b>63,000</b>	<b>101</b>	<b>85,300</b>	<b>107,600</b>	<b>129,900</b>

**Department of Treasury**  
**Budgeted Statement of Cash Flows on Behalf of the Territory**

2009-10 Budget \$'000		2009-10 Est.Outcome \$'000	2010-11 Budget \$'000	Var %	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
	<b>Receipts</b>						
33,472	Cash from Government for EBT	50,020	27,722	-45	25,109	25,131	25,318
904,460	Taxes, Fees and Fines	949,115	967,416	2	1,024,387	1,080,316	1,133,671
370	User Charges	370	0	-100	0	0	0
21	Interest Received	21	21	-	21	21	21
1,629,371	Grants Received from the Commonwealth	1,667,567	1,601,388	-4	1,586,456	1,645,939	1,736,789
17,223	Other Revenue	50,723	62,873	24	70,545	82,327	86,636
101,451	Dividends	158,669	123,254	-22	165,500	193,936	198,858
<b>2,686,368</b>	<b>Operating Receipts</b>	<b>2,876,485</b>	<b>2,782,674</b>	<b>-3</b>	<b>2,872,018</b>	<b>3,027,670</b>	<b>3,181,293</b>
	<b>Payments</b>						
9,970	Related to Supplies and Services	9,475	10,464	10	10,904	11,034	11,102
33,240	Grants and Purchased Services	49,788	27,489	-45	24,876	24,898	25,085
580	Other	29,654	580	-98	580	580	580
2,642,578	Territory Receipts to Government	2,872,429	2,744,141	-4	2,835,658	2,991,158	3,144,526
<b>2,686,368</b>	<b>Operating Payments</b>	<b>2,961,346</b>	<b>2,782,674</b>	<b>-6</b>	<b>2,872,018</b>	<b>3,027,670</b>	<b>3,181,293</b>
<b>0</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>-84,861</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
	<b>Payments</b>						
21,000	Purchase of Property, Plant and Equipment and Capital Works	31,169	31,600	1	22,300	22,300	22,300
<b>21,000</b>	<b>Investing Payments</b>	<b>31,169</b>	<b>31,600</b>	<b>1</b>	<b>22,300</b>	<b>22,300</b>	<b>22,300</b>
<b>-21,000</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-31,169</b>	<b>-31,600</b>	<b>-1</b>	<b>-22,300</b>	<b>-22,300</b>	<b>-22,300</b>
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
	<b>Receipts</b>						
21,000	Capital Injection from Government	31,169	31,600	1	22,300	22,300	22,300
<b>21,000</b>	<b>Financing Receipts</b>	<b>31,169</b>	<b>31,600</b>	<b>1</b>	<b>22,300</b>	<b>22,300</b>	<b>22,300</b>
<b>21,000</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>31,169</b>	<b>31,600</b>	<b>1</b>	<b>22,300</b>	<b>22,300</b>	<b>22,300</b>
<b>0</b>	<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>-84,861</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>16,991</b>	<b>CASH AT BEGINNING OF REPORTING PERIOD</b>	<b>97,139</b>	<b>12,278</b>	<b>-87</b>	<b>12,278</b>	<b>12,278</b>	<b>12,278</b>
<b>16,991</b>	<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>12,278</b>	<b>12,278</b>	<b>-</b>	<b>12,278</b>	<b>12,278</b>	<b>12,278</b>

**Department of Treasury**  
**Statement of Changes in Equity on Behalf of the Territory**

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
	<b>Opening Equity</b>						
20,400	Opening Accumulated Funds	231	31,400	#	63,000	85,300	107,600
<b>20,400</b>	<b>Balance at the Start of the Reporting Period</b>	<b>231</b>	<b>31,400</b>	<b>#</b>	<b>63,000</b>	<b>85,300</b>	<b>107,600</b>
	<b>Comprehensive Income</b>						
0	Operating Result for the Period	0	0	-	0	0	0
<b>0</b>	<b>Total Comprehensive Income</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Total Movement in Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Transactions Involving Owners Affecting Accumulated Funds</b>						
21,000	Capital Injections	31,169	31,600	1	22,300	22,300	22,300
<b>21,000</b>	<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>	<b>31,169</b>	<b>31,600</b>	<b>1</b>	<b>22,300</b>	<b>22,300</b>	<b>22,300</b>
	<b>Closing Equity</b>						
41,400	Closing Accumulated Funds	31,400	63,000	101	85,300	107,600	129,900
<b>41,400</b>	<b>Balance at the End of the Reporting Period</b>	<b>31,400</b>	<b>63,000</b>	<b>101</b>	<b>85,300</b>	<b>107,600</b>	<b>129,900</b>

### Notes to the Budget Statements

Treasury's Territorial financial statements include grants received from the Commonwealth under the new framework for Federal Financial Relations implemented by COAG on 1 January 2009. The principal impact of the new framework is the amalgamation of many grant payments previously made to ACT Agencies, into one monthly payment from the Commonwealth Treasury to ACT Treasury's Territorial Account. A detailed explanation of the grants is provided in *Budget Paper 3*.

Treasury's Territorial financial statements also include taxes, fees and fines collected on behalf of the Territory. A detailed explanation of the movement in taxes, fees and fines is also provided in *Budget Paper 3*.

Significant variations are as follows:

#### *Statement of Income and Expenses on Behalf of the Territory*

- payment for expenses on behalf of the Territory:
  - the increase of \$16.548 million in the 2009-10 estimated outcome from the original budget is a result of increased funding for the Commonwealth Government's First Home Owners Boost (FHOB), which was extended, and the First Home Owner Grant; and

- the decrease of \$22.298 million in the 2010-11 Budget from the 2009-10 estimated outcome is a result of decreased funding for the FHOB (\$19.154 million) and the First Home Owners Grant (\$3.688 million), partially offset by increased racing development funding (\$0.543 million).
- taxes, fees and fines:
  - the increase of \$99.130 million in the 2009-10 estimated outcome from the original budget is consistent with a rebound in economic activity following the global financial crisis. The higher estimated outcome is a result of higher-than-expected values and volumes of residential and commercial conveyance transactions. There were also increased returns from payroll tax, general rates, land tax and general insurance. Residual payments associated with commercial leases, a revenue line that was abolished on 1 July 2009, also added some additional revenue; and
  - the increase of \$16.862 million in the 2010-11 Budget from the 2009-10 estimated outcome is a result of the expected growth of the payroll tax base (\$18.447 million), increases in general rates (\$9.316 million) and fire and emergency services levy (\$1.623 million), increases in land tax (\$9.776 million), increases in residential conveyance reflecting moderate increases in residential conveyance revenue (\$8.350 million) and an increase in income tax equivalent revenue (\$2.975 million). This is partially offset by a decrease in commercial conveyance reflecting a reduced number of high value transactions in the commercial sector compared to the abnormally high level in 2009-10 (\$25.313 million), the abolition of duty on shares and marketable securities as this revenue line will be abolished on 1 July 2010 (\$5 million), decreased revenue associated with tax waivers due to cessation of existing waiver agreements (\$4.432 million) and the duty on leases which was abolished on 1 July 2009 (\$3 million).
- grants from the Commonwealth:
  - the increase of \$38.196 million in the 2009-10 estimated outcome from the original budget is mainly due to increased GST revenue (\$16.3 million), increased Health Services NPPs (\$12.956 million), increased First Home Owners Boost NPP (\$14.048 million) and the new Better TAFE Facilities NPP (\$3.174 million), partially offset by decreased Financial Assistance Grants (\$10.563 million); and
  - the decrease of \$66.649 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to the decrease in GST revenue (\$25.4 million), closing of the First Home Owners Boost Scheme NPP (\$19.154 million) and the winding down of the Nation Building and Jobs Plan stimulus package (\$85.681 million), partially offset by health services NPPs funding (\$30.719 million).
- dividend revenue:
  - the increase of \$49.585 million in the 2009-10 estimated outcome from the original budget is mainly due to the increase in dividends from ACTEW (\$32.630 million) and Land Development Agency (\$17.024 million); and
  - the decrease of \$27.092 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to lower dividend revenue from the Land Development Agency (\$2.934 million) and ACTEW (\$27.497 million), partially offset by an increased dividend from ACTTAB (\$3.339 million).

- land revenue:
  - the decrease of \$0.377 million in the 2009-10 estimated outcome from the original budget reflects a smaller number of land rent properties than forecast due to the delay in individuals being able to receive financing in 2008-09; and
  - the increase of \$0.475 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to rent received from an increased number of properties under the Land Rent Scheme.
- other revenue:
  - the decrease of \$1.150 million in the 2009-10 estimated outcome from the original budget is due to receiving less revenue from ACTTAB for the Racing Development Fund as a result of decreased turnover; and
  - the decrease of \$7.434 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the cessation of payments from ACTTAB relating to the Racing Development Fund.
- supplies and services:
  - the decrease of \$0.587 million in the 2009-10 estimated outcome from the original budget is due to a refinement of the ATO's administrative costs; and
  - the increase of \$0.989 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to changes in GST administration expenses paid to the Commonwealth for compliance activity.
- grants and purchased services:
  - the increase of \$16.548 million in the 2009-10 estimated outcome from the original budget is a result of increased expenditure for the Commonwealth Government's First Home Owners Boost (FHOB) which was extended and the First Home Owner Grant; and
  - the decrease of \$22.299 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to decreased expenditure for the FHOB (\$19.154 million) and the First Home Owners Grant (\$3.688 million), partially offset by increased expenditure for racing development (\$0.543 million).
- other expenses:
  - the increase of \$11.731 million in the 2009-10 estimated outcome from the original budget is a result of refunds for overpayments of Income Tax Equivalent by Government Business Enterprises relating to prior financial years (\$10.839 million) and an increase in waivers (\$0.892 million); and
  - the decrease of \$15.271 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to a number of one-off tax refunds paid in 2009-10 (\$10.839 million) and a decrease in waivers due to the cessation of existing waiver agreements (\$4.432 million).
- transfer expenses: the increase of \$174.240 million in the 2009-10 estimated outcome from the original budget and the decrease of \$69.555 million in the 2010-11 Budget from the 2009-10 estimated outcome results from transferring revenue received for taxes, fees and fines, Commonwealth grants, and dividends to the Territory Banking Account.

### *Statement of Assets and Liabilities on Behalf of the Territory*

- cash and cash equivalents: the decrease of \$4.713 million in the 2009-10 estimated outcome from the original budget is due to the timing of when cash is transferred to the Territory Banking Account.
- current receivables: the increase of \$21.624 million in the 2009-10 estimated outcome from the original budget and the decrease of \$12.367 million in the 2010-11 Budget from the 2009-10 estimated outcome largely reflects changes to estimates at year end for dividends, income tax equivalents and tax accruals.
- property, plant and equipment:
  - the decrease of \$10 million in the 2009-10 estimated outcome from the original budget reflects a smaller number of land rent properties taken up by the public than forecast due to the delay in individuals being able to receive financing in 2008-09; and
  - the increase of \$31.6 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to an expected increase in the number of land rent properties.
- current payables: the increase of \$29.382 million in the 2009-10 estimated outcome from the original budget and the decrease of \$12.767 million in the 2010-11 Budget from the 2009-10 estimated outcome mainly relates to the accrued transfer of revenue to the Territory Banking Account.
- current other provisions: the decrease of \$0.364 million in the 2009-10 estimated outcome from the original budget and the increase of \$0.4 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to a reassessment of the provision for refund of taxes.
- current other liabilities: the decrease of \$6.307 million in the 2009-10 estimated outcome from the original budget is due to a reassessment of revenue received in advance following the 2008-09 audited outcome.
- non current payables: the decrease of \$5.8 million in the 2009-10 estimated outcome from the original budget is due to the reclassification of the amount as a current payable.

### *Statement of Cash Flows on Behalf of the Territory*

Variances in the statement are explained in the notes above.

### *Statement of Changes in Equity on Behalf of the Territory*

- capital injections: the increase of \$10.169 million in the 2009-10 estimated outcome from the original budget is due to the rollover of funding for the Land Rent Scheme.