



Australian  
Capital Territory

# BUDGET 2018-19

Growing services  
for our growing city

**ACT Building and Construction Industry  
Training Fund Authority**

Statement of Intent

**ACT**  
**Building and Construction Industry**  
**Training Fund Authority**

**Statement of Intent**

**2018-19**

## THE ACT BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND AUTHORITY

The ACT Building and Construction Industry Training Fund Authority (the Authority) is a Territory Authority established under the *Building and Construction Industry Training Levy Act 1999* which came into effect on 21 May 1999.

The attached 2018-19 Statement of Intent has been prepared in accordance with Section 61 of the *Financial Management Act 1996* (the FMA).

The responsible Minister, Ms Meegan Fitzharris MLA, was consulted during the preparation of the Statement of Intent.

The Statement of Intent, which focuses on the 2018-19 Budget year, has been developed in the context of a four year forward planning horizon to be incorporated, as far as practicable, into the Authority's strategic and business planning processes.

The Authority's 2018-19 Statement of Intent has been agreed between:



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Mr James Service  
Chairman

18 May 2018



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Ms Meegan Fitzharris MLA  
Minister for Higher Education, Training and Research

24 May 2018



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Mr Andrew Barr MLA  
Treasurer

25 May 2018

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## **Purpose**

The Authority will provide funding for the training of eligible workers, support the entry of new people into the building and construction industry, and improve the culture and access to training.

The Authority will:

- promote increased productivity, career opportunities, personal satisfaction and a Workplace Health and Safety (WHS) culture within the building and construction industry;
- equitably distribute training funds to employers and employees in the building and construction industry;
- allocate funds against priorities and outcomes for training delivery, not capital or administrative costs; and
- encourage employment and skills development in the building and construction industry.

The Authority has the power to do all things necessary to be done for, or in connection with, the performance of its functions.

The major corporate objectives of the Authority relevant to this Statement of Intent are:

- to operate as a customer service oriented entity along business like lines;
- to use benchmarking to operate at least as efficiently as alternative service providers and to provide quality, value for money services in all aspects of the Authority's operations;
- to use financial practices and maintain accounts and records which satisfy the requirements of the FMA, including the associated ACT Accounting Policy modelled on the requirements of Australian Accounting Standards, and which fairly present the Authority's financial position and operational and cash flow results for planning and reporting purposes;
- to adopt high standard operating practices to safeguard the environment and health and safety of staff; and
- to provide a productive and satisfying working environment for staff, and a commitment to high standards of human resource management based on the principles of equal employment opportunity.

This Statement of Intent reflects the objectives and plans of both the Authority's board and management over the term of the Statement, within the context of past performance and existing Government policy. It does not represent purchase or other funding commitments by the clients of the Authority, including the Government.

The Government's ownership interests in the Authority covered by this Statement relate to:

- efficient and effective management of the Authority's expenses and revenues in order to achieve at least its planned operating result;
- efficient and effective utilisation of assets employed and liabilities managed by the Authority;
- the Government's interests as an employer including staffing profiles, staff turnover and occupational health and safety;
- efficient cash management of the Authority's current position with consequential maximisation of returns on investment;
- the Authority's longer term financial stability and viability together with its continuing capacity to provide services; and
- the optimal level of investment in the Authority.

This Statement of Intent does not exclude, and is in addition to, the continuation of other Government wide policies including customer focus policies (commitment to service) and Government employment policies such as equal employment opportunities.

### **Nature and scope of activities**

The Authority's functions are to:

- administer the Training Fund, the income of which is obtained by a Training Levy of 0.2 per cent on the value of work in respect of which the Training Levy is payable by the Project Owner; and
- make payments, or direct that payments be made, from the Training Fund in accordance with the Training Plan.

The key strategies that the Authority intends to employ in enabling it to achieve its objectives, efficiency measures and manage business and financial risks are to:

- prepare the Authority's annual Training Plan for approval by the Minister;
- undertake extensive consultation with industry stakeholders to determine any additional training priorities required by industry to inform the Training Plan;
- continue working with the ACT Government to support the *Getting Home Safely* report and its recommendations related to training;
- ensure the income of the Training Fund is sufficient to meet the annual Training Plan objectives;
- ensure the funding available is sufficient for the approved training programs; and
- maintain the Authority's profile among its stakeholders.

The management of the Authority's current and future directions is reflected in the following five programs described below:

- Program 1: Entry Level Training - continue to support apprentices and trainees employed in trades and vocations. Continue to promote the building and construction industry as a rewarding career choice.
- Program 2: Existing Worker Training and Professional Development - continue to support and fund existing worker training and professional development for those persons employed within the ACT building and construction industry. Monitor the quality and effectiveness of training programs funded by the Authority.
- Program 3: Promotion and Marketing - continue to review and revise promotional activities to support the Authority's strategies. Implement cost effective promotional activities to encourage an increase in the uptake of training programs. In all promotional activity, emphasise the building and construction industry as a positive, rewarding, meaningful and worthwhile life-long career.
- Program 4: Research and Development - continue to support the development of new training programs and the extension of existing training programs. Continue the involvement of all building and construction industry organisations, stakeholders and individuals.
- Program 5: Access and Equity - ensure that the Authority continues to address and support persons who have special training needs.

## Risks

A risk to the Authority's income may arise from any change in market conditions related to the Building and Construction Industry, given the levy is payable on the value of building works approvals.

The scope of activities and how the Authority uses these funds are undertaken in accordance with the Annual Training Plan, including the funding of incentive payments to ACT employers who engage an apprentice in trades identified by ACT industry stakeholders in the development of the annual plan. Stakeholder expectations are for the industry to remain stable at current levels of activity.

The Authority supports eligible industry stakeholders by providing financial incentives and rebates for completed training, to make training more affordable and accessible to those workers undertaking upskilling training. The Authority relies on industry stakeholders to guide the funding direction and needs for training delivered by nationally registered Training organisations. Provision of training funds to employers and employees in the Industry shall continue to be funded in accordance with the Annual Training Plan by the Authority, whilst maintaining a strong liquidity position into the future.

## Performance measures and targets

The performance of the Authority can be measured by the indicators below:

### 2018-19 to 2021-22 Key Performance Indicators (KPIs)

| Objectives  | Performance Measures  | KPI 2018-19   | KPI 2019-20   | KPI 2020-21   | KPI 2021-22   |
|---|---|---|---|---|---|
| Ensure that the training programs funded by the Authority are conducted in accordance with the functions of the Authority and Authority's funding agreements. | The Authority will conduct audits of Authority funded training programs.            | Conduct 25 audits.  | Conduct 25 audits.  | Conduct 25 audits.  | Conduct 25 audits.  |
| Ensure the funding available for its approved training programs is sufficiently budgeted.   | The Authority will have the funds available to fund its approved training programs. | The Authority expects to fund \$3.580 million in training program expenses consistent with the approved training program. | The Authority expects to fund \$2.850 million in training program expenses consistent with the approved training program. | The Authority expects to fund \$2.850 million in training program expenses consistent with the approved training program. | The Authority expects to fund \$2.850 million in training program expenses consistent with the approved training program. |
| Ensure the ongoing funding of entry level apprentices at Group Training Organisations (GTO). <sup>1</sup>   | The Authority will continue to fund entry level placements each year at GTOs.       | Funding provided for 350 entry level placements at GTOs each year.  | Funding provided for 350 entry level placements at GTOs each year.  | Funding provided for 350 entry level placements at GTOs each year.  | Funding provided for 350 entry level placements at GTOs each year.  |
| Prepare and submit the Authority's annual Training Plan for approval by the Minister by the legislated date.  | Obtain approval of the Training Plan by the Minister by the legislated date.        | By 31 October 2018.   | By 31 October 2019.   | By 31 October 2020.   | By 31 October 2021.   |

**2018-19 to 2021-22 KPIs continued**

| <b>Objectives</b>  | <b>Performance Measures</b>   | <b>KPI 2018-19</b>   | <b>KPI 2019-20</b>   | <b>KPI 2020-21</b>   | <b>KPI 2021-22</b>   |
|--|---|--|--|--|--|
| Ensure the Authority provides on the job training incentives to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. | Provide funding to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. | Provide funding of \$0.050 million to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. | Provide funding of \$0.050 million to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. | Provide funding of \$0.050 million to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. | Provide funding of \$0.050 million to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. |
| Ensure funding of training positions for existing workers in accordance with the approved training.  | The allocation of funding is provided in accordance with the approved training program.                               | Provide funding for 6,000 existing worker positions in accordance with the approved training programs.                                   | Provide funding for 6,500 existing worker positions in accordance with the approved training programs.                                   | Provide funding for 6,500 existing worker positions in accordance with the approved training programs.                                   | Provide funding for 6,500 existing worker positions in accordance with the approved training programs.                                   |
| Manage the Authority's resources to achieve the budgeted financial result.   | Maintain a healthy current ratio over the budget and forward years.   | A current ratio of greater than 8.1:1.   | A current ratio of greater than 8.7:1.   | A current ratio of greater than 9.3:1.   | A current ratio of greater than 9.8:1.   |

**Notes**

- To ensure the ongoing viability of GTO's and the ACT building and construction industry, it is essential that the Authority continue the funding of GTO's, as without this funding the GTO's would employ fewer apprentices. This could lead to a reduction in the number of apprentices employed which, could lead to serious skill shortages in the industry in the future.

## Review of performance against 2017-18 objectives

| Objectives   | Performance Measures  | Planned KPI for 2017-18  | Est. Outcome 2017-18   | Explanation of Variance |
|--|---|--|--|-------------------------|
| Ensure that the training programs funded by the Authority are conducted in accordance with the Authority's funding agreements.                                     | The Authority will conduct audits of Authority funded training programs.  | Conduct 25 audits.   | Completed. The Authority expects to conduct 25 audits during 2017-18.                      | Objective met.          |
| Ensure the funding available for its approved training programs is sufficiently budgeted.  | The Authority will have the funds available to fund its approved training programs.                                   | The Authority expects to fund \$3.580 million in training program expenses consistent with the approved training plan.                   | The Authority expects to fund \$3.580 million in training program expenses.                | Objective met.          |
| Ensure the ongoing funding of entry level apprentices at GTOs.   | The Authority will continue to fund entry level placements each year at GTO's.  | Funding provided for 350 entry level placements at GTO's each year.  | The Authority expects to fund 350 entry level positions.                                   | Objective met.          |
| Prepare and submit the Authority's annual Training Plan for approval by the Minister by the legislated date.   | Obtain approval of the Training Plan from the Minister by 31 October 2017.  | Approval from Minister by 31 October 2017.   | Completed. Approval received on 31 October 2017.   | Objective met.          |
| Ensure the Authority provides on the job training incentives to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. | Provide funding to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. | Provide funding of \$0.050 million to employers of first year apprentices in trades nominated as skill shortage trades by the Authority. | The Authority expects to provide funding of \$0.050 million in skill shortage trades.      | Objective met.          |
| Ensure funding of training positions for existing workers in accordance with the approved training programs.   | The allocation of funding is provided in accordance with the approved training program.                               | Provide funding for 6,000 existing worker positions in accordance with the approved training programs.                                   | The Authority expects to fund 6,000 existing worker positions during 2017-18. <sup>1</sup> | Objective met.          |
| Manage the Authority's resources to achieve the budgeted financial result.   | Maintain a healthy current ratio over the budget period.  | A current ratio of greater than 8.8:1.   | A current ratio of 9.0:1   | Objective met.          |

### Note:

- The Authority markets and promotes that funding is available for training and consequently over the years, the number of organisations and individual construction workers applying to undertake training has increased. In addition there are new courses being introduced e.g. Asbestos Awareness which is mandatory for all construction workers in the ACT. Training is undertaken within existing levels of funding allocation for training.

## Employment profile

The Authority will maintain a steady number of employees during 2018-19.

### Projected staff numbers (full time equivalents)

|                          | 2016-17<br>Actual | 2017-18<br>Projected | 2018-19<br>Budget |
|--------------------------|-------------------|----------------------|-------------------|
| <b>Classification</b>    |                   |                      |                   |
| Chief Executive Officer  | 1                 | 1                    | 1                 |
| Compliance Manager       | 1                 | 1                    | 1                 |
| Industry Liaison Officer | 1                 | 1                    | 1                 |
| <b>Total</b>             | <b>3</b>          | <b>3</b>             | <b>3</b>          |

## Monitoring and reporting

The Authority shall satisfy the requirements of the Chief Minister's Annual Report Directions. The Authority's Annual Report will, among other things, report against the requirements of the Statement of Intent.

The FMA authorises the Treasurer to obtain financial and other statements from the Authority for a stated period including annual, quarterly and monthly reporting.

### Annual Reporting

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

- Certified financial statements;
- Management discussion and analysis;
- A full and accurate set of audited financial records for the preceding financial year in the form requested; and
- Consolidation packs relating to the annual financial statements, draft and final.

## **Financial arrangements**

The Authority maintains a strong revenue base that is able to grow subject to the activity in the building and construction industry. The employment structure does not vary from year to year and, as such, cost increases are mainly the result of increased training expenses and expected pay rises. A strong liquidity position is anticipated over the 2018-19 Budget year.

### *Budgeted Financial Statements*

Budgeted financial statements for the 2018-19 Budget year, as well as forward estimates for the three financial years commencing 2019-20, appear below. These general purpose financial statements have been prepared in accordance with the ACT's Model Financial Statements and include:

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

## Financial Statements

### ACT Building and Construction Industry Training Fund Authority Operating Statement

| 2017-18<br>Budget<br>\$'000 |   | 2017-18<br>Est.Outcome<br>\$'000 | 2018-19<br>Budget<br>\$'000 | Var<br>%   | 2019-20<br>Estimate<br>\$'000 | 2020-21<br>Estimate<br>\$'000 | 2021-22<br>Estimate<br>\$'000 |
|-----------------------------|---|----------------------------------|-----------------------------|------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Income</b>               |   |                                  |                             |            |                               |                               |                               |
| <b>Revenue</b>              |   |                                  |                             |            |                               |                               |                               |
| 3,800                       | Levy Income                                     | 3,900                            | 3,800                       | -3         | 3,800                         | 3,800                         | 3,800                         |
| 114                         | Interest  | 120                              | 105                         | 13         | 104                           | 112                           | 120                           |
| <b>3,914</b>                | <b>Total Income</b>                             | <b>4,020</b>                     | <b>3,905</b>                | <b>-3</b>  | <b>3,904</b>                  | <b>3,912</b>                  | <b>3,920</b>                  |
| <b>Expenses</b>             |   |                                  |                             |            |                               |                               |                               |
| 3,580                       | Training Program Expenses                       | 3,580                            | 3,580                       | -          | 2,850                         | 2,850                         | 2,850                         |
| 390                         | Employee Expenses                               | 390                              | 401                         | 3          | 412                           | 424                           | 436                           |
| 36                          | Superannuation Expense                          | 36                               | 37                          | 3          | 38                            | 39                            | 40                            |
| 254                         | Supplies and Services                           | 254                              | 262                         | 3          | 272                           | 282                           | 291                           |
| 1                           | Depreciation and<br>Amortisation                | 2                                | 9                           | 350        | 17                            | 17                            | 17                            |
| <b>4,261</b>                | <b>Total Expenses</b>                           | <b>4,262</b>                     | <b>4,289</b>                | <b>1</b>   | <b>3,589</b>                  | <b>3,612</b>                  | <b>3,634</b>                  |
| <b>-347</b>                 | <b>Operating (Deficit)/Surplus</b>              | <b>-242</b>                      | <b>-384</b>                 | <b>-58</b> | <b>315</b>                    | <b>300</b>                    | <b>286</b>                    |
| <b>-347</b>                 | <b>Total Comprehensive<br/>(Deficit)/Income</b> | <b>-242</b>                      | <b>-384</b>                 | <b>-58</b> | <b>315</b>                    | <b>300</b>                    | <b>286</b>                    |

**ACT Building and Construction Industry Training Fund Authority**  
**Balance Sheet**

| Budget<br>as at 30/6/18<br>\$'000    |                                      | Est.Outcome<br>as at 30/6/18<br>\$'000 | Planned<br>as at 30/6/19<br>\$'000 | Var<br>%   | Planned<br>as at 30/6/20<br>\$'000 | Planned<br>as at 30/6/21<br>\$'000 | Planned<br>as at 30/6/22<br>\$'000 |
|--------------------------------------|--------------------------------------|--|------------------------------------|------------|------------------------------------|------------------------------------|------------------------------------|
| <b>Current Assets</b>                |                                      |  |                                    |            |                                    |                                    |                                    |
| 4,373                                | Cash and Cash Equivalents            | 4,583                                  | 4,088                              | -11        | 4,420                              | 4,737                              | 5,040                              |
| 372                                  | Receivables                          | 426                                    | 426                                | -          | 426                                | 426                                | 426                                |
| 10                                   | Other                                | 12                                     | 12                                 | -          | 12                                 | 12                                 | 12                                 |
| <b>4,755</b>                         | <b>Total Current Assets</b>          | <b>5,021</b>                           | <b>4,526</b>                       | <b>-10</b> | <b>4,858</b>                       | <b>5,175</b>                       | <b>5,478</b>                       |
| <b>Non Current Assets</b>            |                                      |  |                                    |            |                                    |                                    |                                    |
| 3                                    | Property, Plant and Equipment        | 1                                      | 112                                | #          | 95                                 | 78                                 | 61                                 |
| <b>3</b>                             | <b>Total Non Current Assets</b>      | <b>1</b>                               | <b>112</b>                         | <b>#</b>   | <b>95</b>                          | <b>78</b>                          | <b>61</b>                          |
| <b>4,758</b>                         | <b>TOTAL ASSETS</b>                  | <b>5,022</b>                           | <b>4,638</b>                       | <b>-8</b>  | <b>4,953</b>                       | <b>5,253</b>                       | <b>5,539</b>                       |
| <b>Current Liabilities</b>           |                                      |  |                                    |            |                                    |                                    |                                    |
| 480                                  | Payables                             | 493                                    | 493                                | -          | 493                                | 493                                | 493                                |
| 57                                   | Employee Benefits                    | 66                                     | 66                                 | -          | 66                                 | 66                                 | 66                                 |
| <b>537</b>                           | <b>Total Current Liabilities</b>     | <b>559</b>                             | <b>559</b>                         | <b>-</b>   | <b>559</b>                         | <b>559</b>                         | <b>559</b>                         |
| <b>Non Current Liabilities</b>       |                                      |  |                                    |            |                                    |                                    |                                    |
| 25                                   | Employee Benefits                    | 36                                     | 36                                 | -          | 36                                 | 36                                 | 36                                 |
| <b>25</b>                            | <b>Total Non Current Liabilities</b> | <b>36</b>                              | <b>36</b>                          | <b>-</b>   | <b>36</b>                          | <b>36</b>                          | <b>36</b>                          |
| <b>562</b>                           | <b>TOTAL LIABILITIES</b>             | <b>595</b>                             | <b>595</b>                         | <b>-</b>   | <b>595</b>                         | <b>595</b>                         | <b>595</b>                         |
| <b>4,196</b>                         | <b>NET ASSETS</b>                    | <b>4,427</b>                           | <b>4,043</b>                       | <b>-9</b>  | <b>4,358</b>                       | <b>4,658</b>                       | <b>4,944</b>                       |
| <b>REPRESENTED BY FUNDS EMPLOYED</b> |                                      |  |                                    |            |                                    |                                    |                                    |
| 4,196                                | Accumulated Funds                    | 4,427                                  | 4,043                              | -9         | 4,358                              | 4,658                              | 4,944                              |
| <b>4,196</b>                         | <b>TOTAL FUNDS EMPLOYED</b>          | <b>4,427</b>                           | <b>4,043</b>                       | <b>-9</b>  | <b>4,358</b>                       | <b>4,658</b>                       | <b>4,944</b>                       |

**ACT Building and Construction Industry Training Fund Authority**  
**Statement of Changes in Equity**

| Budget<br>as at 30/6/18<br>\$'000 |   | Est.Outcome<br>as at 30/6/18<br>\$'000 | Planned<br>as at 30/6/19<br>\$'000 | Var<br>%   | Planned<br>as at 30/6/20<br>\$'000 | Planned<br>as at 30/6/21<br>\$'000 | Planned<br>as at 30/6/22<br>\$'000 |
|-----------------------------------|---|--|------------------------------------|------------|------------------------------------|------------------------------------|------------------------------------|
| <b>Opening Equity</b>             |   |  |                                    |            |                                    |                                    |                                    |
| 4,543                             | Opening Accumulated Funds                           | 4,669                                  | 4,427                              | -5         | 4,043                              | 4,358                              | 4,658                              |
| <b>4,543</b>                      | <b>Balance at the Start of the Reporting Period</b> | <b>4,669</b>                           | <b>4,427</b>                       | <b>-5</b>  | <b>4,043</b>                       | <b>4,358</b>                       | <b>4,658</b>                       |
| <b>Comprehensive Income</b>       |   |  |                                    |            |                                    |                                    |                                    |
| -347                              | Operating Result for the Period                     | -242                                   | -384                               | -58        | 315                                | 300                                | 286                                |
| <b>-347</b>                       | <b>Total Comprehensive Income</b>                   | <b>-242</b>                            | <b>-384</b>                        | <b>-58</b> | <b>315</b>                         | <b>300</b>                         | <b>286</b>                         |
| <b>Closing Equity</b>             |   |  |                                    |            |                                    |                                    |                                    |
| 4,196                             | Closing Accumulated Funds                           | 4,427                                  | 4,043                              | -9         | 4,358                              | 4,658                              | 4,944                              |
| <b>4,196</b>                      | <b>Balance at the End of the Reporting Period</b>   | <b>4,427</b>                           | <b>4,043</b>                       | <b>-9</b>  | <b>4,358</b>                       | <b>4,658</b>                       | <b>4,944</b>                       |

**ACT Building and Construction Industry Training Fund Authority**  
**Cash Flow Statement**

| 2017-18<br>Budget<br>\$'000 |   | 2017-18<br>Est.Outcome<br>\$'000 | 2018-19<br>Budget<br>\$'000 | Var<br>%    | 2019-20<br>Estimate<br>\$'000 | 2020-21<br>Estimate<br>\$'000 | 2021-22<br>Estimate<br>\$'000 |
|-----------------------------|---|----------------------------------|-----------------------------|-------------|-------------------------------|-------------------------------|-------------------------------|
|                             | <b>CASH FLOWS FROM<br/>OPERATING ACTIVITIES</b>                     |                                  |                             |             |                               |                               |                               |
|                             | <b>Receipts</b>   |                                  |                             |             |                               |                               |                               |
| 3,800                       | Levies Received   | 3,900                            | 3,800                       | -3          | 3,800                         | 3,800                         | 3,800                         |
| 114                         | Interest Received   | 120                              | 105                         | -13         | 104                           | 112                           | 120                           |
| 250                         | GST – ITC Received from the<br>ATO                                  | 250                              | 250                         | -           | 250                           | 250                           | 250                           |
| <b>4,164</b>                | <b>Operating Receipts</b>   | <b>4,270</b>                     | <b>4,155</b>                | <b>-3</b>   | <b>4,154</b>                  | <b>4,162</b>                  | <b>4,170</b>                  |
|                             | <b>Payments</b>   |                                  |                             |             |                               |                               |                               |
| 426                         | Related to Employees  | 426                              | 438                         | 3           | 450                           | 463                           | 476                           |
| 3,834                       | Related to Supplies and<br>Services                                 | 3,834                            | 3,842                       | ..          | 3,122                         | 3,132                         | 3,141                         |
| 250                         | GST – ITC Paid to Suppliers   | 250                              | 250                         | -           | 250                           | 250                           | 250                           |
| <b>4,510</b>                | <b>Operating Payments</b>   | <b>4,510</b>                     | <b>4,530</b>                | <b>..</b>   | <b>3,822</b>                  | <b>3,845</b>                  | <b>3,867</b>                  |
| <b>-346</b>                 | <b>NET CASH INFLOW/<br/>(OUTFLOW) FROM<br/>OPERATING ACTIVITIES</b> | <b>-240</b>                      | <b>-375</b>                 | <b>-56</b>  | <b>332</b>                    | <b>317</b>                    | <b>303</b>                    |
|                             | <b>CASH FLOWS FROM INVESTING<br/>ACTIVITIES</b>                     |                                  |                             |             |                               |                               |                               |
|                             | <b>Payments</b>   |                                  |                             |             |                               |                               |                               |
| 0                           | Purchase of Property, Plant<br>and Equipment                        | 0                                | 120                         | #           | 0                             | 0                             | 0                             |
| <b>0</b>                    | <b>Investing Payments</b>   | <b>0</b>                         | <b>120</b>                  | <b>#</b>    | <b>0</b>                      | <b>0</b>                      | <b>0</b>                      |
| <b>0</b>                    | <b>NET CASH INFLOW/(OUTFLOW)<br/>FROM INVESTING ACTIVITIES</b>      | <b>0</b>                         | <b>-120</b>                 | <b>#</b>    | <b>0</b>                      | <b>0</b>                      | <b>0</b>                      |
| <b>-346</b>                 | <b>NET INCREASE/ (DECREASE) IN<br/>CASH HELD</b>                    | <b>-240</b>                      | <b>-495</b>                 | <b>-106</b> | <b>332</b>                    | <b>317</b>                    | <b>303</b>                    |
| <b>4,719</b>                | <b>CASH AT BEGINNING OF<br/>REPORTING PERIOD</b>                    | <b>4,823</b>                     | <b>4,583</b>                | <b>-5</b>   | <b>4,088</b>                  | <b>4,420</b>                  | <b>4,737</b>                  |
| <b>4,373</b>                | <b>CASH AT THE END OF THE<br/>REPORTING PERIOD</b>                  | <b>4,583</b>                     | <b>4,088</b>                | <b>-11</b>  | <b>4,420</b>                  | <b>4,737</b>                  | <b>5,040</b>                  |

## **Notes to the Budget Statements**

Significant variations are as follows:

### *Operating Statement*

- Levy Income: the increase of \$0.100 million in the 2017-18 estimated outcome from the original budget is due to an increase in levy revenue associated with estate development works, civil construction and landscaping works. The decrease of \$0.100 million from the 2017-18 estimated outcome for the 2018-19 Budget is due to estimated levy payments based upon forecast future construction activity works value.
- Interest Income: the increase of \$0.006 million in the 2017-18 estimated outcome from the original budget is due to higher balances of cash held in the bank.

### *Balance Sheet*

- Cash and Cash Equivalents: the increase of \$0.210 million in the 2017-18 estimated outcome from the original budget is mainly due to the higher values of levies associated with civil construction roads work, landscaping and works related to estate developments projects received in 2017-18.

### *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.





