

AUSTRALIAN CAPITAL TERRITORY

# BUDGET 2014-15

INVESTING IN CANBERRA

**BUDGET STATEMENTS**

ECONOMIC DEVELOPMENT DIRECTORATE  
ACT GAMBLING AND RACING COMMISSION  
EXHIBITION PARK CORPORATION  
LAND DEVELOPMENT AGENCY

# 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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# Contents

ECONOMIC DEVELOPMENT DIRECTORATE.....	1
Purpose .....	1
2014-15 Priorities.....	1
Estimated Employment Level .....	2
Strategic Objectives and Indicators .....	3
Output Class .....	7
Accountability Indicators .....	10
Changes to Appropriation.....	14
Financial Statements.....	19
ACT GAMBLING AND RACING COMMISSION.....	31
Purpose .....	31
2014-15 Priorities.....	31
Estimated Employment Level .....	32
Strategic Objectives and Indicators .....	32
Output Class .....	34
Accountability Indicators .....	35
Changes to Appropriation.....	36
Financial Statements.....	37
EXHIBITION PARK CORPORATION.....	43
Purpose .....	43
2014-15 Priorities.....	43
Estimated Employment Level .....	44
Changes to Appropriation.....	44

Financial Statements.....	45
LAND DEVELOPMENT AGENCY .....	53
Purpose .....	53
2014-15 Priorities.....	53
Estimated Employment Level .....	54
Financial Statements.....	55

# ECONOMIC DEVELOPMENT DIRECTORATE

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## Purpose

The primary purpose of the Economic Development Directorate (the Directorate) is to contribute to the economic and social development of the Canberra region, through facilitating productivity growth, securing jobs and delivering infrastructure, and through these, to improve the Territory's economic performance and the wellbeing of its people.

The Directorate will enhance economic, business and social development in the Territory and will respond to changed economic circumstances by:

- providing strategic expert advice to the Government on high value and complex investment and development proposals from the private and community sector;
- delivering targeted and effective business development and investment attraction programs;
- delivering a diverse range of infrastructure projects on time and on budget;
- establishing the ACT as a travel destination of choice in partnership with the tourism sector;
- developing and guiding the land release program to ensure a sustainable return to the Territory and stable economic growth;
- leveraging the maximum return from the Government's sporting and recreation infrastructure and the delivery of major events; and
- leading the delivery of the Government's sport and recreation policies and programs.

## 2014-15 Priorities

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

- providing targeted programs and funding to help existing and potential local businesses respond to the impact on the local economy caused by the Commonwealth's expenditure and employment cuts;
- continuing to develop and implement partnerships to support the establishment of direct international flights into Canberra;
- consolidating Brand Canberra and continuing to promote the development of strategies to enhance its adoption as a readily recognisable and marketable brand for the ACT;
- supporting commercial innovation and the export performance of ACT businesses through targeted programs and support, including greater in-market activity delivered through Digital Canberra and increased resourcing for the CBR Innovation Network;

- continuing to implement the Government's *Growth, Diversification and Jobs: A Business Development Strategy for the ACT* including a range of programs that support private sector development;
- continuing to develop and implement strategies to increase overnight visitor expenditure in the ACT from \$1.8 billion to \$2.5 billion per annum by 2020;
- progressing policy to guide the redevelopment of the Northbourne Avenue corridor in tandem with the delivery of light rail;
- progressing key elements of the City to the Lake vision, including design of the West Basin public realm, the arterial roads concept design, finalising options for a new Canberra Theatre and progressing the financial business case for the Australia Forum;
- implementing relevant aspects of the Government's economic stimulus program through the acceleration of land release and associated civil works infrastructure at Moncrieff;
- delivering major events, including hosting three International Cricket Council Cricket World Cup matches at Manuka Oval, seven AFC Asian Cup matches at GIO Stadium, Floriade, Floriade Nightfest and the Enlighten Autumn Festival;
- guiding the delivery of infrastructure to support the development of low cost tourist accommodation at Exhibition Park in Canberra;
- contributing to the health and social wellbeing of the community through targeted programs to support the ACT's high levels of adult and child sport participation;
- delivering a range of infrastructure projects in Tuggeranong, Molonglo and Gungahlin to support the Land Release Program, the sporting community and the Territory's economy;
- continuing to implement Phase III of the Government's *Affordable Housing Action Plan*, with a focus on reducing house and unit prices and rent pressures; and
- developing a longer term Land Release Program to reflect market demand, enhance urban redevelopment outcomes, respond to changes in the economic climate and support affordable and sustainable development in the Territory.

## Estimated Employment Level

**Table 1: Estimated Employment Level**

	2012-13 Actual Outcome	2013-14 Budget	2013-14 Estimated Outcome	2014-15 Budget
Staffing (FTE)	208	218	211 <sup>1</sup>	205 <sup>1</sup>

**Note:**

1. The decrease of 7 FTE in the 2013-14 estimated outcome from the original budget and the further decrease of 6 FTE in the 2014-15 Budget from the 2013-14 estimated outcome is due to the implementation of general savings.

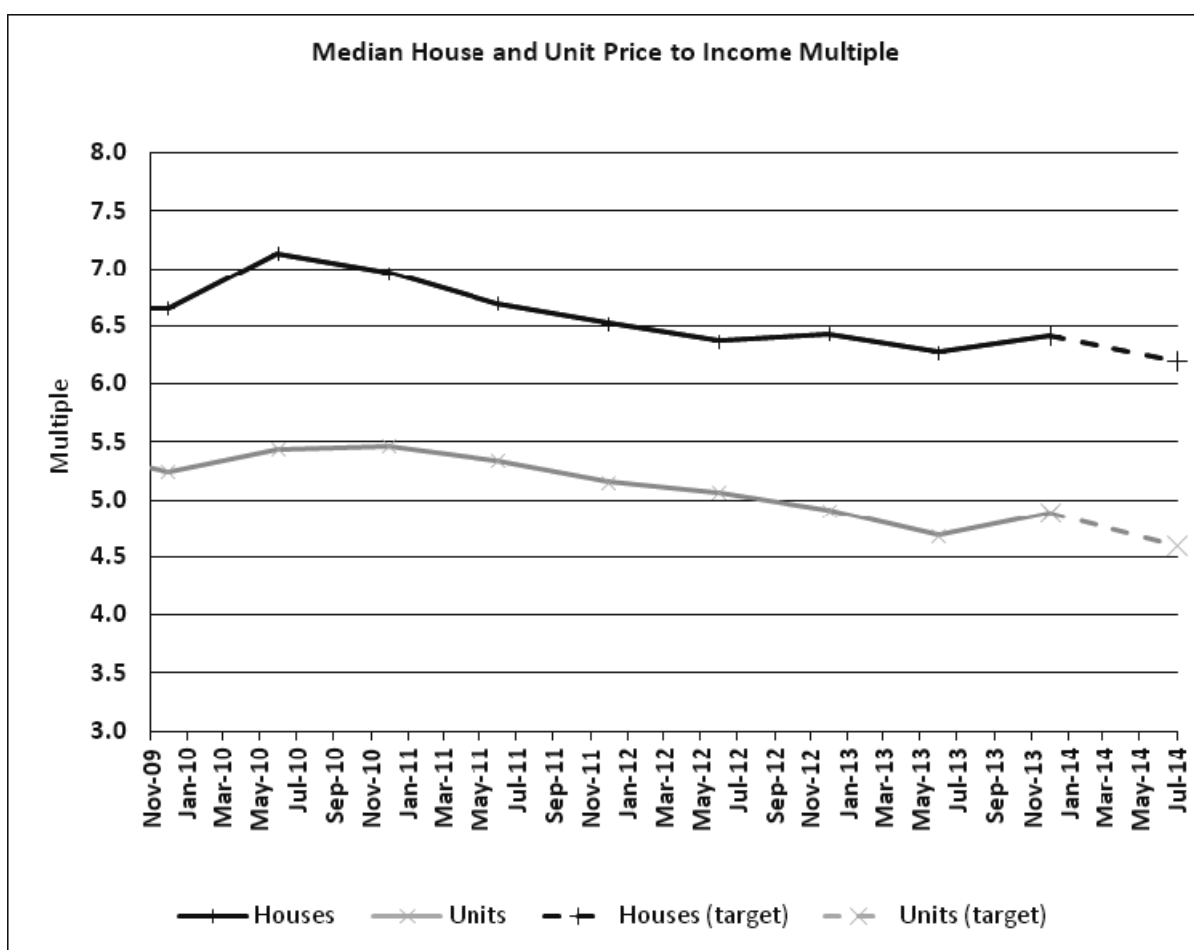
# Strategic Objectives and Indicators

## Strategic Objective 1

### *Improving Housing Affordability*

The Directorate continues to work with other agencies to implement the Government’s affordable housing policies by increasing the supply of affordable housing land releases and providing concessions to first home buyers and those on low incomes.

There has been a steady reduction in the house and unit price to income multiples since May 2010. The multiple is currently 6.4 for houses and 4.9 for units.



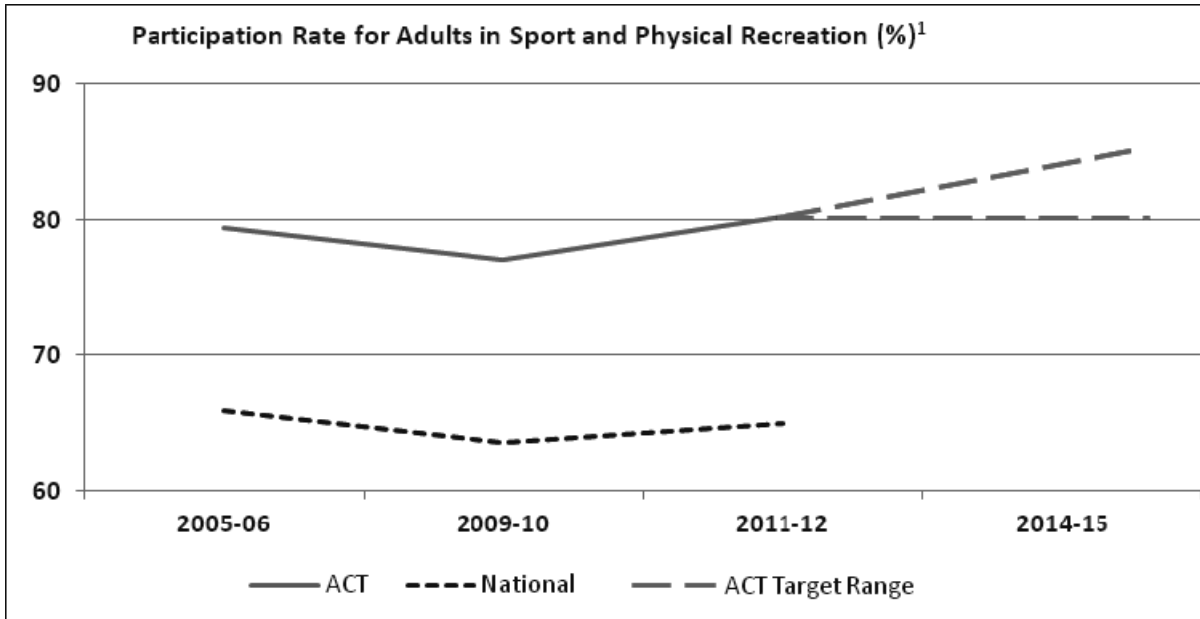
Source: Annualised ABS Average Weekly Ordinary Full Time Earnings as a multiple of the three month simple median house and unit price as recorded by RPData/Rismark.

## Strategic Objective 2

### *Higher than National Average Participation in Sport and Physical Recreation*

The benefits of physical activity are widely recognised and are consistent with the ACTIVE 2020 objective to increase participation in competitive, non-competitive and social sport and recreation activities at all levels. It provides a blueprint upon which sport and recreation will be nurtured and promoted over the period to 2020.

**Strategic Indicator 2(a): Higher than national average participation by adults**

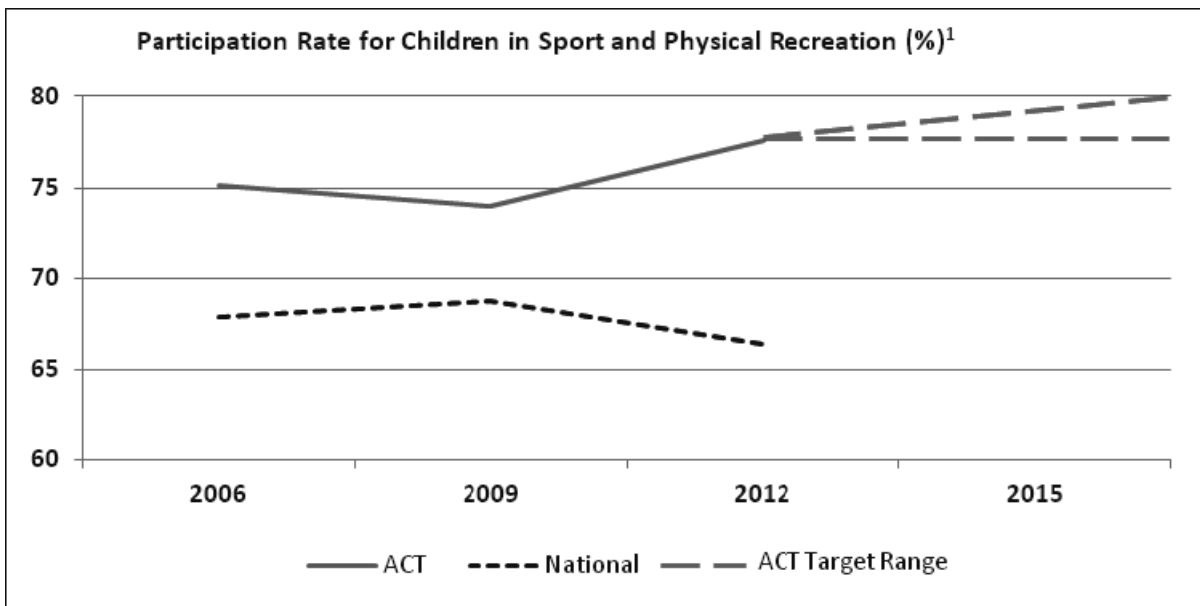


Source: Participation in Sport and Physical Recreation, Australia, 2011-12 (ABS Cat. no. 4177.0)

**Note:**

1. Relates to persons aged 15 years and over who participated in physical activities for recreation, exercise or sport as players during the 12 months prior to interview.

**Strategic Indicator 2(b): Higher than national average participation by children**



Source: ABS Catalogue no. 4901.0

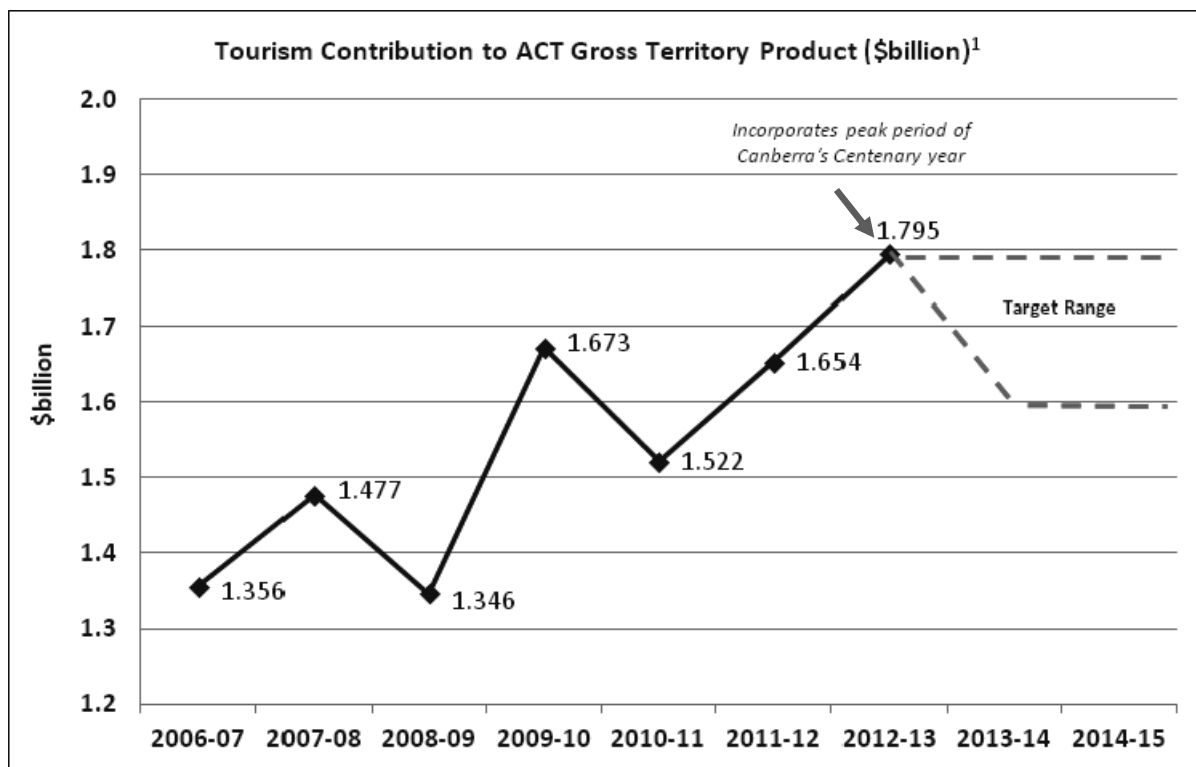
**Note:**

1. Relates to children aged 5 to 14 years who participated in organised sport (excluding dancing) outside of school hours during the 12 months prior to interview.

## Strategic Objective 3

### *Grow the Value of Tourism*

Tourism is a key driver of the ACT economy, contributing around \$1.8 billion in Gross State Product and supporting an estimated 17,000 jobs. The Directorate will continue to implement marketing and development programs that aim to increase the economic return from tourism visitation.



Source: State Tourism Satellite Accounts 2012-13, Tourism Research Australia, Canberra

#### **Note:**

1. The latest State Tourism Satellite Account (released in April 2014) provides revised figures for tourism's overall contribution to the ACT economy based on 2012-13 data. Data sets have been back cast to 2006-07 to enable comparison of results over time. The result for 2012-13 incorporated the peak activity period of Canberra's Centenary year, which saw visitation levels positively influenced by a high concentration of major event activity.

## Strategic Objective 4

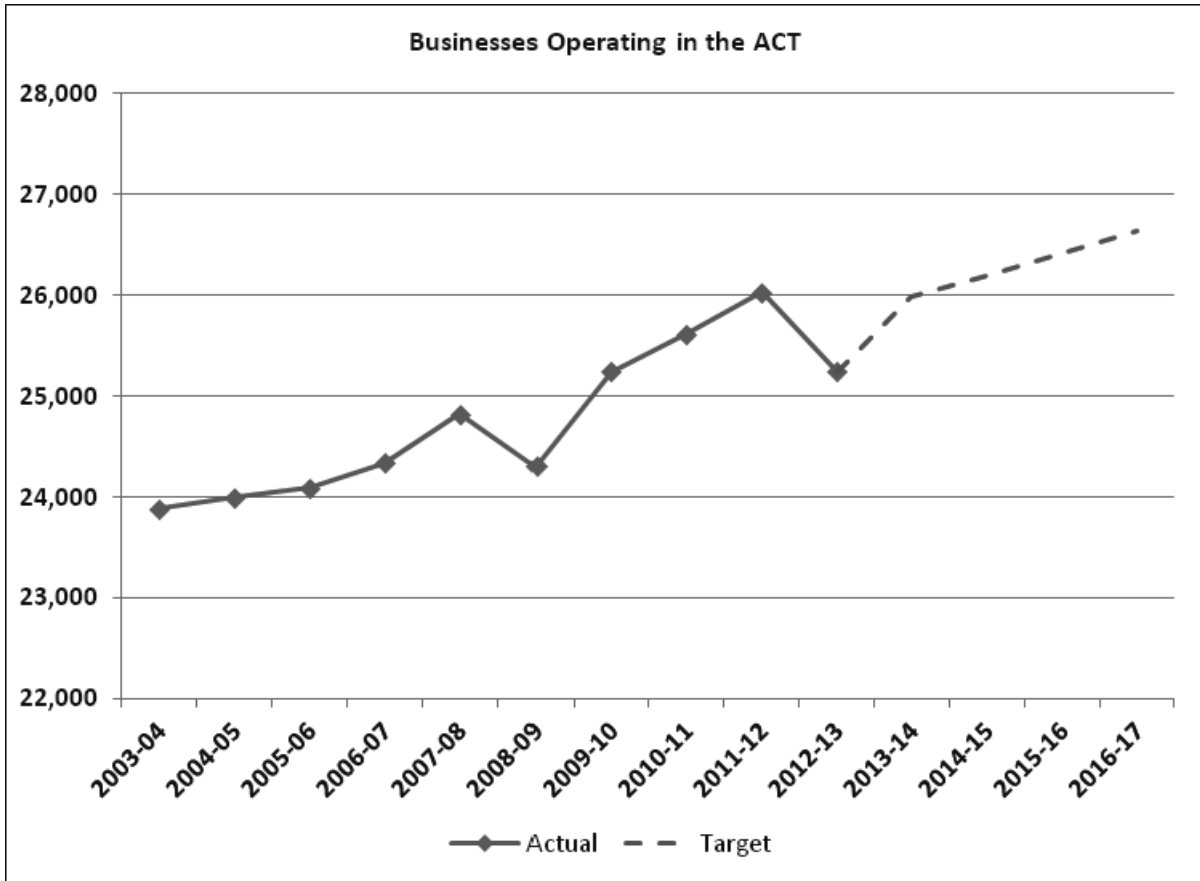
### *Growth in Innovation, Trade and Investment*

The Government's objective is to support private sector growth, diversification and jobs by:

- fostering the right business environment;
- supporting business investment; and
- accelerating business innovation.

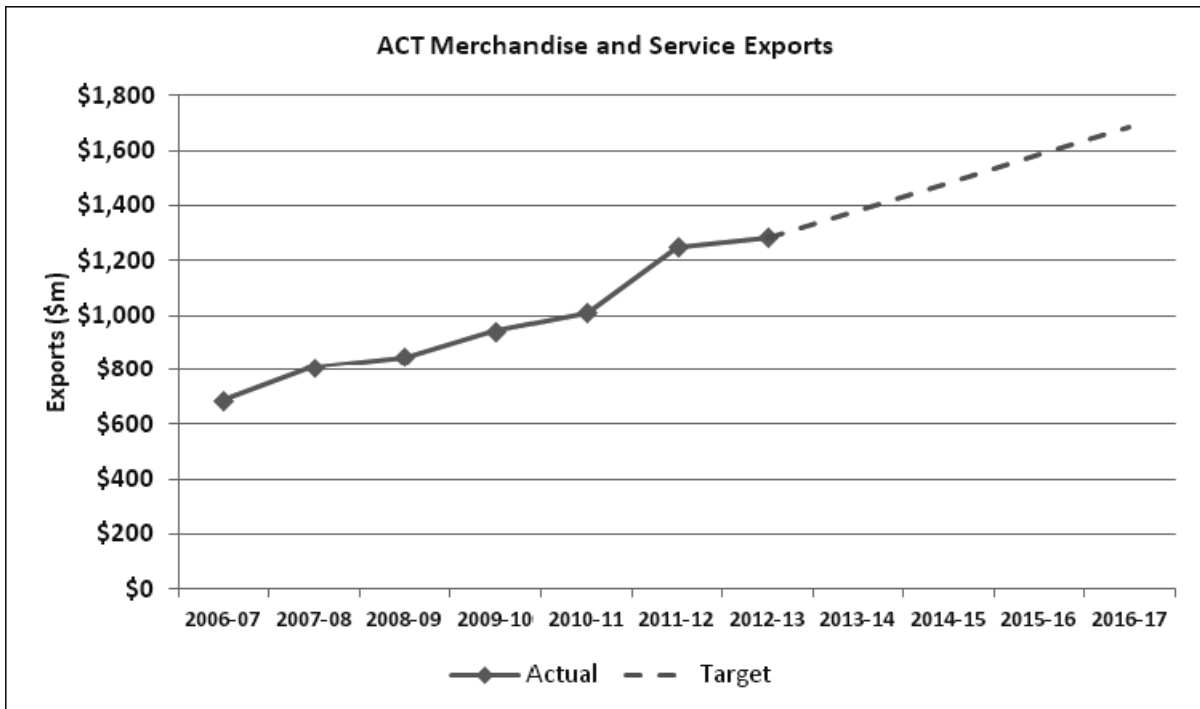
The Government's expectation is that over the medium to long term, the Business Development Strategy, working in concert with other aligned strategies and approaches of the Government, will lead to measurable diversification and growth in the private sector.

**Strategic Indicator 4(a): Business formation above the current long-term average rate.**



Source: ABS Catalogue 8165.0

**Strategic Indicator 4(b): Increasing measures of ACT goods and services exports**



Source: ABS Catalogue 5220.0

## Output Class

### Output Class 1: Economic Development

**Table 2: Output Class 1: Economic Development**

	<b>2013-14</b>	<b>2014-15</b>
	<b>Estimated Outcome</b>	<b>Budget</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Total Cost<sup>1</sup></b>	117,741	122,264
<b>Government Payment for Outputs</b>	80,488	83,554

**Note:**

1. Total cost includes depreciation and amortisation of \$22.298 million in 2013-14 and \$25.258 million in 2014-15.

#### ***Output 1.1: Policy, Strategy and Infrastructure Delivery***

Policy, Strategy and Infrastructure Delivery provides economic development policy advice to promote economic development. It provides gaming and racing policy advice in consultation with the Gambling and Racing Commission and leads and coordinates the delivery of the Government's land supply strategy. It also delivers and oversees a range of capital works projects in collaboration with other government agencies, the private sector and the community, including the delivery of the land release capital works program.

**Table 3: Output 1.1: Policy, Strategy and Infrastructure Delivery<sup>1</sup>**

	<b>2013-14</b>	<b>2014-15</b>
	<b>Estimated Outcome</b>	<b>Budget</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Total Cost</b>	3,235	19,096
<b>Government Payment for Outputs</b>	3,076	18,433

**Note:**

1. New output comprising the outputs of the former Output 1.1: Economic Development Policy and Output 1.6: Land Strategy and Infrastructure Delivery.

### **Output 1.2: Innovation, Trade and Investment**

Innovation, Trade and Investment delivers programs, initiatives and business policy advice that promote the economic development of the broader capital region, including universities, research organisations, commercialisation entities, business organisations and other government agencies. It also delivers the Skilled and Business Migration Program and participates in business and innovation policy forums, including Ministerial Councils and other national business, innovation and science infrastructure forums.

**Table 4: Output 1.2: Innovation, Trade and Investment<sup>1</sup>**

	<b>2013-14 Estimated Outcome \$'000</b>	<b>2014-15 Budget \$'000</b>
<b>Total Cost</b>	11,739	11,612
<b>Government Payment for Outputs</b>	9,674	9,811

**Note:**

1. Output title changed from Business Development.

### **Output 1.3: VisitCanberra**

VisitCanberra creates and implements a range of innovative tourism marketing and development programs, in partnership with local industry, national bodies and institutions, which aim to support the Territory's economic development through increased visitation to the ACT and region.

**Table 5: Output 1.3: VisitCanberra<sup>1</sup>**

	<b>2013-14 Estimated Outcome \$'000</b>	<b>2014-15 Budget \$'000</b>
<b>Total Cost</b>	17,156	15,053
<b>Government Payment for Outputs</b>	13,929	12,141

**Note:**

1. Output title changed from Tourism.

### **Output 1.4: Sport and Recreation**

Sport and Recreation develops and implements sporting programs and provides policy advice and support services to high performance athletes in the ACT. It also administers grants and delivers education and training opportunities to maintain and enhance the capabilities of the sport and recreation sector in the Territory. Sport and Recreation is responsible for the planning and delivery of new sporting infrastructure and the ongoing management and maintenance of a range of sportsgrounds, aquatic/leisure and associated facilities.

**Table 6: Output Class 1.4: Sport and Recreation**

	<b>2013-14 Estimated Outcome \$'000</b>	<b>2014-15 Budget \$'000</b>
<b>Total Cost</b>	51,705	53,854
<b>Government Payment for Outputs</b>	30,346	31,350

### **Output 1.5: Venues and Events**

Venues and Events promotes and manages major events at elite venues including GIO Stadium, Manuka Oval, Stromlo Forest Park and the Canberra Business Event Centre. It also manages and delivers major events such as Floriade, Floriade NightFest, the Enlighten Festival, New Year's Eve, Australia Day and Canberra Day celebrations and the Canberra Nara Candle Festival.

**Table 7: Output 1.5: Venues and Events**

	<b>2013-14 Estimated Outcome \$'000</b>	<b>2014-15 Budget \$'000</b>
<b>Total Cost</b>	24,748	22,649
<b>Government Payment for Outputs</b>	13,610	11,819

### **Output 1.6: Land Strategy and Infrastructure Delivery**

Output 1.6: Land Strategy and Infrastructure Delivery has been merged with Output 1.1: Policy, Strategy and Infrastructure Delivery. Total Cost and Government Payment for Outputs for this output will be reported in Output 1.1 from 1 July 2014.

**Table 8: Output 1.6: Land Strategy and Infrastructure Delivery**

	<b>2013-14 Estimated Outcome \$'000</b>	<b>2014-15 Budget \$'000</b>
<b>Total Cost<sup>1</sup></b>	9,158	n/a
<b>Government Payment for Outputs<sup>1</sup></b>	9,853	n/a

**Note:**

1. Discontinued output. This activity is now incorporated in Output 1.1: Policy, Strategy and Infrastructure Delivery.

## Accountability Indicators

### Output Class 1: Economic Development

#### Output 1.1: Policy, Strategy and Infrastructure Delivery

Table 9: Accountability Indicators Output 1.1<sup>1</sup>

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Infrastructure Plan <sup>2</sup>	1	1	n/a
b. Construction Snapshots <sup>3</sup>	2	2	2
c. Economic Development Policy and Project Initiatives <sup>4</sup>	4	4	4
d. Gaming and Racing Policy <sup>5</sup>	2	2	2
e. Red Tape Reduction legislation/initiatives <sup>6</sup>	2	2	n/a
f. Regulatory and Process Reform initiatives <sup>7</sup>	n/a	n/a	2
g. Median House Price/Income Multiple <sup>8</sup>	6.2	6.4	n/a
h. Median Unit Price/Income Multiple <sup>8</sup>	4.6	4.9	n/a
i. Number of Direct Sales Applications Finalised <sup>9</sup>	15	16	n/a
j. Capital Works Projects			
– Percentage of Projects Completed on Budget <sup>10</sup>	90%	93%	90%
– Percentage of Projects Completed on Time <sup>11</sup>	80%	93%	80%
k. 4-year Indicative Land Release Program published	1	1	1

**Notes:**

1. New output comprising the outputs of the former Output 1.1: Economic Development Policy and the former Output 1.6: Land Strategy and Infrastructure Delivery.
2. Discontinued measure. The preparation of the Infrastructure Plan update has been transferred to the Chief Minister and Treasury Directorate.
3. This measure covers the preparation of two Construction Snapshots for 2014-15.
4. This measure incorporates key Government economic development policy and project initiatives to be delivered by the Directorate including: implementation of actions included in the Affordable Housing Action Plan Phase III; and journey to work statistical analysis.
5. This measure includes: a review of the effectiveness of the *Gaming Machine (Club Governance) Amendment Act 2011*.
6. Discontinued measure. Responsibility for part of this function has been transferred to the Chief Minister and Treasury Directorate.
7. New Measure. This activity was previously measured under (e) 'Red Tape Reduction legislation/initiatives' and includes: a review of the *Public Baths and Public Bathing Act 1956*.
8. Discontinued measure. Activity measured under this indicator will continue to be monitored through Strategic Objective 1 'A reduction in the median house price/income multiple'.
9. Discontinued measure. Activity measured under this indicator is largely dependent on proponent activity and is not a meaningful measure in the context of broader program effort.
10. This target measures the percentage of New Capital Works projects that are delivered at or below the original estimated total cost published in the Budget Papers.
11. This target measures the percentage of New Capital Works projects that are delivered on or before the original timeframe published in the Budget Papers.

## Output 1.2: Innovation, Trade and Investment

**Table 10: Accountability Indicators Output 1.2**

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Rate of contact and engagement of local businesses and entrepreneurs to the ACT Government's business development programs:			
– Innovation Connect new client connections	70	70	70
– Innovation Connect successful grant applications	20	20	20
– 'Clean tech' sector new client connections	5	7	5
– 'Clean tech' sector successful grant applications	3	2	3
– Canberra BusinessPoint one-to-one advisory services <sup>1</sup>	350	350	n/a
– Canberra BusinessPoint one-to-many advisory services <sup>1</sup>	550	550	n/a
– CBR Innovation Network <sup>2</sup>	n/a	n/a	1
b. Global Connect			
– Offshore trade development missions	2	2	2
– Global Connect grants delivered	15	17	15
c. Investment Facilitation			
– Total number of lead responses generated from Invest Canberra program activity	15	43	15
d. Skilled Migration Attraction and Facilitation			
– Employer Sponsored certified	550	350	550
– Skilled Independent certified	500	850	500
e. ScreenACT			
– Professional development	100	100	100
– ACT Film Fund applications	5	12	5
f. ICT sector programs group			
– National ICT Australia	6	6	6
– CollabIT	1	1	1
g. Meetings of the across Government NBN Implementation Task Force to facilitate the rollout of the NBN in Canberra <sup>3</sup>	2	1	n/a
h. Digital Enterprise Centre			
– Manage Commonwealth contract in partnership with Canberra Business Council (CBC) to establish a Digital Enterprise Centre in Canberra <sup>4</sup>	1	1	n/a
– Deliver by CBC group training sessions <sup>4</sup>	50	43	n/a
– Deliver by CBC one-on-one training sessions <sup>4</sup>	90	90	n/a

**Notes:**

1. Discontinued measure. Canberra Business Point functions and services will transition to the CBR Innovation Network.
2. New measure. The operating model and governance structure of the CBR Innovation Network will be established in consultation with stakeholders by 1 October 2014.
3. Discontinued measure. Taskforce structure is no longer required as the range of start up rollout issues have been largely addressed. Matters are now being dealt with on a case by case basis with relevant Directorates.
4. Discontinued measure. Commonwealth funding for the Digital Enterprise Centre delivered by the Canberra Business Council ceases at the end of 2014.

### Output 1.3: VisitCanberra

**Table 11: Accountability Indicators Output 1.3**

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. ACT Accommodation – Room Occupancy Rate (%) <sup>1</sup>	>national average	69%	>national average
b. Canberra and Region Visitors Centre (CRVC) – Overall visitor satisfaction with customer service levels at the CRVC <sup>2</sup>	>85%	96%	>85%
c. Number of visits to the ‘visitcanberra’ website <sup>3</sup>	900,000	1,900,000	1,300,000

**Notes:**

1. Room occupancy rates are taken from the annual Survey of Tourist Accommodation (ABS Cat. No. 8635.0). The data applies to hotels, motels, resorts, guesthouses and serviced apartments with 15 or more rooms/units. The latest available data for the year ending June 2013 indicates that the ACT occupancy rate was 69.0 per cent and the National rate was 65.3 per cent.
2. Satisfaction with overall customer service levels at the CRVC is captured as part of a broader Satisfaction Survey open to visitors throughout the year. Survey data is recorded using the *Survey Monkey* online program.
3. This measure is used to record the performance of the website [www.visitcanberra.com.au](http://www.visitcanberra.com.au) as a key driver for tourism activities such as travel, research, planning and online bookings in Canberra. The revised target for 2014-15 reflects increasing interest in the ‘visitcanberra’ website due to the legacy of the Centenary of Canberra celebrations.

### Output 1.4: Sport and Recreation

**Table 12: Accountability Indicators Output 1.4**

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Customer satisfaction with ACT Academy of Sport services <sup>1</sup>	92%	92%	92%
b. Percentage of customers satisfied with the management of sportsgrounds <sup>2</sup>	95%	94%	95%
c. Percentage of customers satisfied with management of aquatic centres <sup>3</sup>	93%	94%	93%
d. Number of targeted programs delivered in accordance with the Australian Sports Commission agreement <sup>4</sup>	9	10	10

**Notes:**

1. Athletes and coaches are surveyed annually to determine their satisfaction with the support services provided by the ACT Academy of Sport.
2. A quarterly survey of visitors to district sportsgrounds, enclosed sportsgrounds and neighbourhood ovals sought visitors’ satisfaction or dissatisfaction with how well the sportsground is managed and standard of the facilities provided by the sportsgrounds.
3. A quarterly survey of visitors to public swimming pools seeking visitors’ satisfaction with the management of public swimming pools - overall experience provided by the public swimming pools and maintenance and cleanliness of public swimming pools.
4. This measures the number of implemented programs. A program is considered implemented once the agreement between Sport and Recreation Services and the Australian Sports Commission is signed.

## Output 1.5: Venues and Events

**Table 13: Accountability Indicators Output 1.5**

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
a. Deliver key community events			
– New Year’s Eve	1	1	1
– Australia Day	1	1	1
– Canberra Nara Candle Festival	1	1	1
– Canberra Festival	1	1	1
b. Number of Major Events at:			
– GIO Stadium <sup>1</sup>	23	23	30
– Manuka Oval <sup>2</sup>	6	6	9
– Stromlo Forest Park	7	7	7
c. Own Source Revenue by Venue <sup>3</sup>			
– GIO Stadium <sup>4</sup>	\$2,600,000	\$3,081,000	\$3,100,000
– Manuka Oval <sup>5</sup>	\$330,000	\$300,000	\$280,000
d. Direct expenditure as a result of staging Floriade <sup>6</sup>	\$25 million	\$39.5 million	\$35 million
e. Number of National Cultural Institutions participating in the Enlighten Festival <sup>7</sup>	11	11	11

### Notes:

1. The revised target reflects the seven Asian Football Cup games to be held at GIO Stadium in January 2015. The name of the measure has been amended to align with the new name of the Canberra Stadium under new sponsorship arrangements.
2. The revised target reflects the three Cricket World Cup matches to be held at Manuka Oval in February 2015.
3. The measure covers Own Source Revenue (measured as gross profit) generated by each venue and is based on pre-existing hiring agreements.
4. The name of the measure has been amended to align with the new name of the Canberra Stadium under new sponsorship arrangements.
5. The revised target reflects the cessation of tenancy agreements for CricketACT and AFLNSW at Manuka Oval.
6. This measure covers the economic contribution to the Territory of staging Floriade. Visitor expenditure data is derived from face-to-face interviews conducted on site with a random sample of event attendees. The event’s direct expenditure impact aims to capture the spending of all visitors that come to the ACT (or extend their stay) specifically for Floriade. The revised target reflects the way data is collected for the event, utilising post event online surveys that provide more accurate direct expenditure result. This is in addition to the face to face interviews previously used.
7. The number of National Cultural Institutions participating in the Enlighten Festival is an indicator of the contributions of national organisations to the range of activities available through the program that enhance the event.

## Changes to Appropriation

**Table 14: Changes to appropriation—Government Payment for Outputs, Controlled**

	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>2013-14 Budget</b>	<b>86,082</b>	<b>68,332</b>	<b>64,183</b>	<b>64,204</b>	<b>64,204</b>
<b>2nd Appropriation</b>					
City to the Lake – New Canberra Theatre (Feasibility Study)	170	-	-	-	-
Revised Wage Parameters	296	402	669	1,027	1,037
<b>2014-15 Budget Policy Adjustments</b>					
Brand Canberra – Transforming the city	-	800	-	-	-
Business Development Strategy – Partnerships and resources for local businesses	-	100	-	-	-
Canberra Day 2015	-	300	-	-	-
Cooperative Airline Stimulus Fund	-	600	-	-	-
Developing Business Opportunities – Assisting the transition to the private sector	-	150	-	-	-
Gungahlin Leisure Centre – Operating costs	-	310	238	523	536
Increased Sports Grants – Asset repair and maintenance scheme	-	500	-	-	-
International Cricket Council Cricket World Cup 2015	-	2,255	-	-	-
Invest Canberra – Further promotion of Canberra's investment and business opportunities	-	100	-	-	-
Sportsgrounds – Additional irrigation	-	500	-	-	-
Supporting Local Business Fund	-	150	-	-	-
VisitCanberra – Tourism industry growth partnerships	-	750	-	-	-
Young Business Connect	-	300	-	-	-
ACT Government Office Building – Gungahlin fitout	-	-	-	173	346
Australia Forum – Investment ready	-	1,300	-	-	-
Isabella Weir Spillway Upgrades	-	-	-	-	100
Lyneham Sports Precinct – Stage 4 tennis facility enhancement	-	2,500	500	-	-
Majura Parkway to Majura Road – Link road construction	-	-	-	-	95
Stromlo Forest Park Implementation of Bushfire Management Plan	-	-	30	70	100
Tuggeranong Lakeside Leisure Centre – Water play park	-	-	-	-	5
General Savings	-	(2,272)	(2,283)	(2,283)	(2,284)
<b>2014-15 Budget Technical Adjustments</b>					
Revised Indexation Parameters	-	-	-	-	1,352
Revised Superannuation Parameters	(85)	151	238	354	389
Transfer – Carbon Neutral Government Funding to ESDD	-	(2)	-	-	-

	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
Transfer – Improvements to Griffith Oval from Capital Injection	1,000	-	-	-	-
Revised Funding Profile – City to the Lake Assessment (Feasibility)	(400)	400	-	-	-
Revised Funding Profile – Coppins Crossing Road and William Hovell Drive Intersection and Road Upgrades (Feasibility)	(100)	100	-	-	-
Revised Funding Profile – Grant for Development of a New Basketball Centre and Player Amenities	(750)	750	-	-	-
Revised Funding Profile – Growth, Diversification and Jobs: A Business Development Strategy for the ACT – InnovationConnect (Clean Tech Development Stream)	(85)	85	-	-	-
Revised Funding Profile – Horse Park Drive Extension to Moncrieff Group Centre	-	(245)	-	-	-
Revised Funding Profile – InnovationConnect (ICON) Program	(315)	315	-	-	-
Revised Funding Profile – Isabella Weir Spillway Upgrades (Feasibility)	(100)	100	-	-	-
Revised Funding Profile – John Gorton Drive Extension to Molonglo 2 and Group Centre	-	(350)	-	-	-
Revised Funding Profile – Molonglo – North-South Arterial Road Bridge and Pedestrian Bridge (Feasibility)	(100)	100	-	-	-
Revised Funding Profile – Molonglo 2 – Water Supply, Trunk Sewer and Stormwater Infrastructure – Stage 1	-	(110)	-	-	-
Revised Funding Profile – Molonglo 3 – Hydraulic Services Concept Masterplanning (Feasibility)	(200)	200	-	-	-
Revised Funding Profile – Molonglo 3 – Major Electrical Infrastructure Relocation (Feasibility)	(150)	150	-	-	-
Revised Funding Profile – Molonglo 3 – Preliminary Geotechnical Investigation (Feasibility)	(100)	100	-	-	-
Revised Funding Profile – Molonglo Valley – Implementation of Commitments in the Plan for the Protection of Matters of National Environmental Significance	(400)	400	-	-	-
Revised Funding Profile – Pace Farm	(3,750)	3,750	-	-	-
Revised Funding Profile – Seamless National Economy – Business Online Services	(50)	50	-	-	-
Revised Funding Profile – Stromlo Forest Park – Enclosed Oval (Feasibility)	(200)	200	-	-	-
Revised Funding Profile – Temporary Seating for Manuka Oval and Other Venues	-	(25)	-	-	-
Revised Funding Profile – West Belconnen – Roads and Traffic (Feasibility)	(175)	175	-	-	-
Revised Funding Profile – West Belconnen – Stormwater, Hydraulic and Utility Services (Feasibility)	(100)	100	-	-	-
Planned Completion of Non-ongoing Programs	-	-	(791)	(4,291)	(5,291)
City Centre Marketing and Improvements Levy	-	83	118	153	153
<b>2014-15 Budget</b>	<b>80,488</b>	<b>83,554</b>	<b>62,902</b>	<b>59,930</b>	<b>60,742</b>

**Table 15: Changes to appropriation—Territorial**

	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>2013-14 Budget</b>	<b>7,945</b>	<b>8,140</b>	<b>8,347</b>	<b>8,555</b>	<b>8,555</b>
<b>2014-15 Budget Technical Adjustments</b>					
Revised Indexation Parameters	-	-	-	-	214
<b>2014-15 Budget</b>	<b>7,945</b>	<b>8,140</b>	<b>8,347</b>	<b>8,555</b>	<b>8,769</b>

**Table 16: Changes to appropriation—Capital Injections, Controlled**

	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>2013-14 Budget</b>	<b>152,843</b>	<b>89,672</b>	<b>17,003</b>	<b>4,808</b>	<b>4,808</b>
<b>2nd Appropriation</b>					
City to Lake – West Basin Public Waterfront (Design)	520	2,600	-	-	-
<b>2014-15 Budget Policy Adjustments</b>					
ACT Government Office Building – Gungahlin fitout	-	17,300	-	-	-
City to the Lake Arterial Roads Concept Design	-	850	1,400	500	-
Dickson Group Centre Intersections – Upgrade	-	1,500	1,380	500	-
Isabella Weir Spillway Upgrades	-	5,050	5,050	-	-
Majura Parkway to Majura Road – Link road construction	-	3,300	6,556	-	-
Molonglo Infrastructure Investment	-	6,000	8,000	3,000	-
Stromlo Forest Park Implementation of Bushfire Management Plan	-	500	650	500	-
Throsby – Access road and western intersection	-	2,000	2,300	1,000	-
Tuggeranong Lakeside Leisure Centre – Water play park	-	-	500	-	-
Woden Bus Interchange – Redevelopment stage 1	-	1,250	2,000	-	-
<b>2014-15 Budget Technical Adjustments</b>					
Revised Indexation Parameters	-	-	-	-	108
Transfer – Improvements to Griffith Oval to Government Payment for Outputs	(1,000)	-	-	-	-
Transfer – Smart Parking to JACS	(2,100)	-	-	-	-
Revised Funding Profile – Canberra Stadium – Replacement of Ticket Boxes and Entry Gates	350	(350)	-	-	-
Revised Funding Profile – City Action Plan Stage 1 – Edinburgh Avenue Improvements	(250)	250	-	-	-
Revised Funding Profile – Cravens Creek Water Quality Control Pond	(3,750)	(1,000)	4,750	-	-
Revised Funding Profile – Franklin – Community Recreation Irrigated Park Enhancement	(500)	500	-	-	-

	<b>2013-14 Est'd Outcome \$'000</b>	<b>2014-15 Budget \$'000</b>	<b>2015-16 Estimate \$'000</b>	<b>2016-17 Estimate \$'000</b>	<b>2017-18 Estimate \$'000</b>
Revised Funding Profile – Government Office Accommodation and Relocation Fitout	150	(150)	-	-	-
Revised Funding Profile – Gungahlin Pool	5,670	(5,670)	-	-	-
Revised Funding Profile – Horse Park Drive Extension from Burrumarra Avenue to Mirrabai Drive	(2,000)	1,500	500	-	-
Revised Funding Profile – Horse Park Drive Extension to Moncrieff Group Centre	(1,000)	1,000	-	-	-
Revised Funding Profile – Horse Park Drive Water Quality Control Pond	(2,900)	(100)	3,000	-	-
Revised Funding Profile – Infrastructure Improvements at Sportsgrounds	(200)	200	-	-	-
Revised Funding Profile – John Gorton Drive Extension to Molonglo 2 and Group Centre	(1,000)	(4,000)	5,000	-	-
Revised Funding Profile – Kenny – Floodways, Road Access and Basins (Design)	(450)	450	-	-	-
Revised Funding Profile – Kingston Foreshore Parking (Design)	(150)	150	-	-	-
Revised Funding Profile – Lyneham Precinct – Regional Tennis and Sports Centre – Stage 2	(1,000)	1,000	-	-	-
Revised Funding Profile – Lyneham Precinct Redevelopment Stage 3	(500)	500	-	-	-
Revised Funding Profile – Lyneham Sports Precinct – Central Amenities (Design)	(350)	350	-	-	-
Revised Funding Profile – Lyneham Sports Precinct Development – Stage 1	(750)	750	-	-	-
Revised Funding Profile – Majura Parkway Estate Development (Design)	(600)	600	-	-	-
Revised Funding Profile – Manuka Oval – New Spectator Facilities and Media Infrastructure	(1,750)	1,750	-	-	-
Revised Funding Profile – Manuka Oval Redevelopment – Stage 1A	500	(500)	-	-	-
Revised Funding Profile – Manuka Oval Redevelopment (Design)	(300)	300	-	-	-
Revised Funding Profile – Melrose Synthetic Football Facility (Design)	(150)	150	-	-	-
Revised Funding Profile – Molonglo 2 – East-West Arterial Road and Services Extension to Cravens Creek (Design)	(200)	200	-	-	-
Revised Funding Profile – Molonglo 2 – Sewer and Pedestrian Bridge over Molonglo River	(1,400)	(600)	2,000	-	-
Revised Funding Profile – Molonglo 2 – Uriarra Road Upgrade	(4,000)	(1,000)	5,000	-	-
Revised Funding Profile – Molonglo 2 – Water Quality Control Ponds, Sewers and Cyclepath (Design)	(800)	800	-	-	-
Revised Funding Profile – Molonglo 2 – Water Supply, Trunk Sewer and Stormwater Infrastructure – Stage 1	(3,500)	3,500	-	-	-
Revised Funding Profile – Motorsports Fund – Capital Improvements to Fairbairn Park (Design)	(150)	150	-	-	-

	<b>2013-14 Est'd Outcome \$'000</b>	<b>2014-15 Budget \$'000</b>	<b>2015-16 Estimate \$'000</b>	<b>2016-17 Estimate \$'000</b>	<b>2017-18 Estimate \$'000</b>
Revised Funding Profile – Netball Infrastructure Upgrades (Design)	(200)	200	-	-	-
Revised Funding Profile – North Weston – Road Intersection Reconstruction	(5,000)	5,000	-	-	-
Revised Funding Profile – Office Accommodation	(250)	250	-	-	-
Revised Funding Profile – Restoration of Sportsgrounds – Bonython, Watson and Weetangera	(200)	200	-	-	-
Revised Funding Profile – Stromlo Forest Park Planning and Infrastructure	(400)	400	-	-	-
Revised Funding Profile – Throsby – Access Road (Design)	(900)	900	-	-	-
Revised Funding Profile – "Where Will We Play" Outdoor Facilities Water Reduction Strategies	(2,000)	2,000	-	-	-
Revised Funding Profile – Woden Bus Interchange – Early Works	(1,650)	1,650	-	-	-
Revised Funding Profile – Wright Outer Asset Protection Zone – Stromlo Forest Park	(150)	150	-	-	-
Savings – Horse Park Drive Water Quality Control Pond	-	(1,500)	-	-	-
Supplementation for Additional Pay Period in 2015-16	-	833	-	-	-
<b>2014-15 Budget</b>	<b>118,533</b>	<b>140,835</b>	<b>65,089</b>	<b>10,308</b>	<b>4,916</b>

## Financial Statements

**Table 17: Economic Development Directorate: Operating Statement**

2013-14 Budget		2013-14 Est'd Outcome	2014-15 Budget	Variance	2015-16 Estimate	2016-17 Estimate	2017-18 Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Income</b>							
<b>Revenue</b>							
86,082	Government Payment for Outputs	80,488	83,554	4	62,902	59,930	60,742
11,552	User Charges - Non ACT Government	11,591	11,366	-2	11,786	11,838	12,280
1,972	User Charges - ACT Government	1,979	1,708	-14	1,692	1,700	1,763
50	Interest	50	50	-	50	50	50
143	Other Revenue	143	147	3	151	151	151
<b>99,799</b>	<b>Total Revenue</b>	<b>94,251</b>	<b>96,825</b>	<b>3</b>	<b>76,581</b>	<b>73,669</b>	<b>74,986</b>
<b>Expenses</b>							
20,431	Employee Expenses	20,750	18,646	-10	18,901	19,341	19,554
3,306	Superannuation Expenses	3,268	3,311	1	3,409	3,528	3,598
39,503	Supplies and Services	37,648	43,568	16	33,025	32,567	33,980
16,338	Depreciation and Amortisation	22,298	25,258	13	26,957	29,255	29,825
49	Borrowing Costs	49	49	-	49	50	51
3,662	Cost of Goods Sold	3,662	3,175	-13	3,201	3,248	3,345
29,008	Grants and Purchased Services	25,058	27,730	11	17,693	14,485	13,980
5,008	Other Expenses	5,008	527	-89	533	544	561
<b>117,305</b>	<b>Total Expenses</b>	<b>117,741</b>	<b>122,264</b>	<b>4</b>	<b>103,768</b>	<b>103,018</b>	<b>104,894</b>
<b>-17,506</b>	<b>Operating Result</b>	<b>-23,490</b>	<b>-25,439</b>	<b>-8</b>	<b>-27,187</b>	<b>-29,349</b>	<b>-29,908</b>
<b>-17,506</b>	<b>Total Comprehensive Income</b>	<b>-23,490</b>	<b>-25,439</b>	<b>-8</b>	<b>-27,187</b>	<b>-29,349</b>	<b>-29,908</b>

**Table 18: Economic Development Directorate: Balance Sheet**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14	Budget as at 30/6/15	Variance	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Current Assets</b>							
2,477	Cash and Cash Equivalents	2,512	2,924	16	1,658	1,237	816
6,574	Receivables	5,354	5,319	-1	5,284	5,249	5,214
57	Inventories	66	67	2	68	69	70
501	Other Current Assets	693	696	..	698	700	702
<b>9,609</b>	<b>Total Current Assets</b>	<b>8,625</b>	<b>9,006</b>	<b>4</b>	<b>7,708</b>	<b>7,255</b>	<b>6,802</b>
<b>Non Current Assets</b>							
1,552	Investments	993	993	-	993	993	993
401,281	Property, Plant and Equipment	439,201	532,506	21	499,274	527,794	555,744
143	Intangibles	124	0	-100	0	0	0
135,831	Capital Works in Progress	272,475	285,176	5	356,666	309,725	257,392
<b>538,807</b>	<b>Total Non Current Assets</b>	<b>712,793</b>	<b>818,675</b>	<b>15</b>	<b>856,933</b>	<b>838,512</b>	<b>814,129</b>
<b>548,416</b>	<b>TOTAL ASSETS</b>	<b>721,418</b>	<b>827,681</b>	<b>15</b>	<b>864,641</b>	<b>845,767</b>	<b>820,931</b>
<b>Current Liabilities</b>							
36,169	Payables	20,299	10,915	-46	10,518	10,521	10,524
395	Finance Leases	456	456	-	456	456	456
7,112	Employee Benefits	7,443	7,613	2	6,982	7,057	7,132
1,415	Other Liabilities	1,608	1,638	2	1,667	1,696	1,725
<b>45,091</b>	<b>Total Current Liabilities</b>	<b>29,806</b>	<b>20,622</b>	<b>-31</b>	<b>19,623</b>	<b>19,730</b>	<b>19,837</b>
<b>Non Current Liabilities</b>							
230	Finance Leases	213	214	..	215	216	217
811	Employee Benefits	421	471	12	527	586	634
0	Other	240	240	-	240	240	240
<b>1,041</b>	<b>Total Non Current Liabilities</b>	<b>874</b>	<b>925</b>	<b>6</b>	<b>982</b>	<b>1,042</b>	<b>1,091</b>
<b>46,132</b>	<b>TOTAL LIABILITIES</b>	<b>30,680</b>	<b>21,547</b>	<b>-30</b>	<b>20,605</b>	<b>20,772</b>	<b>20,928</b>
<b>502,284</b>	<b>NET ASSETS</b>	<b>690,738</b>	<b>806,134</b>	<b>17</b>	<b>844,036</b>	<b>824,995</b>	<b>800,003</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
501,835	Accumulated Funds	423,460	538,856	27	576,758	557,717	532,725
449	Reserves	267,278	267,278	-	267,278	267,278	267,278
<b>502,284</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>690,738</b>	<b>806,134</b>	<b>17</b>	<b>844,036</b>	<b>824,995</b>	<b>800,003</b>

**Table 19: Economic Development Directorate: Statement of Changes in Equity**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14	Budget as at 30/6/15	Variance	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Opening Equity</b>							
366,498	Opening Accumulated Funds	328,417	423,460	29	538,856	576,758	557,717
449	Opening Asset Revaluation Reserve	267,278	267,278	-	267,278	267,278	267,278
<b>366,947</b>	<b>Balance at the Start of the Reporting Period</b>	<b>595,695</b>	<b>690,738</b>	<b>16</b>	<b>806,134</b>	<b>844,036</b>	<b>824,995</b>
<b>Comprehensive Income</b>							
-17,506	Operating Result for the Period	-23,490	-25,439	-8	-27,187	-29,349	-29,908
<b>-17,506</b>	<b>Total Comprehensive Income</b>	<b>-23,490</b>	<b>-25,439</b>	<b>-8</b>	<b>-27,187</b>	<b>-29,349</b>	<b>-29,908</b>
<b>0</b>	<b>Total Movement in Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>							
152,843	Capital Injections	118,533	140,835	19	65,089	10,308	4,916
<b>152,843</b>	<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>	<b>118,533</b>	<b>140,835</b>	<b>19</b>	<b>65,089</b>	<b>10,308</b>	<b>4,916</b>
<b>Closing Equity</b>							
501,835	Closing Accumulated Funds	423,460	538,856	27	576,758	557,717	532,725
449	Closing Asset Revaluation Reserve	267,278	267,278	-	267,278	267,278	267,278
<b>502,284</b>	<b>Balance at the End of the Reporting Period</b>	<b>690,738</b>	<b>806,134</b>	<b>17</b>	<b>844,036</b>	<b>824,995</b>	<b>800,003</b>

**Table 20: Economic Development Directorate: Cash Flow Statement**

2013-14 Budget		2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
86,082	Cash from Government for Outputs	80,488	83,554	4	62,902	59,930	60,742
13,798	User Charges	13,844	13,371	-3	13,776	13,836	14,341
50	Interest Received	50	50	-	50	50	50
258	Other Receipts	258	175	-32	179	179	179
<b>100,188</b>	<b>Operating Receipts</b>	<b>94,640</b>	<b>97,150</b>	<b>3</b>	<b>76,907</b>	<b>73,995</b>	<b>75,312</b>
<b>Payments</b>							
20,419	Related to Employees	20,714	18,534	-11	19,504	19,353	19,577
3,128	Related to Superannuation	3,090	3,129	1	3,350	3,351	3,421
43,962	Related to Supplies and Services	42,107	47,773	13	37,234	36,829	38,357
42	Borrowing Costs	42	42	-	42	43	43
29,009	Grants and Purchased Services	25,059	27,731	11	17,681	14,469	13,964
3,904	Other	3,904	413	-89	419	428	428
<b>100,464</b>	<b>Operating Payments</b>	<b>94,916</b>	<b>97,622</b>	<b>3</b>	<b>78,230</b>	<b>74,473</b>	<b>75,790</b>
<b>-276</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>-276</b>	<b>-472</b>	<b>-71</b>	<b>-1,323</b>	<b>-478</b>	<b>-478</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
1,186	Purchase of Investments	1,186	0	-100	0	0	0
151,698	Purchase of Property, Plant and Equipment and Capital Works	117,388	139,843	19	64,924	10,143	4,751
<b>152,884</b>	<b>Investing Payments</b>	<b>118,574</b>	<b>139,843</b>	<b>18</b>	<b>64,924</b>	<b>10,143</b>	<b>4,751</b>
<b>-152,884</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-118,574</b>	<b>-139,843</b>	<b>-18</b>	<b>-64,924</b>	<b>-10,143</b>	<b>-4,751</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
152,843	Capital Injections from Government	118,533	140,835	19	65,089	10,308	4,916
<b>152,843</b>	<b>Financing Receipts</b>	<b>118,533</b>	<b>140,835</b>	<b>19</b>	<b>65,089</b>	<b>10,308</b>	<b>4,916</b>
<b>Payments</b>							
109	Repayment of Finance Leases	109	108	-1	108	108	108
<b>109</b>	<b>Financing Payments</b>	<b>109</b>	<b>108</b>	<b>-1</b>	<b>108</b>	<b>108</b>	<b>108</b>

2013-14 Budget		2013-14 Est'd Outcome	2014-15 Budget	Variance	2015-16 Estimate	2016-17 Estimate	2017-18 Estimate
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
152,734	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	118,424	140,727	19	64,981	10,200	4,808
-426	NET INCREASE / (DECREASE) IN CASH HELD	-426	412	197	-1,266	-421	-421
2,903	CASH AT THE BEGINNING OF REPORTING PERIOD	2,938	2,512	-14	2,924	1,658	1,237
2,477	CASH AT THE END OF REPORTING PERIOD	2,512	2,924	16	1,658	1,237	816

## Notes to the Controlled Budget Statements

Significant variations are as follows:

### ***Operating Statement***

- government payment for outputs:
  - the decrease of \$5.594 million in the 2013-14 estimated outcome from the original budget is mainly due to the reprofiling of capital works project funding and business support grant programs from 2013-14 to 2014-15, partially offset by a variation under Section 14 of the *Financial Management Act 1996* to permit the granting of funds to the ACT Brumbies for their training facility and additional funding provided through the 2013-14 Supplementary Appropriation; and
  - the increase of \$1.166 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the reprofiling of capital works project funding and grant programs and funding provided for new initiatives, partially offset by the impact of prior year initiative funding decisions, savings initiatives and the return of repairs and maintenance funding to the Budget, which is not yet required for deferred capital works projects.
- employee expenses: the decrease of \$2.104 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the implementation of general savings initiatives.
- supplies and services:
  - the decrease of \$1.855 million in the 2013-14 estimated outcome from the original budget is mainly due to the reprofiling of capital works funding and grant programs from 2013-14 to 2014-15; and
  - the increase of \$4.020 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the reprofiling of capital works project funding and funding provided for new initiatives, partially offset by the impact of prior year initiative funding decisions, savings initiatives and the return of funding for deferred capital works projects referred to above.
- depreciation and amortisation: the increase of \$5.960 million in the 2013-14 estimated outcome from the original budget and the further increase of \$2.960 million in the 2014-15 budget from the 2013-14 estimated outcome is mainly due to the flow-on impact of the revaluation and the reassessment of the useful lives of assets undertaken in 2012-13.
- grants and purchased services:
  - the decrease of \$3.950 million in the 2013-14 estimated outcome from the original budget is mainly due to the rollover of the grant to Pace Farm and business support grant programs, partially offset by a variation under Section 14 of the

*Financial Management Act 1996* to permit the granting of funds to the Brumbies for their training facility; and

- the increase of \$2.672 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to funding provided for the Lyneham Tennis Facility Enhancement project.
- other expenses: the decrease of \$4.481 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to funding provided for the Asian Football Cup in 2013-14.

### ***Balance Sheet***

- receivables: the decrease of \$1.220 million in the 2013-14 estimated outcome from the original budget is due to improvements to the management of debtors.
- property, plant and equipment: the increase of \$37.920 million in the 2013-14 estimated outcome from the original budget and the further increase of \$93.305 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the impact of the asset revaluation undertaken in 2012-13 and the capitalisation of completed capital works.
- capital works in progress:
  - the increase of \$136.644 million in the 2013-14 estimated outcome from the original budget is due to the flow-on impact of the 2012-13 audited outcome; and
  - the increase of \$12.701 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to funding provided for new capital works projects.
- payables: the decrease of \$15.870 million in the 2013-14 estimated outcome from the original budget and the further decrease of \$9.834 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to improvements in the management of payables.

### ***Cash Flow Statement***

Variations in the statement are explained in the notes above.

### ***Statement of Changes in Equity***

Variations in the statement are explained in the notes above.

**Table 21: Economic Development Directorate: Statement of Income and Expenses on behalf of the Territory**

<b>2013-14 Budget</b>		<b>2013-14 Est'd Outcome</b>	<b>2014-15 Budget</b>	<b>Variance</b>	<b>2015-16 Estimate</b>	<b>2016-17 Estimate</b>	<b>2017-18 Estimate</b>
<b>\$'000</b>		<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>Revenue</b>						
7,945	Payment for Expenses on Behalf of the Territory	7,945	8,140	2	8,347	8,555	8,769
123	User Charges - Non ACT Government	123	126	2	129	129	129
<b>8,068</b>	<b>Total Revenue</b>	<b>8,068</b>	<b>8,266</b>	<b>2</b>	<b>8,476</b>	<b>8,684</b>	<b>8,898</b>
	<b>Expenses</b>						
118	Supplies and Services	118	118	-	121	124	127
7,827	Grants and Purchased Services	7,827	8,022	2	8,226	8,428	8,636
123	Transfer Expenses	123	126	2	129	132	135
<b>8,068</b>	<b>Total Expenses</b>	<b>8,068</b>	<b>8,266</b>	<b>2</b>	<b>8,476</b>	<b>8,684</b>	<b>8,898</b>
<b>0</b>	<b>Operating Result</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Total Comprehensive Income</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 22: Economic Development Directorate: Statement of Assets and Liabilities on behalf of the Territory**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14 \$'000	Budget as at 30/6/15 \$'000	Variance  %	Estimate as at 30/6/16 \$'000	Estimate as at 30/6/17 \$'000	Estimate as at 30/6/18 \$'000
<b>Current Assets</b>							
	Non Current Assets						
2,138	Investments	1,226	1,226	-	1,226	1,226	1,226
2,138	<b>Total Non Current Assets</b>	<b>1,226</b>	<b>1,226</b>	-	<b>1,226</b>	<b>1,226</b>	<b>1,226</b>
2,138	TOTAL ASSETS	1,226	1,226	-	1,226	1,226	1,226
2,138	NET ASSETS	1,226	1,226	-	1,226	1,226	1,226
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
2,138	Accumulated Funds	1,226	1,226	-	1,226	1,226	1,226
2,138	<b>TOTAL FUNDS EMPLOYED</b>	<b>1,226</b>	<b>1,226</b>	-	<b>1,226</b>	<b>1,226</b>	<b>1,226</b>

**Table 23: Economic Development Directorate: Statement of Changes in Equity on behalf of the Territory**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14	Budget as at 30/6/15	Variance	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Opening Equity</b>							
2,138	Opening Accumulated Funds	1,226	1,226	-	1,226	1,226	1,226
<b>2,138</b>	<b>Balance at the Start of the Reporting Period</b>	<b>1,226</b>	<b>1,226</b>	<b>-</b>	<b>1,226</b>	<b>1,226</b>	<b>1,226</b>
<b>0</b>	<b>Total Movement in Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing Equity</b>							
2,138	Closing Accumulated Funds	1,226	1,226	-	1,226	1,226	1,226
<b>2,138</b>	<b>Balance at the End of the Reporting Period</b>	<b>1,226</b>	<b>1,226</b>	<b>-</b>	<b>1,226</b>	<b>1,226</b>	<b>1,226</b>

**Table 24: Economic Development Directorate: Statement of Cash Flows on behalf of the Territory**

2013-14 Budget		2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
7,945	Cash from Government for EBT	7,945	8,140	2	8,347	8,555	8,769
123	User Charges	123	126	2	129	129	129
<b>8,068</b>	<b>Operating Receipts</b>	<b>8,068</b>	<b>8,266</b>	<b>2</b>	<b>8,476</b>	<b>8,684</b>	<b>8,898</b>
<b>Payments</b>							
118	Related to Supplies and Services	118	118	-	121	124	127
7,827	Grants and Purchased Services	7,827	8,022	2	8,226	8,428	8,636
123	Territory Receipts to Government	123	126	2	129	132	135
<b>8,068</b>	<b>Operating Payments</b>	<b>8,068</b>	<b>8,266</b>	<b>2</b>	<b>8,476</b>	<b>8,684</b>	<b>8,898</b>
<b>0</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>CASH AT THE BEGINNING OF REPORTING PERIOD</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>CASH AT THE END OF REPORTING PERIOD</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>

## **Notes to the Territorial Budget Statements**

There are no significant variations in the statements.

# ACT GAMBLING AND RACING COMMISSION

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## Purpose

The ACT Gambling and Racing Commission (the Commission) is an independent statutory authority established under the *Gambling and Racing Control Act 1999* to control, supervise and regulate gambling and racing activities in the Territory.

The responsibilities of the Commission incorporate the ongoing development and implementation of an integrated regulatory framework for all gambling activity in the ACT, including casino, gaming machines, lotteries, racing (as provided in the *Racing Act 1999*), race and sports bookmaking, totalisator and interactive gambling.

## 2014-15 Priorities

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

- continuing to implement legislative changes to various gaming laws as required;
- enhancing the effectiveness of the Commission's compliance program on a continual risk assessment basis;
- undertaking regulatory tasks as required under the gaming laws, including probity checks, issue licences and provide approvals, following the necessary investigations and assessments;
- undertaking or assisting with reviews of gaming laws and assisting the Economic Development Directorate with other gaming related policy issues as required;
- continuing to assess the findings and recommendations of relevant gambling research projects in relation to compliance and policy issues;
- enhancing the Commission's community engagement strategy by building upon strategic links with its stakeholders;
- developing and enhancing the Commission's community education program relating to problem gambling; and
- continuing to develop and implement projects through the Problem Gambling Assistance Fund.

## Estimated Employment Level

Table 1: Estimated Employment Level

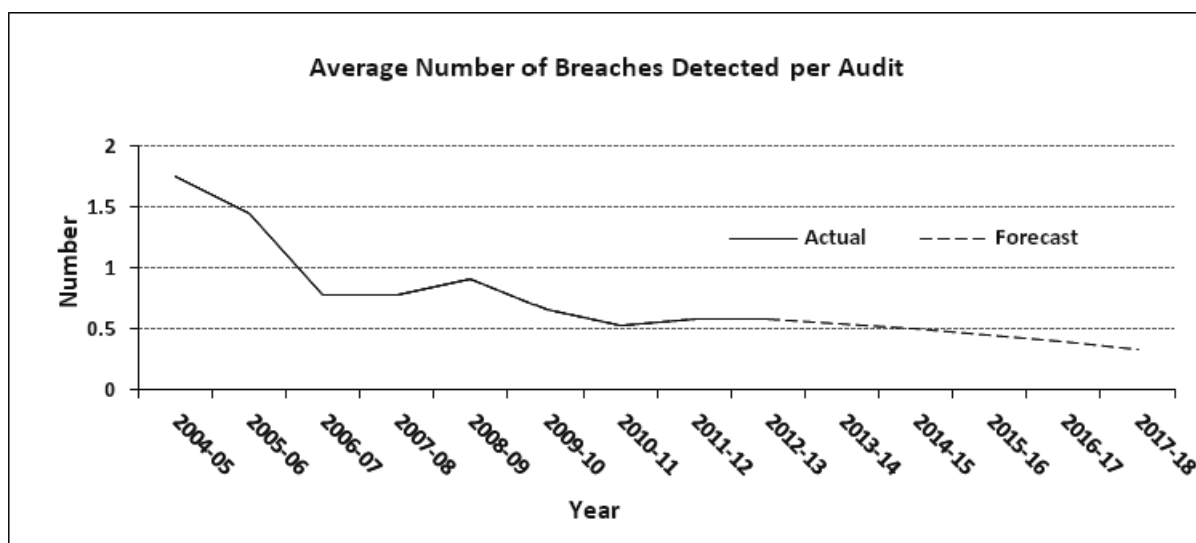
	2012-13 Actual Outcome	2013-14 Budget	2013-14 Estimated Outcome	2014-15 Budget
Staffing (FTE)	28	33	33	33

## Strategic Objectives and Indicators

### Strategic Objective 1

#### *Increase Gambling Operators' Compliance with Legislation*

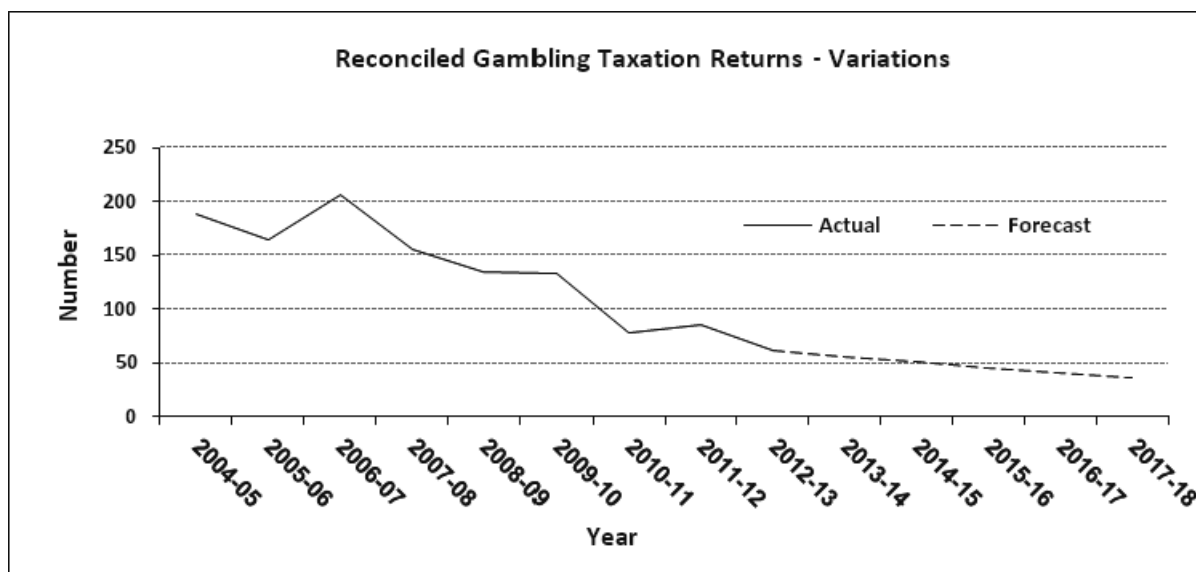
The Commission conducts a comprehensive audit program to ensure that operators comply with relevant gaming and wagering legislation. Through this audit program and its education and liaison with operators, the Commission aims to increase compliance with the various Acts. The level of reduction in the number of breaches detected per audit will indicate the success, or otherwise, of the Commission's activities in increasing compliance with legislation.



## Strategic Objective 2

### *Increase the Accuracy of Returns by Operators for Gambling Related Taxes, Levies, Fees and Fines on Behalf of the ACT Government*

The Commission receives returns from operators along with payments for gambling related taxes, levies, fees and fines. The Commission reconciles the returns against operators' activities and issues variation advice if discrepancies are identified. The Commission aims to reduce the number of variations through its education and liaison with operators in the ACT. The reduction in the number of variations as a proportion of returns is an indication of the Commission's performance in this area.



## Strategic Objective 3

### *Undertake Measures Designed to Reduce the Negative Impact of Problem Gambling*

The Commission must perform its functions in a way that reduces the risks and costs of problem gambling to individuals and the community. The Commission monitors the social effects of gambling and problem gambling in the ACT and is tasked with providing relevant education and counselling services. The Commission aims to reduce the negative impact of problem gambling through targeted research and implementing strategies based on those research outcomes.

**Strategic Indicator 3:** Develop and implement research based strategies to reduce the negative impacts of problem gambling.

## Output Class

### Output Class 1: Gambling Regulation and Harm Minimisation

Table 2: Output Class 1: Gambling Regulation and Harm Minimisation

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
<b>Total Cost<sup>1</sup></b>	5,579	5,748
<b>Government Payment for Outputs</b>	4,499	4,614

**Note:**

1. Total cost includes depreciation and amortisation of \$0.094 million in 2013-14 and \$0.109 million in 2014-15.

#### ***Output 1.1: Gambling Regulation and Harm Minimisation***

The key roles of the Commission are to:

- administer gaming laws;
- control supervise and regulate gaming in the Territory;
- collect and verify gambling taxes, levies, fees and charges; and
- develop and implement projects through the Problem Gambling Assistance Fund.

Table 3: Output 1.1: Gambling Regulation and Harm Minimisation

	2013-14 Estimated Outcome \$'000	2014-15 Budget \$'000
<b>Total Cost<sup>1</sup></b>	5,579	5,748
<b>Government Payment for Outputs</b>	4,499	4,614

# Accountability Indicators

## Output Class 1: Gambling Regulation and Harm Minimisation

### Output 1.1: Gambling Regulation and Harm Minimisation

Table 4: Accountability Indicators Output 1.1

	2013-14 Targets	2013-14 Estimated Outcome	2014-15 Targets
<b>Conduct compliance audits of operator activity to detect compliance with legal framework<sup>1</sup></b>			
a. Casino	100	100	130
b. Gaming Machines	250	250	250
c. Bookmakers and Totalisator	50	50	60
d. Minor Lotteries	60	60	20
<i>Effectively regulating gambling and racing activity for statutory compliance</i>			
<b>Conduct revenue audits to ensure correct payments of taxes, levies and fees</b>			
a. Casino	12	12	12
b. Gaming Machines	12	12	12
c. Bookmakers and Totalisator	12	12	12
<i>Ensure Compliance with statutory payments of taxes, levies and fees</i>			
<b>Initiate or complete research projects; analyse significant research projects conducted elsewhere</b>			
<i>Keep informed about problem gambling issues and harm minimisation strategies</i>			
<b>Initiate or complete research projects through the Problem Gambling Assistance Fund</b>			
<i>Undertake measures designed to reduce the negative impact of problem gambling</i>			

**Note:**

1. Compliance audit program adjusted in 2014-15 on a risk basis to take into account the commencement of the *Totalisator Act 2014* and the proposed sale of the casino and ACTTAB.

## Changes to Appropriation

**Table 5: Changes to appropriation—Government Payment for Outputs, Controlled**

	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>2013-14 Budget</b>	<b>4,451</b>	<b>4,511</b>	<b>4,577</b>	<b>4,645</b>	<b>4,645</b>
<b>2<sup>nd</sup> Appropriation</b>					
Revised Wage Parameters	48	68	114	176	178
<b>2014-15 Budget Technical Adjustments</b>					
Revised Indexation Parameters	-	1	-	-	75
Revised Superannuation Parameters	-	34	61	89	114
<b>2014-15 Budget</b>	<b>4,499</b>	<b>4,614</b>	<b>4,752</b>	<b>4,910</b>	<b>5,012</b>

**Table 6: Changes to appropriation—Capital Injection, Controlled**

	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>2013-14 Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2014-15 Budget Technical Adjustments</b>					
Supplementation for Additional Pay Period in 2015-16	-	127	-	-	-
<b>2014-15 Budget</b>	<b>0</b>	<b>127</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Financial Statements

**Table 7: ACT Gambling and Racing Commission: Operating Statement**

2013-14 Budget		2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>Income</b>							
<b>Revenue</b>							
4,451	Government Payment for Outputs	4,499	4,614	3	4,752	4,910	5,012
56,555	Taxes, Fees and Fines	55,998	56,643	1	56,299	57,765	59,270
79	Interest	79	86	9	94	101	104
1,111	Other Revenue	1,058	1,085	3	1,112	1,140	1,169
25	Resources Received Free of Charge	25	25	-	25	25	25
<b>62,221</b>	<b>Total Revenue</b>	<b>61,659</b>	<b>62,453</b>	<b>1</b>	<b>62,282</b>	<b>63,941</b>	<b>65,580</b>
<b>Gains</b>							
31	Other Gains	31	32	3	32	33	33
<b>31</b>	<b>Total Gains</b>	<b>31</b>	<b>32</b>	<b>3</b>	<b>32</b>	<b>33</b>	<b>33</b>
<b>62,252</b>	<b>Total Income</b>	<b>61,690</b>	<b>62,485</b>	<b>1</b>	<b>62,314</b>	<b>63,974</b>	<b>65,613</b>
<b>Expenses</b>							
2,850	Employee Expenses	2,893	2,961	2	3,045	3,124	3,159
385	Superannuation Expenses	392	421	7	453	490	520
2,251	Supplies and Services	2,198	2,255	3	2,310	2,368	2,428
108	Depreciation and Amortisation	94	109	16	109	48	36
2	Borrowing Costs	2	2	-	2	2	2
56,555	Transfer Expenses	55,998	56,643	1	56,299	57,765	59,270
<b>62,151</b>	<b>Total Expenses</b>	<b>61,577</b>	<b>62,391</b>	<b>1</b>	<b>62,218</b>	<b>63,797</b>	<b>65,415</b>
<b>101</b>	<b>Operating Result</b>	<b>113</b>	<b>94</b>	<b>-17</b>	<b>96</b>	<b>177</b>	<b>198</b>
<b>101</b>	<b>Total Comprehensive Income</b>	<b>113</b>	<b>94</b>	<b>-17</b>	<b>96</b>	<b>177</b>	<b>198</b>

**Table 8: ACT Gambling and Racing Commission: Balance Sheet**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14	Budget as at 30/6/15	Variance	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Current Assets</b>							
2,775	Cash and Cash Equivalents	3,450	3,836	11	3,976	4,251	4,529
4,667	Receivables	4,466	4,471	..	4,476	4,481	4,486
1	Other Current Assets	1	1	-	1	1	1
<b>7,443</b>	<b>Total Current Assets</b>	<b>7,917</b>	<b>8,308</b>	<b>5</b>	<b>8,453</b>	<b>8,733</b>	<b>9,016</b>
<b>Non Current Assets</b>							
44	Property, Plant and Equipment	38	38	-	48	48	58
252	Intangibles	266	169	-36	72	36	12
<b>296</b>	<b>Total Non Current Assets</b>	<b>304</b>	<b>207</b>	<b>-32</b>	<b>120</b>	<b>84</b>	<b>70</b>
<b>7,739</b>	<b>TOTAL ASSETS</b>	<b>8,221</b>	<b>8,515</b>	<b>4</b>	<b>8,573</b>	<b>8,817</b>	<b>9,086</b>
<b>Current Liabilities</b>							
4,712	Payables	4,422	4,425	..	4,428	4,431	4,434
5	Finance Leases	5	20	300	5	20	5
907	Employee Benefits	868	892	3	793	806	818
125	Other Liabilities	126	126	-	126	126	126
<b>5,749</b>	<b>Total Current Liabilities</b>	<b>5,421</b>	<b>5,463</b>	<b>1</b>	<b>5,352</b>	<b>5,383</b>	<b>5,383</b>
<b>Non Current Liabilities</b>							
27	Finance Leases	27	7	-74	27	7	27
164	Employee Benefits	134	185	38	238	294	345
<b>191</b>	<b>Total Non Current Liabilities</b>	<b>161</b>	<b>192</b>	<b>19</b>	<b>265</b>	<b>301</b>	<b>372</b>
<b>5,940</b>	<b>TOTAL LIABILITIES</b>	<b>5,582</b>	<b>5,655</b>	<b>1</b>	<b>5,617</b>	<b>5,684</b>	<b>5,755</b>
<b>1,799</b>	<b>NET ASSETS</b>	<b>2,639</b>	<b>2,860</b>	<b>8</b>	<b>2,956</b>	<b>3,133</b>	<b>3,331</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
1,797	Accumulated Funds	2,637	2,858	8	2,954	3,131	3,329
2	Reserves	2	2	-	2	2	2
<b>1,799</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>2,639</b>	<b>2,860</b>	<b>8</b>	<b>2,956</b>	<b>3,133</b>	<b>3,331</b>

**Table 9: ACT Gambling and Racing Commission: Statement of Changes in Equity**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14 \$'000	Budget as at 30/6/15 \$'000	Variance	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
<b>Opening Equity</b>							
1,696	Opening Accumulated Funds	2,524	2,637	4	2,858	2,954	3,131
2	Opening Asset Revaluation Reserve	2	2	-	2	2	2
<b>1,698</b>	<b>Balance at the Start of the Reporting Period</b>	<b>2,526</b>	<b>2,639</b>	<b>4</b>	<b>2,860</b>	<b>2,956</b>	<b>3,133</b>
<b>Comprehensive Income</b>							
101	Operating Result for the Period	113	94	-17	96	177	198
<b>101</b>	<b>Total Comprehensive Income</b>	<b>113</b>	<b>94</b>	<b>-17</b>	<b>96</b>	<b>177</b>	<b>198</b>
<b>0</b>	<b>Total Movement in Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>							
0	Capital Injections	0	127	#	0	0	0
<b>0</b>	<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>	<b>0</b>	<b>127</b>	<b>#</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing Equity</b>							
1,797	Closing Accumulated Funds	2,637	2,858	8	2,954	3,131	3,329
2	Closing Asset Revaluation Reserve	2	2	-	2	2	2
<b>1,799</b>	<b>Balance at the End of the Reporting Period</b>	<b>2,639</b>	<b>2,860</b>	<b>8</b>	<b>2,956</b>	<b>3,133</b>	<b>3,331</b>

**Table 10: ACT Gambling and Racing Commission: Cash Flow Statement**

2013-14 Budget		2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
4,451	Cash from Government for Outputs	4,499	4,614	3	4,752	4,910	5,012
56,555	Taxes, Fees and Fines	55,998	56,643	1	56,299	57,765	59,270
79	Interest Received	79	86	9	94	101	104
1,261	Other Receipts	1,208	1,236	2	1,263	1,292	1,321
<b>62,346</b>	<b>Operating Receipts</b>	<b>61,784</b>	<b>62,579</b>	<b>1</b>	<b>62,408</b>	<b>64,068</b>	<b>65,707</b>
<b>Payments</b>							
2,789	Related to Employees	2,830	2,886	2	3,074	3,055	3,096
385	Related to Superannuation	392	421	7	470	490	520
2,228	Related to Supplies and Services	2,175	2,232	3	2,287	2,345	2,405
2	Borrowing Costs	2	2	-	2	2	2
119	Other	119	119	-	119	119	119
56,555	Territory Receipts to Government	55,998	56,643	1	56,299	57,765	59,270
<b>62,078</b>	<b>Operating Payments</b>	<b>61,516</b>	<b>62,303</b>	<b>1</b>	<b>62,251</b>	<b>63,776</b>	<b>65,412</b>
<b>268</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>268</b>	<b>276</b>	<b>3</b>	<b>157</b>	<b>292</b>	<b>295</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
10	Purchase of Property, Plant and Equipment and Capital Works	10	10	-	10	10	10
0	Purchase of Land and Intangibles	46	0	-100	0	0	0
<b>10</b>	<b>Investing Payments</b>	<b>56</b>	<b>10</b>	<b>-82</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>-10</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-56</b>	<b>-10</b>	<b>82</b>	<b>-10</b>	<b>-10</b>	<b>-10</b>

2013-14 Budget	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>Receipts</b>						
0	0	127	#	0	0	0
0	0	127	#	0	0	0
<b>Payments</b>						
7	7	7	-	7	7	7
7	7	7	-	7	7	7
-7	-7	120	#	-7	-7	-7
251	205	386	88	140	275	278
2,524	3,245	3,450	6	3,836	3,976	4,251
2,775	3,450	3,836	11	3,976	4,251	4,529

## Notes to the Controlled Budget Statements

Significant variations are as follows:

### ***Operating Statement***

- taxes, fees and fines:
  - the decrease of \$0.557 million in the 2013-14 estimated outcome from the original budget is due to a decrease in activity for gaming machine revenue (\$1.711 million) and ACTTAB revenue (\$0.126 million), offset by an increase in interstate lotteries (\$1.275 million) and sports bookmaking revenue (\$0.005 million); and
  - the increase \$0.645 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to an expected increase in activity for gaming machine revenue (\$0.852 million), regulatory fees (\$0.094 million), casino revenue (\$0.070 million) and ACTTAB revenue (\$0.024 million) offset by a decrease in interstate lotteries (\$0.395 million).
- transfer expenses:
  - the decrease of \$0.557 million in the 2013-14 estimated outcome from the original budget is due to the reasons noted above under taxes, fees and fines; and
  - the increase \$0.645 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to the reasons noted above under taxes, fees and fines.

### ***Balance Sheet***

- cash and cash equivalents:
  - the increase of \$0.675 million in the 2013-14 estimated outcome from the original budget is mainly due to flow-on effects from the 2012-13 audited outcome; and
  - the increase of \$0.386 million in the 2014-15 Budget from the 2013-14 estimated outcome reflects anticipated positive cash flows from operating activities and a capital injection to supplement an additional pay period.
- payables: the decrease of \$0.290 million in the 2013-14 estimated outcome from the original budget mainly reflects a decrease in gaming taxation paid to the Territory and an expected decrease in accrued expenses payable at the end of the 2013-14 reporting period.

### ***Statement of Changes in Equity***

Variations in the statement are explained in the notes above.

### ***Cash Flow Statement***

Variations in the statement are explained in the notes above.

# EXHIBITION PARK CORPORATION

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## Purpose

The Exhibition Park Corporation (the Corporation) was established under the *Exhibition Park Corporation Act 1976*. The major goals of the Corporation are to manage, develop and maintain a multi-purpose exhibition and event centre of national standard to meet the requirements of the Corporation's major clients, the community of the ACT and the surrounding region.

The Corporation aims to promote the use of the Exhibition Park in Canberra (EPIC) complex and increase public awareness of the facilities and services available with a view to optimising revenue and continuously improving operational efficiency.

Additionally, the Corporation endeavours to ensure:

- operational self-sufficiency through increasing revenue from events and other activities and expanding its client base;
- the highest standard of service is provided to all clients and patrons while minimising costs; and
- all buildings and grounds are maintained to a standard appropriate for a high profile facility located in the National Capital.

## 2014-15 Priorities

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

- identifying and implementing investment and commercial opportunities at EPIC;
- continuing to increase capacity and occupancy of EPIC's camping and caravan facilities;
- continuing to work closely with ACT Government agencies to progress the Corporation's low cost tourist accommodation project;
- monitoring external studies, such as the Government's review of the feasibility of the co-location of Canberra's thoroughbred, harness and greyhound racing clubs, prior to finalising the Corporation's master plan;
- ensuring the venue continues to provide excellent customer service to clients and building a reputation to assure future business;
- ensuring continuous improvement of environmentally sustainable measures;
- attracting new and repeat major and high yield events; and
- providing a safe, clean, comfortable and secure environment.

## Estimated Employment Level

**Table 1: Estimated Employment Level**

	2012-13 Actual Outcome	2013-14 Budget	2013-14 Estimated Outcome	2014-15 Budget
Staffing (FTE)	13	15	14 <sup>1</sup>	14

**Note:**

1. The decrease in the 2013-14 estimated outcome is due to operational requirements.

## Changes to Appropriation

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

	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>2013-14 Budget</b>	<b>425</b>	<b>443</b>	<b>463</b>	<b>477</b>	<b>477</b>
<b>2nd Appropriation</b>					
Revised Wage Parameters	4	5	9	14	14
<b>2014-15 Budget Technical Adjustments</b>					
Revised Indexation Parameters	-	-	-	-	5
Revised Superannuation Parameters	-	(3)	(18)	(23)	(23)
<b>2014-15 Budget</b>	<b>429</b>	<b>445</b>	<b>454</b>	<b>468</b>	<b>473</b>

**Table 3: Changes to appropriation—Capital Injections, Controlled**

	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>2013-14 Budget</b>	<b>1,159</b>	<b>552</b>	<b>566</b>	<b>580</b>	<b>580</b>
<b>FMA Section 16B Rollovers from 2012-13</b>					
Conference Centre and Parkes Room Refurbishment	360	-	-	-	-
<b>2014-15 Budget Technical Adjustments</b>					
Revised Indexation Parameters	-	-	-	-	15
Savings – Car Park Upgrade to Enhance Accessibility	(5)	-	-	-	-
<b>2014-15 Budget</b>	<b>1,514</b>	<b>552</b>	<b>566</b>	<b>580</b>	<b>595</b>

## Financial Statements

**Table 4: Exhibition Park Corporation: Operating Statement**

2013-14 Budget		2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>Income</b>							
<b>Revenue</b>							
425	Government Payment for Outputs	429	445	4	454	468	473
3,816	User Charges - Non ACT Government	3,137	3,555	13	3,733	4,130	4,587
25	User Charges - ACT Government	25	30	20	31	33	35
34	Interest	25	19	-24	36	50	80
122	Other Revenue	130	72	-45	76	79	83
<b>4,422</b>	<b>Total Revenue</b>	<b>3,746</b>	<b>4,121</b>	<b>10</b>	<b>4,330</b>	<b>4,760</b>	<b>5,258</b>
<b>4,422</b>	<b>Total Income</b>	<b>3,746</b>	<b>4,121</b>	<b>10</b>	<b>4,330</b>	<b>4,760</b>	<b>5,258</b>
<b>Expenses</b>							
1,359	Employee Expenses	1,224	1,330	9	1,356	1,385	1,412
173	Superannuation Expenses	168	169	1	125	116	120
3,093	Supplies and Services	2,448	2,224	-9	2,290	2,336	2,383
734	Depreciation and Amortisation	817	844	3	861	878	896
27	Borrowing Costs	71	71	-	51	125	121
<b>5,386</b>	<b>Total Expenses</b>	<b>4,728</b>	<b>4,638</b>	<b>-2</b>	<b>4,683</b>	<b>4,840</b>	<b>4,932</b>
<b>-964</b>	<b>Operating Result</b>	<b>-982</b>	<b>-517</b>	<b>47</b>	<b>-353</b>	<b>-80</b>	<b>326</b>
<b>Other Comprehensive Income</b>							
0	Inc/Dec in Asset Revaluation Reserve Surpluses	2,878	0	-100	0	0	0
<b>0</b>	<b>Total Other Comprehensive Income</b>	<b>2,878</b>	<b>0</b>	<b>-100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>-964</b>	<b>Total Comprehensive Income</b>	<b>1,896</b>	<b>-517</b>	<b>-127</b>	<b>-353</b>	<b>-80</b>	<b>326</b>

**Table 5: Exhibition Park Corporation: Balance Sheet**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14	Budget as at 30/6/15	Variance	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Current Assets</b>							
857	Cash and Cash Equivalents	718	968	35	1,382	1,969	2,968
303	Receivables	200	329	65	321	414	558
0	Other Current Assets	2	2	-	2	2	2
<b>1,160</b>	<b>Total Current Assets</b>	<b>920</b>	<b>1,299</b>	<b>41</b>	<b>1,705</b>	<b>2,385</b>	<b>3,528</b>
<b>Non Current Assets</b>							
35,695	Property, Plant and Equipment	37,616	38,324	2	38,116	37,870	37,636
2,400	Investment Property	2,600	2,600	-	2,600	2,600	2,600
539	Capital Works in Progress	539	539	-	539	539	554
<b>38,634</b>	<b>Total Non Current Assets</b>	<b>40,755</b>	<b>41,463</b>	<b>2</b>	<b>41,255</b>	<b>41,009</b>	<b>40,790</b>
<b>39,794</b>	<b>TOTAL ASSETS</b>	<b>41,675</b>	<b>42,762</b>	<b>3</b>	<b>42,960</b>	<b>43,394</b>	<b>44,318</b>
<b>Current Liabilities</b>							
452	Payables	343	292	-15	410	306	452
0	Interest-Bearing Liabilities	70	50	-29	38	80	123
21	Finance Leases	7	7	-	7	4	1
362	Employee Benefits	373	387	4	405	426	448
150	Other Liabilities	95	65	-32	65	154	65
<b>985</b>	<b>Total Current Liabilities</b>	<b>888</b>	<b>801</b>	<b>-10</b>	<b>925</b>	<b>970</b>	<b>1,089</b>
<b>Non Current Liabilities</b>							
1,076	Interest-Bearing Liabilities	300	1,500	400	1,449	1,377	1,302
10	Finance Leases	7	7	-	7	7	7
32	Employee Benefits	40	49	23	31	42	51
70	Other	244	174	-29	104	54	4
<b>1,188</b>	<b>Total Non Current Liabilities</b>	<b>591</b>	<b>1,730</b>	<b>193</b>	<b>1,591</b>	<b>1,480</b>	<b>1,364</b>
<b>2,173</b>	<b>TOTAL LIABILITIES</b>	<b>1,479</b>	<b>2,531</b>	<b>71</b>	<b>2,516</b>	<b>2,450</b>	<b>2,453</b>
<b>37,621</b>	<b>NET ASSETS</b>	<b>40,196</b>	<b>40,231</b>	<b>..</b>	<b>40,444</b>	<b>40,944</b>	<b>41,865</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
22,719	Accumulated Funds	22,416	22,451	..	22,664	23,164	24,085
14,902	Reserves	17,780	17,780	-	17,780	17,780	17,780
<b>37,621</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>40,196</b>	<b>40,231</b>	<b>..</b>	<b>40,444</b>	<b>40,944</b>	<b>41,865</b>

**Table 6: Exhibition Park Corporation: Statement of Changes in Equity**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14	Budget as at 30/6/15	Variance	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Opening Equity</b>							
22,524	Opening Accumulated Funds	21,884	22,416	2	22,451	22,664	23,164
14,902	Opening Asset Revaluation Reserve	14,902	17,780	19	17,780	17,780	17,780
<b>37,426</b>	<b>Balance at the Start of the Reporting Period</b>	<b>36,786</b>	<b>40,196</b>	<b>9</b>	<b>40,231</b>	<b>40,444</b>	<b>40,944</b>
<b>Comprehensive Income</b>							
-964	Operating Result for the Period	-982	-517	47	-353	-80	326
0	Inc/Dec in Asset Revaluation Reserve Surpluses	2,878	0	-100	0	0	0
<b>-964</b>	<b>Total Comprehensive Income</b>	<b>1,896</b>	<b>-517</b>	<b>-127</b>	<b>-353</b>	<b>-80</b>	<b>326</b>
<b>0</b>	<b>Total Movement in Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>							
1,159	Capital Injections	1,514	552	-64	566	580	595
<b>1,159</b>	<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>	<b>1,514</b>	<b>552</b>	<b>-64</b>	<b>566</b>	<b>580</b>	<b>595</b>
<b>Closing Equity</b>							
22,719	Closing Accumulated Funds	22,416	22,451	..	22,664	23,164	24,085
14,902	Closing Asset Revaluation Reserve	17,780	17,780	-	17,780	17,780	17,780
<b>37,621</b>	<b>Balance at the End of the Reporting Period</b>	<b>40,196</b>	<b>40,231</b>	<b>..</b>	<b>40,444</b>	<b>40,944</b>	<b>41,865</b>

**Table 7: Exhibition Park Corporation: Cash Flow Statement**

2013-14 Budget	2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
425	Cash from Government - CSO Payments	429	445	4	454	468	473
3,841	User Charges	3,278	3,585	9	3,765	4,163	4,623
34	Interest Received	28	19	-32	39	42	71
400	Other Receipts	400	402	1	406	409	413
<b>4,700</b>	<b>Operating Receipts</b>	<b>4,135</b>	<b>4,451</b>	<b>8</b>	<b>4,664</b>	<b>5,082</b>	<b>5,580</b>
<b>Payments</b>							
1,252	Related to Employees	1,268	1,315	4	1,342	1,369	1,396
171	Related to Superannuation	168	175	4	163	162	165
3,032	Related to Supplies and Services	2,713	2,230	-18	2,284	2,338	2,382
1	Borrowing Costs	1	1	-	1	57	72
400	Other	400	400	-	400	400	400
<b>4,856</b>	<b>Operating Payments</b>	<b>4,550</b>	<b>4,121</b>	<b>-9</b>	<b>4,190</b>	<b>4,326</b>	<b>4,415</b>
<b>-156</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>-415</b>	<b>330</b>	<b>180</b>	<b>474</b>	<b>756</b>	<b>1,165</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
2,209	Purchase of Property, Plant and Equipment and Capital Works	1,814	1,752	-3	566	580	595
<b>2,209</b>	<b>Investing Payments</b>	<b>1,814</b>	<b>1,752</b>	<b>-3</b>	<b>566</b>	<b>580</b>	<b>595</b>
<b>-2,209</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-1,814</b>	<b>-1,752</b>	<b>3</b>	<b>-566</b>	<b>-580</b>	<b>-595</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
1,159	Capital Injections from Government	1,514	552	-64	566	580	595
1,050	Borrowings Received	300	1,200	300	0	0	0
<b>2,209</b>	<b>Financing Receipts</b>	<b>1,814</b>	<b>1,752</b>	<b>-3</b>	<b>566</b>	<b>580</b>	<b>595</b>

2013-14 Budget		2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>Payments</b>							
17	Repayment of Advance to Government Agencies	0	0	-	0	0	0
0	Repayment of Borrowings	70	70	-	50	159	156
10	Repayment of Finance Leases	10	10	-	10	10	10
27	<b>Financing Payments</b>	<b>80</b>	<b>80</b>	<b>-</b>	<b>60</b>	<b>169</b>	<b>166</b>
2,182	<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>1,734</b>	<b>1,672</b>	<b>-4</b>	<b>506</b>	<b>411</b>	<b>429</b>
-183	<b>NET INCREASE / (DECREASE) IN CASH HELD</b>	<b>-495</b>	<b>250</b>	<b>151</b>	<b>414</b>	<b>587</b>	<b>999</b>
1,040	<b>CASH AT THE BEGINNING OF REPORTING PERIOD</b>	<b>1,213</b>	<b>718</b>	<b>-41</b>	<b>968</b>	<b>1,382</b>	<b>1,969</b>
857	<b>CASH AT THE END OF REPORTING PERIOD</b>	<b>718</b>	<b>968</b>	<b>35</b>	<b>1,382</b>	<b>1,969</b>	<b>2,968</b>

## Notes to the Budget Statements

Significant variations are as follows:

### ***Operating Statement***

- user charges – non ACT Government:
  - the decrease of \$0.679 million in the 2013-14 estimated outcome from the original budget is due to a restructure of catering arrangements and decreases in event hire and catering revenue following cancellation and downsizing of a number of events, slightly offset by a gain in new events and an increase in lease revenue from storage blocks; and
  - the increase of \$0.418 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to increased occupancy from new events, increased lease revenue from storage blocks and the commencement of the Corporation's low cost tourist accommodation project.
- supplies and services: the decrease of \$0.645 million in the 2013-14 estimated outcome from the original budget is due to a restructure of catering arrangements and a decrease in event expenditure following cancellation and downsizing of a number of events.

### ***Balance Sheet***

- property, plant and equipment:
  - the increase of \$1.921 million in the 2013-14 estimated outcome from the original budget is due to an increase in the existing land value of the EPIC site, partially offset by a decrease in the asset value of buildings and infrastructure following the revaluation of these assets and a delay in capitalising the full value of the Corporation's low cost tourist accommodation project; and
  - the increase of \$0.708 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to an increase in land value following the purchase of additional land holdings for the Corporation's low cost tourist accommodation project, capitalisation of minor capital works and upgrades projects, partially offset by ongoing depreciation on existing infrastructure.
- non current interest-bearing liabilities:
  - the decrease of \$0.776 million in the 2013-14 estimated outcome from the original budget is due to a restructure of the loan agreement associated with the purchase and development of land for the Corporation's low cost tourist accommodation project; and
  - the increase of \$1.2 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to the recognition of the restructured loan agreement associated with the purchase and development of land for the Corporation's low cost tourist accommodation project.

***Cash Flow Statement***

Variations in the statement are explained in the notes above.

***Statement of Changes in Equity***

Variations in the statement are explained in the notes above.



# LAND DEVELOPMENT AGENCY

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## Purpose

The Land Development Agency (LDA) is a Territory authority established under the *Planning and Development Act 2007*. Its mission is to contribute positively to the economic and social development of the ACT by building vibrant and sustainable communities through greenfield, brownfield and urban renewal projects and by developing residential, commercial, industrial and community land.

The key objectives of the LDA are to deliver the Government's land release program, deliver high quality urban development and provide agreed returns to the Territory on its investment in the agency. The LDA contributes to the delivery of the Government's key policies and priorities related to land supply, affordable housing, sustainability and climate change.

The LDA delivers land for development through a number of mechanisms, including the development of its own estates, entering into joint ventures and development arrangements with the private sector, and by sales of undeveloped land directly to industry.

The LDA operates as a Public Trading Enterprise, assuming managerial control of unleased Territory land, developing and/or selling the land, and providing a dividend to the Government from the profits earned from those land development and sales activities.

## 2014-15 Priorities

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

- delivering the Government's Indicative Land Release Programs for residential, commercial, industrial and community land uses;
- providing timely support for the direct sale of land by the Government;
- supporting the plans for urban intensification along the light rail corridor;
- working with the Economic Development Directorate to contribute to the City to the Lake vision;
- delivering high quality, sustainable developments, including public realm and community developments;
- providing a variety of land and housing options that set benchmarks for quality and timeliness in sustainable building and design;
- contributing to diversity in the supply of new housing in the Territory, reflective of current and anticipated demographic change; and

- pursuing development opportunities where such opportunities would be consistent with the Government's policy framework for land acquisitions.

## Estimated Employment Level

**Table 1: Estimated Employment Level**

	<b>2012-13 Actual Outcome</b>	<b>2013-14 Budget</b>	<b>2013-14 Estimated Outcome</b>	<b>2014-15 Budget</b>
<b>Staffing (FTE)</b>	89	100	98 <sup>1</sup>	95 <sup>1</sup>

**Note:**

1. The decrease in the 2013-14 estimated outcome from the original Budget and the further decrease in the 2014-15 Budget from the 2013-14 estimated outcome is due to operational requirements.

# Financial Statements

**Table 2: Land Development Agency: Operating Statement**

2013-14 Budget		2013-14 Est'd Outcome \$'000	2014-15 Budget \$'000	Variance %	2015-16 Estimate \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000
<b>Income</b>							
<b>Revenue</b>							
144	User Charges - Non ACT Government	125	140	12	144	147	151
0	User Charges - ACT Government	684	701	2	719	737	755
377	Grants from the Commonwealth	0	0	-	0	0	0
400	Interest	3,700	1,700	-54	1,000	900	900
2,500	Distribution from Investments with the Territory Banking Account	0	0	-	0	0	0
484,499	Land Revenue	228,322	314,157	38	453,154	497,401	483,648
452	Other Revenue	300	307	2	315	322	330
0	Resources Received Free of Charge	185	0	-100	0	0	0
<b>488,372</b>	<b>Total Revenue</b>	<b>233,316</b>	<b>317,005</b>	<b>36</b>	<b>455,332</b>	<b>499,507</b>	<b>485,784</b>
<b>Expenses</b>							
12,380	Employee Expenses	12,572	11,726	-7	12,040	12,405	12,601
1,634	Superannuation Expenses	1,669	1,511	-9	1,551	1,597	1,622
21,179	Supplies and Services	17,434	16,354	-6	14,902	15,157	15,614
422	Depreciation and Amortisation	550	111	-80	54	54	54
5,792	Borrowing Costs	2,113	2,172	3	4,309	6,733	5,481
341,278	Cost of Goods Sold	136,864	210,793	54	289,394	331,057	320,063
919	Grants and Purchased Services	2,218	2,248	1	2,304	2,362	2,421
6,006	Other Expenses	2,287	2,348	3	4,571	7,090	5,792
<b>389,610</b>	<b>Total Expenses</b>	<b>175,707</b>	<b>247,263</b>	<b>41</b>	<b>329,125</b>	<b>376,455</b>	<b>363,648</b>
13,609	Share of Operating Result from Joint Venture accounted for using the Equity Method	16,969	0	-100	0	0	0
<b>112,371</b>	<b>Operating Result from Ordinary Activities</b>	<b>74,578</b>	<b>69,742</b>	<b>-6</b>	<b>126,207</b>	<b>123,052</b>	<b>122,136</b>
33,710	Income Tax Equivalent	22,373	20,922	-6	37,862	36,915	36,640
<b>78,661</b>	<b>Operating Result</b>	<b>52,205</b>	<b>48,820</b>	<b>-6</b>	<b>88,345</b>	<b>86,137</b>	<b>85,496</b>
<b>78,661</b>	<b>Total Comprehensive Income</b>	<b>52,205</b>	<b>48,820</b>	<b>-6</b>	<b>88,345</b>	<b>86,137</b>	<b>85,496</b>

**Table 3: Land Development Agency: Balance Sheet**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14	Budget as at 30/6/15	Variance	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Current Assets</b>							
57,057	Cash and Cash Equivalents	76,184	59,130	-22	71,803	74,033	79,886
107,362	Receivables	82,409	55,463	-33	53,778	53,778	53,779
1,321	Investments	0	0	-	0	0	0
117,065	Inventories	108,038	121,777	13	119,482	120,901	124,530
<b>282,805</b>	<b>Total Current Assets</b>	<b>266,631</b>	<b>236,370</b>	<b>-11</b>	<b>245,063</b>	<b>248,712</b>	<b>258,195</b>
<b>Non Current Assets</b>							
6,321	Receivables	5,533	5,533	-	5,533	5,533	5,533
111,531	Inventories	87,782	101,536	16	100,122	101,283	106,473
4,433	Property, Plant and Equipment	3,769	3,668	-3	3,614	3,561	3,507
9	Intangibles	8	0	-100	0	0	0
<b>122,294</b>	<b>Total Non Current Assets</b>	<b>97,092</b>	<b>110,737</b>	<b>14</b>	<b>109,269</b>	<b>110,377</b>	<b>115,513</b>
<b>405,099</b>	<b>TOTAL ASSETS</b>	<b>363,723</b>	<b>347,107</b>	<b>-5</b>	<b>354,332</b>	<b>359,089</b>	<b>373,708</b>
<b>Current Liabilities</b>							
58,631	Payables	42,961	41,086	-4	32,366	32,576	35,834
51	Finance Leases	94	94	-	94	94	94
3,329	Employee Benefits	3,883	4,293	11	4,715	5,151	5,598
73,049	Other Provisions	75,963	75,963	-	75,963	75,963	75,963
8,397	Income Tax Payable	9,400	5,618	-40	14,504	17,273	20,582
73,830	Other Liabilities	47,589	41,220	-13	52,856	59,198	66,803
<b>217,287</b>	<b>Total Current Liabilities</b>	<b>179,890</b>	<b>168,274</b>	<b>-6</b>	<b>180,498</b>	<b>190,255</b>	<b>204,874</b>
<b>Non Current Liabilities</b>							
81	Finance Leases	35	35	-	35	35	35
262	Employee Benefits	229	229	-	230	230	230
31,861	Other Non-Current Provisions	33,092	33,092	-	33,092	33,092	33,092
29,105	Income Tax Payable Non- Current	24,696	19,696	-20	14,696	9,696	9,696
<b>61,309</b>	<b>Total Non Current Liabilities</b>	<b>58,052</b>	<b>53,052</b>	<b>-9</b>	<b>48,053</b>	<b>43,053</b>	<b>43,053</b>
<b>278,596</b>	<b>TOTAL LIABILITIES</b>	<b>237,942</b>	<b>221,326</b>	<b>-7</b>	<b>228,551</b>	<b>233,308</b>	<b>247,927</b>
<b>126,503</b>	<b>NET ASSETS</b>	<b>125,781</b>	<b>125,781</b>	<b>-</b>	<b>125,781</b>	<b>125,781</b>	<b>125,781</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
122,902	Accumulated Funds	122,902	122,902	-	122,902	122,902	122,902
3,601	Reserves	2,879	2,879	-	2,879	2,879	2,879
<b>126,503</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>125,781</b>	<b>125,781</b>	<b>-</b>	<b>125,781</b>	<b>125,781</b>	<b>125,781</b>

**Table 4: Land Development Agency: Statement of Changes in Equity**

Budget as at 30/6/14		Est'd Outcome as at 30/6/14	Budget as at 30/6/15	Variance	Estimate as at 30/6/16	Estimate as at 30/6/17	Estimate as at 30/6/18
\$'000		\$'000	\$'000	%	\$'000	\$'000	\$'000
<b>Opening Equity</b>							
122,902	Opening Accumulated Funds	122,902	122,902	-	122,902	122,902	122,902
3,601	Opening Asset Revaluation Reserve	2,879	2,879	-	2,879	2,879	2,879
<b>126,503</b>	<b>Balance at the Start of the Reporting Period</b>	<b>125,781</b>	<b>125,781</b>	<b>-</b>	<b>125,781</b>	<b>125,781</b>	<b>125,781</b>
<b>Comprehensive Income</b>							
78,661	Operating Result for the Period	52,205	48,820	-6	88,345	86,137	85,496
<b>78,661</b>	<b>Total Comprehensive Income</b>	<b>52,205</b>	<b>48,820</b>	<b>-6</b>	<b>88,345</b>	<b>86,137</b>	<b>85,496</b>
<b>0</b>	<b>Total Movement in Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>							
-78,661	Dividend Approved	-52,205	-48,820	6	-88,345	-86,137	-85,496
<b>-78,661</b>	<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>	<b>-52,205</b>	<b>-48,820</b>	<b>6</b>	<b>-88,345</b>	<b>-86,137</b>	<b>-85,496</b>
<b>Closing Equity</b>							
122,902	Closing Accumulated Funds	122,902	122,902	-	122,902	122,902	122,902
3,601	Closing Asset Revaluation Reserve	2,879	2,879	-	2,879	2,879	2,879
<b>126,503</b>	<b>Balance at the End of the Reporting Period</b>	<b>125,781</b>	<b>125,781</b>	<b>-</b>	<b>125,781</b>	<b>125,781</b>	<b>125,781</b>

**Table 5: Land Development Agency: Cash Flow Statement**

<b>2013-14 Budget</b>	<b>2013-14 Est. Outcome</b>	<b>2014-15 Budget</b>	<b>Variance</b>	<b>2015-16 Estimate</b>	<b>2016-17 Estimate</b>	<b>2017-18 Estimate</b>
<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Receipts</b>						
144	901	925	3	949	973	997
377	0	0	-	0	0	0
400	4,422	1,873	-58	1,150	900	900
2,625	0	0	-	0	0	0
475,777	271,527	355,473	31	475,907	517,182	492,909
<b>479,323</b>	<b>276,850</b>	<b>358,271</b>	<b>29</b>	<b>478,006</b>	<b>519,055</b>	<b>494,806</b>
<b>Payments</b>						
12,380	12,618	11,436	-9	11,617	11,971	12,153
1,632	1,669	1,511	-9	1,551	1,597	1,622
21,226	17,559	16,473	-6	15,023	15,279	15,741
5,783	5,311	2,165	-59	4,302	6,726	5,473
1,011	2,218	2,248	1	2,304	2,362	2,421
430,734	228,125	288,641	27	353,828	399,094	373,652
<b>472,766</b>	<b>267,500</b>	<b>322,474</b>	<b>21</b>	<b>388,625</b>	<b>437,029</b>	<b>411,062</b>
<b>6,557</b>	<b>9,350</b>	<b>35,797</b>	<b>283</b>	<b>89,381</b>	<b>82,026</b>	<b>83,744</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Receipts</b>						
37,787	43,500	0	-100	0	0	0
<b>37,787</b>	<b>43,500</b>	<b>0</b>	<b>-100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>37,787</b>	<b>43,500</b>	<b>0</b>	<b>-100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>Payments</b>						
70,680	78,635	52,851	-33	76,708	79,796	77,891
<b>70,680</b>	<b>78,635</b>	<b>52,851</b>	<b>-33</b>	<b>76,708</b>	<b>79,796</b>	<b>77,891</b>
<b>-70,680</b>	<b>-78,635</b>	<b>-52,851</b>	<b>33</b>	<b>-76,708</b>	<b>-79,796</b>	<b>-77,891</b>
<b>-26,336</b>	<b>-25,785</b>	<b>-17,054</b>	<b>34</b>	<b>12,673</b>	<b>2,230</b>	<b>5,853</b>
<b>83,393</b>	<b>101,969</b>	<b>76,184</b>	<b>-25</b>	<b>59,130</b>	<b>71,803</b>	<b>74,033</b>
<b>57,057</b>	<b>76,184</b>	<b>59,130</b>	<b>-22</b>	<b>71,803</b>	<b>74,033</b>	<b>79,886</b>

## Notes to the Budget Statements

Significant variations are as follows:

### *Operating Statement*

- interest:
  - the increase of \$3.3 million in the 2013-14 estimated outcome from the original budget is due to interest revenue earned from the Territory Banking Account (TBA) cash facility following the transfer of cash reserves from the TBA cash enhanced facility and higher than anticipated returns; and
  - the decrease of \$2.0 million in 2014-15 Budget from the 2013-14 estimated outcome is due to the lower cash reserves being available to invest as a result of higher development expenditure in 2014-15.
- distribution from Investments with the Territory Banking Account: the decrease of \$2.5 million in the 2013-14 estimated outcome from the original budget is due to the transfer of cash reserves from the TBA cash enhanced facility to the TBA cash facility.
- land revenue:
  - the decrease of \$256.177 million in the 2013-14 estimated outcome from the original budget relates to the unsuccessful negotiations to sell the Denman Prospect englobo parcel of land, delays in construction due to delayed regulatory clearances and inclement weather, the negotiation of deferred settlements and decreased demand in certain parts of the residential, commercial and industrial markets; and
  - the increase of \$85.835 million in the 2014-15 Budget from the 2013-14 estimated outcome relates to the expected completion and settlement of a range of residential estates.
- supplies and services:
  - the decrease of \$3.745 million in the 2013-14 estimated outcome from the original budget is mainly due to decreased sales expenses commensurate with reduced land sales, and the reclassification of payments for services provided by the Economic Development Directorate (EDD) to grants and purchased services, partially offset by increased costs relating to a review of the application of GST on land sales; and
  - the decrease of \$1.080 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to the reclassification of payments to EDD to grants and purchased services.
- borrowing costs: the decrease of \$3.679 million in the 2013-14 estimated outcome from the original budget is due to reduced land holding costs related to a reduction in land held for development.

- cost of goods sold:
  - the decrease of \$204.414 million in the 2013-14 estimated outcome from the original budget is due to lower than estimated land sales as detailed above; and
  - the increase of \$73.929 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to an anticipated increase in residential and commercial land sales.
- grants and purchased services: the increase of \$1.299 million in the 2013-14 estimated outcome from the original budget is mainly due to the reclassification of payments to EDD from supplies and services, partially offset by the cessation of Housing Affordability Funding received from the Commonwealth Government and subsequent reduced distributions to Joint Venture partners and third party developers.
- other expenses: the decrease of \$3.719 million in the 2013-14 estimated outcome from the original budget is due to lower than estimated payment of stamp duty related to decreased land sales.
- share of operating result from Joint Venture accounted for using the Equity Method:
  - the increase of \$3.360 million in the 2013-14 estimated outcome from the original budget is due to additional profit earned following the review of the application of GST on Joint Venture land sales; and
  - the decrease of \$16.969 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to the wind up of Joint Ventures.
- income tax equivalent: the decrease of \$11.337 million in the 2013-14 estimated outcome from the original budget and the decrease of \$1.451 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to lower profits.

### ***Balance Sheet***

- cash and cash equivalents:
  - the increase of \$19.127 million in the 2013-14 estimated outcome from the original budget is largely due to lower than budgeted payments for development and land costs; and
  - the decrease of \$17.054 million in the 2014-15 Budget from the 2013-14 estimated outcome is largely due to lower cash distributions due to the wind up of joint ventures.
- current and non current receivables: the decrease of \$25.741 million in the 2013-14 estimated outcome from the original budget and the decrease of \$26.946 million in the 2014-15 Budget from the 2013-14 estimated outcome relates to a decrease in receivables for land rent sales.
- current investments: the decrease of \$1.321 million in the 2013-14 estimated outcome from the original budget is mainly due to the wind up of joint ventures.

- current and non current inventories:
  - the decrease of \$32.776 million in the 2013-14 estimated outcome from the original budget is mainly due to lower than expected development activity and expenditure; and
  - the increase of \$27.493 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to anticipated increase in development activity and expenditure.
- current payables: the decrease of \$15.670 million in the 2013-14 estimated outcome from the original budget and the decrease of \$1.875 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to reduced land purchase costs payable to the Territory and Municipal Services Directorate (TAMS).
- current and non current other provisions: the increase of \$4.145 million in the 2013-14 estimated outcome from the original budget is due to an increase in the provisions for project completion and the transfer of completed infrastructure assets to TAMS and ACTEW Corporation.
- current and non current income tax payable: the decrease of \$3.406 million in the 2013-14 estimated outcome from the original budget and the decrease of \$8.782 million in the 2014-15 Budget from the 2013-14 estimated outcome is due to decreased operating surplus and timing differences in income tax payments under tax effect accounting principles.
- current other liabilities: the decrease of \$26.241 million in the 2013-14 estimated outcome from the original budget and the decrease of \$6.369 million in the 2014-15 Budget from the 2013-14 estimated outcome is mainly due to a decrease in the dividend payable, partially offset by increased land sales revenue received in advance relating to contracts exchanged and held at the end of the financial year.

### ***Cash Flow Statement***

Variations in the statement are explained in the notes above.

### ***Statement of Changes in Equity***

Variations in the statement are explained in the notes above.

