

AUSTRALIAN CAPITAL TERRITORY

BUDGET

2014-15

INVESTING IN CANBERRA

BUDGET STATEMENTS

CHIEF MINISTER AND TREASURY DIRECTORATE
ACT COMPULSORY THIRD-PARTY
INSURANCE REGULATOR
INDEPENDENT COMPETITION AND
REGULATORY COMMISSION
LIFETIME CARE AND SUPPORT FUND
SUPERANNUATION PROVISION
ACCOUNT
TERRITORY BANKING
ACCOUNT

GUIDE TO THE BUDGET PAPERS

STRUCTURE AND CONTENT OF THE 2014-15 BUDGET PAPERS

The 2014-15 Budget is presented in three papers and a series of agency Budget Statements.

BUDGET PAPER 1: BUDGET SPEECH

The Treasurer's speech to the Legislative Assembly highlights the Government's Budget strategies and key features of the Budget.

BUDGET PAPER 2: BUDGET IN BRIEF

A summary of the overall budgetary position together with information on the Government's expenditure priorities in key service delivery areas.

BUDGET PAPER 3: BUDGET OUTLOOK

Summarises the 2014-15 Budget and forward estimates for the general government sector, the public trading enterprise sector and the total Territory Government. Details of the projected 2014-15 Budget results are provided, as well as background information on the development of the 2014-15 Budget, including economic conditions and federal financial relations.

Also provides an overview of the Territory's infrastructure investment program and details of the 2014-15 expense, infrastructure and capital, and revenue initiatives.

Full accrual financial statements and notes are provided for all sectors.

BUDGET STATEMENTS

Information on each directorate and Territory authority and corporation is broken up into several smaller documents. This includes output classes (where relevant), descriptions of functions, roles and responsibilities, together with major strategic priorities.

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CHIEF MINISTER AND TREASURY DIRECTORATE

Purpose

The Chief Minister and Treasury Directorate (the Directorate) provides strategic policy advice and high level support to the Chief Minister, Treasurer, Minister for Workplace Safety and Industrial Relations and Cabinet on policy development, service delivery and whole of government issues. The Directorate leads preparation of the annual budget and whole of government financial reports; provides advice on financial management, economic issues and revenue policy; and supports machinery of government and Cabinet processes.

The Directorate also provides policy and procedural support for the leadership role of the Head of Service, who chairs the ACT Public Service Strategic Board.

As a central agency, a key focus is the oversight of the implementation of Government priorities and the provision of advice and direction across the ACT Public Service (ACTPS). This includes a specific role in areas such as financial and economic management for the Territory, sustainability policy alignment, demographic and regional policy and relationships, managing the ACT's intergovernmental relationships and supporting the Chief Minister's role on the Council of Australian Governments (COAG).

The Directorate is responsible for strategic planning and direction on public sector standards, including across government employment, workforce culture and capability, industrial relations, and the promotion of transparency, ethics and accountability.

A primary objective is the enhancement of workplace health and safety and private sector workers' compensation through policy development, advice to the Government, and coordination of Territory consultative bodies.

The Directorate is also responsible for whole of government communications, the provision of public affairs advice and the coordination of the compliance with campaign advertising legislation and guidelines by all directorates. This includes work to enhance communications and community engagement across government, and to seek the community's views as part of decision-making processes.

2014-15 Priorities

Strategic and operational issues to be pursued in 2014-15 include:

- creating, leading and fostering an innovative and responsive approach across all directorates to Commonwealth job and funding cuts in the ACT;
- progressing whole of government approaches to strategic policy development and implementation;

- guiding cultural change across government in order to achieve greater collaboration and innovation in the delivery of the Government's priorities;
- progressing, and continuing to improve, the Government's service planning and financial management frameworks;
- reviewing and evaluating programs, functions and projects to support the effective management of the Territory's finances;
- coordinating the Government's budget processes and reporting on financial outcomes;
- delivering the 2014-15 Budget Review and the 2015-16 Budget;
- progressing the implementation and further development of tax reform initiatives;
- managing the ACT's cross border relations through engagement mechanisms with the NSW Government and surrounding local governments;
- leading whole of government initiatives to strengthen public sector capability and integrity;
- leading whole of government initiatives to improve work health and safety and return to work outcomes for injured employees;
- progressing initiatives to improve the performance of the ACT private sector workers' compensation scheme;
- improving access to government services through citizen focused service design and delivery, including development of a digital government strategy and providing strategic direction for the iConnect e-services platform;
- leading implementation of the Digital Canberra Action Plan;
- coordinating regulatory reform initiatives and red tape reduction across government;
- implementing the recommendations of the *Getting Home Safely Report*;
- promoting Canberra as a study destination of choice for international students;
- completing operational reviews of ACTION, Emergency Services Agency and Corrections as announced in the 2013-14 Budget; and
- underlying investigation work on alternative capital funding and procurement processes including Private Public Partnerships.

Estimated Employment Level

Table 1: Estimated Employment Level

	2012-13 Actual Outcome ¹	2013-14 Budget ²	2013-14 Estimated Outcome ¹	2014-15 Budget ²
Staffing (FTE)	281	272	263 ³	276 ⁴

Note(s):

1. These figures relate to 30 June staffing levels.
2. These figures relate to average annual staffing levels.
3. The decrease of 9 FTE in the 2013-14 estimated outcome from the original budget is mainly due to the cessation of the Canberra Centenary project.
4. The increase of 13 FTE in the 2014-15 Budget is mainly due to staffing for new initiatives, offset by cessation of temporary contracts and backfill arrangements.

Strategic Objectives and Indicators

Strategic Objective 1

Building Coordinated and Integrated Policy Development and Service Delivery across Government

Effective delivery of Government policy and objectives requires coordination, cohesion and alignment of efforts across the ACTPS. The Directorate leads and coordinates whole of government strategy, policy development and service delivery. This includes:

- leadership of new Government initiatives and strategies;
- proactive engagement with directorates on key policy or service issues, including providing advice from a whole of government perspective;
- monitoring performance of service delivery outcomes; and
- promoting inter-directorate cooperation and outcomes through directorate committees and ongoing arrangements such as the Strategic Board, and supporting the across government Policy Council and establishment of strategic taskforces.

Strategic Objective 2

Supporting Informed Decision Making by Government

The Chief Minister and Cabinet set the strategic direction for the ACT, including taking the key Government decisions. The Directorate supports informed decision making by Government by ensuring that advice to the Chief Minister and Cabinet is evidence based, timely, accurate, robust and covers essential issues succinctly, clearly and in sufficient detail. It also provides policy advice and support to the Strategic Board, chaired by the Head of Service.

Strategic Objective 3

Maintaining the Right Workforce

The ACTPS needs to have a workforce with the requisite skills and capacity to deliver quality services for the community and to help take the Territory forward.

To address workforce challenges into the future, the Directorate is taking a lead role in developing high-performing public servants, engendering a respectful and inclusive working environment and encouraging consistency in people management throughout the ACTPS.

Major areas of focus are:

- maintaining the employment framework, including enterprise agreements, legislation and policy;
- managing whole of government people management initiatives, such as the Workers' Compensation and Work Safety Improvement Plan and the new code of conduct;
- implementing leadership and training programs to increase skills and promote professional development; and
- providing strategic human resources support to directorates and agencies.

Strategic Indicator 3: A key indicator of success in determining whether the correct skills and capacity are being maintained is workforce agility and responsiveness. Indicators will be developed following the 2013-14 all staff census to provide baseline data.

Strategic Objective 4

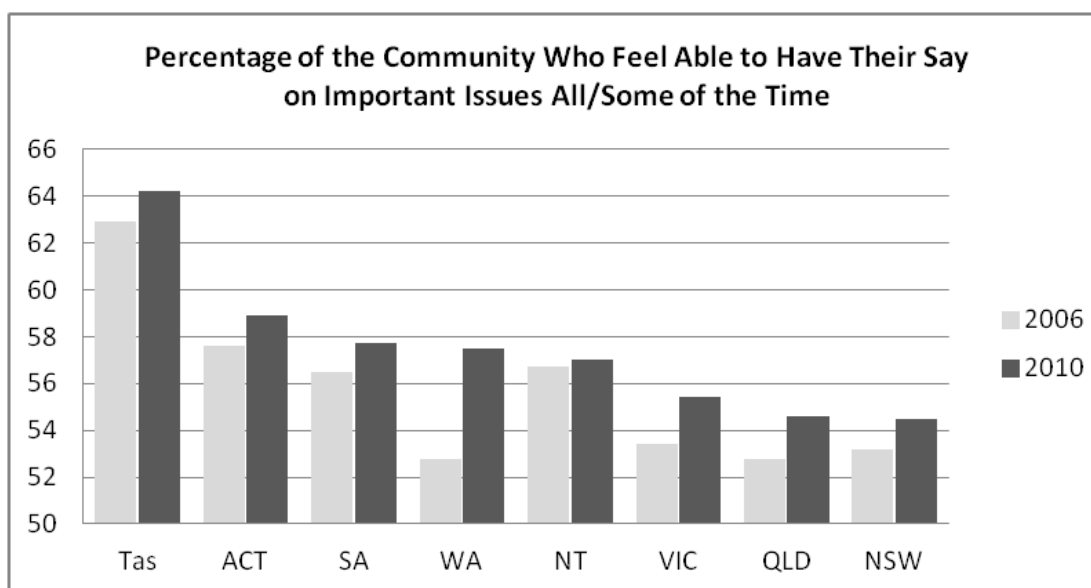
Improved Satisfaction with Community Engagement

The Government is committed to engaging the Canberra community in the development and delivery of government policies, programs, public works and services. Enhancing citizen engagement and participation builds trust in government and makes processes more transparent, accountable and responsive to the public's views.

Strategic Indicator 4: Community members feel able to have a say within the community on important issues.

An indicator of the effectiveness of engagement mechanisms is the community's perception of whether they are able to have their say on important issues all/some of the time.

Figure 1: Strategic Indicator 4: Percentage of the Community Who Feel Able to Have Their Say on Important Issues All/Some of the Time



Source: General Social Survey 2006 and General Social Survey 2010 (ABS)

Strategic Objective 5

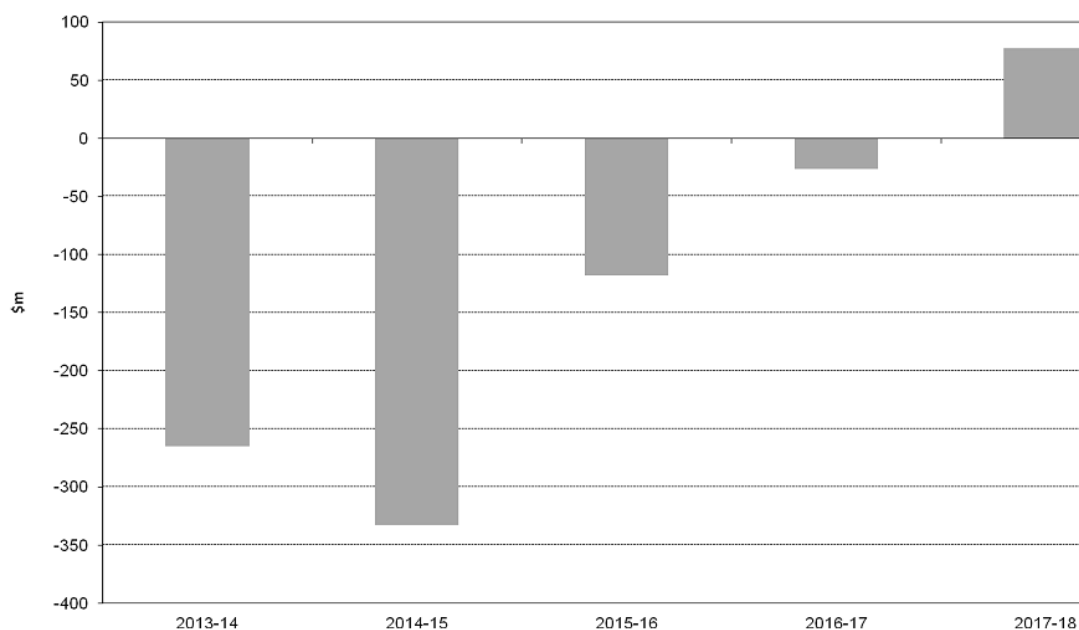
Managing the Public Finances Appropriately

The Government's fiscal strategy focuses on managing the public finances of the Territory in a rigorous and prudent manner over the longer term, and establishes an objective of achieving an operating balance over time by offsetting temporary deficits with surpluses in other periods.

Strategic Indicator 5: General Government Sector Headline Net Operating Balance.

The General Government Sector (GGS) Headline Net Operating Balance in 2014-15 is a deficit of \$332.8 million, returning to a surplus of \$77.5 million in 2017-18.

Figure 2: Strategic Indicator 5: General Government Sector - Headline Net Operating Balance



Strategic Objective 6

Maintaining a Strong Balance Sheet

Standard & Poor's Ratings Services assesses the Territory's credit rating each year. The Directorate assists the Government to maintain this credit rating, while allowing short term responsiveness to economic conditions, through the provision of sound policy advice and prudent financial management.

Strategic Indicator 6a: Standard & Poor's credit rating.

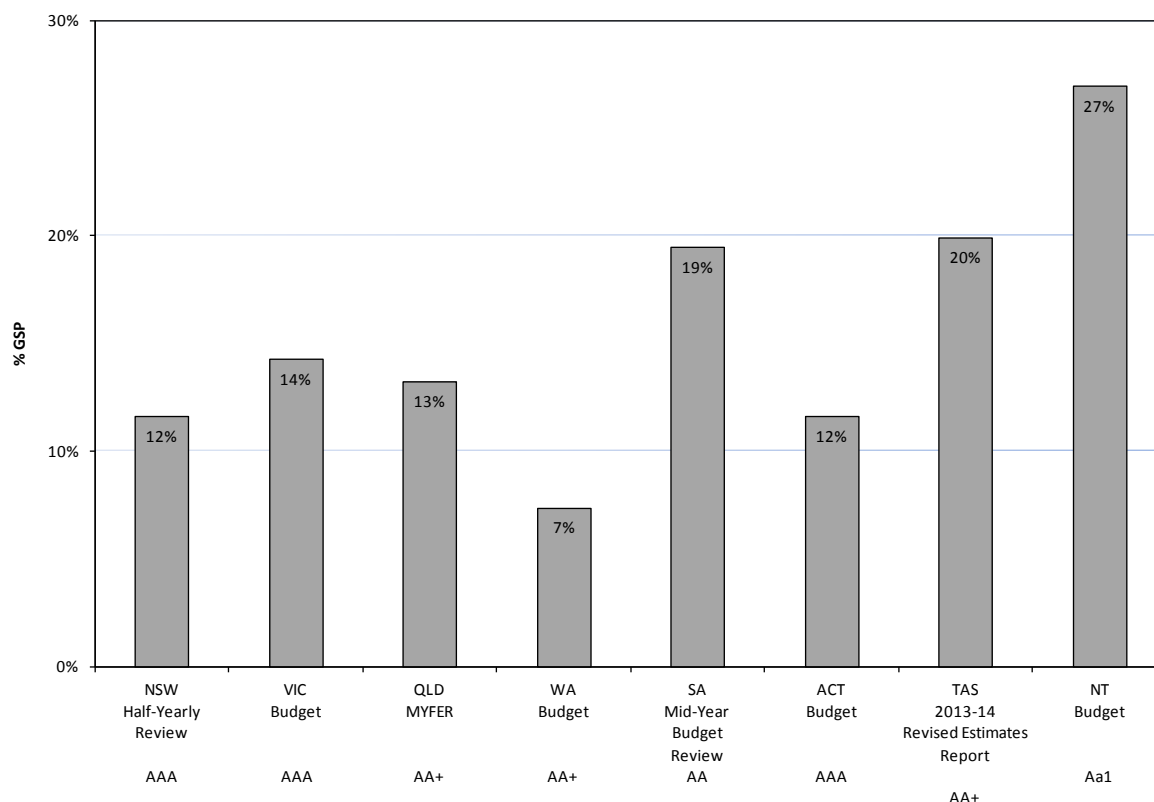
The Territory currently has a AAA credit rating, the highest possible credit rating.

Strategic Indicator 6b: Net financial liabilities to Gross State Product (GSP) ratio.

The ratio for the 2014-15 Budget is broadly in line with other AAA rated jurisdictions.

The ratios in the chart below for all jurisdictions are based on each jurisdiction's most current budget documentation. Nominal GSP has also been calculated based on this information. In some instances assumptions based on growth forecasts have been applied.

Figure 3: Strategic Indicator 6b: Net Financial Liabilities to GSP



Strategic Objective 7

Achieving Value for Money in the use of Government Resources

The cost effective delivery of Government priorities and objectives is central to prudent management of the public finances. The Directorate assesses new and existing spending to determine whether it represents value for money, having due regard to longer-term financial implications. The Directorate provides economic and financial analysis and modelling to facilitate advice to Government on alternative approaches to achieving policy objectives in the most efficient manner. The Directorate facilitates major infrastructure transactions with long-term financial outcomes across whole of life.

Output Classes

Output Class 1: Government Strategy

Table 2: Output Class 1: Government Strategy

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
Total Cost¹	37,562	37,977
Government Payment for Outputs	31,812	32,067

Note(s):

1. Total cost includes depreciation and amortisation of \$0.1 million in 2013-14 and \$0.707 million in 2014-15.

Output 1.1: Government Policy and Reform

Provision of advice and support to the Chief Minister, the Head of Service and the Director-General on strategic policy, including high priority reforms and effective delivery of Government policies and priorities.

Government Policy and Reform will:

- provide ongoing advice to the Chief Minister and the Government in relation to whole of government policy development and priorities, and the implementation of key Government decisions;
- support the Head of Service as the Chair of the Strategic Board and provide secretariat services to the Board;
- lead, coordinate and monitor policy and project initiatives to promote across government outcomes and delivery;
- lead and coordinate the Government's participation in the COAG reform agenda and the Council of Australian Federation (CAF), and its engagement with regional leaders and local governments, including through the South East Regional Organisation of Councils (SEROCC);
- provide advice and support to Cabinet and the Manager of Government Business in the Legislative Assembly; and
- provide across government advice and coordination on ICT issues and release of government information through the Government Information Office.

Table 3: Output 1.1: Government Policy and Reform

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
Total Cost	11,612	14,265
Government Payment for Outputs	10,973	13,939

Output 1.2: Public Sector Management

Provision of an employment and policy framework to support a professional, skilled and accountable public service that is responsive to the Government and the community; and management of whole of government capacity building programs.

Public Sector Management will:

- develop and review whole of government employment policies, regulations and standards and provide industrial relations services to support this framework;
- support and coordinate workforce planning and change management across government, including through whole of government learning, development and capability programs;
- develop and implement ACTPS capacity building programs;
- maintain and monitor whole of government ethics and accountability frameworks;
- support the Commissioner for Public Administration and the Remuneration Tribunal;
- develop and review whole of government work health and safety policies and provide work health and safety services to support this framework;
- implement the ACTPS Workers' Compensation and Work Safety Improvement Plan;
- provide whole of government case management services to injured employees and their agencies; and
- coordinate the implementation of the whole of government Healthy Weight Action Plan.

Table 4: Output 1.2: Public Sector Management

	2013-14	2014-15
	Estimated Outcome	Budget
	\$'000	\$'000
Total Cost	13,936	16,294
Government Payment for Outputs	9,158	11,609

Output 1.3: Industrial Relations Policy

Provision of advice to the Government concentrating on the relationship between employers and workers in the ACT and the risk arising from workplace activities. This includes industrial relations, workplace safety, dangerous substances regulation, long service leave, public holidays, workers' compensation, the rights of injured workers, the rights of contractors to be paid and the costs of workers' compensation to business.

Industrial Relations Policy will:

- advise the Government on the national work health and safety agenda and continue to participate in the implementation of harmonised workplace safety laws;

- advise the Government on the regulation of dangerous substances (including asbestos) and make changes to related laws where agreed by the Government;
- advise the Government on national industrial relations matters, and on local industrial relations matters including portable long service leave and public holidays;
- advise the Government in relation to the National Workplace Relations System;
- contribute, where relevant, to consultation with the Commonwealth, States and the Northern Territory, in relation to the National Workplace Relations System in accordance with the terms of the Intergovernmental Agreement on a National Workplace Relations System;
- coordinate the Territory's consultative bodies for workers' compensation and work health and safety;
- advise the Government on the performance of the ACT Workers' Compensation Scheme and of issues arising within the scheme;
- continue to make changes to the ACT Workers' Compensation Scheme where agreed by the Government; and
- advise the Government on national matters relating to workers' compensation.

Table 5: Output 1.3: Industrial Relations Policy

	2013-14	2014-15
	Estimated Outcome	Budget
	\$'000	\$'000
Total Cost	3,703	4,671
Government Payment for Outputs	3,537	3,859

Output 1.4: Coordinated Communications and Community Engagement

Provision of communications support, protocol services and executive support to the ACT Government and community.

Coordinated Communications and Community Engagement will:

- provide information and protocol services to the Chief Minister;
- provide corporate support to the ACT Executive and its staff;
- provide whole of government advice and assistance on community engagement policies and practices; and
- provide whole of government communications advice and support, including for emergency response requirements.

Table 6: Output 1.4: Coordinated Communications and Community Engagement

	2013-14	2014-15
	Estimated Outcome	Budget
	\$'000	\$'000
Total Cost	8,311	2,747
Government Payment for Outputs	8,144	2,660

Output Class 2: Financial and Economic Management

Table 7: Output Class 2: Financial and Economic Management

	2013-14	2014-15
	Estimated Outcome	Budget
	\$'000	\$'000
Total Cost¹	23,587	39,672
Government Payment for Outputs	20,233	35,106

Note(s):

1. Total cost includes depreciation and amortisation of \$0.225 million in 2013-14 and \$1.925 million in 2014-15.

Output 2.1: Economic Management

Provision of economic analysis and advice to the Government and agencies; management of Federal financial relations; and provision of accounting, financial framework, and insurance policy advice.

Economic Management will:

- monitor and advise on the state of the ACT economy;
- undertake economic and fiscal modelling and revenue forecasting;
- progress the implementation and further development of tax reform initiatives;
- provide economic advice on industry sectoral matters;
- coordinate ACT Government involvement with the Commonwealth Grants Commission and implementation of the 2015 GST Methodology Review;
- coordinate the function and responsibilities provided under the *Intergovernmental Agreement on Federal Financial Relations*;
- progress implementation of the catastrophic injury scheme (Lifetime Care/National Injury Insurance Scheme);
- progress reforms to compulsory third party insurance arrangements in the ACT;
- progress a review and reform of the *Financial Management Act 1996*; and
- contribute to Heads of Treasuries and Council of Federal Financial Relations processes and support the Heads of Treasury Accounting and Reporting Advisory Committee.

Table 8: Output 2.1: Economic Management

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
Total Cost	7,572	8,515
Government Payment for Outputs	7,202	8,258

Output 2.2: Financial Management

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

Financial Management will:

- manage the preparation and presentation of the Government's annual budget, budget review and annual financial statements;
- provide quarterly whole of government consolidated management reports;
- report to external agencies including the Australian Loan Council, the Australian Bureau of Statistics and the Commonwealth Grants Commission;
- provide advice to the Government on financial and budget policy issues; and
- review government programs and functions.

Table 9: Output 2.2: Financial Management

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
Total Cost	16,015	31,157
Government Payment for Outputs	13,031	26,848

Accountability Indicators

Output Class 1: Government Strategy

Output 1.1: Government Policy and Reform

Table 10: Accountability Indicators Output 1.1

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Whole of government policy and project initiatives ¹	3	3	3
b. Regional partnerships and participation ²	2	2	2
c. Support for COAG and CAF meetings ³	4	4	4
d. Demographic Update ⁴	1	1	n/a
e. Government Progress Report ⁵	June 2014	June 2014	June 2015
f. Cabinet and Strategic Board Support ⁶	2	2	2
g. Regulatory and process reform initiatives ⁷	n/a	n/a	3

Note(s):

1. This measure incorporates key government policy and project initiatives to be delivered by the Chief Minister and Treasury Directorate during the year. Scope, delivery and timing of initiatives may vary depending on emerging priorities that impact on resource availability.
2. This measure reflects involvement in two key regional partnerships – implementation of initiatives under a memorandum of understanding with the NSW Government on regional cooperation (1 project) and involvement with regional councils through the South East Regional Organisation of Councils (1 project).
3. This measure covers briefing and support to the Chief Minister for meetings of COAG and CAF. This measure is counted as complete on delivery of the briefing packages to the Chief Minister.
4. Discontinued measure. This measure related to a project updating ACT population projections based on 2011 census.
5. This measure relates to a Government Progress Report on longer term strategic policy.
6. This measure covers the annual cycle of secretariat support to Cabinet and to the Strategic Board.
7. New measure. This measure covers policy and project initiatives targeted at improving the effectiveness and efficiency of regulation and processes to strengthen the delivery of Government priorities. Scope, delivery and timing of initiatives may vary depending on emerging priorities that impact on resource availability.

Output 1.2: Public Sector Management

Table 11: Accountability Indicators Output 1.2

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Conduct the annual whole of government Graduate Program ¹	1	1	1
b. Conduct of Enterprise Agreement negotiations ²	1	1	n/a
c. Continue to implement the ACTPS Workers' Compensation and Work Safety Improvement Plan ³	Jun 2014	Jun 2014	Jun 2015
d. Publish a State of the Service Report ⁴	Sep 2013	Sep 2013	Sep 2014
e. Update recruitment guidelines ⁵	Sep 2013	Not achieved	n/a
f. Review ACTPS Respect, Equity and Diversity Framework ⁶	Apr 2014	June 2014	n/a
g. Implement agreed recommendations of the ACT Classification Review ⁷	Jun 2014	Jun 2014	n/a
h. Finalise Enterprise Agreement negotiations ⁸	n/a	n/a	1
i. 2014 ACT Public Sector All Staff Survey Report ⁹	n/a	n/a	1
j. Coordinate the whole of government Healthy Weight Action Plan ¹⁰	n/a	n/a	Jun 2015
k. Regulatory reform of ACTPS Employment Framework and processes ¹¹	n/a	n/a	1

Note(s):

1. This measure covers implementation of the ACTPS whole of government Graduate Program, including the 2014 graduate intake, recruitment, selection and commencement of the 2015 intake, and planning for the 2016 intake. The measure will be considered complete when the activities under the Program are undertaken.
2. Discontinued measure. This measure covered the Directorate's role in leading negotiations for the next Template Enterprise Agreement.
3. This measure covers ongoing implementation of the ACTPS workers' compensation improvement plan, including the implementation of the capability strengthening framework, new reporting tools, rehabilitation provider management and early intervention strategies.
4. This measure covers the publication of the annual State of the Service Report, which incorporates the ACT Public Sector Workforce Profile Report and the report on the implementation of the ACTPS Respect, Equity and Diversity Framework.
5. Discontinued measure. This measure covered the republication of the ACTPS Recruitment Guide, as agreed by the Government in response to the Auditor-General's report on recruitment in the ACTPS. The measure has been delayed pending the review of the *Public Sector Management Act 1994*.
6. Discontinued measure. This measure covered the review of the Respect, Equity and Diversity Framework after 3 years of operation.
7. Discontinued measure. This measure covered incorporating appropriate recommendations of the ACT Classification Review into the employment framework.
8. New measure. This measure covers the finalisation of terms and conditions negotiations, and their implementation.
9. New measure. This measure covers the report of the 2014 ACT Public Sector All Staff Survey.
10. New measure. This measure covers ongoing coordination of all Healthy Weight Action Plan initiatives. The measure is considered complete when the report describing the Action Plan achievements within the year is published.
11. New measure. This measure covers policies and projects targeted at improving the effectiveness and efficiency of regulation in relation to the ACTPS Employment Framework. Expected projects relate to the implementation of the revised Public Sector Management Act.

Output 1.3: Industrial Relations Policy

Table 12: Accountability Indicators Output 1.3

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Provide advice to Government on developments in the national workplace safety agenda ¹	4	4	4
b. Represent the ACT on Safe Work Australia and its various sub-committees and working groups, and coordinate input to, and activities arising from, the national initiatives to harmonise and implement work health and safety laws and improve workers' compensation arrangements ²	10	10	10
c. Conduct an actuarial review of the ACT Workers' Compensation Scheme ³	May 2014	Apr 2014	Apr 2015
d. In accordance with Government directions, make changes to the <i>Workers Compensation Act 1951</i> ⁴	Jun 2014	Jun 2014	Jun 2015
e. Provide advice to the Government regarding issues arising from the National Workplace Relations System ⁵	4	4	4
f. Represent the ACT on national industrial relations fora and coordinate input to, and activities arising from, the National Workplace Relations System ⁶	4	5	4
g. Maintain consultative fora within the ACT on workplace safety and on workers' compensation ⁷	4	4	4
h. Provide policy and legislative advice to the Government on issues affecting ACT workers ⁸	3	5	3
i. Provide policy and legislative advice to the Government on issues relating to dangerous substances, including chemical, explosives and asbestos regulation ⁹	3	5	6
j. Implement the recommendations of the <i>Getting Home Safely Report</i> ¹⁰	6	6	6

Note(s):

1. This measure covers the preparation of briefing papers to the Government on significant national developments in work health and safety, including those requiring amendments to ACT legislation. This measure is counted as complete when submissions are lodged with the Government. The scope, delivery and timing of these submissions will depend on the nature of emerging priorities during the year that impact on resources and scheduled projects.
2. This measure covers preparation for, and attendance at, meetings of Safe Work Australia, meetings of the Strategic Issues Group, and meetings of various technical advisory groups established to harmonise work safety legislation and improve workers' compensation arrangements. This measure is considered complete with attendance at meetings.
3. This measure covers review of the performance of the ACT Workers' Compensation Scheme and consideration of the broader implications of these findings. This measure is considered complete on receipt of the actuarial analysis and reporting to the Minister for Workplace Safety and Industrial Relations.
4. This measure covers the development of amendments to the *Workers Compensation Act 1951*, which are intended to improve the overall efficiency and effectiveness of the Workers' Compensation Scheme. The measure is considered complete when the submissions to the Government proposing amendments are finalised following external consultation.
5. This measure covers the provision of advice to the Government on the progress of any amendments to the *Fair Work Act 2009*, and any other issues arising in relation to the national workplace relation laws. The measure is considered complete on provision of briefs and other advice to the Government on progress. The subject, number and timing of the briefings will depend on the nature of emerging priorities during the year that impact on resources.
6. This measure covers the ACT's participation and involvement in the various federally sponsored fora on the administration of the *Fair Work Act 2009*. The scope, delivery and timing of these submissions will depend on the nature of emerging priorities during the year that impact on resources and scheduled projects.

7. This measure covers the secretariat role of Work Safety Policy Section to the ACT Work Safety Council, supporting four meetings of the Council. The measure is considered complete when Council meetings are held and minutes agreed.
8. This measure covers advice on local industrial relations matters including portable long service leave, public holidays, daylight saving and workers' compensation.
9. This measure covers advice on the *Dangerous Substances Act 2004*, including chemical explosives and asbestos regulation.
10. This measure covers the preparation of advice to the Government on the implementation of the recommendations stemming from the *Getting Home Safely Report*, including preparation of papers and attendance at steering committee meetings and briefings for Government. This measure is considered counted as complete when minutes of meetings are accepted and submissions are lodged with the Government.

Output 1.4: Coordinated Communications and Community Engagement

Table 13: Accountability Indicators Output 1.4

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Quarterly reporting to Government on Centenary of Canberra progress ¹	2	2	n/a
b. Average number of visits per month to the Time to Talk Canberra website ²	2,200	2,400	2,200
c. Deliver two city-wide whole of government newsletters ³	Sep 2013 Mar 2014	Sep 2013 Mar 2014	Sep 2014 Mar 2015
d. Annual number of ACT Government Digital Mail Service newsletters ⁴	n/a	n/a	96

Note(s):

1. Discontinued Measure. This measure covers information updates to Government on the 2013 Centenary of Canberra program that are no longer required.
2. This measure covers visits to the Time to Talk Canberra website. The estimated outcome for 2013-14 was determined by analysis of the total number of unique visits to the site.
3. This measure covers the production and distribution of two 'Our City, Our Community' newsletters that provide information to ACT residents on the activities of the Government, and outline upcoming programs, initiatives and events.
4. New Measure: This measure covers the total number of ACT Government messages distributed during the year to subscribers of the ACT Government Digital Mail Service.

Output Class 2: Financial and Economic Management

Output 2.1: Economic Management

Table 14: Accountability Indicators Output 2.1

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Briefings on the ACT economy ¹	115	115	115
b. Submission to CGC Annual Update ²	1	1	1
c. Submission to credit rating agency ³	1	1	1

Note(s):

1. This measure covers briefings on the most recent key economic indicators for Canberra and the Australian Capital Territory that are updated with new data released either monthly or quarterly.
2. This measure covers the annual submission to the Commonwealth Grant Commission, which forms part of their annual data update which will determine the ACT's annual share of the national GST pool.

3. This measure covers the annual submission to the credit rating agency Standard & Poor's (S&P). This enables S&P to make an assessment of the credit rating of the ACT Government. The submission is a day-long meeting with the agency, which includes a presentation.

Output 2.2: Financial Management

Table 15: Accountability Indicators Output 2.2

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Budget presented in accordance with legislative timeframes ¹	1	1	1
b. Budget Review presented in accordance with legislative timeframes ²	1	1	1
c. Annual Financial Statements for the Territory provided in accordance with legislative timeframes ³	1	1	1
d. Quarterly Consolidated Financial Statements presented in accordance with legislative timeframes ⁴	4	4	4
e. Policy/service area reviews ⁵	6	6	n/a
f. Policy/service area reviews commenced ⁶	n/a	n/a	3
g. Policy/service area reviews completed ⁷	n/a	n/a	7
h. Regulatory reform in relation to financial processes ⁸	n/a	n/a	1

Note(s):

1. The Territory Budget presented to the Legislative Assembly in accordance with the timing prescribed in section 5 of the *Financial Management Act 1996* (FMA).
2. The Budget Review for the Territory presented to the Legislative Assembly in accordance with the timing prescribed in section 20A of the FMA.
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 FMA.
4. The Quarterly Consolidated Financial Statements to be presented to the Legislative Assembly in accordance with the timing prescribed in section 26 of the FMA.
5. Discontinued measure - replaced by indicator (f) and indicator (g). In 2013-14 reviews commenced for Human Resources and Financial Services, Parks and City Services, Emergency Services Agency, Corrective Services, and ACTION. The review of Government Schools did not commence due to the implementation of the National Education Reforms. An additional review of the Commonwealth Fire Payment commenced in 2013-14.
6. New Measure. In 2014-15 reviews expected to commence comprise: Property Management, Parking Infrastructure and Service Delivery Models, and the Concessions Program.
7. New Measure. In 2014-15 reviews expected to be completed comprise: Property Management, Parking Infrastructure and Service Delivery Models, the Concessions Program, the Commonwealth Fire Payment, Emergency Services Agency, Corrective Services and ACTION.
8. This measure covers policy and project initiatives targeted at improving the effectiveness and efficiency of regulation in relation to financial processes.

Changes to Appropriation

Table 16: Changes to appropriation—Government Payment for Outputs, Controlled

	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
2013-14 Budget	59,833	41,470	40,622	40,439	40,439
2nd Appropriation					
Infrastructure Finance and Advisory Unit	487	1,499	1,066	987	998
ACTPS Workers' Compensation and Work Safety Improvement Plan	1,561	2,747	2,790	2,834	2,917
Revised Wage Parameters	366	479	792	1,220	1,223
FMA Section 16B Rollovers from 2012-13					
Restructure Fund	3,542	-	-	-	-
Accelerated Land Development	1,176	-	-	-	-
Centenary of Canberra – ACT Celebratory Program	849	-	-	-	-
Project Advice	321	-	-	-	-
Approach to Market for Pay Parking Ticket Machines	300	-	-	-	-
ACTPS Workers' Compensation and Work Safety Improvement Plan	244	-	-	-	-
Strategic Asset Management Program	213	-	-	-	-
Commonwealth Grants – Liveable Cities	202	-	-	-	-
Community Support Fund	112	-	-	-	-
Canberra Plan 2013	60	-	-	-	-
Community Initiatives Fund	16	-	-	-	-
2014-15 Budget Policy Adjustments					
Australia Forum – Investment Ready	-	200	-	-	-
Capital Metro Project – Scoping and Facilitation	-	907	-	-	-
Digital Dividend Investment Strategy and Transformational Service Delivery	-	-	5,000	-	-
Expenditure Reviews	-	800	618	-	-
Healthy Weight Initiative	-	1,538	1,315	344	448
iConnect	-	2,047	701	1,073	1,073
Regulatory Reform Team	-	763	-	-	-
Streamlining Administration	-	500	-	-	-
General Savings	-	(215)	(227)	(227)	(228)
2014-15 Budget Technical Adjustments					
Revised Indexation Parameters	-	11	12	13	658
Revised Superannuation Parameters	(220)	104	466	585	709
Transfer – Community Initiatives Fund	(63)	(47)	(48)	(49)	(50)
Transfer – Community Support Fund	63	47	48	49	50
Revised Funding Profile – Approach to Market for Pay Parking Ticket Machines	(250)	250	-	-	-
Revised Funding Profile – Digital Canberra	(3,688)	2,527	357	144	-
Revised Funding Profile – Directorate Operational Reviews	(325)	325	-	-	-

	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Revised Funding Profile – Investment Logic Mapping	(200)	-	200	-	-
Revised Funding Profile – New Court Facilities (Design and PPP Scoping)	(400)	400	-	-	-
Revised Funding Profile – National Injury Insurance Scheme	(258)	258	-	-	-
Revised Funding Profile – Project Advice	(920)	920	-	-	-
Revised Funding Profile – Restructure Fund	(7,600)	7,600	-	-	-
Revised Funding Profile – Strategic Asset Management Plan	(2,073)	2,073	-	-	-
Revised Funding Profile – Study Canberra Cessation – Study Canberra	(178)	(30)	24	184	-
Cessation – Accelerated Land Development	-	-	-	-	(504)
Cessation – Commonwealth Grants – Liveable Cities	(1,111)	-	-	-	-
	(14)	-	-	-	-
2014-15 Budget	52,045	67,173	53,736	47,596	47,733

Table 17: Changes to appropriation—Capital Injections, Controlled

	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
2013-14 Budget	2,651	0	0	0	0
2nd Appropriation					
Loan – Exhibition Park Corporation	450	-	-	-	-
FMA Section 16B Rollovers from 2012-13					
Community Housing Canberra Loan Appropriation	1,888	-	-	-	-
Injury Prevention and Management Information System	142	-	-	-	-
AIMS Replacement	67	-	-	-	-
2014-15 Budget Policy Adjustments					
iConnect	-	1,651	6,061	5,696	3,467
2014-15 Budget Technical Adjustments					
Revised Funding Profile – Community Housing Canberra Loan Appropriation	(1,888)	1,888	-	-	-
Revised Funding Profile – Digital Canberra	-	310	350	-	-
Revised Funding Profile – Loan – Exhibition Park Corporation	(1,200)	1,200	-	-	-
Supplementation for Additional Pay Period in 2015-16	-	1,114	-	-	-
2014-15 Budget	2,110	6,163	6,411	5,696	3,467

Financial Statements

Table 18: Chief Minister and Treasury Directorate: Operating Statement

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Income							
Revenue							
59,833	Government Payment for Outputs	52,045	67,173	29	53,736	47,596	47,733
4,097	User Charges - ACT Government	4,383	4,484	2	4,657	4,823	4,962
3,532	Interest	3,029	1,877	-38	1,925	1,999	1,960
44	Other Revenue	44	38	-14	26	26	27
1,106	Resources Received Free of Charge	1,106	1,134	3	1,144	1,155	1,184
68,612	Total Revenue	60,607	74,706	23	61,488	55,599	55,866
Gains							
5,341	Other Gains	5,341	0	-100	0	0	0
5,341	Total Gains	5,341	0	-100	0	0	0
73,953	Total Income	65,948	74,706	13	61,488	55,599	55,866
Expenses							
23,640	Employee Expenses	25,482	27,566	8	26,159	26,076	26,255
4,753	Superannuation Expenses	4,668	5,000	7	4,889	4,928	5,068
22,507	Supplies and Services	19,250	26,364	37	19,391	18,417	18,522
1,412	Depreciation and Amortisation	325	2,632	710	2,620	2,608	875
3,534	Borrowing Costs	3,031	1,879	-38	1,927	2,001	1,962
14,383	Grants and Purchased Services	8,393	14,208	69	9,473	4,401	4,271
70,229	Total Ordinary Expenses	61,149	77,649	27	64,459	58,431	56,953
3,724	Operating Result	4,799	-2,943	-161	-2,971	-2,832	-1,087
3,724	Total Comprehensive Income	4,799	-2,943	-161	-2,971	-2,832	-1,087

Table 19: Chief Minister and Treasury Directorate: Balance Sheet

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
Current Assets							
3,245	Cash and Cash Equivalents	3,663	4,785	31	3,671	3,671	3,671
2,895	Receivables	1,413	1,407	..	1,468	4,011	4,085
42	Other Current Assets	42	42	-	42	42	42
6,182	Total Current Assets	5,118	6,234	22	5,181	7,724	7,798
Non Current Assets							
90,562	Receivables	68,412	71,500	5	71,449	68,879	66,304
339	Property, Plant and Equipment	1,093	919	-16	804	658	543
7,546	Intangibles	8,743	6,595	-25	4,456	1,978	1,234
98,447	Total Non Current Assets	78,248	79,014	1	76,709	71,515	68,081
104,629	TOTAL ASSETS	83,366	85,248	2	81,890	79,239	75,879
Current Liabilities							
1,450	Payables	1,115	1,096	-2	1,078	1,078	1,052
1,179	Interest-Bearing Liabilities	0	0	-	51	2,571	2,664
34	Finance Leases	34	50	47	34	50	34
8,723	Employee Benefits	8,747	9,077	4	8,337	8,559	8,781
11,386	Total Current Liabilities	9,896	10,223	3	9,500	12,258	12,531
Non Current Liabilities							
90,562	Interest-Bearing Liabilities	68,412	71,500	5	71,449	68,879	66,304
70	Finance Leases	70	46	-34	70	46	70
648	Employee Benefits	636	646	2	659	676	681
134	Other Non-Current Provisions	134	134	-	134	134	134
91,414	Total Non Current Liabilities	69,252	72,326	4	72,312	69,735	67,189
102,800	TOTAL LIABILITIES	79,148	82,549	4	81,812	81,993	79,720
1,829	NET ASSETS	4,218	2,699	-36	78	-2,754	-3,841
REPRESENTED BY FUNDS EMPLOYED							
1,829	Accumulated Funds	4,218	2,699	-36	78	-2,754	-3,841
1,829	TOTAL FUNDS EMPLOYED	4,218	2,699	-36	78	-2,754	-3,841

Table 20: Chief Minister and Treasury Directorate: Cash Flow Statement

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
59,833	Cash from Government for Outputs	52,045	67,173	29	53,736	47,596	47,733
4,097	User Charges	4,188	4,484	7	4,657	4,823	4,962
3,524	Interest Received	3,435	1,855	-46	1,916	1,981	1,978
5,894	Other Receipts	5,207	5,866	13	5,860	5,869	5,899
73,348	Operating Receipts	64,875	79,378	22	66,169	60,269	60,572
Payments							
23,389	Related to Employees	26,595	27,207	2	26,708	25,818	26,008
4,732	Related to Superannuation	4,684	4,979	6	5,029	4,907	5,047
21,360	Related to Supplies and Services	19,500	25,207	29	18,272	17,240	17,345
3,526	Borrowing Costs	3,437	1,857	-46	1,918	1,983	1,980
14,383	Grants and Purchased Services	8,393	14,208	69	9,443	4,401	4,271
5,929	Other	5,929	5,904	..	5,904	5,912	5,912
73,319	Operating Payments	68,538	79,362	16	67,274	60,261	60,563
29	NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	-3,663	16	100	-1,105	8	9
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
19	Proceeds from Sale of Property, Plant and Equipment	19	0	-100	19	0	19
1,105	Proceeds from Repayment of Loans Receivable	21,838	0	-100	0	0	2,499
1,124	Investing Receipts	21,857	0	-100	19	0	2,518
Payments							
0	Purchase of Property, Plant and Equipment and Capital Works	0	310	#	350	0	0
1,601	Purchase of Land and Intangibles	1,810	0	-100	0	0	0
0	Capital Payments to Government Agencies	0	1,651	#	6,061	5,696	3,467
1,050	Issue of Loan	300	3,088	929	0	0	0
2,651	Investing Payments	2,110	5,049	139	6,411	5,696	3,467

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
-1,527	NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	19,747	-5,049	-126	-6,392	-5,696	-949
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
2,651	Capital Injections from Government	2,110	6,163	192	6,411	5,696	3,467
2,651	Financing Receipts	2,110	6,163	192	6,411	5,696	3,467
Payments							
1,105	Repayment of Borrowings	21,770	0	-100	0	0	2,499
28	Repayment of Finance Leases	28	8	-71	28	8	28
1,133	Financing Payments	21,798	8	-100	28	8	2,527
1,518	NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES	-19,688	6,155	131	6,383	5,688	940
20	NET INCREASE / (DECREASE) IN CASH HELD	-3,604	1,122	131	-1,114	0	0
3,225	CASH AT THE BEGINNING OF REPORTING PERIOD	7,267	3,663	-50	4,785	3,671	3,671
3,245	CASH AT THE END OF REPORTING PERIOD	3,663	4,785	31	3,671	3,671	3,671

Table 21: Chief Minister and Treasury Directorate: Statement of Changes in Equity

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Opening Equity						
-3,496	Opening Accumulated Funds	-2,391	4,218	276	2,699	78	-2,754
-3,496	Balance at the Start of the Reporting Period	-2,391	4,218	276	2,699	78	-2,754
	Comprehensive Income						
3,724	Operating Result for the Period	4,799	-2,943	-161	-2,971	-2,832	-1,087
3,724	Total Comprehensive Income	4,799	-2,943	-161	-2,971	-2,832	-1,087
0	Total Movement in Reserves	0	0	-	0	0	0
	Transactions Involving Owners Affecting Accumulated Funds						
1,601	Capital Injections	1,810	1,424	-21	350	0	0
1,601	Total Transactions Involving Owners Affecting Accumulated Funds	1,810	1,424	-21	350	0	0
	Closing Equity						
1,829	Closing Accumulated Funds	4,218	2,699	-36	78	-2,754	-3,841
1,829	Balance at the End of the Reporting Period	4,218	2,699	-36	78	-2,754	-3,841

Notes to the Controlled Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the decrease of \$7.788 million in the 2013-14 estimated outcome from the original budget is mainly due to the rollover of funding from 2013-14 to future years (\$15.892 million) and savings from the discontinuation of the Accelerated Land Development initiative (\$1.111 million), partially offset by the rollover of appropriation from 2012-13 (\$7.035 million) and 2nd Appropriation initiatives (\$2.048 million); and
 - the increase of \$15.128 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the rollover of funding from 2013-14 to future years, removal of the impact of the discontinuation of the Accelerated Land Development initiative (\$1.111 million), 2nd Appropriation initiatives (\$2.198 million) and new initiatives (\$6.755 million), partially offset by the removal of the impact of the rollover of appropriation from 2012-13 (\$7.035 million), the impact of the funding profile of previously funded programs and cessation of programs such as the Centenary of Canberra – ACT Celebratory Program.
- interest: the decrease of \$1.152 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the University of Canberra (UC) Loan being repaid earlier than anticipated.
- other gains: the decrease of \$5.341 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to the transfer of the Whole of Government Banking and Oracle E-Business Suite projects from the Commerce and Works Directorate (CWD).
- employee expenses:
 - the increase of \$1.842 million in the 2013-14 estimated outcome from the original budget results from 2nd Appropriation initiatives (\$1.554 million) and revised wage parameters, partially offset by the rollover of funding from 2013-14 to future years (\$0.220 million); and
 - the increase of \$2.084 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects 2nd Appropriation initiatives (\$1.158 million), new initiatives (\$1.920 million) and the rollover of funding from 2013-14 to future years, partially offset by cessation of previously funded programs.
- supplies and services:
 - the decrease of \$3.257 million in the 2013-14 estimated outcome from the original budget is mainly due to the rollover of funding from 2013-14 to future years (\$5.947 million), partially offset by 2nd Appropriation initiatives (\$0.360 million) and the rollover of appropriation from 2012-13 (\$1.945 million); and

- the increase of \$7.114 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the rollover of funding from 2013-14 to future years, 2nd Appropriation initiatives (\$0.941 million) and new initiatives (\$2.383 million), partially offset by the removal of the impact of the rollover of appropriation from 2012-13 (\$1.945 million), the impact of the funding profile of previously funded programs and cessation of programs such as the Centenary of Canberra – ACT Celebratory Program.
- depreciation and amortisation:
 - the decrease of \$1.087 million in the 2013-14 estimated outcome from the original budget is mainly due to the later than planned transfer of completed projects from CWD and the later than planned completion of CMTD ICT capital works projects; and
 - the increase of \$2.307 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to a full year of depreciation on ICT capital works projects completed toward the end of 2013-14 and completed assets transferred from CWD.
- borrowing costs: the decrease of \$1.152 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the UC Loan being repaid earlier than anticipated.
- grants and purchased services:
 - the decrease of \$5.990 million in the 2013-14 estimated outcome from the original budget is mainly due to the rollover of funding from 2013-14 to future years (\$9.618 million) and savings from the discontinuation of the Accelerated Land Development initiative (\$1.111 million), partially offset by the rollover of appropriation from 2012-13 (\$4.846 million); and
 - the increase of \$5.815 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the rollover of funding from 2013-14 to future years, removal of the impact of savings from the discontinuation of the Accelerated Land Development initiative (\$1.111 million) and new initiatives (\$2.207 million), partially offset by the removal of the impact of the rollover of appropriation from 2012-13 (\$4.846 million) and the impact of the funding profile of previously funded programs.

Balance Sheet

- cash and cash equivalents: the increase of \$1.122 million in the 2014-15 Budget from the 2013-14 estimated outcome mainly reflects the increased cash balances as at 30 June 2015 to facilitate payment of salaries on the first day of the 2015-16 financial year.
- current and non-current receivables:
 - the decrease of \$23.632 million in the 2013-14 estimated outcome from the original budget reflects the UC Loan being repaid earlier than anticipated (\$20.665 million) and revised loan arrangements for the finance facilities to the Exhibition Park Corporation (EPC) and Community Housing Canberra (CHC); and

- the increase of \$3.082 million in the 2014-15 Budget from the 2013-14 estimated outcome is due largely to revised loan arrangements for the financial facilities to EPC and CHC.
- intangibles:
 - the increase of \$1.197 million in the 2013-14 estimated outcome from the original budget mainly reflects a lower level of accumulated depreciation due to a later than planned transfer of completed projects from CWD and completion of CMTD capital works projects; and
 - the decrease of \$2.148 million in the 2014-15 Budget from the 2013-14 estimated outcome results from a higher level of accumulated depreciation reflecting the scheduled completion of capital projects in 2013-14.
- current and non-current interest-bearing liabilities:
 - the decrease of \$23.329 million in the 2013-14 estimated outcome from the original budget reflects the UC Loan being repaid earlier than anticipated (\$20.665 million) and revised loan arrangements for the finance facilities to EPC and CHC; and
 - the increase of \$3.088 million in the 2014-15 Budget from the 2013-14 estimated outcome is due largely to revised loan arrangements for the financial facilities to EPC and CHC.

Cash Flow Statement

Variations in this statement are explained in the notes above.

Statement of Changes in Equity

Variations in this statement are explained in the notes above.

Table 22: Chief Minister and Treasury Directorate: Statement of Income and Expenses on Behalf of the Territory

2013-14 Budget		2013-14 Est. Outcome	2014-15 Budget	Var	2015-16 Estimate	2016-17 Estimate	2017-18 Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
Revenue							
1,871	Taxes, Fees and Fines	1,859	2,959	59	4,058	5,154	6,236
1,514,003	Grants from the Commonwealth	1,542,262	1,621,500	5	1,658,211	1,751,304	1,839,497
192,133	Dividend Revenue	141,505	143,378	1	177,604	175,089	184,152
1,708,007	Total Revenue	1,685,626	1,767,837	5	1,839,873	1,931,547	2,029,885
Expenses							
11,596	Supplies and Services	11,694	11,417	-2	11,438	9,224	9,314
1,696,411	Transfer Expenses	1,673,932	1,756,420	5	1,828,435	1,922,323	2,020,571
1,708,007	Total Ordinary Expenses	1,685,626	1,767,837	5	1,839,873	1,931,547	2,029,885
0	Operating Result	0	0	-	0	0	0
0	Total Comprehensive Income	0	0	-	0	0	0

Table 23: Chief Minister and Treasury Directorate: Statement of Assets and Liabilities on Behalf of the Territory

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Current Assets						
59,650	Receivables	26,593	26,523	..	32,953	32,487	34,377
59,650	Total Current Assets	26,593	26,523	..	32,953	32,487	34,377
59,650	TOTAL ASSETS	26,593	26,523	..	32,953	32,487	34,377
	Current Liabilities						
59,650	Payables	26,593	26,523	..	32,953	32,487	34,377
59,650	Total Current Liabilities	26,593	26,523	..	32,953	32,487	34,377
59,650	TOTAL LIABILITIES	26,593	26,523	..	32,953	32,487	34,377
0	NET ASSETS	0	0	-	0	0	0
	REPRESENTED BY FUNDS EMPLOYED						
0	TOTAL FUNDS EMPLOYED	0	0	-	0	0	0

Table 24: Chief Minister and Treasury Directorate: Cash Flow Statement on Behalf of the Territory

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
1,871	Taxes, Fees and Fines	1,859	2,959	59	4,058	5,154	6,236
1,502,407	Grants Received from the Commonwealth	1,542,262	1,621,500	5	1,658,211	1,751,304	1,839,497
182,002	Dividends	217,420	143,448	-34	171,174	175,555	182,262
1,686,280	Operating Receipts	1,761,541	1,767,907	..	1,833,443	1,932,013	2,027,995
Payments							
0	Related to Supplies and Services	11,694	11,417	-2	11,438	9,224	9,314
1,686,280	Territory Receipts to Government	1,749,847	1,756,490	..	1,822,005	1,922,789	2,018,681
1,686,280	Operating Payments	1,761,541	1,767,907	..	1,833,443	1,932,013	2,027,995
0	NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	0	0	-	0	0	0
0	CASH AT THE BEGINNING OF REPORTING PERIOD	0	0	-	0	0	0
0	CASH AT THE END OF REPORTING PERIOD	0	0	-	0	0	0

Notes to the Territorial Budget Statements

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

The CMTD Territorial financial statements also include dividend revenue collected from other ACT Government Agencies and a regulatory levy on workers' compensation insurers to offset the cost of administering workers' compensation laws.

Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- taxes, fees and fines: the increase of \$1.1 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects a stepped increase in the regulatory levy on workers' compensation insurers.
- grants from the Commonwealth:
 - the increase of \$28.259 million in the 2013-14 estimated outcome from the original budget is mainly due to increases in GST Revenue (\$11.1 million) and National Partnership Payments (NPPs) (\$17.908 million), including Homelessness (\$5.480 million) and the Majura Parkway Construction (\$12.990 million); and
 - the increase of \$79.238 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to increases in GST Revenue (\$65.7 million), a return to more usual levels of Finance Assistance Grants to Local Governments following the roll forward of grants from 2013-14 to 2012-13 (\$24.102 million) and Specific Purpose and National Reform Payments (\$15.044 million), which includes an increase for the non-ACT Government Education (\$9.119 million). This is partially offset by a decrease in NPPs (\$26.280 million), including reduced funding for the Majura Parkway Construction (\$14.890 million) and Improving Public Hospital Services – Subacute Beds (\$9.9 million).
- dividend revenue:
 - the decrease of \$50.628 million in the 2013-14 estimated outcome from the original budget reflects updates to dividend revenue expected from ACT Government agencies, including ACTEW (\$23.521 million) and the Land Development Agency (LDA) (\$26.456 million); and
 - the increase of \$1.873 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects updates to dividend revenue expected from ACT Government agencies, including an increased dividend from ACTEW (\$5.154 million), partially offset by a decreased dividend from LDA (\$3.385 million).

- transfer expenses:
 - the decrease of \$22.479 million in the 2013-14 estimated outcome from the original budget represents updated estimates for the transfer of revenue received from fees, Commonwealth grants and dividends to the Territory Banking Account (TBA); and
 - the increase of \$82.488 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects updated estimates for the transfer of revenue received from fees, Commonwealth grants and dividends to the Territory Banking Account.

Statement of Assets and Liabilities on Behalf of the Territory

- receivables: the decrease of \$33.057 million in the 2013-14 estimated outcome from the original budget is due to changes to end of year accrual estimates for dividend revenue, as indicated above.
- payables: the decrease of \$33.057 million in the 2013-14 estimated outcome from the original budget is due to changes to end of year accrual estimates for dividend revenue, as indicated above.

Cash Flow Statement on Behalf of the Territory

Variations in this statement are explained in the notes above.

Table 25: Government Strategy Operating Statement

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Revenue							
25,685	Government Payment for Outputs	31,812	32,067	1	28,537	27,727	27,518
4,097	User Charges - ACT Government	4,383	4,484	2	4,657	4,823	4,962
405	Resources Received Free of Charge	405	415	2	425	436	447
30,187	Total Revenue	36,600	36,966	1	33,619	32,986	32,927
Expenses							
14,136	Employee Expenses	17,371	16,700	-4	16,606	16,454	16,510
3,111	Superannuation Expenses	3,373	3,196	-5	3,169	3,211	3,290
11,264	Supplies and Services	12,417	12,599	1	11,486	10,965	10,902
384	Depreciation and Amortisation	100	707	607	738	773	320
2	Borrowing Costs	2	2	-	2	2	2
1,817	Grants and Purchased Services	4,299	4,773	11	2,626	2,544	2,404
30,714	Total Ordinary Expenses	37,562	37,977	1	34,627	33,949	33,428
-527	Operating Result	-962	-1,011	-5	-1,008	-963	-501

Table 26: Financial and Economic Management Operating Statement

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Income							
Revenue							
34,148	Government Payment for Outputs	20,233	35,106	74	25,199	19,869	20,215
3,532	Interest	3,029	1,877	-38	1,925	1,999	1,960
44	Other Revenue	44	38	-14	26	26	27
701	Resources Received Free of Charge	701	719	3	719	719	737
38,425	Total Revenue	24,007	37,740	57	27,869	22,613	22,939
Gains							
5,341	Other Gains	5,341	0	-100	0	0	0
5,341	Total Gains	5,341	0	-100	0	0	0
43,766	Total Income	29,348	37,740	29	27,869	22,613	22,939
Expenses							
9,504	Employee Expenses	8,111	10,866	34	9,553	9,622	9,745
1,642	Superannuation Expenses	1,295	1,804	39	1,720	1,717	1,778
11,243	Supplies and Services	6,833	13,765	101	7,905	7,452	7,620
1,028	Depreciation and Amortisation	225	1,925	756	1,882	1,835	555
3,532	Borrowing Costs	3,029	1,877	-38	1,925	1,999	1,960
12,566	Grants and Purchased Services	4,094	9,435	130	6,847	1,857	1,867
39,515	Total Ordinary Expenses	23,587	39,672	68	29,832	24,482	23,525
4,251	Operating Result	5,761	-1,932	-134	-1,963	-1,869	-586

Notes to the Output Class Statements

Significant variations are as follows:

Government Strategy Total Ordinary Expenses

- the increase of \$6.848 million in the 2013-14 estimated outcome from the original budget is mainly due to the transfer of the remaining Seamless National Economy (SNE) funding to the Digital Canberra initiative (\$4.479 million), the rollover of appropriation from 2012-13 (\$1.483 million), 2nd Appropriation initiatives (\$1.561 million), and the reallocation of corporate overheads from Output Class 2, 'Financial and Economic Management' (\$2.459 million), partially offset by the rollover of funding from 2013-14 to future years (\$3.866 million).

Financial and Economic Management Total Ordinary Expenses

- the decrease of \$15.928 million in the 2013-14 estimated outcome from the original budget mainly reflects the impact of transferring the remaining SNE funding to the Digital Canberra initiative (\$4.479 million), the reallocation of corporate overheads to Output Class 1, 'Government Strategy' (\$2.459 million), the rollover of funding from 2013-14 to future years (\$12.026 million) and savings from the discontinuation of the Accelerated Land Development initiative (\$1.111 million). This is partially offset by the rollover of appropriation from 2012-13 (\$5.552 million) and 2nd Appropriation initiatives (\$0.487 million); and
- the increase of \$16.085 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the removal of the impact of transferring the remaining SNE funding to the Digital Canberra initiative in 2013-14 (\$4.479 million), the reallocation of corporate overheads between output classes (\$2.817 million), the rollover of funding from 2013-14 to future years, removal of the impact of savings from the discontinuation of the Accelerated Land Development initiative (\$1.111 million), 2nd Appropriation initiatives (\$1.012 million) and new initiatives (\$1.907 million). This is partially offset by the removal of the impact of the rollover of appropriation from 2012-13 (\$5.552 million) and the impact of the funding profile of previously funded programs.

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ACT COMPULSORY THIRD-PARTY INSURANCE REGULATOR

Purpose

The Australian Capital Territory Compulsory Third-Party Insurance Regulator (CTP regulator) is established under section 14 of the *Road Transport (Third-Party Insurance) Act 2008* (CTP Act).

The CTP regulator oversees and monitors the regulation, procedures, structure and transparency of the CTP scheme and ensures compliance with the obligations and procedures set out in the CTP Act.

2014-15 Priorities

Strategic and operational issues to be pursued in 2014-15 include:

- establishing a framework to support increased competition;
- enhancing the policy and procedures of CTP insurance for vehicles in the ACT in conjunction with insurers; and
- promoting public awareness of the causes of motor accidents through funding measures directed at reducing motor vehicle accidents.

Estimated Employment Level

Table 1: Estimated Employment Level

	2012-13 Actual Outcome	2013-14 Budget	2013-14 Estimated Outcome	2014-15 Budget
Staffing (FTE) ^{1,2}	0	0	0	0

Note(s):

1. Section 14 of the CTP Act defines the CTP regulator as the Director-General of the Chief Minister & Treasury Directorate (CMTD). Roles and responsibilities have been delegated by the CTP regulator to officers from CMTD. The CTP regulator does not employ any staff.
2. The Financial Framework Management and Insurance (FFMI) Branch of the Economic and Financial Group provides a supporting role to the CTP regulator by providing a number of staff to carry out the CTP regulator's functions. The CTP regulator reimburses the FFMI Branch for the salary and superannuation expenses associated with the staff allocated to carrying out the CTP regulator's functions.

Financial Statements

Table 2: ACT Compulsory Third-Party Insurance Regulator: Operating Statement

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Revenue							
256	Taxes, Fees and Fines	468	475	1	481	488	495
0	Interest	17	17	-	17	18	18
256	Total Revenue	485	492	1	498	506	513
Expenses							
0	Employee Expenses	152	152	-	156	159	165
256	Supplies and Services	162	285	76	244	207	215
0	Other Expenses	64	75	17	98	140	133
256	Total Ordinary Expenses	378	512	35	498	506	513
0	Operating Result	107	-20	-119	0	0	0
0	Total Comprehensive Income	107	-20	-119	0	0	0

Table 3: ACT Compulsory Third-Party Insurance Regulator: Balance Sheet

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Current Assets						
20	Cash and Cash Equivalents	275	255	-7	255	255	255
16	Receivables	45	45	-	45	45	45
36	Total Current Assets	320	300	-6	300	300	300
36	TOTAL ASSETS	320	300	-6	300	300	300
	Current Liabilities						
55	Payables	70	70	-	70	70	70
55	Total Current Liabilities	70	70	-	70	70	70
55	TOTAL LIABILITIES	70	70	-	70	70	70
-19	NET ASSETS	250	230	-8	230	230	230
	REPRESENTED BY FUNDS EMPLOYED						
-19	Accumulated Funds	250	230	-8	230	230	230
-19	TOTAL FUNDS EMPLOYED	250	230	-8	230	230	230

Table 4: ACT Compulsory Third-Party Insurance Regulator: Cash Flow Statement

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
256	Taxes, Fees and Fines	468	475	1	481	488	495
1	User Charges	0	0	-	0	0	0
0	Interest Received	17	17	-	17	18	18
257	Operating Receipts	485	492	1	498	506	513
Payments							
0	Related to Employees	152	152	-	156	159	165
256	Related to Supplies and Services	162	285	76	244	207	215
0	Other	64	75	17	98	140	133
256	Operating Payments	378	512	35	498	506	513
1	NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	107	-20	-119	0	0	0
1	NET INCREASE / (DECREASE) IN CASH HELD	107	-20	-119	0	0	0
19	CASH AT THE BEGINNING OF REPORTING PERIOD	168	275	64	255	255	255
20	CASH AT THE END OF REPORTING PERIOD	275	255	-7	255	255	255

Table 5: ACT Compulsory Third-Party Insurance Regulator: Statement of Changes in Equity

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Opening Equity						
-19	Opening Accumulated Funds	143	250	75	230	230	230
-19	Balance at the Start of the Reporting Period	143	250	75	230	230	230
	Comprehensive Income						
0	Operating Result for the Period	107	-20	-119	0	0	0
0	Total Comprehensive Income	107	-20	-119	0	0	0
0	Total Movement in Reserves	0	0	-	0	0	0
	Closing Equity						
-19	Closing Accumulated Funds	250	230	-8	230	230	230
-19	Balance at the End of the Reporting Period	250	230	-8	230	230	230

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- taxes, fees and fines: the increase of \$0.212 million in the 2013-14 estimated outcome from the original budget arises from a higher incidence of short term vehicle registrations in the financial year. The levy applies per vehicle registration.
- Supplies and services: the increase of \$0.123 million in the 2014-15 Budget from the 2013-14 estimated outcome predominately relates to an increase in actuarial, information technology and arbitration costs.

Balance Sheet

There are no significant variations in the Balance Sheet.

Cash Flow Statement

Variations in the statement are explained in the notes above.

Statement of Changes in Equity

There are no significant variations in the Statement of Changes in Equity.

INDEPENDENT COMPETITION AND REGULATORY COMMISSION

Purpose

The Independent Competition and Regulatory Commission (the Commission) has responsibility for a broad range of regulatory and utility administrative matters. The Commission has responsibility under the *Independent Competition and Regulatory Commission Act 1997* (ICRC Act) for regulating and advising government about pricing and other matters for monopoly, near-monopoly and ministerially declared regulated industries, providing advice on competitive neutrality complaints and government-regulated activities, and arbitrating infrastructure access disputes under the ICRC Act.

The objectives of the Commission are set out in section 7 of the ICRC Act and section 3 of the *Utilities Act 2000* (Utilities Act).

Section 7 of the ICRC Act sets out the Commission's objectives as:

- promoting effective competition in the interests of consumers;
- facilitating an appropriate balance between efficiency, environmental and social considerations; and
- ensuring non-discriminatory access to monopoly and near-monopoly infrastructure.

The Utilities Act provides for the regulation of electricity, natural gas, water and sewerage utility services. In discharging its responsibilities under this legislation, the Commission's objectives are to:

- encourage the provision of safe, reliable, efficient and high-quality utility services at reasonable prices;
- minimise the potential for misuse of monopoly power and promote competition in the provision of utility services;
- encourage long term investment, growth and employment in utility services; and
- protect the interests of consumers.

2014-15 Priorities

The strategic and operational issues to be pursued in 2014-15 include:

- overseeing and implementing the pricing determination for water and wastewater services from 1 July 2013;

- overseeing pricing determination for retail electricity for small customers on standard retail contract for the period from 1 July 2014 to 30 June 2017;
- overseeing the regulatory regime established under the Utilities Act, including licensing and compliance monitoring and reporting on utility compliance and performance;
- responding to the Government's requirements for advice on competition policy matters, and discharging the Commission's statutory role in competitive neutrality complaints handling;
- producing and publishing the Commission's fourth ACT Greenhouse Gas Inventory, to advise on and assist with meeting the challenges raised by the ACT's commitment to addressing climate change; and
- cooperating with the national regulatory body, the Australian Energy Regulator, and relevant ACT Government policy agencies, to implement the changes arising from the transfer from 1 July 2012 of some regulatory responsibilities in the energy sector as agreed by the ACT as a party to the Council of Australian Governments' Australian Energy Market Agreement.

Estimated Employment Level

Table 1: Estimated Employment Level

	2012-13 Actual Outcome	2013-14 Budget	2013-14 Estimated Outcome	2014-15 Budget
Staffing (FTE) ¹	8	6	9 ¹	9 ¹

Note(s):

1. The increase of 3 FTE in the estimated outcome from the original budget reflects the Commission's decision to meet its non recurrent workload by appointing temporary staff rather than using external contractors and consultants.

Changes to Appropriation

Table 2: Changes to appropriation—Government Payment for Outputs, Controlled

	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
2013-14 Budget	526	539	550	562	562
2nd Appropriation					
Revised Wage Parameters	6	9	15	23	24
2014-15 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	11
2013-14 estimated Outcome Saving	(126)	-	-	-	-
2014-15 Budget	406	548	565	585	597

Financial Statements

Table 3: Independent Competition and Regulatory Commission: Operating Statement

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Revenue							
526	Government Payment for Outputs	406	548	35	565	585	597
603	Taxes, Fees and Fines	882	905	3	928	951	975
1,100	User Charges - ACT Government	1,330	478	-64	537	417	487
52	Interest	52	52	-	52	52	52
2,281	Total Revenue	2,670	1,983	-26	2,082	2,005	2,111
Expenses							
746	Employee Expenses	1,035	896	-13	917	937	965
66	Superannuation Expenses	132	128	-3	131	134	137
1,301	Supplies and Services	1,081	857	-21	932	832	907
50	Depreciation and Amortisation	50	50	-	50	50	50
2,163	Total Ordinary Expenses	2,298	1,931	-16	2,030	1,953	2,059
118	Operating Result	372	52	-86	52	52	52
118	Total Comprehensive Income	372	52	-86	52	52	52

Table 4: Independent Competition and Regulatory Commission: Balance Sheet

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Current Assets						
2,180	Cash and Cash Equivalents	2,288	2,299	..	2,315	2,426	2,535
1,030	Receivables	426	462	8	576	592	609
3,210	Total Current Assets	2,714	2,761	2	2,891	3,018	3,144
	Non Current Assets						
450	Property, Plant and Equipment	405	355	-12	305	255	205
450	Total Non Current Assets	405	355	-12	305	255	205
3,660	TOTAL ASSETS	3,119	3,116	..	3,196	3,273	3,349
	Current Liabilities						
992	Payables	179	179	-	179	179	179
280	Employee Benefits	257	261	2	267	268	267
0	Other Provisions	609	625	3	641	657	674
554	Other Liabilities	83	0	-100	0	0	0
1,826	Total Current Liabilities	1,128	1,065	-6	1,087	1,104	1,120
	Non Current Liabilities						
21	Employee Benefits	22	29	32	35	42	49
57	Other	57	58	2	58	59	60
78	Total Non Current Liabilities	79	87	10	93	101	109
1,904	TOTAL LIABILITIES	1,207	1,152	-5	1,180	1,205	1,229
1,756	NET ASSETS	1,912	1,964	3	2,016	2,068	2,120
	REPRESENTED BY FUNDS EMPLOYED						
1,756	Accumulated Funds	1,912	1,964	3	2,016	2,068	2,120
1,756	TOTAL FUNDS EMPLOYED	1,912	1,964	3	2,016	2,068	2,120

Table 5: Independent Competition and Regulatory Commission: Cash Flow Statement

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
526	Cash from Government for Outputs	406	548	35	565	585	597
603	Taxes, Fees and Fines	882	905	3	928	951	975
1,000	User Charges	1,330	478	-64	537	417	487
52	Interest Received	52	52	-	52	52	52
86	Other Receipts	86	86	-	86	86	86
2,267	Operating Receipts	2,756	2,069	-25	2,168	2,091	2,197
Payments							
741	Related to Employees	1,019	880	-14	902	926	955
64	Related to Superannuation	127	112	-12	114	111	110
1,286	Related to Supplies and Services	1,175	965	-18	1,035	842	922
101	Other	101	101	-	101	101	101
2,192	Operating Payments	2,422	2,058	-15	2,152	1,980	2,088
75	NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	334	11	-97	16	111	109
75	NET INCREASE / (DECREASE) IN CASH HELD	334	11	-97	16	111	109
2,105	CASH AT THE BEGINNING OF REPORTING PERIOD	1,954	2,288	17	2,299	2,315	2,426
2,180	CASH AT THE END OF REPORTING PERIOD	2,288	2,299	..	2,315	2,426	2,535

Table 6: Independent Competition and Regulatory Commission: Statement of Changes in Equity

Budget as at 30/6/14		Est. Outcome as at 30/6/14 \$'000	Budget as at 30/6/15 \$'000	Var	Estimate as at 30/6/16 \$'000	Estimate as at 30/6/17 \$'000	Estimate as at 30/6/18 \$'000
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Opening Equity						
1,638	Opening Accumulated Funds	1,540	1,912	24	1,964	2,016	2,068
1,638	Balance at the Start of the Reporting Period	1,540	1,912	24	1,964	2,016	2,068
	Comprehensive Income						
118	Operating Result for the Period	372	52	-86	52	52	52
118	Total Comprehensive Income	372	52	-86	52	52	52
0	Total Movement in Reserves	0	0	-	0	0	0
	Closing Equity						
1,756	Closing Accumulated Funds	1,912	1,964	3	2,016	2,068	2,120
1,756	Balance at the End of the Reporting Period	1,912	1,964	3	2,016	2,068	2,120

Notes to the Controlled Budget Statements

Significant variations are as follows:

Operating Statement

- taxes, fees and fines: the increase of \$0.279 million in the 2013-14 estimated outcome from the original budget is due to increased utility regulatory activities in the Environment and Sustainable Development Directorate (ESDD).
- user charges - ACT Government: the decrease of \$0.852 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects the completion of the price direction for the supply of electricity to franchise customers for the period commencing 1 July 2014 and completion of the Service Agreement with ESDD for provision of greenhouse gas annual reports and analytical advice in November 2014.
- employee expenses: the increase of \$0.289 million in the 2013-14 estimated outcome from the original budget is due to employing additional staffing to deliver the price direction for the supply of electricity to franchise customers rather than engaging contractors and consultants.

Balance Sheet

- receivables current: the decrease of \$0.604 million in the 2013-14 estimated outcome from the original budget reflects the Commission invoicing for services on a progressive basis rather than issuing a single invoice on completion of service.
- payables current: the decrease of \$0.813 million in the 2013-14 estimated outcome from the original budget is mainly due to amounts owing to ESDD for regulation of utilities being reclassified to other provisions.
- other provisions current: the increase of \$0.609 million in the 2013-14 estimated outcome from the original budget is mainly due to amounts owing to ESDD for regulation of utilities being reclassified from payables.
- other liabilities current: the decrease of \$0.471 million in the 2013-14 estimated outcome from the original budget is due to revenue received in advance relating to the provision of greenhouse gas annual reports being reclassified as user charges – ACT Government.

Cash Flow Statement

Variances in the statement are explained in the notes above.

Statement of Changes in Equity

Variances in the statement are explained in the notes above.

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LIFETIME CARE AND SUPPORT FUND

Purpose

The Lifetime Care and Support Fund (LTCS fund) has been established under the *Lifetime Care and Support (Catastrophic Injuries) Act 2014* (LTCS Act) commencing from 1 July 2014. The LTCS fund reflects the financial operations of the Lifetime Care and Support Scheme (LTCS Scheme).

The LTCS Scheme provides on-going treatment and care to people who have been catastrophically injured as a result of a motor accident in the Australian Capital Territory, on or after 1 July 2014, on a no-fault basis.

The LTCS Scheme is funded by a levy on compulsory third-party insurance policies that commence on or after 1 July 2014.

2014-15 Priorities

Strategic and operational issues to be pursued in 2014-15 include:

- issuing guidelines and determinations when required under the *Lifetime Care and Support (Catastrophic Injuries) Act 2014*;
- developing appropriate internal management structures and procedures for the efficient and effective delivery of the LTCS Scheme;
- developing forms and information sheets for applicants and participants of the LTCS Scheme; and
- promoting and distributing information about both the LTCS Scheme and the LTCS Levy.

Estimated Employment Level

Table 1: Estimated Employment Level

	2012-13 Actual Outcome	2013-14 Budget	2013-14 Estimated Outcome	2014-15 Budget
Staffing (FTE)	0	0	0	0

Note(s):

1. Functions of the LTCS Scheme are performed by officers from the Chief Minister and Treasury Directorate (CMTD) and those employees are included in CMTD's FTE levels. The LTCS fund will reimburse CMTD for the salary and superannuation expenses associated with the staff allocated to carry out the LTCS Scheme's functions.

Strategic Objectives and Indicators

Strategic Objectives and Indicators will be included in future Budget Statements. This is due to the LTCS Scheme not yet being in operation and hence there currently being an absence of Scheme data and operational experience on which to base robust outcome indicators.

Output Classes

EBT Class 1: Lifetime Care and Support Fund

EBT 1.1: Lifetime Care and Support Fund

The LTCS fund reflects the operation of the LTCS Scheme to provide on-going care to people who have been catastrophically injured as a result of a motor accident in the Australian Capital Territory.

The key outputs to be delivered in 2014-15 include:

- deciding the eligibility of applicants to the LTCS Scheme in accordance with Part 4 of the LTCS Act and the LTCS Guidelines;
- assessing the treatment and care needs of participants in the LTCS Scheme in accordance with Part 5 of the LTCS Act;
- paying all reasonable expenses incurred by or on behalf of an injured person in relation to the injured person's assessed treatment and care needs in accordance with Part 6 and Part 9 of the LTCS Act; and
- determining the LTCS Levy in accordance with Part 10 of the LTCS Act.

Table 2: EBT Class 1 and EBT 1.1: Lifetime Care and Support Fund

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
Total Cost¹	N/A	9,602
Payment for Expenses on Behalf of the Territory	N/A	0

Note(s):

1. Total cost includes Nil depreciation and amortisation.

Accountability Indicators

EBT Class 1: Lifetime Care and Support Fund

EBT 1.1: Lifetime Care and Support Fund

Table 3: Accountability Indicators EBT 1.1

	2013-14 ¹ Targets	2013-14 ¹ Estimated Outcome	2014-15 Targets
Provision of LTCS Scheme in the ACT			
a. Independent actuarial review to advise on the required fund contribution ²	N/A	N/A	1
b. Determine LTCS Levy ³	N/A	N/A	1
c. LTCS Guidelines available ⁴	N/A	N/A	1
d. Application Form available ⁵	N/A	N/A	1

Note(s):

1. The LTCS fund commences on 1 July 2014.
2. In accordance with section 83(3) of the LTCS Act.
3. In accordance with section 84 of the LTCS Act.
4. In accordance with section 93 of the LTCS Act.
5. In accordance with section 98 of the LTCS Act.

Financial Statements

Table 4: Lifetime Care and Support Fund: Statement of Income and Expenses on Behalf of the Territory

2013-14 Budget	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Revenue						
0 Taxes, Fees and Fines	0	9,500	#	9,700	9,800	10,000
0 Interest	0	105	#	310	508	704
0 Total Revenue	0	9,605	#	10,010	10,308	10,704
Expenses						
0 Employee Expenses	0	139	#	143	147	149
0 Superannuation Expenses	0	13	#	14	15	16
0 Supplies and Services	0	125	#	93	96	98
0 Other Expenses	0	9,325	#	9,328	9,332	9,334
0 Total Operating Expenses	0	9,602	#	9,578	9,590	9,597
0 Operating Result	0	3	#	432	718	1,107
0 Total Comprehensive Income	0	3	#	432	718	1,107

Table 5: Lifetime Care and Support Fund: Statement of Assets and Liabilities on Behalf of the Territory

Budget as at 30/6/14	Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000
Current Assets						
0	0	1,100	#	1,400	1,600	1,900
0	0	7,436	#	15,202	22,939	30,549
0	0	8,536	#	16,602	24,539	32,449
0	0	8,536	#	16,602	24,539	32,449
Current Liabilities						
0	0	899	#	1,315	1,730	2,145
0	0	899	#	1,315	1,730	2,145
Non Current Liabilities						
0	0	7,634	#	14,852	21,656	28,044
0	0	7,634	#	14,852	21,656	28,044
0	0	8,533	#	16,167	23,386	30,189
0	0	3	#	435	1,153	2,260
REPRESENTED BY FUNDS EMPLOYED						
0	0	3	#	435	1,153	2,260
0	0	3	#	435	1,153	2,260

Table 6: Lifetime Care and Support Fund: Cash Flow Statement on Behalf of the Territory

2013-14 Budget	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts						
0 Taxes, Fees and Fines	0	9,500	#	9,700	9,800	10,000
0 Interest Received	0	105	#	310	508	704
0 Operating Receipts	0	9,605	#	10,010	10,308	10,704
Payments						
0 Related to Employees	0	139	#	143	147	149
0 Related to Superannuation	0	13	#	14	15	16
0 Related to Supplies and Services	0	125	#	93	96	98
0 Other	0	792	#	1,694	2,113	2,531
0 Operating Payments	0	1,069	#	1,944	2,371	2,794
0 NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	0	8,536	#	8,066	7,937	7,910
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
0 Purchase of Investments	0	7,436	#	7,766	7,737	7,610
0 Investing Payments	0	7,436	#	7,766	7,737	7,610
0 NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	0	-7,436	#	-7,766	-7,737	-7,610
0 NET INCREASE / (DECREASE) IN CASH HELD	0	1,100	#	300	200	300
0 CASH AT THE BEGINNING OF REPORTING PERIOD	0	0	-	1,100	1,400	1,600
0 CASH AT THE END OF REPORTING PERIOD	0	1,100	#	1,400	1,600	1,900

Table 7: Lifetime Care and Support Fund: Statement of Changes in Equity on Behalf of the Territory

Budget as at 30/6/14	Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000
Opening Equity						
0	0	0	-	3	435	1,153
Opening Accumulated Funds						
0	0	0	-	3	435	1,153
Balance at the Start of the Reporting Period						
Comprehensive Income						
0	0	3	#	432	718	1,107
Operating Result for the Period						
0	0	3	#	432	718	1,107
Total Comprehensive Income						
0	0	0	-	0	0	0
Total Movement in Reserves						
Closing Equity						
0	0	3	#	435	1,153	2,260
Closing Accumulated Funds						
0	0	3	#	435	1,153	2,260
Balance at the End of the Reporting Period						

Notes to the Territorial Budget Statements

The LTCS fund has been established under the *Lifetime Care and Support (Catastrophic Injuries) Act 2014*. It commences on 1 July 2014. As a result, there is no Budget or Estimated Outcome included for 2013-14. The following explanations provide context to the Budget Statements.

Statement of Income and Expenses on Behalf of the Territory

- taxes, fees and fines: relates to the LTCS Levy, which has been determined for the contribution period from 1 July 2014 to 30 June 2015 as \$34 per compulsory third-party insurance policy.
- other expenses: relates to the treatment and care costs of participants in the LTCS Scheme, including claims handling expenses.

Statement of Assets and Liabilities on Behalf of the Territory

- cash and cash equivalents and investments: reflects the accumulation of the net cash inflows to pay future treatment and care costs of Scheme participants as required under the LTCS Act.
- other provisions: relates to the provision for estimated future treatment and care costs of Scheme participants.

Cash Flow Statement on Behalf of the Territory

Relevant items in this statement are explained in the notes above.

Statement of Changes in Equity on Behalf of the Territory

Relevant items in this statement are explained in the notes above.

SUPERANNUATION PROVISION ACCOUNT

Purpose

The Superannuation Provision Account (SPA) is established to recognise the investment assets and defined benefit employer superannuation liabilities of the Territory.

The Chief Minister and Treasury Directorate (CMTD), through the financial operations of the SPA, assists the Government to effectively manage the defined benefit employer superannuation liabilities of the Territory. This includes the responsibility for the management of the investment funds set aside to meet those liabilities.

The SPA also recognises the unfunded superannuation liabilities for the superannuation benefits for the Members of the Legislative Assembly.

2014-15 Priorities

Strategic and operational issues to be pursued in 2014-15:

- managing, monitoring and reviewing, as necessary, the SPA investment portfolio in accordance with established investment policies;
- continuing to implement the operational requirements of the Responsible Investment Policy;
- completing a triennial actuarial review of the defined benefit employer superannuation liabilities using salary and membership data as at 30 June 2014; and
- procuring required external financial services including investment asset consulting and investment management.

Estimated Employment Level

Table 1: Estimated Employment Level

	2012-13 Actual Outcome	2013-14 Budget	2013-14 Estimated Outcome	2014-15 Budget
Staffing (FTE) ¹	9	9	4	4

Note(s):

1. Staffing FTE includes five FTE associated with the 'employee superannuation entitlements' project during 2012-13 and 2013-14. This project has been closed.

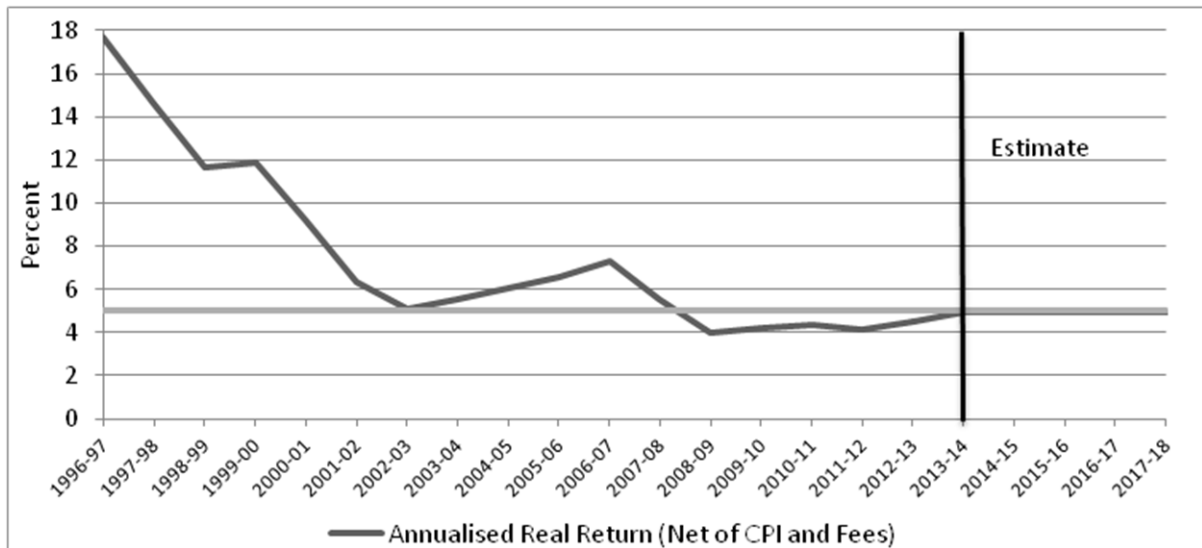
Strategic Objectives and Indicators

Strategic Objective 1

Achievement of Investment Return Objective

To achieve a long-term annualised return of CPI + 5 per cent (net of fees).¹

Figure 1: Strategic Objective 1: Achievement of Investment Return Objective



Note(s):

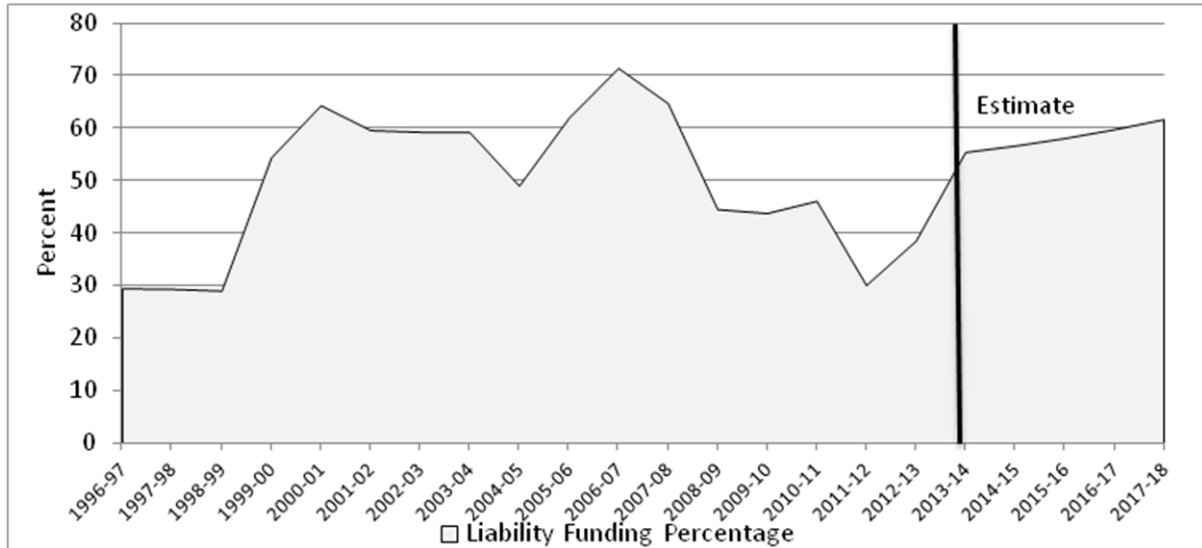
1. This indicator is the SPA investment portfolio return since the base performance year of 1996-97. The aim is to maintain the annualised portfolio return at or above CPI + 5 per cent (net of fees) over the long term, calculated since the base year. The portfolio return is calculated as the annualised performance of each individual financial year return.

Strategic Objective 2

Funding Defined Benefit Superannuation Liabilities

To fully fund the defined benefit superannuation liabilities by 30 June 2030.¹

Figure 2: Strategic Objective 2: Funding Defined Benefit Superannuation Liabilities



Note(s):

1. This indicator measures the level of superannuation liability funded by financial investment assets. The objective is to increase the liability funding percentage over time and to reach a 100 per cent liability funding level by 30 June 2030. The liability funding percentage is calculated by comparing the actual end of year valuation of financial investment assets with the actual actuarial valuation of defined benefit superannuation liabilities. The 2013-14 and the forward year liability valuation estimates utilise a discount rate of 6 per cent.

Output Classes

Output Class 1: Superannuation Provision Account

Table 2: Output Class 1: Superannuation Provision Account

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
Total Cost	514,573	488,212
Payment for Expenses on Behalf of the Territory	0	0

Output 1.1: Superannuation Provision Account

This output involves the management of the Territory's defined benefit employer superannuation liabilities and financial investment assets.

The key outputs to be delivered in 2014-15 include:

- managing the investment strategy and reporting on the financial investment assets set aside to meet the CSS/PSS defined benefit employer superannuation liabilities of the Territory;
- undertaking the triennial actuarial review of the Territory's CSS/PSS defined benefit employer superannuation liabilities;
- continuing to implement, manage and report on the Government's Responsible Investment Policy;
- application of the Principles for Responsible Investment (PRI), as well as completion of the annual PRI reporting assessment framework;
- managing the superannuation funding plan and emerging cost payments in respect of benefits to the Commonwealth;
- preparing annual Member Information Statements for the Members of the Legislative Assembly Superannuation Scheme, with calculation and settlement of benefit determinations as required; and
- managing and reporting on the financial operations of the SPA.

Accountability Indicators

Output Class 1: Superannuation Provision Account

Output 1.1: Superannuation Provision Account

Table 3: Accountability Indicators Output 1.1

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Difference between the net investment earnings rate and the benchmark is to be ≥ 0 ¹	≥ 0	≥ 0	≥ 0
b. Exposure to directly-owned share investments related to the manufacture of Tobacco, Cluster Munitions and Land Mines ²	0%	0%	0%
c. The exercising of ownership voting rights for directly-owned shares ³	>95%	>95%	>95%
d. Completion of the Principles for Responsible Investment Annual Reporting and Assessment Framework ^{4,5}	n/a	n/a	1
e. Completion of Annual Actuarial Review ⁶	1	1	1
f. Completion and delivery of Monthly Financial Reporting ⁷	12	12	12
g. Completion and delivery of unqualified Annual Financial Statements ⁸	1	1	1
h. Preparation of MLA Member Superannuation Statements ⁹	7	7	6

Note(s):

- The difference between the actual annual portfolio investment earnings rate and the established performance benchmark is a measure of the relative performance of the Territory's fund managers to the benchmark.
- The investment portfolio is monitored to ensure it is not exposed to any prohibited investments, in accordance with the Government's Responsible Investment Policy. For performance measurement, the actual portfolio direct share holdings will be compared with the prevailing prohibited shares list at the end of each month. The exposure measure will be the weighted value of any prohibited share investments on the total value of the share portfolio.
- As required by the Government's Responsible Investment Policy, voting rights in relation to directly-owned shares will be exercised in accordance with the Government's share voting policy. The target is that more than 95 per cent of all eligible voting items in the year will be cast in relation to the total voting items. The measure will be total actual votes cast compared to total eligible voting items.
- New indicator to improve performance monitoring.
- The Australian Capital Territory is a signatory to the Principles for Responsible Investment (PRI). Completing the annual Reporting Framework via the online reporting tool is a mandatory requirement for all signatories. The reporting framework is designed to provide accountability and transparency around signatories and their responsible investment activities.
- An annual actuarial review of the Territory's defined benefit (CSS/PSS) employer superannuation liabilities will be completed and included in the budget estimates.
- Monthly financial reporting involves the preparation of accrual financial statements, without notes, for transmission to Finance and Budget Division, CMTD. The monthly financial reporting will not be counted for the year if the financial statements are not completed and provided to Finance and Budget Division by the eighth business day of the next month.
- Involves the preparation of the previous year's annual financial statements for auditing and inclusion in the CMTD annual report. The objective is to receive an unqualified audit opinion during the year.
- Preparation of annual Member Information Statements for those Members of the Legislative Assembly that have a defined benefit superannuation entitlement in accordance with the *Superannuation (Legislative Assembly Members) Act 1991*. Any individual Member Information Statement for the previous financial year not delivered by end September of the Budget year will not be counted in the result.

Changes to Appropriation

Table 4: Changes to appropriation—Capital Injection, Territorial

	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
2013-14 Budget	178,216	195,674	213,650	233,781	233,781
2014-15 Budget Technical Adjustments					
Additional funding to match Benefit Payment Projection	-	2,535	2,401	1,797	20,812
2014-15 Budget	178,216	198,209	216,051	235,578	254,593

Financial Statements

Table 5: Superannuation Provision Account: Statement of Income and Expenses on Behalf of the Territory

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Revenue							
18,674	Interest	2,520	2,782	10	3,664	3,914	4,183
83,526	Dividend Revenue	18,547	54,527	194	55,500	59,630	64,073
4,947	Distribution from Investments with the Territory Banking Account	7,800	6,701	-14	6,307	6,776	7,281
0	Distribution from Financial Investments	96,366	55,566	-42	61,807	66,406	71,354
90,984	Other Revenue	276,316	114,831	-58	124,541	133,828	143,808
198,131	Total Revenue	401,549	234,407	-42	251,819	270,554	290,699
Expenses							
814	Employee Expenses	816	387	-53	396	409	419
453,513	Superannuation Expenses	503,832	478,198	-5	490,063	501,426	512,790
5,160	Supplies and Services	4,960	5,132	3	5,358	5,445	5,607
3,008	Other Expenses	4,965	4,495	-9	4,812	5,161	5,529
462,495	Total Ordinary Expenses	514,573	488,212	-5	500,629	512,441	524,345
-264,364	Operating Result	-113,024	-253,805	-125	-248,810	-241,887	-233,646
Other Comprehensive Income							
<i>Items that will not be Reclassified Subsequently to Profit or Loss</i>							
0	Superannuation Prior Year Actuarial Movement	1,678,126	0	-100	0	0	0
0	Total Other Comprehensive Income	1,678,126	0	-100	0	0	0
-264,364	Total Comprehensive Income	1,565,102	-253,805	-116	-248,810	-241,887	-233,646

Table 6: Superannuation Provision Account: Statement of Assets and Liabilities on Behalf of the Territory

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
Current Assets							
500	Cash and Cash Equivalents	5,000	5,000	-	5,000	5,000	5,000
79	Receivables	2,317	2,317	-	2,317	2,317	2,317
579	Total Current Assets	7,317	7,317	-	7,317	7,317	7,317
Non Current Assets							
2,766,679	Investments	3,011,883	3,236,212	7	3,477,396	3,736,866	4,015,938
2,766,679	Total Non Current Assets	3,011,883	3,236,212	7	3,477,396	3,736,866	4,015,938
2,767,258	TOTAL ASSETS	3,019,200	3,243,529	7	3,484,713	3,744,183	4,023,255
Current Liabilities							
929	Payables	779	779	-	779	779	779
195,863	Employee Benefits	198,412	216,259	9	235,789	254,811	273,876
196,792	Total Current Liabilities	199,191	217,038	9	236,568	255,590	274,655
Non Current Liabilities							
5,171,838	Employee Benefits	5,243,295	5,505,373	5	5,759,786	6,006,543	6,245,603
5,171,838	Total Non Current Liabilities	5,243,295	5,505,373	5	5,759,786	6,006,543	6,245,603
5,368,630	TOTAL LIABILITIES	5,442,486	5,722,411	5	5,996,354	6,262,133	6,520,258
-2,601,372	NET ASSETS	-2,423,286	-2,478,882	-2	-2,511,641	-2,517,950	-2,497,003
REPRESENTED BY FUNDS EMPLOYED							
-2,601,372	Accumulated Funds	-2,423,286	-2,478,882	-2	-2,511,641	-2,517,950	-2,497,003
-2,601,372	TOTAL FUNDS EMPLOYED	-2,423,286	-2,478,882	-2	-2,511,641	-2,517,950	-2,497,003

Table 7: Superannuation Provision Account: Cash Flow Statement on Behalf of the Territory

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
18,672	Interest Received	2,516	2,782	11	3,664	3,914	4,183
4,947	Distribution from Investments with the Territory Banking Account	7,800	6,701	-14	6,307	6,776	7,281
0	Distribution from Financial Investments	96,366	55,566	-42	61,807	66,406	71,354
87,830	Other Receipts	2,746	1,451	-47	1,647	1,750	1,861
0	Dividends	18,547	54,527	194	55,500	59,630	64,073
111,449	Operating Receipts	127,975	121,027	-5	128,925	138,476	148,752
Payments							
804	Related to Employees	806	380	-53	389	401	411
178,341	Related to Superannuation	165,823	198,281	20	216,125	235,655	254,673
5,160	Related to Supplies and Services	4,960	5,132	3	5,358	5,445	5,607
3,008	Other	4,464	4,495	1	4,812	5,161	5,529
187,313	Operating Payments	176,053	208,288	18	226,684	246,662	266,220
-75,864	NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	-48,078	-87,261	-81	-97,759	-108,186	-117,468
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
0	Proceeds from Sale/Maturity of Investments	181,425	0	-100	0	0	0
0	Investing Receipts	181,425	0	-100	0	0	0
Payments							
102,352	Purchase of Investments	408,476	110,948	-73	118,292	127,392	137,125
102,352	Investing Payments	408,476	110,948	-73	118,292	127,392	137,125
-102,352	NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	-227,051	-110,948	51	-118,292	-127,392	-137,125

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
178,216	Capital Injections from Government	178,216	198,209	11	216,051	235,578	254,593
178,216	Financing Receipts	178,216	198,209	11	216,051	235,578	254,593
178,216	NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES	178,216	198,209	11	216,051	235,578	254,593
0	NET INCREASE / (DECREASE) IN CASH HELD	-96,913	0	100	0	0	0
500	CASH AT THE BEGINNING OF REPORTING PERIOD	101,913	5,000	-95	5,000	5,000	5,000
500	CASH AT THE END OF REPORTING PERIOD	5,000	5,000	-	5,000	5,000	5,000

Table 8: Superannuation Provision Account: Statement of Changes in Equity on Behalf of the Territory

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Opening Equity						
-2,515,224	Opening Accumulated Funds	-4,166,604	-2,423,286	42	-2,478,882	-2,511,641	-2,517,950
-2,515,224	Balance at the Start of the Reporting Period	-4,166,604	-2,423,286	42	-2,478,882	-2,511,641	-2,517,950
	Comprehensive Income						
0	Superannuation Prior Year Actuarial Movement	1,678,126	0	-100	0	0	0
-264,364	Operating Result for the Period	-113,024	-253,805	-125	-248,810	-241,887	-233,646
-264,364	Total Comprehensive Income	1,565,102	-253,805	-116	-248,810	-241,887	-233,646
0	Total Movement in Reserves	0	0	-	0	0	0
	Transactions Involving Owners Affecting Accumulated Funds						
178,216	Capital Injections	178,216	198,209	11	216,051	235,578	254,593
178,216	Total Transactions Involving Owners Affecting Accumulated Funds	178,216	198,209	11	216,051	235,578	254,593
	Closing Equity						
-2,601,372	Closing Accumulated Funds	-2,423,286	-2,478,882	-2	-2,511,641	-2,517,950	-2,497,003
-2,601,372	Balance at the End of the Reporting Period	-2,423,286	-2,478,882	-2	-2,511,641	-2,517,950	-2,497,003

Notes to the Territorial Budget Statements

Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- the 2014-15 revenue estimates reflect the reclassification of interest and dividends received in relation to investments held in unit trusts to distributions from financial investments. The significant variation explanation for total revenue is:
 - the increase of \$203.418 million in the 2013-14 estimated outcome from the original budget is due to the strong performance of financial investment markets during the year. The nominal return of the investment portfolio for 2013-14 is estimated to be in the order of 15.5 per cent (net of fees) compared with the original budget estimate of 7.5 per cent (net of fees). The key components of the investment revenue include interest, dividends and capital gains, each being higher than the original budget estimate by \$7.265 million, \$13.287 million and \$182.866 million respectively; and
 - the decrease of \$167.142 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects the long term investment earnings assumption of a portfolio return of CPI plus 5 per cent (net of fees).
- superannuation expenses:
 - the increase of \$50.319 million in the 2013-14 estimated outcome from the original budget is due to the impact of the lower than estimated discount rate as at 30 June 2013 used for the annual superannuation liability valuation; and
 - the decrease of \$25.634 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to the Budget valuation estimate of the superannuation liability and superannuation expense being calculated on the long-term discount rate of 6 per cent.
- other expenses: the increase of \$1.957 million in the 2013-14 estimated outcome from the original budget is due to the recognition of a small unrealised capital loss and an increase in investment management fees resulting from the higher growth in the investment asset base.

Statement of Assets and Liabilities on Behalf of the Territory

- current assets: the increase of \$6.738 million in the 2013-14 estimated outcome from the original budget is due to maintaining a higher than anticipated level of liquidity in the operational bank account and related accrued interest.

- non-current assets:
 - the increase of \$245.204 million in the 2013-14 estimated outcome from the original budget is due to a combination of the flow-on effects of the achievement of a higher investment return in 2012-13 than anticipated and the increase in the estimated outcome for investment earnings during 2013-14; and
 - the increase of \$224.329 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to the reinvestment of investment earnings, offset by expected cash outflows.
- current employee benefits: is the estimated annual payments to be made to Comsuper to discharge the Territory's superannuation obligations – emerging cost payments. The estimated annual payments schedule is updated as part of the annual actuarial review of the superannuation liabilities based on the most recently available actual membership experience. The increase of \$2.549 million in the 2013-14 estimated outcome from the original budget and the increase of \$17.847 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects the estimated growth in annual employee superannuation benefit payments.
- non-current employee benefits: the increase of \$71.457 million in the 2013-14 estimated outcome from the original budget and the increase of \$262.078 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects the outcome of the latest actuarial review that incorporates membership data as at 30 June 2013. The estimates are impacted by actual member salary growth being higher than assumed, investment returns on member and productivity accounts being higher than assumed (member account balances are managed by Commonwealth Superannuation Corporation), and a membership base being higher than assumed at the end of the 2012-13 financial year.

Cash Flow Statement on Behalf of the Territory

Variations in the statement are explained in the notes above.

Statement of Changes in Equity on Behalf of the Territory

Variations in the statement are explained in the notes above.

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TERRITORY BANKING ACCOUNT

Purpose

The Chief Minister and Treasury Directorate (CMTD) provides services to the Government including financial asset and liability management through the establishment of investment and borrowing policies and objectives, and the coordination and implementation of cash management, investment and borrowing activities.

CMTD, through the Territory Banking Account (TBA), recognises and manages the general government's investment assets and debt liabilities. Revenues on behalf of the Territory are transferred to the TBA and fortnightly appropriation disbursements are made to agencies from the TBA.

2014-15 Priorities

Strategic and operational issues to be pursued in 2014-15 include:

- managing Territory borrowings and associated risks;
- managing, monitoring and reviewing, as necessary, the TBA investment portfolio in accordance with the established investment policies; and
- procuring required external services including investment asset custody, investment management and investment advice.

Estimated Employment Level

Functions of the TBA are performed by officers from CMTD and those employees are included in CMTD's FTE levels.

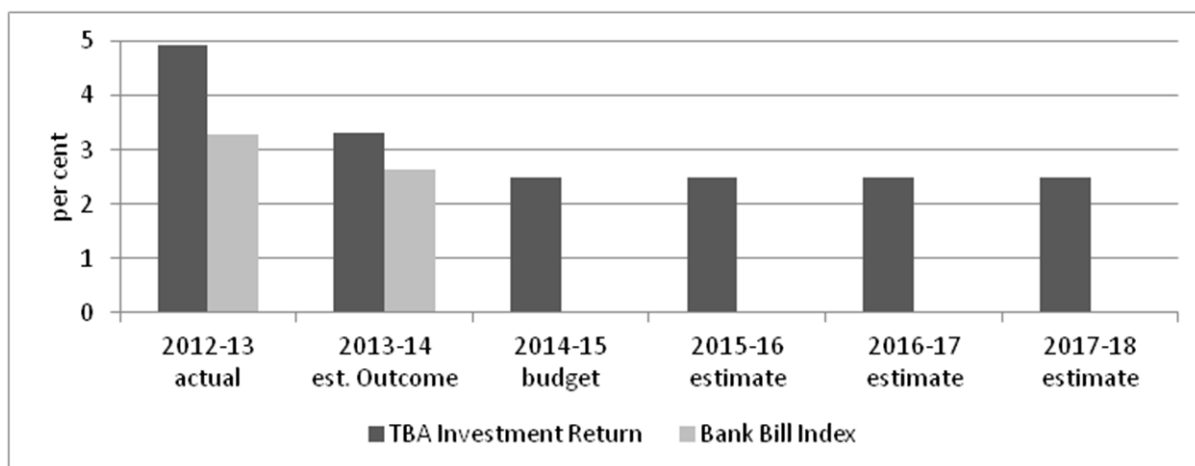
Strategic Objectives and Indicators

Strategic Objective 1

Achievement of Investment Return Objective

To achieve an annual investment return (net of fees) equal to or greater than the UBSA Bank Bill Index.^{1,2}

Figure 1: Strategic Objective 1: Achievement of Investment Return Objective



Note(s):

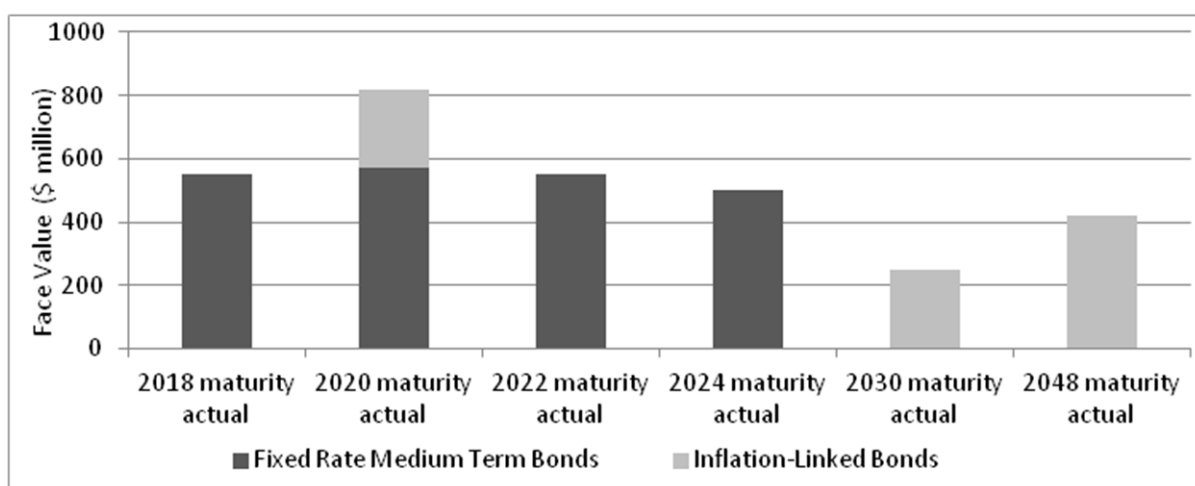
1. UBS has sold the UBS Australia Bond Indices to Bloomberg Indexes. The Bank Bill Index will be renamed the Bloomberg AusBond Bank Bill Index.
2. The investment return objective for the TBA investment portfolio is to achieve a return on a net of fee basis equivalent to, or greater than the established benchmark. This objective is targeted by limiting the investment portfolio to defensive, income producing assets ranging from cash to domestic fixed interest investments and to maintain a conservative and risk adjusted portfolio with a focus on liquidity considerations.

Strategic Objective 2

Implement a Borrowing Program that Facilitates Access to Debt Funding in Domestic Capital Markets

To establish select debt maturity bond lines.¹

Figure 2: Strategic Objective 2: Territory Bonds on Issue



Note(s):

1. Select bond lines represent medium to long-term bonds in the form of fixed rate medium term notes and inflation-linked bonds. Short-term variable rate notes are not included in this chart. The establishment of select bond lines is an important feature of the borrowing strategy. Select bond lines with volume around \$500 million, with varying maturities, increases the liquidity and appeal of Territory bonds to investors as well as mitigating refinancing risk to the Territory. Varying maturities also provide relative pricing guidance (comparative cost of funds to peers) to investors. This chart shows the actual current outstanding select bond lines.

Output Classes

Output Class 1: Territory Banking Account

Table 1: Output Class 1: Territory Banking Account

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
Total Cost	4,258,550	4,577,373
Payment for Expenses on Behalf of the Territory	60,292	82,159

Output 1.1: Territory Banking Account

This output involves the management of the ACT's investment and borrowing activities and the central account of the Government being the Territory Banking Account. The key outputs to be delivered in 2014-15 include:

- managing and reporting on the investment assets and borrowing liabilities of the TBA;
- raising new Territory borrowings as required;
- cash flow and liquidity management, and settlement of all financial obligations; and
- managing and reporting on the financial operations of the TBA.

Accountability Indicators

Output Class 1: Territory Banking Account

Output 1.1: Territory Banking Account

Table 2: Accountability Indicators Output 1.1

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Difference between the net investment earnings rate and the benchmark is to be ≥ 0 ¹	≥ 0	≥ 0	≥ 0
b. Cash and liquidity management of the Territory Banking Account ²	100%	100%	100%
c. Completion of new Territory Borrowings ³	100%	100%	100%
d. Completion of Debt Servicing Obligations ⁴	100%	100%	100%
e. Completion of Budget Appropriation Disbursements ⁵	100%	100%	100%
f. Completion and delivery of Monthly Financial Reporting ⁶	11	11	11
g. Completion and delivery of unqualified Annual Financial Statements ⁷	1	1	1

Note(s):

1. The difference between the actual annual portfolio investment earnings rate and the established benchmark is a measure of the relative performance of the Territory's fund managers to the benchmark.
2. Maintaining a positive aggregate cash and investment balance of the TBA to meet ongoing cash payment obligations. For performance measurement purposes, the actual daily aggregate cash and investment balance of the TBA will be counted as the result. If the aggregate cash and investment balance is not positive at the end of a day, this will not be counted in the result.
3. Raising all new Territory borrowing requirements in accordance with approved borrowing limits and guidelines. The measure will be the actual number of conforming borrowing transactions compared to the total borrowing transactions completed.
4. The payment of Territory debt serving interest and principal repayment obligations to be completed accurately and within required timeframes. The measure will be the actual number of conforming debt servicing settlement transactions compared with the total number of debt servicing settlement transactions completed.
5. The payment of budget appropriation disbursement payments to agencies to be completed accurately and within required timeframes. The measure will be the actual number of conforming disbursement payments compared with the total number of disbursement transactions completed.
6. Monthly financial reporting involves the preparation of accrual financial statements, without notes, for transmission to Finance and Budget Division, CMTD. The monthly financial reporting will not be counted for the year if the financial statements are not completed and provided to Finance and Budget Division by business day nine of the next month.
7. Involves the preparation of the annual financial statements for auditing and inclusion in the CMTD annual report. The objective is to receive an unqualified audit opinion during the year.

Changes to Appropriation

Table 3: Changes to appropriation—Payment for Expenses on Behalf of the Territory, Territorial

	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
2013-14 Budget	66,620	80,583	81,715	74,061	74,061
2014-15 Budget Technical Adjustments					
Borrowing Costs	(6,328)	1,576	23,186	39,150	44,899
2014-15 Budget	60,292	82,159	104,901	113,211	118,960

Table 4: Changes to appropriation—Capital Injection, Territorial

	2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
2013-14 Budget	214	214	214	214	214
2014-15 Budget	214	214	214	214	214

Financial Statements

Table 5: Territory Banking Account: Statement of Income and Expenses on Behalf of the Territory

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Revenue							
66,620	Payment for Expenses on Behalf of the Territory	60,292	82,159	36	104,901	113,211	118,960
107,377	Interest	124,452	113,702	-9	115,598	120,122	121,213
133,078	Other Revenue	146,723	140,061	-5	137,094	131,581	133,435
3,470,998	Transfer Revenue	3,295,994	3,488,413	6	3,694,804	3,947,666	4,130,001
3,778,073	Total Revenue	3,627,461	3,824,335	5	4,052,397	4,312,580	4,503,609
Expenses							
164,748	Borrowing Costs	167,381	184,034	10	209,131	223,323	233,545
1,090	Other Expenses	6,902	1,419	-79	1,425	683	996
4,228,945	Transfer Expenses	4,084,267	4,391,920	8	4,216,126	4,212,268	4,395,979
4,394,783	Total Ordinary Expenses	4,258,550	4,577,373	7	4,426,682	4,436,274	4,630,520
-616,710	Operating Result	-631,089	-753,038	-19	-374,285	-123,694	-126,911
Other Comprehensive Income <i>Items that will not be Reclassified Subsequently to Profit or Loss</i>							
1,918	Inc/Dec in Asset Revaluation Reserve Surpluses	1,594	0	-100	0	0	0
1,918	Total Other Comprehensive Income	1,594	0	-100	0	0	0
-614,792	Total Comprehensive Income	-629,495	-753,038	-20	-374,285	-123,694	-126,911

Table 6: Territory Banking Account: Statement of Assets and Liabilities on Behalf of the Territory

Budget as at 30/6/14		Est. Outcome as at 30/6/14	Budget as at 30/6/15	Var	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
	Current Assets						
431,767	Receivables	271,166	281,520	4	296,003	610,380	328,640
523,723	Investments	1,060,039	769,116	-27	841,293	854,361	877,018
955,490	Total Current Assets	1,331,205	1,050,636	-21	1,137,296	1,464,741	1,205,658
	Non Current Assets						
1,578,023	Receivables	1,577,886	1,639,845	4	1,738,035	1,554,478	1,913,723
165,380	Investments	72,328	72,376	..	72,425	72,474	72,523
1,743,403	Total Non Current Assets	1,650,214	1,712,221	4	1,810,460	1,626,952	1,986,246
2,698,893	TOTAL ASSETS	2,981,419	2,762,857	-7	2,947,756	3,091,693	3,191,904
	Current Liabilities						
14,608	Payables	26,962	26,418	-2	27,152	27,678	28,445
779,403	Interest-Bearing Liabilities	896,407	859,604	-4	808,547	1,496,045	1,047,320
5,791	Other Liabilities	0	0	-	0	0	0
799,802	Total Current Liabilities	923,369	886,022	-4	835,699	1,523,723	1,075,765
	Non Current Liabilities						
3,035,584	Interest-Bearing Liabilities	3,000,200	3,562,875	19	4,165,194	3,737,463	4,405,115
3,035,584	Total Non Current Liabilities	3,000,200	3,562,875	19	4,165,194	3,737,463	4,405,115
3,835,386	TOTAL LIABILITIES	3,923,569	4,448,897	13	5,000,893	5,261,186	5,480,880
-1,136,493	NET ASSETS	-942,150	-1,686,040	-79	-2,053,137	-2,169,493	-2,288,976
	REPRESENTED BY FUNDS EMPLOYED						
-1,136,493	Accumulated Funds	-942,150	-1,686,040	-79	-2,053,137	-2,169,493	-2,288,976
-1,136,493	TOTAL FUNDS EMPLOYED	-942,150	-1,686,040	-79	-2,053,137	-2,169,493	-2,288,976

Table 7: Territory Banking Account: Cash Flow Statement on Behalf of the Territory

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
66,620	Cash from Government for EBT	60,292	82,159	36	104,901	113,211	118,960
103,785	Interest Received	120,707	113,127	-6	115,073	119,591	120,691
131,250	Other Receipts	140,498	138,420	-1	137,303	129,884	131,564
3,431,495	Territory Receipts Transferred from Agencies	3,382,818	3,502,077	4	3,701,597	3,959,366	4,137,689
3,733,150	Operating Receipts	3,704,315	3,835,783	4	4,058,874	4,322,052	4,508,904
Payments							
164,453	Borrowing Costs	166,217	183,584	10	208,522	222,541	232,678
53,690	Payments to PTE Agencies for Outputs	53,569	54,582	2	51,770	52,828	54,400
2,543,098	Payments to GGS Agencies for Outputs	2,546,259	2,711,228	6	2,655,282	2,749,165	2,830,037
589,578	Payments to Agencies for EBT	567,752	641,029	13	667,658	686,417	716,390
664	Other	995	975	-2	981	237	550
3,351,483	Operating Payments	3,334,792	3,591,398	8	3,584,213	3,711,188	3,834,055
381,667	NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	369,523	244,385	-34	474,661	610,864	674,849
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
345,115	Proceeds from Sale/Maturity of Investments	81,593	290,876	256	0	0	0
19,128	Repayment of Advance	39,117	19,318	-51	24,894	27,260	331,679
0	Receipt of Investments from Agencies	141,488	0	-100	47,338	48,452	49,598
8,349	Capital Distributions from Government Agencies	58,349	8,934	-85	6,974	7,124	7,214
372,592	Investing Receipts	320,547	319,128	..	79,206	82,836	388,491
Payments							
0	Purchase of Investments	0	0	-	72,226	13,117	22,705
88,175	Advances Issued to Government Agencies	143,230	87,007	-39	125,804	148,490	394,584
1,059,043	Capital Payments to Government Agencies	933,288	1,002,593	7	859,975	743,622	815,594
47,072	Repayment of Investments to Agencies	80,863	47,101	-42	745	13,999	499
1,194,290	Investing Payments	1,157,381	1,136,701	-2	1,058,750	919,228	1,233,382

2013-14 Budget		2013-14 Est. Outcome \$'000	2014-15 Budget \$'000	Var %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
-821,698	NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	-836,834	-817,573	2	-979,544	-836,392	-844,891
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
214	Capital Injections from Government	214	214	-	214	214	214
440,371	Borrowings Received	386,981	573,528	48	505,223	225,868	170,382
440,585	Financing Receipts	387,195	573,742	48	505,437	226,082	170,596
Payments							
554	Repayment of Borrowings	554	554	-	554	554	554
554	Financing Payments	554	554	-	554	554	554
440,031	NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES	386,641	573,188	48	504,883	225,528	170,042
0	NET INCREASE / (DECREASE) IN CASH HELD	-80,670	0	100	0	0	0
0	CASH AT THE BEGINNING OF REPORTING PERIOD	80,670	0	-100	0	0	0
0	CASH AT THE END OF REPORTING PERIOD	0	0	-	0	0	0

Table 8: Territory Banking Account: Statement of Statement of Changes in Equity on Behalf of the Territory

Budget as at 30/6/14 \$'000		Est. Outcome as at 30/6/14 \$'000	Budget as at 30/6/15 \$'000	Var %	Estimate as at 30/6/16 \$'000	Estimate as at 30/6/17 \$'000	Estimate as at 30/6/18 \$'000
	Opening Equity						
-528,346	Opening Accumulated Funds	-369,624	-942,150	-155	-1,686,040	-2,053,137	-2,169,493
-1,918	Opening Other Reserve	-1,594	0	100	0	0	0
-530,264	Balance at the Start of the Reporting Period	-371,218	-942,150	-154	-1,686,040	-2,053,137	-2,169,493
	Comprehensive Income						
-616,710	Operating Result for the Period	-631,089	-753,038	-19	-374,285	-123,694	-126,911
1,918	Inc/Dec in Asset Revaluation Reserve Surpluses	1,594	0	-100	0	0	0
-614,792	Total Comprehensive Income	-629,495	-753,038	-20	-374,285	-123,694	-126,911
-1,918	Movement in Asset Revaluation Reserve	-1,594	0	100	0	0	0
1,918	Movement in Other Reserves	1,594	0	-100	0	0	0
0	Total Movement in Reserves	0	0	-	0	0	0
	Transactions Involving Owners Affecting Accumulated Funds						
214	Capital Injections	214	214	-	214	214	214
8,349	Capital Distributions to Government	58,349	8,934	-85	6,974	7,124	7,214
8,563	Total Transactions Involving Owners Affecting Accumulated Funds	58,563	9,148	-84	7,188	7,338	7,428
	Closing Equity						
-1,136,493	Closing Accumulated Funds	-942,150	-1,686,040	-79	-2,053,137	-2,169,493	-2,288,976
-1,136,493	Balance at the End of the Reporting Period	-942,150	-1,686,040	-79	-2,053,137	-2,169,493	-2,288,976

Notes to the Territorial Budget Statements

Many of the variations within the TBA budget statements are driven by agency activity during and between financial years. Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- payment for expenses on behalf of the Territory: represents the appropriation provided for debt servicing interest expenses for general government borrowings:
 - the decrease of \$6.328 million in the 2013-14 estimated outcome from the original budget is due to lower interest rates, the timing profile of required borrowings and a lower amount than forecast of actual borrowings for the year; and
 - the increase of \$21.867 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to a higher level of new borrowings.
- Interest: represents investment interest returns and interest paid by agencies for loans provided from the TBA:
 - the increase of \$17.075 million in the 2013-14 estimated outcome from the original budget is mainly due to higher levels of investment balances held during the year and a higher actual investment return than forecast; and
 - the decrease of \$10.750 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to lower levels of funds expected to be held on investment during the year.
- other revenue: represents notional employer CSS/PSS superannuation contributions from agencies, market gains from investments and other one off revenues:
 - the increase of \$13.645 million in the 2013-14 estimated outcome from the original budget is due to realised capital gains from investments (\$4.831 million) and higher employer superannuation contributions (\$8.6 million) than forecast. Employer superannuation contribution variances are driven by agency activity; and
 - the decrease of \$6.662 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to the investment return assumption not including a capital gain estimate, and lower employer superannuation contributions from agencies (\$2.155 million).
- transfer revenue: represents the transfer from agencies of revenue received on behalf of the Territory and includes taxes, fees, fines and grants. Variances are driven by agency activity.

- borrowing costs: represent external interest payments made on borrowings for the general government sector and ACTEW Corporation, and investment interest payments to agencies:
 - the net increase of \$2.633 million in the 2013-14 estimated outcome from the original budget is mainly due to higher payments of investment interest to agencies than forecast due to higher than expected levels of investment balances and lower borrowing interest costs due to the timing profile of required borrowings; and
 - the net increase of \$16.653 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to increased interest payments on borrowings due to higher levels of borrowings offset by a lower levels of funds to be held on investment during the year.
- other expenses: represents investment and borrowing management costs and unrealised investment capital losses:
 - the increase of \$5.812 million in the 2013-14 estimated outcome from the original budget mainly represents unrealised capital losses at reporting date; and
 - the decrease of \$5.483 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the investment return assumption not including a capital loss estimate.
- transfer expenses: represents the transfer of appropriated funds to agencies for outputs, expenditure on behalf of the Territory and capital injections. Variances are driven by agency activity.

Statement of Assets and Liabilities on Behalf of the Territory

- current and non-current receivables: represent accrued revenue receivable from general government sector agencies in relation to transfer revenues and loans to agencies including ACTEW Corporation, University of Canberra, CMTD in relation to Community Housing Canberra, ACTION and Exhibition Park Corporation:
 - the net decrease of \$160.738 million in the 2013-14 estimated outcome from the original budget is mainly due to lower amounts of accrued revenue receivable from agencies (\$168.103 million) than forecast, the unbudgeted repayment of a loan by the University of Canberra (\$20.665 million) and a higher than forecast increase in loans to ACTEW Corporation of (\$22.093 million); and
 - the increase of \$72.313 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to an increase in accrued revenue receivable from agencies (\$4.382 million) and an increase in loans receivables mainly in relation to ACTEW Corporation (\$64.601 million).

- current and non-current investments: represent financial investment holdings in relation to a number of government agencies and the TBA:
 - the increase of \$443.264 million in the 2013-14 estimated outcome from the original budget is due to higher than expected balance of funds under investment at the end of the financial year mainly in relation to the TBA balance and the cash investments of the Superannuation Provision Account (SPA), which are invested through the TBA; and
 - the decrease of \$290.875 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects a reduction in the cash investments of the SPA as they are reallocated to other asset classes and a reduction in the cash investments of the TBA due to general government cash flow requirements.
- current and non-current interest-bearing liabilities: comprises agencies' investment deposits with the TBA and external market borrowings:
 - the net increase of \$81.620 million in the 2013-14 estimated outcome from the original budget is due in the main to higher than expected agency investment deposits at the end of the financial year (\$166.010 million) mainly in relation to the SPA, offset by net lower external borrowings (\$84.390 million) comprising lower than expected general government borrowings (\$106.476 million) and higher ACTEW Corporation borrowings (\$22.086 million); and
 - the 2014-15 Budget increase of \$525.872 million from the 2013-14 estimated outcome is due to a lower balance of agency investment deposits (\$47.101 million) and higher external borrowings for the general government sector (\$507.983 million) and ACTEW Corporation (\$64.991 million).

Cash Flow Statement on Behalf of the Territory

- capital distributions from government agencies: the increase of \$50 million in the 2013-14 estimated outcome from the original budget is an unbudgeted capital distribution from the ACT Insurance Authority.

Other variations in the statement are explained in the notes above.

Statement of Changes in Equity on Behalf of the Territory

Variations in the statement are explained in the notes above.

