

GUNGAHLIN DEVELOPMENT AUTHORITY

Objectives

The Authority's principal objective is to ensure that the Gungahlin Central Area and Town Centre is developed in accordance with the principles and policies for that area as set out in the Territory Plan in order to provide for the social and economic needs of the community.

1999-2000 Highlights

Strategic and operational issues to be pursued in 1999-2000 include:

- ensuring the consolidation of the first retail and commercial facilities of the Town Centre through a strategic and orderly development process;
- seeking new commercial development opportunities for the Town Centre;
- facilitating the development of additional community facilities in the Town Centre and Central Area;
- releasing sites in the Town Centre for the second stage residential development, building on the innovative and environmentally responsive standards developed in the first release;
- continuing the joint venture for the development of Palmerston 4 estate maintaining the high quality of the estate;
- consulting with the community regarding the development and administration of the Town Centre;
- establishing a management structure for the Town Centre which represents all interests including large and small retailers, owners, tenants, service providers and residents and which is responsive to a mixture of uses, functions and community demands;
- ensuring the ongoing implementation of cultural themes in the development of the Town Centre and Central Area;
- continuing the development of infrastructure in the Town Centre and Central Area, and therefore supporting commercial and residential development;
- undertaking masterplanning, feasibility studies and market analyses to ensure the development of the Town Centre and Central Area is orderly and viable;
- repaying \$0.8m in borrowings to the Territory; and
- declaring \$0.418m capital distribution to the Government.

Budget Summary	1999-2000 Planned \$'000
Government Appropriations	
• Subordinated loan ¹	3 463
Revenue from the Government	
• Contributions ²	564
Own Sourced Revenues	
• Land sales ³	14 374
• Interest	45
Services Provided	
• Provision of infrastructure to be returned to the Territory ⁴	11 380
• Coordination and development of the Gungahlin Town Centre and Central Area ⁵	772

1. The Territory will provide a subordinated loan to the Authority on an interest free basis to construct the Southern Boulevard, the second access into the Town Centre. Repayments of this and a previous subordinated loan of \$0.3m will be offset by the return of major infrastructure in 2000-01. A summary of all debt capital injections and their respective terms and conditions are provided in Appendix B to Budget Paper No.4.
2. Contributions consist of land provided by the Territory which is also included as cost of goods sold.
3. Land sales include cash and infrastructure components.
4. Infrastructure to be returned comprises \$6.828m to ACTEW and \$4.552m to DUS.
5. Coordination and development costs comprise employee, administration and other expenses relating to consultants fees and rent.

Gungahlin Development Authority Operating Statement

1998-99 Budget \$'000		1998-99 Est.Outcome \$'000	1999-00 Budget \$'000	Var %	2000-01 Estimate \$'000	2001-02 Estimate \$'000	2002-03 Estimate \$'000
Revenue							
40	Interest	40	45	13	55	55	65
5 300	Other Revenue	3 525	14 938	324	8 540	9 552	8 540
5 340	Total Revenue	3 565	14 983	320	8 595	9 607	8 605
Expenses							
215	Employee Expenses	211	236	12	260	260	255
51	Superannuation Expenses	50	53	6	59	59	59
88	Administrative Expenses	89	107	20	110	110	110
0	Depreciation and Amortisation	8	8	-	8	8	6
57	Interest	64	63	-2	0	0	0
760	Cost of Goods Sold	1 424	564	-60	540	552	540
4 530	Other Expenses	553	11 760	#	6 384	6 984	6 384
5 701	Total Expenses	2 399	12 791	433	7 361	7 973	7 354
-361	Operating Result Before Extraordinary Items	1 166	2 192	88	1 234	1 634	1 251
0	Income Tax Equivalent	419	789	88	444	588	450
-361	Operating Result	747	1 403	88	790	1 046	801
12	Accumulated Funds - Start of Period	149	896	501	1 881	1 961	2 038
0	Distributions to Government	0	418	-	710	969	845
760	Inc/Dec in Net Assets from Admin Restructure	0	0	-	0	0	0
411	Accumulated Funds - End of Period	896	1 881	110	1 961	2 038	1 994

Gungahlin Development Authority Statement Of Financial Position

Budget as at 30/6/99 \$'000		Est.Outcome as at 30/6/99 \$'000	Planned as at 30/6/00 \$'000	Planned Var as at 30/6/01 %	Planned as at 30/6/01 \$'000	Planned as at 30/6/02 \$'000	Planned as at 30/6/03 \$'000
Current Assets							
755	Cash	703	2 158	207	2 195	2 692	2 387
3 825	Receivables	9 040	7 363	-19	4 000	4 600	4 000
8	Other	8	8	-	8	6	8
4 588	Total Current Assets	9 751	9 529	-2	6 203	7 298	6 395
Non Current Assets							
30	Property, Plant and Equipment	30	22	-27	14	6	0
0	Other	24	24	-	24	24	24
30	Total Non Current Assets	54	46	-15	38	30	24
4 618	TOTAL ASSETS	9 805	9 575	-2	6 241	7 328	6 419
Current Liabilities							
46	Creditors	56	56	-	55	67	69
300	Borrowings	800	3 763	370	0	0	0
31	Employee Entitlements	33	33	-	36	31	31
3 000	Other Provisions	0	418	-	710	969	845
0	Other	7 685	3 389	-56	3 444	4 188	3 450
3 377	Total Current Liabilities	8 574	7 659	-11	4 245	5 255	4 395
Non Current Liabilities							
800	Borrowings	300	0	-100	0	0	0
30	Employee Entitlements	33	33	-	33	33	8
0	Other	2	2	-	2	2	22
830	Total Non Current Liabilities	335	35	-90	35	35	30
4 207	TOTAL LIABILITIES	8 909	7 694	-14	4 280	5 290	4 425
411	NET ASSETS	896	1 881	110	1 961	2 038	1 994
REPRESENTED BY FUNDS EMPLOYED							
411	Accumulated Funds	896	1 881	110	1 961	2 038	1 994
411	TOTAL FUNDS EMPLOYED	896	1 881	110	1 961	2 038	1 994

**Gungahlin Development Authority
Cashflow Statement**

1998-99 Budget \$'000		1998-99 Est.Outcome \$'000	1999-00 Budget \$'000	Var %	2000-01 Estimate \$'000	2001-02 Estimate \$'000	2002-03 Estimate \$'000
1 354	CASH AT BEGINNING OF REPORTING PERIOD	1 401	702	-50	2 157	2 194	2 691
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
40	Interest Received	40	45	13	55	55	65
1 025	Other Revenue	920	3 360	265	2 000	2 400	2 000
1 065	Operating Receipts	960	3 405	255	2 055	2 455	2 065
	Payments						
260	Related to Employees	256	289	13	315	315	315
88	Related to Administration	93	107	15	110	110	110
57	Finance Costs	64	63	-2	0	0	0
1 230	Other	1 208	691	-43	1 175	823	976
1 635	Operating Payments	1 621	1 150	-29	1 600	1 248	1 401
-570	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-661	2 255	441	455	1 207	664
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Payments						
330	Purchase of Property, Plant and Equipment	338	3 463	925	0	0	0
330	Investing Payments	338	3 463	925	0	0	0
-330	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-338	-3 463	-925	0	0	0
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
300	Borrowings Received	300	3 463	#	0	0	0
300	Financing Receipts	300	3 463	#	0	0	0
	Payments						
0	Distributions to Government	0	0	-	418	710	969
0	Repayment of Advance	0	800	-	0	0	0
0	Financing Payments	0	800	-	418	710	969
300	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	300	2 663	788	-418	-710	-969
-600	NET INCREASE/(DECREASE) IN CASH HELD	-699	1 455	308	37	497	-305
754	CASH AT THE END OF THE REPORTING PERIOD	702	2 157	207	2 194	2 691	2 386

Notes to the Budget Statements

Operating Statement

Significant variations are as follows:

- other revenue: in 1999-2000 consists of infrastructure (\$6.780m) and cash premiums (\$0.594m) from Palmerston 4, infrastructure (\$4.6m) and cash premiums (\$2.4m) from a commercial site and the first residential site in the Town Centre Core and land transferred to the Authority by the Territory (\$0.564m);
 - the increase in 1999-2000 is due to the timing and receipt of infrastructure from the Palmerston 4 residential estate. Given the provision for the staged development and lease payments set out in the Crown Lease for Palmerston 4 estate, the accounting treatment for revenue from Palmerston 4 is that the amount of revenue recognised (other than the Stage 1 lease sale cash premium of \$0.726m which will be received in 1998-99) is based on the level of construction. As Stages 1 and 2 of the estate will be completed and infrastructure totalling \$6.780m will be received in 1999-2000, this treatment has had the effect of increasing land sales revenue for 1999-2000;
- cost of goods sold: is the value of land transferred to the Authority by the Territory. The value of this land is determined by the Australian Valuation Office at the time of the gazettal of the land to the Gungahlin Development Area pursuant to Section 4 of the *Gungahlin Development Authority Act 1996*. In 1998-99 the land transferred relates to Palmerston 4 estate (\$1.420m) and Gungahlin Anglican School (\$0.004m). In 1999-2000, land will be transferred for a commercial site and the first residential site in the Town Centre Core (\$0.564m);
- other expenses: include works constructed by the Authority and infrastructure constructed by others and transferred to the Territory by the Authority. At the time of the sale of a lease (other than for staged contracts) the Authority recognises an expense equal to the infrastructure component of the revenue recognised on the sale of the lease. In 1999-2000, the infrastructure transferred primarily includes works for Palmerston 4 (\$6.780m) and residential and commercial sites within the Town Centre Core (\$4.6m).

Statement of Financial Position

Significant variations are as follows:

- receivables: in 1998-99 comprise infrastructure, cash premium and profit share revenue from Palmerston 4 (\$8.740m) which is yet to be received and the design work for Southern Boulevard being undertaken with funds provided by the Territory as a subordinated loan (\$0.3m). In 1999-2000, in addition to the \$0.3m, receivables include payment for the construction of Southern Boulevard (\$3.463m) using additional funds made available through the subordinated loan. The balance includes infrastructure and cash to be received from the sale of residential and commercial sites in the Town Centre Core (\$3.6m). The subordinated loan is being provided to the Authority on an interest free basis to construct Southern Boulevard and will be repaid through the transfer of Southern Boulevard to the Government, when it is completed in 2000-01;

- current borrowings: in 1998-99 consist of the loan provided to the Authority by the Territory at the outset of its operations in 1996-97 (\$0.8m). The loan will be repaid in full in 1999-2000, well within the five year term of the loan. Current borrowings in 1999-2000 consists of the subordinated loans (\$3.763m);
- non current borrowings: in 1998-99 comprise the first part of the subordinated loan (\$0.3m) used to fund the designed work of Southern Boulevard. This becomes current borrowings in 1999-2000; and
- other current provisions: in 1998-99 include the liability to return infrastructure and the unearned cash premium for Palmerston 4 (\$7.374m) and income tax equivalents (\$0.311m) to be paid to the Territory. In 1999-2000, other provisions include the liability to return infrastructure for residential and commercial sites (\$2.6m), income tax equivalents (\$0.789m) and a distribution to Government (\$0.418m). The cash distribution to Government is made pursuant to Section 34 of the *Gungahlin Development Authority Act 1996* (Payment of Funds to the Territory). The payment will be made by the end of the first quarter of the financial year in which the payment is due.

Cashflow Statement

Significant variations are as follows:

- other revenue: in 1998-99 includes lease sales revenue from 1998-1999 (\$0.726m) and revenue recognised in 1997-98 (\$0.184m). In 1999-2000 other revenue consists of lease sales revenue from 1999-2000 (\$1.994m) and profit share revenue from the Palmerston 4 joint venture recognised in 1998-99 (\$1.366m);
- other payments: in 1998-99 primarily include amounts related to the Yarrabi Ponds Playground (\$0.7m) and the Town Square Development (\$0.183m). In 1999-2000, it includes tax equivalent payments to the Government (\$0.313m); and
- capital works payments and borrowings: in both 1998-99 and 1999-2000 are related to Southern Boulevard and the associated subordinated loan.

Capital Works

Departmental	Estimated Total Cost \$m	Expenditure Previous Years \$m	1999-2000 Estimated Expenditure \$m	1999-2000 Financing \$m	Expected Completion Date
Works in progress					
Southern Boulevard	3.763	0.300	3.463	3.463	Nov 2000
Total Capital Works	3.763	0.300	3.463	3.463	

