



ACT
Government

Australian Capital Territory

BUDGET 2016-17

Statement of Intent

ACT Long Service
Leave Authority



**ACT Long Service Leave
Authority**

Statement of Intent

2016-17

LONG SERVICE LEAVE AUTHORITY

The Long Service Leave Authority is a Territory Authority established under the *Long Service Leave (Portable Schemes) Act 2009*.

This Statement of Intent for 2016-17 has been prepared in accordance with Section 61 of the *Financial Management Act 1996*.

The responsible Minister, Mr Mick Gentleman, was consulted during the preparation of the Statement of Intent.

The Statement of Intent, which focuses on the 2016-17 Budget year, has been developed in the context of a four year forward planning horizon to be incorporated, as far as practicable, into the Long Service Leave Authority's strategic and business planning processes.

The Long Service Leave Authority's 2016-17 Statement of Intent has been agreed between:



Glenys Roper
Chairperson on behalf of the Governing
Board



Andrew Barr MLA
Treasurer



Mick Gentleman MLA
Minister for Workplace Safety and
Industrial Relations

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Long Service Leave Authority

Purpose

The Long Service Leave Authority (the Authority) was established under the *Long Service Leave (Portable Schemes) Act 2009* (the Act) to administer portable long service leave benefit schemes, for workers in the ACT engaged in the building and construction industry, contract cleaning industry, security industry and the community sector. The primary objectives of the Authority are to ensure that:

- the maximum number of eligible employers and their employees are registered with the Authority;
- long service leave payments to employees, contractors, and reimbursements to employers, are made in accordance with the Act;
- employers' contribution levies are collected efficiently and effectively; and
- long service leave funds are invested prudently, with the objective being to ensure a modest long-term surplus of assets over liabilities in matured schemes.

Nature and scope of activities

General Activities

The Authority will engage in the following activities in order to achieve its stated objectives:

- undertake day-to-day operational activities, including collecting worker service credit information and levy contributions from employers, along with the processing and payment of all long service leave claims, in an accurate and timely manner;
- investment of employer contributions to ensure there are sufficient funds to meet all long service leave payments;
- undertake regular reviews of the Investment Plan, to keep pace with changing conditions;
- maintain a compliance program to ensure the maximum number of eligible employers and employees are registered in the schemes; and
- monitor the operation of its database to ensure data integrity.

Business Priorities in 2016-17

The Authority will pursue the following priorities in 2016-17:

- review the appropriateness of the current Investment Plan, including the strategic asset allocation;

- maintain the focus on corporate governance reforms, particularly in relation to risk management practices, staff performance management and development processes, and workplace health and safety;
- maintain a strong focus on business continuity and succession planning practices;
- maintain sound working relationships with relevant community and stakeholder groups;
- coordinate the Authority's contribution to a review of the Act; and
- seek suitable new office accommodation for the Authority and divest the existing office space.

Risks

Investment Risk

- The Authority is required to prudently invest long service leave employer contributions to ensure that there are sufficient assets to meet long service leave liabilities. A key risk for the Authority is a reduction in the value of funds invested as a result of volatile market conditions. The Authority reviews its investment strategy regularly in light of market conditions and recently implemented a revised strategy after receiving the approval of the Treasurer.

Information Technology Risk

- The Authority is heavily dependent on its IT systems, therefore the continued functionality of the system and the integrity of the data is a significant risk. The risk is mitigated through undertaking daily backups of the entire database, which is securely stored off-site. The Authority has a business continuity plan that can restore full operational capability of the IT system within 24 hours. The business continuity plan is tested annually.
- Security of our IT systems and data held by the Authority is a risk that requires constant monitoring and response, to ensure system and information integrity. The Authority also conducts IT penetrating testing to mitigate such risk and potential consequences of data misuse or loss.

Contribution Levy Payment Risk

- An ongoing risk to the Authority is that eligible employers do not register, declare service for employees or pay the required contribution levy. The Authority mitigates this risk by ensuring that its Compliance Team monitors the activity of covered industries in the Territory and liaises with employers and their representative associations to ensure that all eligible employers and employees are registered. The Authority also works cooperatively with other ACT Government organisations including Shared Services Procurement, the Office of Regulatory Services and the Building and Construction Industry Training Board.

Contribution Levy Risk

- Under the Act, the Authority collects a levy from scheme employers to pay long service leave entitlements. The levy rate is based on advice from the Authority's actuary and is subject to approval by the responsible Minister on recommendation from the Board. Actuarial calculations to determine an appropriate levy rate take into account levy revenues, investment returns and the entitlement liability. The levy amount, together with investment returns, is designed to ensure that there are sufficient funds to pay the employee long service leave entitlements.

Key Performance Indicators for 2016-17 to 2019-20

Objective	Measure	Target	Target	Target	Target
		2016-17	2017-18	2018-19	2019-20
Ensure the maximum number of eligible employers and their employees are registered with the Authority.	Percentage of employer registrations completed within 10 working days of receipt of a correctly completed and verified application form.	97%	98%	99%	100%
	Number of visits to employer sites or premises to ensure that all employees working in the covered industries are registered with the Authority.	80	90	100	100
	Percentage of eligible unregistered active businesses, identified through a Yellow Pages review, contacted and registered with the Authority.	100%	100%	100%	100%
	Annual statements made available to employees by 30 September.	100%	100%	100%	100%
Ensure that employers' contribution levies are collected efficiently and effectively.	Percentage of employer returns and payments submitted by due date (five working days after the end of the month following the relevant quarter).	80%	80%	80%	80%
Ensure that payments to employees, contractors and reimbursements to employers are made in accordance with the Act.	Percentage of payments completed within 10 working days of receipt of a correctly completed and verified claim form.	85%	85%	85%	85%
Ensure that long service leave administered schemes' funds are invested to ensure a long-term surplus of assets over liabilities.	Annual net return for each administered scheme on funds under management is in accordance with the Investment Plan.	3.5% above CPI averaged over five years for each scheme	3.5% above CPI averaged over five years for each scheme	3.5% above CPI averaged over five years for each scheme	3.5% above CPI averaged over five years for each scheme

Objective	Measure	Target 2016-17	Target 2017-18	Target 2018-19	Target 2019-20
Ensure each scheme has adequate assets to meet its liabilities.	The ratio of total assets over total liabilities as at 30 June of the financial year for each administered scheme is maintained at least of the target.	110%	110%	110%	110%

Assessment of Performance Against 2015-16 Objectives

Objective	Measure	Planned 2015-16	Est. Outcome 2015-16	Explanation of variance
Ensure the maximum number of eligible employers and their employees are registered with the Authority.	Percentage of employer registrations completed within 10 working days of receipt of a correctly completed and verified application form.	96%	99%	Majority of the applications are processed in the required time frame.
	Number of visits to employer sites or premises to ensure that all employees working in the covered industries are registered with the Authority.	70	70	N/A
	Percentage of eligible unregistered active businesses, identified through a Yellow Pages review, are contacted and registered with the Authority.	100%	100%	N/A
	Annual statements made available to employees by 30 September.	100%	100%	N/A
Ensure that employers' contribution levies are collected efficiently and effectively.	Percentage of employer returns and payments submitted by due date (five working days after the end of the month following the relevant quarter).	80%	84%	Majority of the employers are compliant and have submitted their quarterly returns and made payments in the required timeframe.
Ensure that payments to employees, contractors and reimbursements to employers are	Percentage of payments completed within 10 working days of receipt of a correctly	85%	100%	All of the applications are expected to be processed in the required time frame.

Objective	Measure	Planned 2015-16	Est. Outcome 2015-16	Explanation of variance
made in accordance with the Act.	completed and verified claim form.			
Ensure that long service leave administered schemes' funds are invested to ensure a long-term surplus of assets over liabilities.	Annual net return for each administered scheme on funds under management in accordance with the Investment Plan.	3.5% above CPI averaged over five years for each scheme.	Zero return for each administered scheme.	The schemes' investment performance was adversely impacted by the volatile market conditions experienced in 2015-16.
Ensure each scheme has adequate assets to meet its liabilities.	The ratio of total assets over total liabilities as at 30 June of the financial year for each administered scheme is maintained at least of the target.	110%	Construction: 104% Cleaning:146% Community:138% Security:130%	Other than the construction scheme, all the other three schemes are expected to meet or exceed the target. A change of discount rate from 7.5% to 6.5% and the lower than expected investment return have both contributed to a lower than target assets over liability ratio for the construction scheme.

Employment profile

The Authority's staff are officers of the ACT Public Service, employed under the *Public Sector Management Act 1994*. The Registrar is also the Chief Executive Officer (CEO) of the Authority and a non-voting member of the Authority's Governing Board. The CEO is employed under a long-term executive contract from 2015 to 2018. All the other staff are covered under the ACT Public Service enterprise agreement.

Organisation Form

- The organisational structure of the Authority is disclosed at [Attachment 1](#).

Workplace Health and Safety (WH&S)

- The Authority ensures its operations and practices are in compliance with the *Work Health and Safety Act 2011*. In addition to providing ongoing training and updates on the Act to the staff, the Authority liaises with the Injury Management and Safety Team within CMTEDD for advice on any WH&S issues.
- Over the 2015-16 Budget year, the Authority will continue to implement appropriate and effective work health and safety policy and procedures with the aim of providing ongoing support, preventing injuries to staff and reducing compensation costs where possible.

Consultants and Contractors

- The Authority engages external consultants or contractors from time to time in response to the Authority's operational needs. The Authority is bound by the provisions in the *Government Procurement Act 2001* and the *Government Procurement Regulations 2007* when contracting for goods and services.
- The Authority also discloses its use of consultants and contractors in its annual report.

ACT Long Service Leave Authority Organisational Profile at 30 June 2016

Position	Est. Outcome as at 30/6/16	Est. FTE 2016-17	Years of Service as at 30/6/16	Gender 2015-16	
				M	F
Registrar & Chief Executive (SES 1.2)	1	1	1	-	1
Chief Operations Officer (SOG B)	1	1	7	1	-
Chief Finance Officer (SOG B)	1	1	5	-	1
Compliance Manager (ASO 6)	1	1	5	-	1
Financial Manager (ASO 6)	1	1	16	1	-
Finance Officer (ASO 5)	1	1	3	-	1
Customer Service Team Leader (ASO 5)	1	1	8	-	1
Personal Assistant to CEO (ASO 4)	1	1	5	-	1
Inspector (ASO 4)	1	1	1	-	1
Compliance Support Officer (ASO 4)	1	1	1	1	-
Customer Service Officers (ASO 4)	2	2	2.5,0.5	-	2
Total	12	12		3	9

Age of workforce	FTE 2015-16	FTE 2016-17
	Actual	Estimate
Under 35 years	4	4
35 – 55 years	7	7
Over 55 years	1	1

Monitoring and reporting

The Long Service Leave Authority shall satisfy the requirements of the Chief Minister's Annual Reports Directions. The Long Service Leave Authority Annual Report will, amongst other things, report against the requirements of this Statement of Intent. The Authority is not funded by budget appropriation and its accounts are not consolidated into the whole of government budget.

Annual Reporting

As part of preparations for end of year reporting, the Chief Minister, Treasury, and Economic Development Directorate will advise the dates when the following documents are required at the Chief Minister, Treasury, and Economic Development Directorate and at the Auditor-General's Office:

- a) Certified financial statements.
- b) Management discussion and analysis.
- c) A full and accurate set of audited financial records for the preceding financial year in the form requested.

Financial Arrangements

The budgeted financial statements included in this Statement of Intent reflect the financial activities of the Authority.

In 2016-17 the Authority is expecting to make an overall operating surplus of \$2.706 million. This consolidated result is aggregated from each administered scheme's budgeted 2016-17 operating results below:

- Construction: operating surplus of \$1.639 million;
- Cleaning: operating deficit of \$0.067 million;
- Community: operating surplus of \$1 million; and
- Security: operating surplus of \$0.134 million.

The 2016-17 Budget has factored in the financial impact of the expansion of the community sector scheme and the contract cleaning scheme as prescribed in the proposed *Long Service Leave (Portable Schemes) Amendment Bill 2016*, which will take effect from 1 July 2016 if passed by the Legislative Assembly.

Financial Statements

Budgeted financial statements for the 2016-17 Budget year, as well as forward estimates for the three financial years commencing 2016-17 appear below. These general purpose

financial statements have been prepared in accordance with the ACT's Model Financial Statements and include:

- a) Operating Statement;
- b) Balance Sheet;
- c) Statement of Changes in Equity;
- d) Cash Flow Statement;
- e) Notes to the Financial Statements as appropriate; and
- f) Individual Scheme Financial Statements.

During 2015-16 there were several events or changes to the Authority's operations and its financials, which were not anticipated when the original budget was prepared. These events include:

- a change to the long service leave provision discount rate, from 7.5 per cent to 6.5 per cent following an actuarial review of the Authority's financial projections;
- nil investment return compared to 7.5 per cent per annum expected in the original budget due to unforeseen volatile investment market conditions;

For the forward three years after the 2016-17 Budget, it is expected that the Authority's investments will return an average 6.5 per cent per annum, based on investment planning forecasts, with anticipated moderate growth in the long service leave liability each year.

**ACT Long Service Leave Authority (Consolidated)
Operating Statement**

2015-16	2015-16	2016-17		2017-18	2018-19	2019-20	
Budget	Est. Outcome	Budget	Var	Estimate	Estimate	Estimate	
\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	
Income							
Revenue							
20,680	Contributions Received	19,386	23,751	23	24,698	25,706	26,777
6,546	Gains/(Losses) from Investments	-4,815	3,639	176	4,217	4,876	5,459
77	Interest Received	88	91	3	94	97	101
20	Net Rental Income	20	20	-	20	20	20
0	Change in Value of Investment Property	0	0	-	0	0	0
3,248	Other	5,064	5,244	4	5,439	5,684	5,964
30,571	Total Revenue	19,743	32,745	66	34,468	36,383	38,321
Expenses							
98	Depreciation and Amortisation	87	101	16	91	88	85
708	Supplies and Services	632	791	25	702	727	753
23,763	Long Service Leave Benefit	28,305	27,704	-2	29,631	31,606	33,860
1,212	Employee Expenses	1,234	1,271	3	1,316	1,362	1,410
167	Other	233	172	-26	178	184	190
25,948	Total Expenses	30,491	30,039	-1	31,918	33,967	36,298
4,623	Operating Result	-10,748	2,706	125	2,550	2,416	2,023
4,623	Total Comprehensive Income	-10,748	2,706	125	2,550	2,416	2,023

**ACT Long Service Leave Authority (Consolidated)
Balance Sheet**

Budget as at 30/6/16 \$'000		Est. Outcome as at 30/6/16 \$'000	Planned as at 30/6/17 \$'000	Var %	Planned as at 30/6/18 \$'000	Planned as at 30/6/19 \$'000	Planned as at 30/6/20 \$'000
Current Assets							
1,140	Cash Assets	2,938	2,808	-4	2,293	2,407	2,608
6,641	Receivables	7,922	9,035	14	9,143	9,657	10,618
21	Other	6	8	33	9	10	11
139,905	Investments	124,909	137,514	10	152,010	166,210	180,784
147,707	Total Current Assets	135,775	149,365	10	163,455	178,284	194,021
Non Current Assets							
1,025	Property, Plant and Equipment	1,086	1,006	-7	971	941	906
269	Intangibles	340	503	48	512	520	545
190	Investment Property	190	190	-	190	190	190
1,484	Total Non Current Assets	1,616	1,699	5	1,673	1,651	1,641
149,191	TOTAL ASSETS	137,391	151,064	10	165,128	179,935	195,662
Current Liabilities							
559	Payables	578	596	3	627	653	677
104,040	Provision for Long Service Leave Benefits	109,904	117,489	7	125,805	134,765	145,048
458	Employee Benefits	490	508	4	536	558	580
105,057	Total Current Liabilities	110,972	118,593	7	126,968	135,976	146,305
Non Current Liabilities							
8,843	Provision for Long Service Leave Benefits	10,998	14,334	30	17,467	20,845	24,217
51	Employee Benefits	33	43	30	49	54	57
8,894	Total Non Current Liabilities	11,031	14,377	30	17,516	20,899	24,274
113,951	TOTAL LIABILITIES	122,003	132,970	9	144,484	156,875	170,579
35,240	NET ASSETS	15,388	18,094	18	20,644	23,060	25,083
EQUITY							
35,240	Accumulated Funds	15,388	18,094	18	20,644	23,060	25,083
0	Revaluation Reserve	0	0	-	0	0	0
35,240	TOTAL EQUITY	15,388	18,094	18	20,644	23,060	25,083

ACT Long Service Leave Authority (Consolidated)
Statement of Changes in Equity

Budget		Est. Outcome		Planned		Planned		Planned		Planned
as at 30/6/16		as at 30/6/16		as at 30/6/17	Var	as at 30/6/18		as at 30/6/19		as at 30/6/20
\$'000		\$'000		\$'000	%	\$'000		\$'000		\$'000
30,617	Opening Balance	26,136		15,388	-41	18,094		20,644		23,060
0	Net Effect of Change in Accounting Policy	0		0	-	0		0		0
4,623	Operating Result for the Period	-10,748		2,706	125	2,550		2,416		2,023
4,623	Total Comprehensive Income	-10,748		2,706	125	2,550		2,416		2,023
	Total Movement in Reserves									
0	Revaluation Increment	0		0	-	0		0		0
35,240	Closing Balance	15,388		18,094	18	20,644		23,060		25,083

**ACT Long Service Leave Authority (Consolidated)
Cash Flow Statement**

2015-16 Budget \$'000		2015-16 Est. Outcome \$'000	2016-17 Budget \$'000	Var %	2017-18 Estimate \$'000	2018-19 Estimate \$'000	2019-20 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
20,102	Contributions from Employers and Contractors	19,461	22,656	16	24,436	25,453	26,509
20	Rental Revenue Received	20	20	-	20	20	20
303	Other	286	286	-	297	311	325
20,425	Operating Receipts	19,767	22,962	16	24,753	25,784	26,854
Payments							
13,120	Payments of Long Service Leave Benefits	13,411	16,783	25	18,182	19,268	20,205
1,915	Payment to Suppliers and Employees	1,831	2,031	11	1,927	2,061	2,142
15,035	Operating Payments	15,242	18,814	23	20,109	21,329	22,347
5,390	NET CASH INFLOWS/(OUTFLOW) FROM OPERATING ACTIVITIES	4,525	4,148	-8	4,644	4,455	4,507
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
0	Proceeds from Sale of Investment Property	0	0	-	0	0	0
0	Proceeds on Sale of Investments	891	1,010	13	895	1,695	1,700
0	Investing Receipts	891	1,010	13	895	1,695	1,700
Payments							
0	Purchases of Property, Plant and Equipment	33	0	-100	0	0	0
0	Purchases of Intangibles	58	210	262	95	95	100
5,370	Purchases of Investments	3,633	5,078	40	5,959	5,941	5,906
5,370	Investing Payments	3,724	5,288	42	6,054	6,036	6,006
-5,370	NET CASH FLOWS FROM INVESTING ACTIVITIES	-2,833	-4,278	-51	-5,159	-4,341	-4,306
20	NET INCREASE/(DECREASE) IN CASH HELD	1,692	-130	-108	-515	114	201
1,120	CASH AT THE BEGINNING OF THE REPORTING PERIOD	1,246	2,938	136	2,808	2,293	2,407
1,140	CASH AT THE END OF THE REPORTING PERIOD	2,938	2,808	-4	2,293	2,407	2,608

Notes to the Financial Statements

Significant variations are as follows:

Operating Statement

- contributions received:
 - the decrease of \$1.294 million in the 2015-16 estimated outcome from the original budget is mainly due to a moderate decline in the Building and Construction Industry activity leading to a drop in employer contributions. This reduction is partially offset by an increase in the contribution levy received from the Community Sector Industry scheme, as a result of rising registered workers in the scheme; and
 - the increase of \$4.365 million in the 2016-17 Budget from the 2015-16 estimated outcome is primarily due to a projected increase from the additional aged care workers expected to be registered following the expansion of the Community Sector scheme.
- Losses from investments:
 - the decrease of \$11.361 million in the 2015-16 estimated outcome from the original budget is mainly because of nil investment return expected for 2015-16 as a result of unpredicted volatile market conditions. The Authority revised its investment return forecast from 7.5% per annum to 6.5% per annum to better align the Authority's investment objective with realistic long term average investment return under the current asset allocations; and
 - the increase of \$8.454 million in the 2016-17 Budget from the 2015-16 estimated outcome is mainly due to an anticipated upturn in investment return from funds under management to 6.5 per cent per annum (capital growth plus distributions), as the market improves, based on the Authority's long term market expectations. This is up from the nil per cent in 2015-16.
- other income:
 - the increase of \$1.816 million in the 2015-16 estimated outcome from the original budget is due to higher than anticipated investment distribution from the Authority's investment manager, Vanguard Australia, as the market improves.
- long service leave benefit expenses:
 - the increase of \$4.542 million in the 2015-16 estimated outcome from the original budget is largely due to the change of discount rate from 7.5 per cent to 6.5 per cent as discussed above. This factor was not foreseen when the original budget was prepared.

Balance Sheet

- cash: the increase of \$1.798 million in the 2015-16 estimated outcome from the original budget is mainly due to the rebalancing of the schemes' investment portfolio to have higher cash balance at bank to mitigate volatile investment market conditions experienced in 2015-16.
- receivables:
 - the increase of \$1.281 million in the 2015-16 estimated outcome from the original budget is mainly due to the higher than expected fourth quarter investment distribution for all administered schemes; and
 - the increase of \$1.113 million in the 2016-17 Budget from the 2015-16 estimated outcome is mainly due to the contribution revenue to be accrued for the April to June quarter from the additional registered employers and workers following the proposed expansion of the Community Sector and Contract Cleaning schemes.
- investments:
 - the decrease of \$14.996 million in the 2015-16 estimated outcome from the original budget is mainly due to lower than expected investment return (nil) compared to originally budgeted 7.5 per cent per annum return ; and
 - the increase of \$12.605 million in the 2016-17 Budget from the 2015-16 estimated outcome is mainly due to the expected return of 6.5 per cent projected for 2016-17, and the additional funds invested from the expanded community and cleaning sector schemes.
- current and non-current provision for long service leave benefit payments:
 - the increase of \$8.019 million in the 2015-16 estimated outcome from the original budget is mainly due to a change in the discount rate from 7.5 per cent to 6.5 per cent, in line with the Authority's projection of long term asset return rate; and
 - the increase of \$10.921 million in the 2016-17 Budget from the 2015-16 estimated outcome is mainly due to the actuarial valuation, based on the projected number of workers, wage growth, and other actuarial demographic assumptions, for all administered schemes. While the actuary expected some moderate growth for the administered schemes, the main growth is expected to be derived from the Community Sector scheme after the additional aged care workers are registered following the legislation changes, proposed to take effect from 1 July 2016.

Statement of Changes in Equity

Variations in the statement are explained in the notes above.

Statement of Cash Flow

Variations in the statement are explained in the notes above.

Individual Scheme Financial Statements

ACT Construction Industry Long Service Leave Scheme
Operating Statement

2015-16 Budget \$'000		2015-16 Est. Outcome \$'000	2016-17 Budget \$'000	Var %	2017-18 Budget \$'000	2018-19 Budget \$'000	2019-20 Budget \$'000
Income							
13,210	Contributions Received	11,865	12,280	3	12,709	13,154	13,615
4,762	Gains/(Losses) from Investments	-3,525	2,543	172	2,678	2,908	3,097
48	Interest Received	43	44	2	45	46	47
20	Net Rental Income	20	20	-	20	20	20
0	Change in Value of Investment Property	0	0	-	0	0	0
2,484	Other	3,760	3,873	3	3,990	4,111	4,235
20,524	Total Income	12,163	18,760	54	19,442	20,239	21,014
Expenses							
98	Depreciation and Amortisation	87	101	16	91	88	85
366	Supplies and Services	302	326	8	337	349	361
16,040	Long Service Leave Benefit	21,125	15,915	-25	16,479	17,047	17,636
650	Employee Expenses	617	635	3	657	680	704
150	Other	140	144	3	149	154	159
17,304	Total Expenses	22,271	17,121	-23	17,713	18,318	18,945
3,220	Operating Result	-10,108	1,639	116	1,729	1,921	2,069
3,220	Total Comprehensive Income	-10,108	1,639	116	1,729	1,921	2,069

**ACT Construction Industry Long Service Leave Scheme
Balance Sheet**

Budget as at 30/6/16 \$'000		Est. Outcome as at 30/6/16 \$'000	Planned as at 30/6/17 \$'000	Var %	Planned as at 30/6/18 \$'000	Planned as at 30/6/19 \$'000	Planned as at 30/6/20 \$'000
Current Assets							
900	Cash Assets	1,768	1,638	-7	1,123	1,237	1,438
4,302	Receivables	5,241	5,299	1	5,249	5,428	5,953
21	Other	6	8	33	9	10	11
99,891	Investments	87,632	92,778	6	98,389	103,342	108,233
105,114	Total Current Assets	94,647	99,723	5	104,770	110,017	115,635
Non Current Assets							
1,025	Property, Plant and Equipment	1,086	1,006	-7	971	941	906
269	Intangibles	340	503	48	512	520	545
190	Investment Property	190	190	-	190	190	190
1,484	Total Non Current Assets	1,616	1,699	5	1,673	1,651	1,641
106,598	TOTAL ASSETS	96,263	101,422	5	106,443	111,668	117,276
Current Liabilities							
453	Payables	485	500	3	515	533	552
85,330	Provision for Long Service Leave Benefits	89,130	92,516	4	95,688	98,869	102,277
271	Employee Benefits	321	332	3	344	356	368
86,054	Total Current Liabilities	89,936	93,348	4	96,547	99,758	103,197
Non Current Liabilities							
360	Provision for Long Service Leave Benefits	2,586	2,685	4	2,777	2,869	2,968
17	Employee Benefits	15	24	60	25	26	27
377	Total Non Current Liabilities	2,601	2,709	4	2,802	2,895	2,995
86,431	TOTAL LIABILITIES	92,537	96,057	4	99,349	102,653	106,192
20,167	NET ASSETS	3,726	5,365	44	7,094	9,015	11,084
EQUITY							
20,167	Accumulated Funds	3,726	5,365	44	7,094	9,015	11,084
0	Revaluation Reserve	0	0	-	0	0	0
20,167	TOTAL EQUITY	3,726	5,365	44	7,094	9,015	11,084

**ACT Construction Industry Long Service Leave Scheme
Statement of Changes in Equity**

Budget as at 30/6/2016		Est. Outcome as at 30/6/16	Planned as at 30/6/17	Var	Planned as at 30/6/18	Planned as at 30/6/19	Planned as at 30/6/20
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
16,947	Opening Balance	13,834	3,726	-73	5,365	7,094	9,015
0	Net Effect of Change in Accounting Policy	0	0	-	0	0	0
3,220	Operating Result for the Period	-10,108	1,639	116	1,729	1,921	2,069
3,220	Total Comprehensive Income	-10,108	1,639	116	1,729	1,921	2,069
	Transactions Movement in Reserves						
0	Revaluation Increment	0	0	-	0	0	0
20,167	Closing Balance	3,726	5,365	44	7,094	9,015	11,084

**ACT Construction Industry Long Service Leave Scheme
Cash Flow Statement**

2015-16 Budget \$'000		2015-16 Est. Outcome \$'000	2016-17 Budget \$'000	Var %	2017-18 Estimate \$'000	2018-19 Estimate \$'000	2019-20 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
12,878	Contributions from Employers and Contractors	12,228	12,176	..	12,601	13,042	13,500
20	Rental Revenue Received	20	20	-	20	20	20
278	Other	235	242	3	250	259	268
13,176	Operating Receipts	12,483	12,438	..	12,871	13,321	13,788
Payments							
9,860	Payments of Long Service Leave Benefits	11,572	12,430	7	13,215	13,774	14,129
1,016	Payment to Suppliers and Employees	919	938	2	971	1,033	1,058
10,876	Operating Payments	12,491	13,368	7	14,186	14,807	15,187
2,300	NET CASH FLOWS FROM OPERATING ACTIVITIES	-8	-930	#	-1,315	-1,486	-1,399
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
0	Proceeds from Sale of investment Property	0	0	-	0	0	0
0	Proceeds on Sale of Investments	891	1,010	13	895	1,695	1,700
0	Investing Receipts	891	1,010	13	895	1,695	1,700
Payments							
0	Purchases of Property, Plant and Equipment	33	0	-100	0	0	0
0	Purchases of Intangibles	58	210	262	95	95	100
2,300	Purchase of Investments	0	0	-	-	-	-
2,300	Investing Payments	91	210	131	95	95	100
-2,300	NET CASH FLOWS FROM INVESTING ACTIVITY	800	800	-	800	1,600	1,600
0	NET INCREASE/(DECREASE) IN CASH HELD	792	-130	-116	-515	114	201
900	CASH AT THE BEGINNING OF THE REPORTING PERIOD	976	1,768	81	1,638	1,123	1,237
900	CASH AT THE END OF THE REPORTING PERIOD	1,768	1,638	-7	1,123	1,237	1,438

**ACT Cleaning Industry Long Service Leave Scheme
Operating Statement**

2015-16		2015-16	2016-17		2017-18	2018-19	2019-20
Budget		Est. Outcome	Budget	Var	Estimate	Estimate	Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Income						
	Revenue						
1,330	Contributions Received	1,212	1,411	16	1,461	1,512	1,565
5	Interest Received	9	10	11	10	11	12
568	Gains/(Losses) from Investments	-376	315	184	397	432	489
243	Other	376	388	3	400	412	425
2,146	Total Revenue	1,221	2,124	74	2,268	2,367	2,491
	Expenses						
1,500	Long Service Leave Benefit	1,980	1,903	-4	2,049	2,139	2,357
138	Employee Expenses	136	140	3	145	150	155
87	Supplies and Services	76	138	82	85	88	91
11	Other	1	10	900	10	10	10
1,736	Total Expenses	2,193	2,191	-1	2,289	2,387	2,613
410	Operating Result	-972	-67	93	-21	-20	-122
410	Total Comprehensive Income	-972	-67	93	-21	-20	-122

**ACT Cleaning Industry Long Service Leave Scheme
Balance Sheet**

Budget as at 30/6/16 \$'000		Est. Outcome as at 30/6/16 \$'000	Planned as at 30/6/17 \$'000	Var %	Planned as at 30/6/18 \$'000	Planned as at 30/6/19 \$'000	Planned as at 30/6/20 \$'000
Current Assets							
100	Cash Assets	100	100	-	100	100	100
483	Receivables	577	594	3	645	668	691
0	Other	0	0	-	0	0	0
11,850	Investments	10,875	11,856	9	12,918	14,006	15,078
12,433	Total Current Assets	11,552	12,550	9	13,663	14,774	15,869
12,433	TOTAL ASSETS	11,552	12,550	9	13,663	14,774	15,869
Current Liabilities							
83	Payables	58	60	3	62	64	66
6,710	Provision for Long Service Leave Benefits	7,007	7,937	13	8,913	9,926	10,952
57	Employee Benefits	54	56	4	60	65	69
6,850	Total Current Liabilities	7,119	8,053	13	9,035	10,055	11,087
Non Current Liabilities							
540	Provision for Long Service Leave Benefits	799	930	16	1,080	1,189	1,374
9	Employee Benefits	4	4	-	6	8	8
549	Total Non Current Liabilities	803	934	16	1,086	1,197	1,382
7,399	TOTAL LIABILITIES	7,922	8,987	13	10,121	11,252	12,469
5,034	NET ASSETS	3,630	3,563	-2	3,542	3,522	3,400
EQUITY							
5,034	Accumulated Funds	3,630	3,563	-2	3,542	3,522	3,400
5,034	TOTAL EQUITY	3,630	3,563	-2	3,542	3,522	3,400

**ACT Cleaning Industry Long Service Leave Scheme
Statement of Changes in Equity**

Budget as at 30/6/16 \$'000	Est. Outcome as at 30/6/16 \$'000	Planned as at 30/6/17 \$'000	Var %	Planned as at 30/6/18 \$'000	Planned as at 30/6/19 \$'000	Planned as at 30/6/20 \$'000
4,624	4,602	3,630	-21	3,563	3,542	3,522
0	0	0	-	0	0	0
410	-972	-67	93	-21	-20	-122
410	-972	-67	93	-21	-20	-122
5,034	3,630	3,563	-2	3,542	3,522	3,400

**ACT Cleaning Industry Long Service Leave Scheme
Cash Flow Statement**

2015-16 Budget \$'000		2015-16 Est. Outcome \$'000	2016-17 Budget \$'000	Var %	2017-18 Estimate \$'000	2018-19 Estimate \$'000	2019-20 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
1,337	Contributions from Employers and Contractors	1,256	1,357	8	1,448	1,499	1,551
5	Other	3	4	33	4	5	5
1,342	Operating Receipts	1,259	1,361	8	1,452	1,504	1,556
Payments							
840	Payments of Long Service Leave Benefits	692	842	22	923	1,017	1,146
225	Payment to Suppliers and Employees	212	280	32	231	241	249
1,065	Operating Payments	904	1,122	24	1,154	1,258	1,395
277	NET CASH FLOWS FROM OPERATING ACTIVITIES	355	239	-33	298	246	161
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
0	Proceeds on Sale of Investments	0	0	-	0	0	0
0	Investing Receipts	0	0	-	0	0	0
Payments							
277	Purchases of Investments	350	239	-32	298	246	161
277	Investing Payments	350	239	-32	298	246	161
-277	NET CASH FLOWS FROM INVESTING ACTIVITIES	-350	-239	32	-298	-246	-161
0	NET INCREASE/(DECREASE) IN CASH HELD	5	0	-100	0	0	0
100	CASH AT THE BEGINNING OF THE REPORTING PERIOD	95	100	5	100	100	100
100	CASH AT THE END OF THE REPORTING PERIOD	100	100	-	100	100	100

**ACT Community Sector Long Service Leave Scheme
Operating Statement**

2015-16 Budget \$'000		2015-16 Est. Outcome \$'000	2016-17 Budget \$'000	Var %	2017-18 Estimate \$'000	2018-19 Estimate \$'000	2019-20 Estimate \$'000
Income							
Revenue							
5,280	Contributions Received	5,552	9,239	66	9,609	9,993	10,393
1132	Gains from Investments	-854	674	179	994	1,342	1,658
21	Interest Received	32	33	3	34	35	37
485	Other	867	919	6	974	1,071	1,178
6,918	Total Revenue	5,597	10,865	94	11,611	12,441	13,266
Expenses							
228	Supplies and Services	224	285	27	237	245	254
5,680	Long Service Leave Benefits	4,457	9,133	105	10,226	11,412	12,723
390	Employee Expenses	432	445	3	461	477	494
2	Other	76	2	-97	2	2	2
6,300	Total Expenses	5,189	9,865	90	10,926	12,136	13,473
618	Operating Result	408	1,000	145	685	305	-207
618	Total Comprehensive Income	408	1,000	145	685	305	-207

**ACT Community Sector Long Service Leave Scheme
Balance Sheet**

Budget as at 30/6/16 \$'000	Est. Outcome as at 30/6/16 \$'000	Planned as at 30/6/17 \$'000	Var %	Planned as at 30/6/18 \$'000	Planned as at 30/6/19 \$'000	Planned as at 30/6/20 \$'000
Current Assets						
100	Cash Assets	1,000	1,000	-	1,000	1,000
1,620	Receivables	1,874	2,886	54	2,973	3,624
0	Other	0	0	-	0	0
25,782	Investments	24,468	30,083	23	37,088	52,204
27,502	Total Current Assets	27,342	33,969	24	41,061	56,828
27,502	TOTAL ASSETS	27,342	33,969	24	41,061	56,828
Current Liabilities						
23	Payables	35	36	3	50	54
12,000	Provision for Long Service Leave Benefits	13,767	17,036	24	20,890	30,945
113	Employee Benefits	110	114	4	125	134
12,136	Total Current Liabilities	13,912	17,186	24	21,065	31,133
Non Current Liabilities						
6,460	Provision for Long Service Leave Benefits	5,900	8,253	40	10,779	16,378
21	Employee Benefits	13	13	-	15	17
6,481	Total Non Current Liabilities	5,913	8,266	40	10,794	16,395
18,617	TOTAL LIABILITIES	19,825	25,452	28	31,859	47,528
8,885	NET ASSETS	7,517	8,517	13	9,202	9,300
EQUITY						
8,885	Accumulated Funds	7,517	8,517	13	9,202	9,300
8,885	TOTAL EQUITY	7,517	8,517	13	9,202	9,300

**ACT Community Sector Long Service Leave Scheme
Statement of Changes in Equity**

Budget	Est. Outcome	Planned		Planned	Planned	Planned
as at 30/6/16	as at 30/6/16	as at 30/6/17	Var	as at 30/6/18	as at 30/6/19	as at 30/6/20
\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000
8,267	7,109	7,517	6	8,517	9,202	9,507
Opening Balance						
0	0	0	-	0	0	0
Net Effect of Change in Accounting Policy						
618	408	1,000	145	685	305	-207
Operating Result for the Period						
618	408	1,000	145	685	305	-207
Total Comprehensive Income						
8,885	7,517	8,517	13	9,202	9,507	9,300
Closing Balance						

**ACT Community Sector Long Service Leave Scheme
Cash Flow Statement**

2015-16 Budget \$'000		2015-16 Est. Outcome \$'000	2016-17 Budget \$'000	Var %	2017-18 Estimate \$'000	2018-19 Estimate \$'000	2019-20 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
5,067	Contributions from Employers and contractors	5,200	8,317	60	9,494	9,897	10,293
16	Other	44	36	-18	38	40	45
5,083	Operating Receipts	5,244	8,353	59	9,532	9,937	10,338
Payments							
2,420	Payments of LSL Benefits	1,147	3,511	206	3,846	4,115	4,366
618	Payment to Suppliers and Employees	640	723	13	640	700	745
3,038	Operating Payments	1,787	4,234	137	4,486	4,815	5,111
2,045	NET CASH FLOWS FROM OPERATING ACTIVITIES	3,457	4,119	19	5,046	5,122	5,227
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
0	Proceeds on Sale of Investments	0	0	-	0	0	0
0	Investing Receipts	0	0	-	0	0	0
Payments							
2,045	Purchases of Investments	2,611	4,119	58	5,046	5,122	5,227
2,045	Investing Payments	2,611	4,119	58	5,046	5,122	5,227
-2,045	NET CASH FLOWS FROM INVESTING ACTIVITIES	-2,611	-4,119	-58	-5,046	-5,122	-5,227
0	NET INCREASE/(DECREASE) IN CASH HELD	846	0	-100	0	0	0
100	CASH AT THE BEGINNING OF THE REPORTING PERIOD	154	1,000	549	1,000	1,000	1,000
100	CASH AT THE END OF REPORTING PERIOD	1,000	1,000	-	1,000	1,000	1,000

**ACT Security Industry Long Service Leave Scheme
Operating Statement**

2015-16 Budget \$'000	2015-16 Est. Outcome \$'000	2016-17 Budget \$'000	Var %	2017-18 Estimate \$'000	2018-19 Estimate \$'000	2019-20 Estimate \$'000	
Income							
Revenue							
860	Contributions Received	757	821	8	919	1,047	1,204
3	Interest Received	4	4	-	5	5	5
84	Gains from Investments	-60	107	278	148	194	215
36	Other	61	64	5	75	90	126
983	Total Revenue	762	996	31	1,147	1,336	1,550
Expenses							
543	Long Service Leave Benefit	743	753	1	877	1,008	1,144
34	Employee Expenses	49	51	4	53	55	57
27	Supplies and Services	30	42	40	43	45	47
4	Other	16	16	-	17	18	19
608	Total Expenses	838	862	3	990	1,126	1,267
375	Operating Result	-76	134	276	157	210	283
375	Total Comprehensive Income	-76	134	276	157	210	283

**ACT Security Industry Long Service Leave Scheme
Balance Sheet**

Budget as at 30/6/16 \$'000	Est. Outcome as at 30/6/16 \$'000	Planned as at 30/6/17 \$'000	Var %	Planned as at 30/6/18 \$'000	Planned as at 30/6/19 \$'000	Planned as at 30/6/20 \$'000
Current Assets						
40	Cash Assets	70	70	-	70	70
236	Receivables	230	256	11	276	350
-	Other	-	-	-	-	-
2,382	Investments	1,934	2,797	45	3,615	5,269
2,658	Total Current Assets	2,234	3,123	40	3,961	5,689
2,658	TOTAL ASSETS	2,234	3,123	40	3,961	5,689
Current Liabilities						
0	Payables	0	0	-	0	5
0	Provision for Long Service Leave benefits	0	0	-	314	874
17	Employee Benefits	5	6	20	7	9
17	Total Current Liabilities	5	6	20	321	888
Non Current Liabilities						
1,483	Provision for Long Service Leave Benefits	1,713	2,466	44	2,831	3,497
4	Employee Benefits	1	2	100	3	5
1,487	Total Non Current Liabilities	1,714	2,468	44	2,834	3,502
1,504	TOTAL LIABILITIES	1,719	2,474	44	3,155	4,390
1,154	NET ASSETS	515	649	26	806	1,299
EQUITY						
1,154	Accumulated Funds	515	649	26	806	1,299
1,154	TOTAL EQUITY	515	649	26	806	1,299

**ACT Security Industry Long Service Leave Scheme
Statement of Changes in Equity**

Budget as at 30/6/16 \$'000	Est. Outcome as at 30/6/16 \$'000	Planned as at 30/6/17 \$'000	Var %	Planned as at 30/6/18 \$'000	Planned as at 30/6/19 \$'000	Planned as at 30/6/20 \$'000
779	591	515	-13	649	806	1,016
0	0	0	-	0	0	0
375	-76	134	276	157	210	283
375	-76	134	276	157	210	283
1,154	515	649	26	806	1,016	1,299

**ACT Security Industry Long Service Leave Scheme
Cash Flow Statement**

2015-16 Budget \$'000	2015-16 Est. Outcome \$'000	2016-17 Budget \$'000	Var %	2017-18 Estimate \$'000	2018-19 Estimate \$'000	2019-20 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts						
820	777	806	4	893	1,015	1,165
4	4	4	-	5	7	7
824	781	810	4	898	1,022	1,172
Payments						
0	-	-	-	198	362	564
56	60	90	50	85	87	90
56	60	90	50	283	449	654
768	721	720	0	615	573	518
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
0	0	0	-	0	0	0
0	0	0	-	0	0	0
Payments						
748	672	720	7	615	573	518
748	672	720	7	615	573	518
-748	-672	-720	-7	-615	-573	-518
20	49	0	-100	0	0	0
20	21	70	233	70	70	70
40	70	70	-	70	70	70

Attachment 1 - Organisational Chart for Long Service Leave Authority



