

HOUSING ACT

Objectives

Housing ACT's principal objective is to provide the people of Canberra with safe, affordable and appropriate social housing that supports the needs of clients in a sustainable environment. Housing ACT is a business unit of the Department of Disability, Housing and Community Services.

Housing ACT is responsible for:

- assessing the eligibility and the needs of clients;
- allocating properties to eligible applicants and community organisations in a way that ensures long-term housing solutions;
- supporting tenancies through effective tenancy management;
- managing public housing assets, including the provision of appropriate and timely maintenance, and a portfolio that best meets the existing and emerging needs of clients;
- supporting the community housing sector; and
- providing information that is clear, relevant and offers choices to applicants and tenants.

2005-06 Highlights

Strategic and operational issues to be pursued in 2005-06 include:

- continuing to improve service delivery with more sustainable tenancies by better aligning resources to focus on tenant needs and ensuring that tenants are able to access community and other support services;
- implementing the public housing asset management strategy and focusing on continuing to rejuvenate or replace public housing to better meet tenant needs;
- implementing the Government's response to the tenant participation report '*Raising our Voice*'; and
- implementing the strategies in the bilateral Agreement with the Commonwealth under the Commonwealth-State Housing Agreement.

Output Class

	Total Cost		Government Payment for Outputs	
	2004-05	2005-06	2004-05	2005-06
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output Class 1				
Social Housing Services	110 668	117 692	30 242	32 418
1.1: Social Housing Services	110 668	117 692	30 242	32 418

Output Description

Provision and management of public housing tenancies and properties, and provision of support and resources to community housing providers.

Strategic Indicators

Strategic Indicator 1

Provision of housing to people experiencing homelessness

	2002-03	2003-04	2004-05	2005-06	2006-07
	Actual	Actual	Estimate	Budget	Estimate
	%	%	%	%	%
The Percentage of Tenants Allocated from Early Allocation Category 1	91%	91%	92%	95%	95%

Strategic Indicator 2

The provision of housing enables tenants the opportunity to be part of a community

	2002-03	2003-04	2004-05	2005-06	2006-07
	Actual	Actual	Estimate	Budget	Estimate
	%	%	%	%	%
Tenant Satisfaction					
Results from the local and national social housing survey	72%	69%	70%	70%	70%

Accountability Indicators

	2004-05 Targets	2004-05 Est. Outcome	2005-06 Targets
Output 1.1 Social Housing Services			
a. Priority Allocations	N/A	N/A	90%
Percentage of public housing allocations to priority applicants – the percentage of priority applicants housed is comprised of new applicants who are either on the EAC1 ¹ or EAC2 ² priority application category and Category X ³ .			
b. Number of properties managed:			
– Public housing properties	11 530	11 565	11 179
– Community housing properties	N/A	N/A	288
For the purposes of this output, a property is defined as a unit of accommodation to which a tenancy agreement can be made (Australian Institute of Health and Welfare definition). A tenancy unit is a way of counting the maximum number of distinct rentable units such as a house, townhouse, duplex, flat or boarding house.			
c. Percentage of public housing tenants receiving rebates	87%	86%	87%
Eligible tenants are entitled to a rebate of rent such that the rent payable is no more than 25% of assessable household income. Tenants not in receipt of a rebate pay market rent. The indicator records the number of tenants in receipt of a rebate compared to the total number of tenants.			
d. Annual number of client service visits conducted	10 640	10 650	10 640
The number of current clients visited during the financial year is the combined total of 90 day and annual client service visits undertaken.			
e. Overall satisfaction of tenants with the provision of public housing	>60%	60%	>60%
Tenant satisfaction is measured bi-annually through the National Social Housing Survey (NSHS) and in the odd years through an internal survey.			
f. Average cost per dwelling of public housing	N/A	N/A	\$9 739
This is the total cost of public housing excluding the direct grants to community service providers and to the community-housing sector, divided by the stock number.			
g. Percentage of community housing tenants receiving rebates	92%	92%	92%
Eligible tenants are entitled to a rebate of rent such that the rent payable is no more than 25% of assessable household income. Tenants not eligible for a rebate pay market rent. The indicator records the number of tenants in receipt of a rebate compared to the total number of tenants.			
h. Overall satisfaction of tenants with the provision of community housing	N/A	N/A	77%
Tenant satisfaction is measured bi-annually through the National Community Housing Survey.			
^{1.} EAC 1 - Early Allocation Category 1 is assigned to those applicants in urgent need of housing such as those who are homeless, moving between various forms of temporary accommodation, those in extreme housing crisis or at risk of imminent homelessness including people escaping domestic violence, facing eviction or exiting supported accommodation.			
^{2.} EAC 2 - Early Allocation Category 2 is assigned to those applicants for whom private rental accommodation is not a suitable or accessible long term option, such as those facing barriers to private rental accommodation either through extreme affordability problems or with multiple and complex needs, including those with disabilities or severe medical problems.			
^{3.} Category X - is assigned to applicants in special housing need arising directly from a state of emergency declared by the Chief Minister, such as occurred at the time of the January 2003 bushfire.			

Budgeted Financial Results

Section 31 of the *Financial Management Act 1996 (FMA)*, provides that Chief Executives are responsible for the achievement of financial results. For the purpose of Section 31 of the FMA key budgeted results are specified in the Budget Papers to improve accountability. An outcome of the increased accountability will be the requirement for Chief Executives to explain material variances from specified budgeted results.

In accordance with section 31 of the FMA, the following are the key budget results for Housing ACT:

- **Operating Result (\$19.686m loss)** – this target focuses on the financial performance for the year and measures the performance of resource utilisation, and in particular the success in managing revenues from User Charges – Non-government (rents) and major operational and administrative expenditure items.
- **Current Ratio¹ (1.69 to 1)** – the current ratio indicates short-term solvency through the ability to fund short-term liabilities from the conversion of short-term assets to cash. It is important in the assessment of the ability to fund ongoing operations and payment of creditors, future employee entitlements and repay interest-bearing liabilities as they fall due.
- **Total Assets (\$3,188m)** – indicates the scale of the asset base underlying public housing. The portfolio of public housing properties is principally the means by which housing assistance is provided.
- **Total Liabilities (\$128.5m)** – indicates the size of the obligations that Housing ACT has to meet in future, and is largely comprised of interest bearing liabilities from the Commonwealth (\$114.782m). As debt decreases, there is a corresponding decrease in the related interest payments.

¹ *Total current assets / Total current liabilities*

Changes to Appropriation

Changes to Appropriation - Departmental

	2004-05	2005-06	2006-07	2007-08	2008-09
Government Payment for Outputs	Est. Outc.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2004-05 Budget	29 913	30 178	30 445	30 725	30 725
2005-06 Budget Policy Adjustments					
Energy and Water Efficiency Measures	0	420	0	0	0
General Savings	0	-708	-896	-896	-896
General Rates Supplementation	0	940	940	940	940
2005-06 Budget Technical Adjustments					
Commonwealth Funding - CSHA Grants	-201	0	0	0	0
Revised Indexation Parameters	0	0	23	47	342
Termination of Social Housing Subsidy Program	0	-245	-245	-245	-245
Transfer of Community Linkages to Department of Disability, Housing and Community Services	0	-550	-564	-571	-578
2005-06 Budget	29 712	30 035	29 703	30 000	30 288

Changes to Appropriation - Departmental

	2004-05	2005-06	2006-07	2007-08	2008-09
Capital Injections	Est. Outc.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2004-05 Budget	5 000	5 000	5 000	5 000	5 000
2005-06 Budget Policy Adjustments					
Energy and Water Efficiency Measures	0	580	0	0	0
2005-06 Budget	5 000	5 580	5 000	5 000	5 000

2005-06 Works Program

Departmental

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2005-06 \$'000	2005-06 Estimated Outcome \$'000	2006-07 Financing \$'000	2007-08 Financing \$'000	Expected Completion Date
New Capital Works						
New Construction Works						
Energy and water efficiency initiatives	1 000	-	1 000	-	-	Jun 2006
Total New Construction Works	1 000	-	1 000	-	-	
Total Capital Works	1 000	-	1 000	-	-	

Commonwealth Grants

The major Commonwealth payment for which Housing ACT has responsibility is:

Name of Grant	Activities Funded by Grant	2005-06 Estimate \$'000
Commonwealth-State Housing Agreement – Block Grants	Public housing assistance initiatives, new rental stock and supplementation of public housing operations	18 785
Total		18 785

Housing ACT Operating Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income							
Revenue							
31 913	Government Payment for Outputs	30 242	32 418	7	29 703	30 000	30 288
59 550	User Charges - Non ACT Government	60 865	61 921	2	62 965	63 992	65 002
100	User Charges - ACT Government	90	104	16	107	109	112
1 500	Interest	1 940	1 054	-46	1 107	1 161	1 120
5 509	Other Revenue	2 295	2 509	9	2 509	2 509	2 509
98 572	Total Revenue	95 432	98 006	3	96 391	97 771	99 031
-	Gains	-	-	-	-	-	-
0	Total Gains	0	0	-	0	0	0
98 572	Total Income	95 432	98 006	3	96 391	97 771	99 031
Expenses							
16 557	Employee Expenses	15 705	16 672	6	17 718	18 258	18 814
2 259	Superannuation Expenses	2 125	2 366	11	2 333	2 404	2 478
63 781	Supplies and Services	63 170	66 929	6	67 689	69 705	71 783
14 441	Depreciation and Amortisation	12 525	13 025	4	13 846	14 143	14 521
5 554	Borrowing Costs	5 554	5 361	-3	5 165	4 966	4 761
10 882	Grants and Purchased Services	7 650	8 815	15	2 175	2 228	2 317
4 490	Other Expenses	3 939	4 524	15	3 849	3 853	3 862
117 964	Total Ordinary Expenses	110 668	117 692	6	112 775	115 557	118 536
0	Share of Operating Result from Joint Venture accounted for using the Equity Method	0	0	-	0	4 305	6 695
-19 392	Operating Result	-15 236	-19 686	-29	-16 384	-13 481	-12 810

Housing ACT Balance Sheet

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
Current Assets							
2 876	Cash	2 503	2 503	-	2 503	2 503	2 503
2 589	Receivables	2 958	2 942	-1	2 812	2 682	2 552
6 700	Investments	20 688	15 981	-23	31 825	39 506	21 937
423	Other	194	194	-	194	194	194
12 588	Total Current Assets	26 343	21 620	-18	37 334	44 885	27 186
Non Current Assets							
500	Receivables	500	500	-	500	500	500
0	Investments	0	35 000	#	21 305	0	0
2 797 701	Property, Plant and Equipment	3 029 008	3 120 882	3	3 251 129	3 403 619	3 564 487
8 265	Capital Works in Progress	13 031	10 316	-21	9 472	9 919	8 847
2 806 466	Total Non Current Assets	3 042 539	3 166 698	4	3 282 406	3 414 038	3 573 834
2 819 054	TOTAL ASSETS	3 068 882	3 188 318	4	3 319 740	3 458 923	3 601 020
Current Liabilities							
6 628	Payables	4 099	4 100	..	4 046	3 992	3 938
4 356	Interest Bearing Liabilities	4 356	4 437	2	4 549	4 706	4 834
78	Finance Leases	78	78	-	78	78	78
2 692	Employee Benefits	2 309	2 309	-	2 308	2 307	2 306
1 911	Other	4 264	1 881	-56	4 281	1 881	1 881
15 665	Total Current Liabilities	15 106	12 805	-15	15 262	12 964	13 037
Non Current Liabilities							
114 783	Interest Bearing Liabilities	114 783	110 345	-4	105 796	101 090	96 256
322	Finance Leases	322	244	-24	166	88	10
1 733	Employee Benefits	2 745	2 745	-	2 745	2 745	2 745
0	Other	2 400	2 400	-	0	0	0
116 838	Total Non Current Liabilities	120 250	115 734	-4	108 707	103 923	99 011
132 503	TOTAL LIABILITIES	135 356	128 539	-5	123 969	116 887	112 048
2 686 551	NET ASSETS	2 933 526	3 059 779	4	3 195 771	3 342 036	3 488 972
REPRESENTED BY FUNDS EMPLOYED							
800 284	Accumulated Funds	816 624	824 518	1	835 134	848 653	862 843
1 886 267	Reserves	2 116 902	2 235 261	6	2 360 637	2 493 383	2 626 129
2 686 551	TOTAL FUNDS EMPLOYED	2 933 526	3 059 779	4	3 195 771	3 342 036	3 488 972

Housing ACT Cash Flow Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
29 913	Cash from Government for Outputs	29 712	30 035	1	29 703	30 000	30 288
59 250	User Charges	60 555	61 625	2	62 662	63 691	64 704
1 500	Interest Received	1 940	1 054	-46	1 107	1 161	1 120
1 069	Other Revenue	1 549	1 869	21	1 929	1 929	1 929
91 732	Operating Receipts	93 756	94 583	1	95 401	96 781	98 041
	Payments						
18 816	Related to Employees	17 830	19 038	7	20 052	20 663	21 293
63 908	Related to Supplies and Services	63 297	67 055	6	67 821	69 837	71 915
5 554	Borrowing Costs	5 554	5 361	-3	5 165	4 966	4 761
10 882	Grants and Purchased Services	7 650	8 815	15	2 175	2 228	2 317
2 490	Other	3 030	3 034	..	3 039	3 043	3 052
101 650	Operating Payments	97 361	103 303	6	98 252	100 737	103 338
-9 918	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-3 605	-8 720	-142	-2 851	-3 956	-5 297
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Receipts						
64 765	Proceeds from Sale of Property, Plant & Equipment	37 342	47 119	26	42 794	43 720	44 594
64 765	Investing Receipts	37 342	47 119	26	42 794	43 720	44 594
	Payments						
68 078	Purchase of Property, Plant and Equipment	53 665	44 274	-17	38 317	40 104	35 815
68 078	Investing Payments	53 665	44 274	-17	38 317	40 104	35 815
-3 313	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-16 323	2 845	117	4 477	3 616	8 779
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
5 000	Capital Injection from Government	5 000	5 580	12	5 000	5 000	5 000
30	Borrowings Received	30	45	50	60	60	60
5 030	Financing Receipts	5 030	5 625	12	5 060	5 060	5 060
	Payments						
4 436	Repayment of Borrowings	4 346	4 457	3	4 537	4 649	4 806
4 436	Financing Payments	4 346	4 457	3	4 537	4 649	4 806

Housing ACT Cash Flow Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
594	NET CASH	684	1 168	71	523	411	254
	INFLOW/(OUTFLOW)						
	FROM FINANCING						
	ACTIVITIES						
-12 637	NET	-19 244	-4 707	76	2 149	71	3 736
	INCREASE/(DECREASE)						
	IN CASH HELD						
22 213	CASH AT BEGINNING OF	42 435	23 191	-45	18 484	20 633	20 704
	REPORTING PERIOD						
9 576	CASH AT THE END OF	23 191	18 484	-20	20 633	20 704	24 440
	THE REPORTING						
	PERIOD						

Housing ACT Statement of Changes in Equity

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
2 567 268	Opening Balance	2 810 087	2 933 526	4	3 059 779	3 195 771	3 342 036
	Accumulated Funds						
-19 392	Operating Result for the Period	-15 236	-19 686	-29	-16 384	-13 481	-12 810
	Reserves						
111 675	Increase/(Decrease) in asset revaluation reserve	111 675	118 359	6	125 376	132 746	132 746
22 000	Transfer to/from Reserves	22 000	22 000	-	22 000	22 000	22 000
114 283	Total Income And Expense For The Period	118 439	120 673	2	130 992	141 265	141 936
	Transactions Involving Equity Holders Affecting Accumulated Funds						
5 000	Capital Injections	5 000	5 580	12	5 000	5 000	5 000
2 686 551	Closing Balance	2 933 526	3 059 779	4	3 195 771	3 342 036	3 488 972

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the decrease of \$1.671m in the 2004-05 estimated outcome from the original budget is due to:
 - the rollover of funding for community housing projects delayed by the timing of planning approvals (\$1.470m); and
 - the decreased funding under the Commonwealth-State Housing Agreement due to relative population movements between the states and territories (\$0.201m).
 - the increase of \$2.176m in the 2005-06 Budget from the 2004-05 estimated outcome is due to:
 - the rollover of funding for community housing projects into 2005-06 (\$2.383m);
 - increased funding under the Commonwealth-State Housing Agreement (\$0.451m);
 - funding for the initiative to improve energy and water efficiency in public housing (\$0.420m); and
 - supplementation to fund the increase in general rates as a result of changes to the rating arrangements effective from 2005-06 (\$0.940m).

offset by:

- the transfer of funding for the Community Linkages Program to the Department of Disability, Housing and Community Services (Community Services) (\$0.550m);
- cessation of funding for the Social Housing Subsidy Program by the Commonwealth and the ACT matching amount (\$0.245m); and

- general savings (\$0.708m).
- user charges – non ACT Government: the increase of \$1.315m in the 2004-05 estimated outcome from the original budget is a result of the re-assessment of market rents in September 2004. The further increase of \$1.056m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the impact of the review of market rents in October 2005 and increasing tenant incomes, partly offset by increased rebates.
- interest:
 - the increase of \$0.440m in the 2004-05 estimated outcome from the original budget is due to higher than budgeted level of investments throughout the year as a result of the deferral of some community housing projects and higher interest rates; and
 - the decrease of \$0.886m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the expected decrease of investments during 2005-06, as funds rolled over from prior years for projects are expended, expenditure to upgrade the business system Homenet occurs, and rebuilding the rural villages commences.
- other revenue:
 - the decrease of \$3.214m in the 2004-05 estimated outcome from the original budget is due to lower profit on sales as a result of reduced sales and the softening of the local market (\$3.3m) and lower recoveries from tenants (\$0.3m) relating to tenant responsible maintenance. This is offset by the revenue recognised for the return of leased properties from the community housing sector (\$0.386m); and
 - the increase of \$0.214m in the 2005-06 Budget from the 2004-05 estimated outcome reflects higher profit on sales from a greater number of sales expected during 2005-06.
- employee and superannuation expenses:
 - the decrease of \$0.986m in the 2004-05 estimated outcome from the original budget is due mainly to the deferral of recruitment and the review of leave provisioning; and
 - the increase of \$1.208m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the flow-on effects of wage increases, reduced staff vacancies and higher associated costs such as payroll tax and workers' compensation premium.
- supplies and services:
 - the decrease of \$0.611m in the 2004-05 estimated outcome from the original budget largely reflects lower water charges due to the water restrictions imposed during 2004-05; and
 - the increase of \$3.759m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to:
 - higher general rates charges (\$0.940m);
 - higher water rates and consumption charges (\$0.357m);
 - costs associated with improving energy and water efficiency in public housing (\$0.420m);
 - higher motor vehicle expenses (\$0.198m);
 - higher insurance costs (\$0.2m); and

- fees associated with arranging certificate of regulation for buildings being upgraded for fire safety (\$0.3m).

offset by:

- general savings (\$0.302m).
- depreciation and amortisation: the decrease of \$1.916m in the 2004-05 estimated outcome from the original budget is due to the re-assessment of the remaining useful lives for the multi-unit properties as part of the 2004 revaluation of the public housing portfolio. The increase of \$0.5m in the 2005-06 Budget from the 2004-05 estimated outcome arises from an anticipated increase in the value of the property portfolio from the annual revaluation of properties.
- borrowing costs: the decrease of \$0.193m in the 2005-06 Budget from the 2004-05 estimated outcome is in line with the agreed Commonwealth loan repayment schedules.
- grants and purchased services:
 - the decrease of \$3.232m the 2004-05 estimated outcome from the original budget represents:
 - further rollover of grants from 2004-05 to 2005-06 (\$6.692m) due to delays in community housing and community service projects involving non-government organisations.

offset by:

- the flow-on effect of the 2003-04 audited outcome that identified the rollover of grants expenditure into 2004-05 (\$3.038m); and
- increased grants associated with community housing and community service projects during 2004-05 (\$0.422m).
- the increase of \$1.165m in the 2005-06 Budget from the 2004-05 estimated outcome is due to:
 - the above-mentioned rollover into 2005-06 (\$6.692m).

offset by:

- the transfer of the Community Linkages Program funding to Community Services (\$0.550m); and
- the effect of the one-off grants programs in 2004-05 (\$4.968m).
- other expenses:
 - the decrease of \$0.551m in the 2004-05 estimated outcome from the original budget is due to:
 - the decrease in the provision for doubtful debts and write-off of bad debts (\$0.4m), reflecting an improvement to the age profile of the debtors since the publication of the original budget; and
 - the decrease in other write-off expenses such as property demolitions and expensing of work-in-progress (\$0.487m).

offset by:

- the recognition of expenses for properties transferred to the community-housing sector under a long-term lease in exchange for those properties returned to Housing ACT mentioned in other revenue above (\$0.336m).
- the increase of \$0.585m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to higher provisions for doubtful debts and the write-off of bad debts (\$0.2m) with recovery from tenants expected to return to the normal level in 2005-06 and higher costs for demolition of properties (\$0.713m). This is offset by the cessation of one-off costs associated with the transfer of properties to the community housing sector (\$0.336m).

Balance Sheet

- cash: the decrease of \$0.373m in the 2004-05 estimated outcome from the original budget is due to the reduced need to hold sufficient cash on hand at year end to meet commitments and contingencies payable in 2005-06.
- receivables and other: the increase of \$0.140m in the 2004-05 estimated outcome from the original budget reflects the increase in tenant rent arrears over the year.
- current investments: the increase of \$13.988m in the 2004-05 estimated outcome from the original budget is due to higher cash holdings retained to fund the rolled over grants expenditure and to meet capital program commitments. The decrease of \$4.707m in the 2005-06 Budget from the 2004-05 estimated outcome is due largely to major outlays associated with the grant payments rolled over from 2004-05, the upgrade to the business system Homenet, and the redevelopment of rural villages during 2005-06.
- non current assets:
 - the increase of \$236.073m in the 2004-05 estimated outcome from the original budget largely relates to increments in the value of the property portfolio arising from the asset revaluation since the 2004-05 Budget; and
 - the increase of \$124.159m in the 2005-06 Budget from the 2004-05 estimated outcome arises from the estimated increase in property values from the 2005 revaluation of the portfolio.
- current liabilities:
 - the decrease of \$0.559m in the 2004-05 estimated outcome from the original budget is due to a decrease in payables for year end accruals and a decrease in the provision for employee benefits as a result of the review of leave provisions, offset by the higher revenues received in advance for funding the community housing grants carried forward (\$2.413m); and
 - the decrease of \$2.301m in the 2005-06 Budget from the 2004-05 estimated outcome is a result of disbursing the rolled over grants.

Cash Flow Statement

- proceeds from the sale of property, plant and equipment:
 - the decrease of \$27.423m in the 2004-05 estimated outcome from the original budget is due to reduced property sales, including those to tenants, and the deferral of the sale of the former Burnie Court site; and

- the increase of \$9.777m in the 2005-06 Budget from the 2004-05 estimated outcome reflects an increase in the number and value of properties sold compared to 2004-05, with sales to tenants expected to increase towards more normal levels and the sale of the first part of Fraser Court scheduled for 2005-06.
- purchase of property, plant and equipment:
 - the decrease of \$14.413m in the 2004-05 estimated outcome from the original budget is due to the reduced capital program following the reduction in sales proceeds; and
 - the decrease of \$9.391m in the 2005-06 Budget from the 2004-05 estimated outcome is a result of aligning the scale of the capital program with the anticipated sales proceeds in 2005-06.
- capital injection from Government: the increase of \$0.580m in the 2005-06 Budget from the 2004-05 estimated outcome is due to increased funding for improving energy and water efficiency in public housing.
- repayment of borrowings: the decrease of \$0.090m in the 2004-05 estimated outcome from the original budget and the increase of \$0.111m in the 2005-06 Budget from the estimated outcome represent the alignment of the budgeted outlays with the agreed Commonwealth loan repayment schedules and variation bond loans activity.

Housing ACT
Statement of Income and Expenses on Behalf of the Territory

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income							
Revenue							
18 733	Grants from the Commonwealth	18 591	18 785	1	18 962	19 142	19 320
18 733	Total Revenue	18 591	18 785	1	18 962	19 142	19 320
Gains							
0	Total Gains	0	0	-	0	0	0
18 733	Total Income	18 591	18 785	1	18 962	19 142	19 320
Expenses							
18 733	Transfer Expenses	18 591	18 785	1	18 962	19 142	19 320
18 733	Total Ordinary Expenses	18 591	18 785	1	18 962	19 142	19 320
0	Operating Result	0	0	-	0	0	0

Housing ACT
Budgeted Statement of Cashflows on Behalf of the Territory

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
18 733	Grants Received from the Commonwealth	18 591	18 785	1	18 962	19 142	19 320
18 733	Operating Receipts	18 591	18 785	1	18 962	19 142	19 320
Payments							
18 733	Territory Receipts to Government	18 591	18 785	1	18 962	19 142	19 320
18 733	Operating Payments	18 591	18 785	1	18 962	19 142	19 320
0	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	0	0	-	0	0	0
0	NET INCREASE/(DECREASE) IN CASH HELD	0	0	-	0	0	0
0	CASH AT THE END OF THE REPORTING PERIOD	0	0	-	0	0	0

Notes to the Budget Statements

Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- grants from the Commonwealth:
 - the decrease of \$0.142m in the 2004-05 estimated from the original budget is due to the adjustments for relative population movements between the states and territories under the Commonwealth-State Housing Agreement; and
 - the increase of \$0.194m in the 2005-06 Budget from the 2004-05 estimated outcome reflects adjustments to the Commonwealth-State Housing Agreement funding for indexation (\$0.317m), offset by the loss of funding for the Social Housing Subsidy Program (\$0.123m).

