



AUSTRALIAN CAPITAL TERRITORY

BUDGET 2012-13



BUDGET REVIEW



Chief Minister and Treasury Directorate

February 2013

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INTRODUCTION

Section 20A of the *Financial Management Act 1996* (FMA) requires the preparation of a budget review for each financial year.

The purpose of the budget review is to provide updated information to allow for the assessment of the Government's financial performance against its financial policy objectives and strategies, as set out in the 2012-13 Budget Papers.

The 2012-13 Budget Review:

- provides an update to the financial forecast projections for the current financial year and next three financial years, taking into account the audited results for the previous financial year (i.e. 2011-12);
- updates financial and economic parameters, and incorporates the consequent changes to the estimated outcome and the forward years' forecasts;
- identifies the impact of any policy initiatives introduced since the passage of the Budget;
- identifies the impact of refined cash expenditure forecasts associated with the Territory's Infrastructure Investment Program;
- identifies events and risks that have emerged since the passage of the Budget, and incorporates these where they are certain and quantifiable;
- presents a view of the Territory's financial position and risks to that position; and
- includes changes arising from the publication of the *2012-13 Commonwealth Mid-Year Economic and Fiscal Outlook* (MYEFO), as well as any newly agreed intergovernmental agreements.

The 2012-13 Budget Review provides an update against the forecast estimates published in the 2012-13 Budget and the 2012-13 Pre-Election Budget Update (PEBU), and takes into account the current economic conditions as well as the impact of policy and parameter changes against activity up to 31 December 2012, and other extraordinary impacts after that date if applicable.

Where significant issues have been identified, but are not certain, or unable to be quantified with reasonable certainty they have been identified as potential risks to the budget and forward estimates. These risks may have positive or negative budget implications.

Also published in this Report are Uniform Presentation Framework (UPF) statements to meet Australian Loan Council reporting obligations.

CHAPTER 1: UPDATE TO THE 2012-13 BUDGET ESTIMATES

OVERVIEW

As outlined in the 2012-13 Budget, the Territory's finances continue to be impacted by uncertainty in global economic conditions and financial markets. While the Territory economy generally remains strong, it is not immune from national and international economic conditions. A large portion of the ACT working population is employed in the public sector, such that the ACT economy is susceptible to the Commonwealth's fiscal consolidation efforts. Additionally, the forthcoming Federal election has the potential to affect consumer and business sentiment, particularly in relation to the property market; the Territory is already experiencing a reduction in revenues across the budget year and forward estimates in both land sales and related taxes. The Budget Review incorporates a revision of the land release program to reflect these circumstances.

The Territory's capital works program has also been reviewed in light of progress with planning, design outcomes, the receipt of necessary development and environmental approvals, and consultation processes. This has resulted in \$249.4 million in net expenditure being re-profiled into later years.

While the Net Operating Balance has reduced across the forward estimates since the publication of the 2012-13 PEBU, the General Government Sector (GGS) will return to surplus in 2015-16. This is in line with the Government's Budget Plan.

The GGS Net Operating Balance is estimated to be in *deficit* by \$362.9 million in 2012-13 – an improvement of \$18.2 million from the deficit of \$381.1 million estimated at the time of the 2012-13 PEBU.

Reflecting the external impacts on the Budget during 2012-13, the Government as part of formulating the 2013-14 Budget will examine its borrowing program, along with the structure and sustainability of the Budget more broadly over the longer term.

Table 1 provides a comparison between the 2012-13 Budget, the 2012-13 PEBU and the 2012-13 Budget Review.

Table 1: GGS Headline Net Operating Balance

Headline GGS Net Operating Balance	2012-13 \$m	2013-14 \$m	2014-15 \$m	2015-16 \$m
2012-13 Budget	-318.3	-130.2	-51.3	25.2
2012-13 Pre-Election Budget Update	-381.1	-117.6	-40.4	45.6
2012-13 Budget Review	-362.9	-138.7	-103.2	29.3

Note: Table may not add up due to rounding

The economic outlook for the Territory in 2012-13 is broadly consistent with expectations outlined in the 2012-13 Budget. Economic growth is now expected to be slightly higher in 2012-13 than forecast at the time of the 2012-13 PEBU, but still below trend as economic forecasts continue to reflect the dampening impact on economic activity in the ACT from constrained outlays as the Commonwealth Government continues its fiscal consolidation. This effect on economic activity is expected to be partly offset by lower interest rates.

Global economic and financial conditions have not improved significantly since the 2012-13 Budget and risks to the global economic outlook remain on the downside. The International Monetary Fund indicates in its latest World Economic Outlook Update that global growth is likely to strengthen gradually in 2013.

Domestic growth is likely to be close to trend in 2012. The high exchange rate of the Australian dollar, together with the fading impetus from Commonwealth Government spending, and changes in household spending and borrowing behaviour, continue to weigh on a number of sectors of the economy.

The ACT economy performed well in 2011-12, but labour and property market activity softened as expected, following relatively strong performance in recent years. The economy will be further influenced by Commonwealth Government fiscal consolidation, the overhang of the 2013 Federal Election and ongoing global economic uncertainty.

HEADLINE NET OPERATING BALANCE – GENERAL GOVERNMENT SECTOR

The GGS Headline Net Operating Balance is forecast to be in deficit by \$362.9 million in 2012-13, an improvement of \$18.2 million from the deficit of \$381.1 million estimated at the time of the 2012-13 PEBU.

The improvement in the Headline Net Operating Balance for 2012-13 is driven by a range of factors including:

- increased dividend and income tax equivalents associated with GST refunds relating to prior years for the Land Development Agency (LDA) and the impact of the Australian Taxation Office policy regarding unbilled water consumption income on ACTEW Corporation (ACTEW); and
- an increase in GST revenue of \$26.7 million as a result of higher national GST pool estimates and revised population estimates.

These increases have been partially offset by lower taxation revenue due to a softening property market and increased expenditure mainly associated with the impact of appropriation rollovers from 2011-12 to 2012-13.

Across the forward estimates, the Headline Net Operating Balance has declined compared to the 2012-13 PEBU. This has been largely influenced by:

- reduced dividends and income tax equivalents revenue of \$15 million in 2013-14 from ACTEW primarily as a result of declining interest revenues and the changed timing of income tax payments;

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- a \$78.3 million reduction over three years of dividends and income tax equivalents revenue from the LDA associated with a moderating property market reflected in decreased englobo, commercial and industrial revenues;
- reduced conveyance revenue of \$36.8 million over three years reflecting property market conditions;
- a \$33.1 million increase in net interest over three years mainly due to forecast additional borrowings; and
- higher depreciation expenses in the Education and Training Directorate reflecting a review of its asset portfolio's useful lives and values.

These impacts are partially offset by increased GST revenue, a reduction in expenditure across Government and a reduction in the Treasurer's Advance.

Table 2: General Government Sector Headline Net Operating Balance

	2011-12 Actual Outcome \$m	2012-13 Original Budget \$m	2012-13 Revised PEBU \$m	2012-13 Budget Review \$m	2013-14 Revised Estimate \$m	2014-15 Revised Estimate \$m	2015-16 Revised Estimate \$m
Total Revenue	4,118.3	3,951.7	3,968.2	4,059.6	4,266.3	4,487.2	4,767.1
Total Expenses	4,075.6	4,347.4	4,428.3	4,487.9	4,485.4	4,675.4	4,827.2
UPF Net Operating Balance	42.7	-395.7	-460.1	-428.3	-219.1	-188.2	-60.1
<i>Plus</i>							
Expected Long Term Capital Gains on Superannuation Investments	1.1	77.4	79.0	65.4	80.3	85.0	89.4
Headline Net Operating Balance	43.8	-318.3	-381.1	-362.9	-138.7	-103.2	29.3

Note: Table may not add up due to rounding

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Table 3 provides a summary of the variations in the GGS Headline Net Operating Balance from the 2012-13 Budget, 2012-13 PEBU and the 2012-13 Budget Review.

Table 3: Summary of the Change in the GGS Net Operating Balance to Budget Review

	2012-13 \$m	2013-14 \$m	2014-15 \$m	2015-16 \$m
2012-13 Budget Headline Net Operating Balance	-318.3	-130.2	-51.3	25.2
Change in Total Revenue	16.5	29.7	23.4	28.3
Increase in Total Expenses	80.8	7.4	2.5	-2.7
<i>Change in expected long term capital gains on Superannuation Investments</i>	1.6	-9.7	-10.1	-10.5
2012-13 Pre-Election Budget Update Headline Net Operating Balance	-381.1	-117.6	-40.4	45.6
Change in Total Revenue	91.4	-23.6	-66.9	-8.0
Increase in Total Expenses	59.6	0.7	-1.0	11.2
<i>Change in expected long term capital gains on Superannuation Investments</i>	-13.6	3.1	3.1	2.9
2012-13 Budget Review Headline Net Operating Balance	-362.9	-138.7	-103.2	29.3

Note: Table may not add due to rounding

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RECONCILIATION TO THE PRE-ELECTION BUDGET UPDATE – GENERAL GOVERNMENT SECTOR OPERATING STATEMENT

Table 4 shows the variations between the GGS Headline Net Operating Balance published in the 2012-13 PEBU and the 2012-13 Budget Review (the GGS Headline Net Operating Balance as at the 2012-13 Budget is also indicated). Details of these variations have been split between policy and parameter changes.

Table 4: Summary of Movements in the Headline Net Operating Balance

	2012-13 \$m	2013-14 \$m	2014-15 \$m	2015-16 \$m
GGG Headline Net Operating Balance – 2012-13 Budget	-318.3	-130.2	-51.3	25.2
GGG Headline Net Operating Balance – 2012-13 PEBU	-381.1	-117.6	-40.4	45.6
Parameter Impacts				
Commonwealth Revenue				
GST Revenues	26.7	9.2	11.2	13.6
Other Commonwealth Revenue	-1.2	-0.8	-0.5	-1.4
Financial Market and Monetary Policy Impacts				
Superannuation Investment Earnings	-7.6	4.4	4.3	4.2
Interest (net)	9.6	-5.3	-9.1	-18.7
Economic Activity				
Revised Conveyance Estimates	-10.4	-12.3	-14.6	-9.9
Revised Payroll Tax Estimates	1.5	1.6	1.7	1.8
Revised General Rates Tax Estimates	-5.0	0.0	0.0	0.0
Revised Taxation Revenue – Other	-0.4	-0.4	-0.4	-0.4
Revised Lease Variation Charge Estimates	-4.0	0.0	0.0	0.0
Revised Gambling Tax Estimates	2.1	0.6	0.6	0.6
Revised Waste Management Fee Estimates	-1.9	-2.0	-2.2	-2.4
LDA – Revised Dividends and Income Tax Equivalent	33.0	-5.0	-60.6	-12.7
ACTEW – Revised Dividends and Income Tax Equivalent	24.5	-15.0	0.3	0.5
ACTTAB – Revised Dividends and Income Tax Equivalent	-2.1	-1.1	-0.8	-0.5
Other				
Health - Revised Outcome	-11.6	0.0	0.0	0.0
Education and Training - Revised Depreciation	-7.9	-7.9	-7.9	-7.9
Impact of Other Audit and Estimated Outcome	1.6	-0.7	-0.9	-0.6
Appropriation Rollovers (2011-12 to 2012-13)	-35.5	0.0	0.0	0.0
Operating Impact of Capital Re-profiling and Rollovers	12.5	0.1	2.2	3.3
Sub-Total – Parameter Impacts	23.9	-34.6	-76.6	-30.5
Policy Impacts				
Reduction in Treasurer’s Advance	0.0	3.4	3.6	3.7
Expenditure Reduction	0.0	10.0	10.3	10.5
Supplementary Appropriation	-5.8	0.0	0.0	0.0
Sub-Total – Policy Impacts	-5.8	13.4	13.8	14.2
2012-13 Budget Review – GGS Headline Net Operating Balance	-362.9	-138.7	-103.2	29.3

Note: Table may not add up due to rounding.

DETAILS OF PARAMETER VARIATIONS

COMMONWEALTH REVENUE

GST Revenue

GST revenue grants have been revised upwards to reflect the Commonwealth Government's updated estimates. This includes the impacts arising from the:

2011-12 Final Budget Outcome:

- A balancing adjustment of \$23.5 million, paid to the ACT in 2012-13, resulting from higher GST revenue collections and revised population estimates in the final Commonwealth Budget outcome for 2011-12, compared with the estimates in the 2012-13 Commonwealth Budget papers.

The Commonwealth 2012-13 MYEFO (October 2012):

- An additional \$675 million in total national GST revenue across the budget and forward estimates, combined with an upward revision in the ACT's estimated population as a result of the 2011 Census, giving an increase in GST payments to the ACT of \$37.2 million over four years.

Since the 2012-13 PEBU the ACT's share of GST has increased by \$60.7 million over four years.

FINANCIAL MARKET IMPACTS

Superannuation Investment Earnings

The \$7.6 million downwards revision for superannuation investment earnings in 2012-13 reflects a lower investment base as at 30 June 2012. The investment asset base is estimated to be higher than originally projected as at 30 June 2013 resulting in a small positive flow-on impact to budgeted investment earnings over 2013-14 and the forward years.

Interest Outcomes

The 2012-13 upwards revision to net interest is mainly due to the combined effects of strong investment performance and higher levels of funds under management. For 2013-14 onwards, net interest reflects lower investment earnings due to lower interest earnings expectations based on the prevailing cash rate and increased borrowing expenses.

ECONOMIC ACTIVITY

Duty on Conveyances

Conveyance duty revenue has been revised downwards across the budget and forward estimates predominantly reflecting the ongoing moderation in the property market, which is likely to be a consequence of continuing consumer caution.

Payroll

Payroll tax revenue forecasts have been revised slightly upwards to align the estimated outcome with the year to date performance which has seen additional revenue collected across all sectors.

General Rates

General rates have been revised downward in 2012-13, reflective of a reassessment of rate charges for embassy properties and their chancelleries, and the reassessment of a limited number of large commercial properties to residential.

Lease Variation Charge

Estimates for the Lease Variation Charge have been revised downwards in 2012-13 by \$4 million reflecting the anticipated timing of payments for prior year determinations.

Revised Gambling Tax Estimates

New South Wales and Victorian Lottery revenues have increased by \$2.2 million to reflect changes in estimated sales volumes. Unclaimed monies have been decreased to reflect the cessation of over the counter sales of Victorian Lottery tickets in the ACT, which can now only be purchased online.

Revised Waste Management Fee Estimates

The Territory and Municipal Services Directorate (TAMS) has advised that it will not achieve its budgeted Territorial waste fees in 2012-13, with revenue anticipated to fall by \$1.9 million. The adjustment is associated with a reduction in the level of waste going to landfill following a spike in activity in 2010-11. Waste revenue increased from \$13 million in 2009-10 to \$18.4 million in 2010-11, but has since moderated.

LDA – Revised Dividends and Income Tax Equivalent

Adjustments to land sales revenue relate to a decrease of \$48.1 million in englobo revenue, lower sales in the commercial and industrial sectors (decreases of \$19.2 million and \$20 million, respectively), and lower sales in community releases (a decrease of \$4.7 million). These losses are partly offset by GST refunds for prior year sales (\$30 million).

The Land Release Program is forecasting the release of 19,560 dwelling sites between 2012-13 and 2015-16, an increase of 60 from the original Program.

Over the four year budget period, gross revenue from land sales is forecast to decrease by \$287.4 million compared to the estimates provided in the 2012-13 Budget. Adjustments have been made to the anticipated timing of settlements which result in reductions in sales revenue over the four years. Notwithstanding, total land revenue is still forecast to exceed \$2 billion across 2012-13 and the forward estimates.

ACTEW – Dividends and Income Tax Equivalent

ACTEW's income tax payments for 2012-13 have been revised upwards since PEBU following the 2012 change of the Australian Tax Office policy regarding unbilled water consumption income. Due to the 'bring forward' of tax payments into this year, a reduction in tax payments is forecast to occur in 2013-14.

Dividends are forecast to reduce in 2013-14, primarily as a result of declining interest revenue (a consequence of lower cash holdings driven by increased tax payments and lower interest rates).

ACTTAB – Dividends and Income Tax Equivalent

ACTTAB's dividend and income tax equivalent payments to the Territory will be \$2.1 million lower in 2012-13 as a result of competition from other forms of betting.

OTHER

Health – Revised Outcome

The Health Directorate (Health) has revised its estimates downwards, impacting on the operating result for 2012-13 by \$11.6 million. The drivers of this downwards revision are:

- expenditure associated with revenue received in 2011-12 – Health received project based Commonwealth and other funding last year which will be expended this year. It is anticipated that around \$6.5 million will impact in 2012-13 as increased expenses;
- expensed Capital Injection funding – Consistent with accounting arrangements, expenditure associated with certain aspects of the Health Infrastructure Program such as change management and communications will be expensed rather than capitalised, resulting in an impact of around \$1.3 million in 2012-13; and
- Calvary Hospital Emergency Department Refurbishment – Under the National Health Reform agreement, the Commonwealth has provided \$8.3 million capital funding to the ACT to upgrade emergency departments at both the Canberra Hospital and the Calvary Public Hospital. Consistent with accounting arrangements, funding of \$3.8 million will be on-passed to Calvary as a grant and expensed in 2012-13.

Education – Revised Depreciation

The Education and Training Directorate (ETD) has reassessed the useful life of its assets resulting in an increased depreciation expense from 2012-13 of around \$7.9 million annually.

Appropriation Rollovers

Appropriation rollovers by agencies following the 2011-12 end of year result give rise to an impact of \$35.5 million in 2012-13. Of this amount:

- \$20.6 million relates to rollovers by ETD, primarily as a result of the timing of National Partnership payments from the Commonwealth such that these payments were not able to be expensed in 2011-12;
- \$7 million relates to rollovers by Health, also relating to the timing of National Partnership and Specific Purpose payments that were not able to be expensed in 2011-12; and
- \$4.3 million relates to rollovers by the Environment and Sustainable Development Directorate, primarily relating to delays associated with project implementation.

Operating Impact of Capital Rollovers and Re-profiling

Capital re-profiling results in a positive impact of \$12.5 million in 2012-13. In general terms, capital funding has been re-profiled (along with associated operating expenses) for a number of projects to reflect revised completion dates and/or expenditure profiles. Of the \$12.5 million impact, \$4.1 million relates to TAMS projects, \$4 million to Health projects, and \$2.1 million to Economic Development Directorate projects.

POLICY IMPACTS

Reduction in Treasurer's Advance

The Treasurer's Advance has been reduced to 0.67 per cent of total appropriations. This results in savings of \$3.4 million in 2013-14, increasing to \$3.7 million in 2015-16.

Supplementary Appropriation

The *Appropriation Bill 2012-2013 (No. 2)* (the Bill) provides additional appropriation to agencies to meet demand for the Land Rent Scheme, to fund unspent 2011-12 Appropriation of the former Treasury Directorate and the on-passing of National Healthcare Commonwealth grants funding. The operating impact of the Bill is \$5.8 million.

Expenditure Reduction Saving

The 2012-13 Budget Review incorporates a reduction in expenditure of \$10 million, commencing in 2013-14 and indexed across the forward estimates period.

OTHER RISKS

There are a number of other risks that may potentially impact on the Territory's finances, which are described below:

- Defined Benefit Superannuation Liabilities and Expenses – these risks remain unchanged from those outlined in the 2012-13 Budget;
- Outcomes of the Community Sector Equal Remuneration Case – Fair Work Australia's decision was handed down on 1 February 2012, and the Equal Remuneration Order to give effect to this decision was issued in June 2012. The Commonwealth Government has made an offer for its contribution and discussions are continuing in relation to the Commonwealth's contribution and the terms of the National Partnership Agreement;
- Gonski Review of Funding for Schooling in Australia and the National Disability Insurance Scheme – risks to the budget in relation to these items remain largely unchanged from that described in the PEBU;
- Land Release Program – a number of risks may impact the program, including achievement of statutory clearances, the capacity of industry to deliver infrastructure and estate works, downside risks to the global economic and financial outlook, uncertainty created by the Commonwealth Government's fiscal consolidation and the 2013 Federal Election, and the capacity of the market to purchase all sites offered; and

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- Enterprise Bargaining – with the exception of the *ACT Public Service Education and Training Directorate (Teaching Staff) Enterprise Agreement 2011-2014*, all ACT Public Service enterprise bargaining agreements have a nominal expiry date of 30 June 2013. Budget estimates will be impacted should forthcoming negotiations give rise to significant changes to Enterprise Agreement conditions.

CAPITAL WORKS RE-PROFILING

The Government remains committed to the delivery of its capital works program, with expenditure of \$1.5 billion forecast across the Budget and forward estimates.

As part of the 2012-13 Budget Review, agencies reviewed their infrastructure, upgrades and other projects in light of the first six months of progress and identified where re-profiling of projects was appropriate. This re-profiling exercise also included bringing forward planned out-year expenditure to progress or accelerate some existing projects.

The re-profiling exercise has resulted in \$249.4 million in net capital expenditure being moved from 2012-13. As part of the re-profiling exercise \$40.6 million of project savings were identified.

Table 5: Changes to Capital Works Program Expenditure

	2012-13 \$m	2013-14 \$m	2014-15 \$m	2015-16 \$m
Original 2012-13 Capital Program	813.7	470.3	167.0	31.4
End of Year Rollovers	38.5	0.0	0.0	0.0
End of Year Adjustments	-39.8	0.0	0.0	0.0
Existing 2012-13 Capital Program	812.4	470.3	167.0	31.4
Changed Expenditure Timing	-249.4	94.6	118.5	-4.3
Revised Capital Program	563.0	564.8	285.5	27.1

Note: Table may not add up due to rounding

Appendix 2 shows the amendments to the Capital Works Program by project.

FINANCIAL POSITION – GENERAL GOVERNMENT SECTOR

The financial position of the General Government Sector (GGS), as assessed through a number of balance sheet measures, has improved in 2012-13 since publication of the 2012-13 PEBU due mainly to a higher level of investment balances. Across the forward estimates these measures have declined mainly due to revised borrowing forecasts.

NET DEBT

Net Debt is a key balance sheet measure which takes into account gross debt liabilities, as well as financial assets (such as cash reserves and investments). Net Debt is calculated as the sum of deposits held, advances received and borrowings, less the sum of cash and deposits, advances paid and investments, loans and placements. Superannuation Provision Account (SPA) assets have been excluded in determining Net Debt.

The GGS Net Debt, excluding superannuation related investments, is forecast to be \$224.4 million in 2012-13, an improvement from the 2012-13 PEBU largely due to increased investment balances (excluding superannuation).

Across the forward estimates Net Debt has deteriorated compared to the 2012-13 PEBU mainly due to increased borrowings forecast in the Budget Review to maintain forecast estimates for the Territory's Infrastructure Program.

Positive Net Debt indicates that GGS cash reserves and investments are less than debt liabilities.

Table 6: General Government Sector Net Debt

General Government Sector	2011-12 Actual Outcome \$m	2012-13 Original Budget \$m	2012-13 PEBU \$m	2012-13 Budget Review \$m	2013-14 Revised Estimate \$m	2014-15 Revised Estimate \$m	2015-16 Revised Estimate \$m
Cash and Deposits	321.0	203.9	316.4	311.0	311.0	323.4	337.5
Advances Paid	1,453.6	1,450.2	1,506.9	1,555.5	1,581.8	1,631.4	1,670.6
Investments, Loans and Placements	3,153.0	3,026.2	2,944.4	3,135.9	3,190.4	3,486.5	3,646.0
<i>Less: Superannuation Investments</i>	<i>2,259.3</i>	<i>2,505.1</i>	<i>2,410.3</i>	<i>2,477.5</i>	<i>2,632.3</i>	<i>2,784.1</i>	<i>2,932.4</i>
Deposits Held	120.4	35.5	32.2	32.2	36.5	104.0	106.3
Advances Received	89.7	86.4	86.4	86.4	83.0	79.4	75.7
Borrowings*	1,984.9	2,470.4	2,579.6	2,675.3	3,071.5	3,219.5	2,918.2
Net Debt (excluding super)	-473.2	417.2	340.9	224.4	697.6	704.6	339.0

Note: Table may not add up due to rounding

** Borrowings include finance leases*

NET FINANCIAL LIABILITIES

Net Financial Liabilities take into account unfunded superannuation liabilities and provides a broader measure of debt than Net Debt. Net Financial Liabilities is calculated as total liabilities less financial assets (such as cash reserves and investments). It takes into account all non-equity financial assets but excludes equity held by the GGS in public corporations (for example, ACTEW).

The revised forecast for Net Financial Liabilities for 2012-13 is \$3,534.1 million, an improvement in net liabilities of \$237.1 million compared to the 2012-13 PEBU forecast of \$3,771.2 million. The improvement in Net Financial Liabilities largely reflects an increase in advances paid from ACTEW and a higher level of investments held.

Across the forward estimates Net Financial Liabilities has deteriorated compared to the 2012-13 PEBU largely due to increased borrowings.

Table 7: Net Financial Liabilities

General Government Sector	2011-12 Actual Outcome \$m	2012-13 Original Budget \$m	2012-13 PEBU \$m	2012-13 Budget Review \$m	2013-14 Revised Estimate \$m	2014-15 Revised Estimate \$m	2015-16 Revised Estimate \$m
Financial Assets	10,961.8	10,767.9	10,889.0	11,045.5	11,299.5	11,798.5	12,160.8
<i>Less: Equity Investments in PTEs</i>	<i>5,523.1</i>	<i>5,689.0</i>	<i>5,624.8</i>	<i>5,618.8</i>	<i>5,740.5</i>	<i>5,854.1</i>	<i>5,973.4</i>
Total Liabilities	10,910.7	8,893.9	9,035.4	8,960.8	9,698.3	10,226.9	10,242.4
Net Financial Liabilities	5,472.0	3,814.9	3,771.2	3,534.1	4,139.4	4,282.5	4,055.0

Note: Table may not add up due to rounding

NET WORTH

Net Worth provides a broad measure of the Territory's balance sheet and is calculated as total assets less total liabilities including superannuation.

The forecast GGS Net Worth for 2012-13 has remained broadly in line with the 2012-13 PEBU estimate of \$16.4 billion.

Table 8: Net Worth

General Government Sector	2011-12 Actual Outcome \$m	2012-13 Original Budget \$m	2012-13 PEBU \$m	2012-13 Budget Review \$m	2013-14 Revised Estimate \$m	2014-15 Revised Estimate \$m	2015-16 Revised Estimate \$m
Total Assets	24,703.2	24,813.7	25,394.7	25,356.8	26,225.4	27,005.1	27,381.7
Total Liabilities	10,910.7	8,893.9	9,035.4	8,960.8	9,698.3	10,226.9	10,242.4
Net Worth	13,792.5	15,919.8	16,359.3	16,395.9	16,527.1	16,778.2	17,139.3

Note: Table may not add up due to rounding

NET OPERATING CASH – GENERAL GOVERNMENT SECTOR

Net Operating Cash is the cash counterpart to the accrual Net Operating Balance. It measures all operating cash receipts for a financial year (for example, taxes, fees and fines, and operating grants from the Commonwealth Government) less all operating cash payments (including wages and salaries, cash superannuation payments and payments for goods and services).

The revised forecast for the GGS Net Operating Cash at the end of 2012-13 is a surplus of \$259.9 million, which is a decrease of \$70.5 million compared to the 2012-13 PEBU forecast of \$330.4 million. This is mainly due to decreased land receipts from the LDA due to the timing of land settlements.

Table 9: Net Operating Cash

General Government Sector	2012-13 \$m	2013-14 \$m	2014-15 \$m	2015-16 \$m
2012-13 Budget Net Operating Cash	184.9	345.0	452.8	529.1
2012-13 Pre-Election Budget Update Net Operating Cash	330.4	583.4	669.3	792.3
2012-13 Budget Review Net Operating Cash	259.9	452.3	606.0	725.7

Note: Table may not add up due to rounding

PUBLIC TRADING ENTERPRISES REVISED ESTIMATES

A Public Trading Enterprises Net Operating Balance of \$153.7 million is now forecast in 2012-13, which is \$31.3 million higher than forecast in the 2012-13 PEBU.

The improvement is mainly attributable to the refund of GST payments to LDA, relating to prior years.

Table 10: Public Trading Enterprise Revised Budget and Forward Estimates

Public Trading Enterprises	2011-12 Actual Outcome \$m	2012-13 Original Budget \$m	2012-13 PEBU \$m	2012-13 Budget Review \$m	2013-14 Revised Estimate \$m	2014-15 Revised Estimate \$m	2015-16 Revised Estimate \$m
Total Revenue	979.4	975.8	975.5	991.3	1,020.2	1,047.0	1,289.5
Total Expenses	811.5	835.5	853.1	837.6	835.2	893.9	1,045.4
UPF Net Operating Balance	167.9	140.3	122.4	153.7	185.0	153.1	244.1
Net Worth	5,523.1	5,689.0	5,624.8	5,618.8	5,740.5	5,854.1	5,973.4
Net Financial Worth	-1,043.8	-1,246.8	-1,250.7	-1,247.5	-1,282.3	-1,215.2	-1,226.1
Net Debt	1,116.2	1,301.1	1,335.7	1,372.1	1,363.2	1,317.9	1,362.4

Note: Table may not add up due to rounding

2012-13 Budget Review

TOTAL TERRITORY REVISED ESTIMATES

The Total Territory Headline Net Operating deficit is now forecast to be \$498.8 million.

Table 11: Total Territory Revised Budget and Forward Estimates

Total Territory	2011-12 Actual Outcome \$m	2012-13 Original Budget \$m	2012-13 PEBU \$m	2012-13 Budget Review \$m	2013-14 Revised Estimate \$m	2014-15 Revised Estimate \$m	2015-16 Revised Estimate \$m
Total Revenue	4,260.6	4,255.1	4,217.1	4,254.8	4,580.6	4,841.9	5,254.9
Total Expenses	4,357.8	4,698.2	4,796.2	4,819.0	4,847.5	5,067.5	5,352.7
UPF Net Operating Balance	-97.2	-443.1	-579.1	-564.2	-267.0	-225.6	-97.7
<i>Plus</i>							
Expected Long-Term Capital Gains on Superannuation Investments	1.1	77.4	79.0	65.4	80.3	85.0	89.4
Headline Net Operating Balance	-96.2	-365.8	-500.1	-498.8	-186.6	-140.5	-8.3
Net Worth	14,092.2	16,109.5	16,425.0	16,581.8	16,662.0	16,889.9	17,230.2
Net Debt (excluding superannuation related investments)	642.7	1,718.4	1,676.6	1,596.5	2,060.8	2,022.5	1,701.4
Net Financial Worth	-6,165.6	-4,844.6	-4,901.1	-4,540.9	-5,232.2	-5,331.7	-5,136.3

Note: Table may not add up due to rounding

STATEMENT OF RISKS

ECONOMIC RISKS

The risks surrounding the economic outlook for the ACT remain on the downside. They are mainly related to the global economic outlook, uncertainty with respect to the strength and timing of Commonwealth Government fiscal consolidation and ongoing consumer caution.

The global economic environment remains fragile and there remain downside risks to global economic growth. The potential spill over of negative global economic events to the domestic economy poses risk to the local economic outlook via various confidence and financial linkages. Moreover, any deterioration in the global economic outlook relative to the Commonwealth Government's assumptions would ultimately translate into lower-than-expected revenue growth nationally, which has the potential to impact the ACT economy through changes in Commonwealth Government spending decisions and GST receipts.

Constrained Commonwealth Government spending remains a specific risk to the ACT. The Commonwealth Government's abandonment of its target of a 2013 Budget Surplus does not alleviate the immediate risk for the ACT of fiscal restraint on expenditure.

The upcoming Federal election also presents potential risks, as new policy commitments and future Commonwealth budget settings can have a significant impact on economic conditions in the ACT.

Consumer caution continues, with the national reading of consumer sentiment remaining fairly down-beat since the release of the 2012-13 PEBU, despite a lower interest rate profile. It is possible that the current cautious consumer behaviour might continue for an extended period of time, weighing on both the retail trade sector as well as the property market.

Ongoing solid population growth, however, presents some upside to economic growth in the ACT, by potentially supporting, or indeed boosting household consumption and housing demand.

COMMONWEALTH GOVERNMENT FUNDING

As the GST is a broad based consumption tax, GST revenue collections are subject to consumer confidence and the state of the economy at the national level. Changes in these factors can lead to variations in the size and growth of the national GST pool, and hence of the funding for the States.

In its MYEFO statement for 2012-13, the Commonwealth made minor upward adjustments to the estimates of GST revenue collections over the current and forward estimates period, compared with those included in the 2012-13 Commonwealth Budget papers. The next revision to the GST pool will be released as part of the Commonwealth's 2013-14 Budget in May 2013.

The ACT's share of the GST revenue pool is determined on a weighted population share basis, therefore, any revision by the Australian Bureau of Statistics (ABS) to the States' estimated populations has a flow-on effect to GST revenue grants. Revised population estimates issued by the ABS as a result of the June 2011 Census and incorporated in the MYEFO statement meant that the ACT had an increase in its share of the national population compared with that estimated in the 2012-13 Commonwealth Budget, and thus an increase in its estimated GST entitlement over the Budget and forward estimates period.

Further, GST revenue grants to the ACT are subject to annual revisions by the Commonwealth Grants Commission (CGC) to State and Territory GST relativities¹. The CGC is expected to release its 2013 Update on State Revenue Sharing Relativities in late February 2013. This report will recommend changes to all State and Territory relativities for 2013-14. The changes are as yet unquantifiable. The recently released GST Distribution Review report² should not impact on the determination of relativities until the 2014-15 financial year at the earliest. It is not possible to quantify the impact at this stage, given the range of recommendations.

Under the 2008 Intergovernmental Agreement on Federal Financial Relations, funding under the National Specific Purpose Payments (NSPPs) will continue to transition to a full equal per capita distribution by July 2014. In the absence of other changes, the Territory's future share of this funding would therefore rely more strongly on population growth. However, the funding formulas for NSPPs are likely to change significantly in the latter years of the forward estimates as a result of major national reforms such as the National Disability Insurance Scheme and the Schooling Resource Standard. It is not possible to quantify the impact of these reforms at this stage.

-
1. GST Relativity (weight) – a factor assessed by the CGC made up of various disabilities/factors when compared with all States' average. It is used by the Commonwealth Treasury in calculating the share of the GST revenue a State requires to achieve horizontal fiscal equalisation.
 2. GST Distribution Review Final Report October 2012. Report by the Review Panel, comprising the Hon John Brumby, Mr Bruce Carter and the Hon Nick Greiner AC.

GOVERNMENT INVESTMENTS AND BORROWINGS

Investment Returns

The Budget is susceptible to the performance of global financial markets and changes in interest rates. Investment returns below those estimated will have a negative impact on revenues and, in respect of the SPA, will reduce the probability of fully funding the defined benefit superannuation liability by 2030.

Defined Benefit Employer Superannuation Liabilities

The value of accrued superannuation liabilities is calculated as the present value of the future payment of benefits that have actually accrued in respect of service at the calculation date. Due to the large number of members in these schemes, small variations to the financial or demographic assumptions can lead to large impacts on individual liability valuations and therefore, the total liability estimate for the Territory. The liabilities are most sensitive to inflation, the Commonwealth bond rate, wages growth, rates of retirement and resignation, and the proportion of benefits taken in pension form.

OTHER COMMITMENTS

Contingent Liabilities

Contingent liabilities are liabilities resulting from uncertain timing or amounts. They arise from past events, which are not recognised because their outflow of economic benefit is not probable or the liability cannot be measured reliably. Contingent liabilities can also occur when a liability is contingent on the outcome of an event outside the Territory's control, such as the outcome of a court case.

Under the FMA, it is the responsibility of the Government to identify contingent liabilities that may affect the budget estimates.

Types of claims lodged against the Territory include property damage, contract disputes, economic loss, personal injury and tax related claims. Details of the Territory's contingent liabilities were identified in Appendix 3 of the 2012-13 PEBU and remain unchanged since that time.

CHAPTER 2: PERFORMANCE AGAINST FINANCIAL POLICY OBJECTIVES AND STRATEGIES

The Government's financial policy objectives as detailed in the 2012-13 Budget are based on the acceptance of temporary deficits in order to maintain reasonable expenditure and investment levels.

The Government continues its commitment to the principles of responsible financial management. The Government's strategy is based on prudent financial management to protect against unforeseeable shifts in economic conditions. This approach provides the Territory with capacity to respond to future unforeseen fiscal shocks and emerging risks. Preservation of high quality services, while maintaining fiscal restraint, continue to remain key parts of the Government's Fiscal Strategy.

The majority of the Government's 2012-13 Financial Policy Objectives and Fiscal Strategy remain unchanged from that published in 2012-13 PEBU. They are:

- to achieve a General Government Sector Net Operating Surplus;
- to maintain operating cash surpluses;
- to maintain a AAA credit rating;
- to manage debt prudently and maintain net financial liabilities within the range of all AAA rated jurisdictions;
- to fully fund the Territory's unfunded superannuation liability by 2030;
- to maintain quality services and infrastructure;
- to make targeted investments to achieve strategic objectives of economic growth, reducing future costs and addressing chronic disadvantage; and
- to maintain taxation revenues at sustainable levels.

The Government has recently added two additional objectives to the fiscal strategy, namely:

- to deliver more efficient and productive public services, within tight financial constraints; and
- to build a more productive and competitive economy.

The 2012-13 Budget Review forecasts remain consistent with the objectives of the Budget Plan, in particular, the commitment to return to surplus by 2015-16.

The Territory continues to demonstrate strong financial indicators including:

- Net Operating Cash surpluses across all years; and
- a strong Net Worth of \$16.4 billion.

GENERAL GOVERNMENT SECTOR NET OPERATING SURPLUS

The Government's objective is to achieve a net operating surplus: temporary deficits must only occur if they are offset by surpluses at other times. The Budget Plan targets achieving a surplus by 2015-16.

While there has been a decline in the Headline Net Operating Balance across the forward estimates, the Government's objective of achieving a surplus in 2015-16 has been maintained.

Table 12: Comparison of 2012-13 Budget, 2012-13 Pre-Election Budget Update and 2012-13 Budget Review Net Operating Balances

General Government Sector	2012-13 Budget \$m	2013-14 Estimate \$m	2014-15 Estimate \$m	2015-16 Estimate \$m
2012-13 Budget Headline Net Operating Balance	-318.3	-130.2	-51.3	25.2
2012-13 Pre-Election Budget Update Headline Net Operating Balance	-381.1	-117.6	-40.4	45.6
2012-13 Budget Review Headline Net Operating Balance	-362.9	-138.7	-103.2	29.3

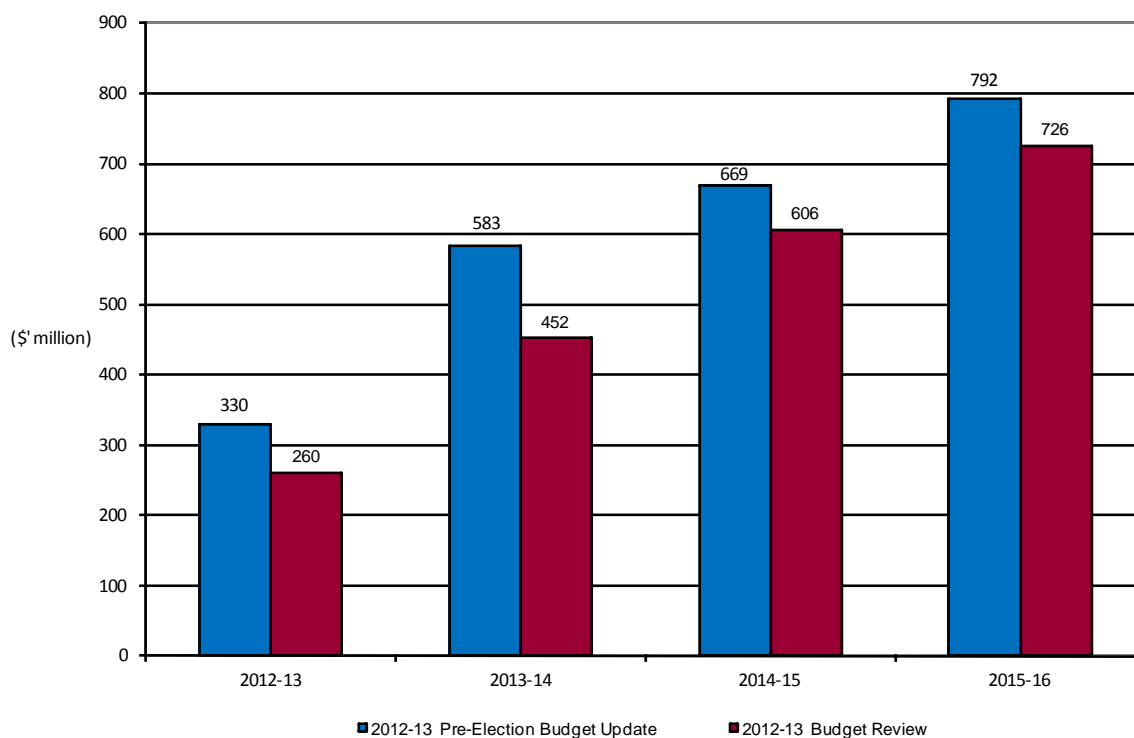
MAINTAINING OPERATING CASH SURPLUSES

The Government's objective is to maintain strong operating cash surpluses in the GGS at all times. The Operating Cash Balance is the cash counterpart to the accrual Net Operating Balance. It measures all operating cash receipts each year (for example, taxes, fees and fines, and operating grants from the Commonwealth Government) less all operating cash payments (including wages and salaries, cash superannuation payments and payments for goods and services).

Figure 1 below shows that the GGS Operating Cash Surplus for 2012-13 is expected to decrease by \$70.5 million to \$259.9 million.

The Territory continues to maintain strong operating cash surpluses across all estimates. Strong operating cash surpluses ensure that there is sufficient cash generated from operations to cover the net outlays for capital investment, to repay debt, and to address unfunded superannuation liabilities.

Figure 1: Net Cash Flows from Operating Activities – General Government Sector



MAINTAINING A 'AAA' CREDIT RATING

Details in relation to the ACT Government's credit rating remain unchanged from those published in the 2012-13 PEBU. The current ACT Government credit rating provided by Standard & Poor's Rating Services is a 'AAA' (Triple A) long term credit rating and a 'A-1+' short term credit rating in both local and foreign currencies.

The 'AAA' and 'A-1+' ratings are the highest ratings assigned by Standard & Poor's. Standard & Poor's also assessed the outlook for the ACT's finances as continuing to be 'Stable'.

A Standard & Poor's credit rating is a current opinion of a borrower's overall financial capacity (its creditworthiness) to repay principal and interest with respect to a specific long or short-term obligation in a timely manner. The ratings are based, in varying degrees, on the following considerations:

- the likelihood of payment-capacity and willingness of the obligor to meet its financial commitment on an obligation in accordance with the terms of the obligation;
- the nature of and provisions of the obligation; and
- the protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganisation, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

An obligation/obligor rated 'AAA' has the highest rating assigned and indicates that the obligator's capacity to meet its financial commitments is extremely strong. A short term obligation/obligor rated 'A1+' is also the highest short-term rating assigned.

	Local Currency Long Term	Local Currency Short Term	Foreign Currency Long Term	Foreign Currency Short Term
Standard & Poor's	AAA	A-1+	AAA	A-1+

MANAGE DEBT PRUDENTLY AND MAINTAIN NET FINANCIAL LIABILITIES WITHIN THE RANGE OF ALL AAA RATED JURISDICTIONS

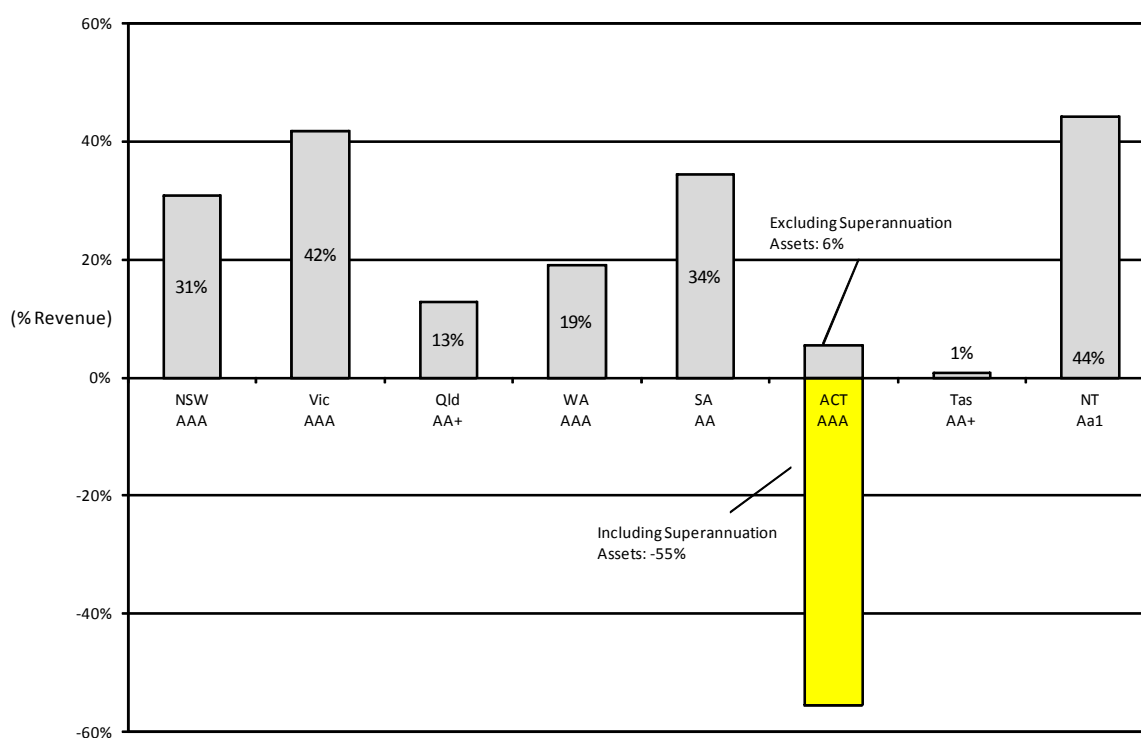
The ACT continues to have one of the strongest balance sheets of any government in Australia.

NET DEBT

A key balance sheet measure in the Government Finance Statistics (GFS) framework is net debt, which takes into account gross debt liabilities as well as assets (such as cash reserves and investments). The Commonwealth Government, for example, highlights net debt as the key measure of government debt.

Figure 2 below shows that the ACT is estimated to have positive GGS Net Debt in 2012-13. This indicates that the Territory's GGS cash reserves and investments are lower than its gross debt liabilities. The ACT has the second lowest debt as a portion of revenue out of all jurisdictions. The ACT position has improved since the 2012-13 PEBU largely due to increased investment balances.

Figure 2: Net Debt to Revenue Ratio – General Government Sector



Note: The inter-jurisdictional data used reflects information presented in each jurisdiction's 2012-13 Budget (or Mid Year) Review, except for the Northern Territory where the 2012-13 Mini Budget has been used.

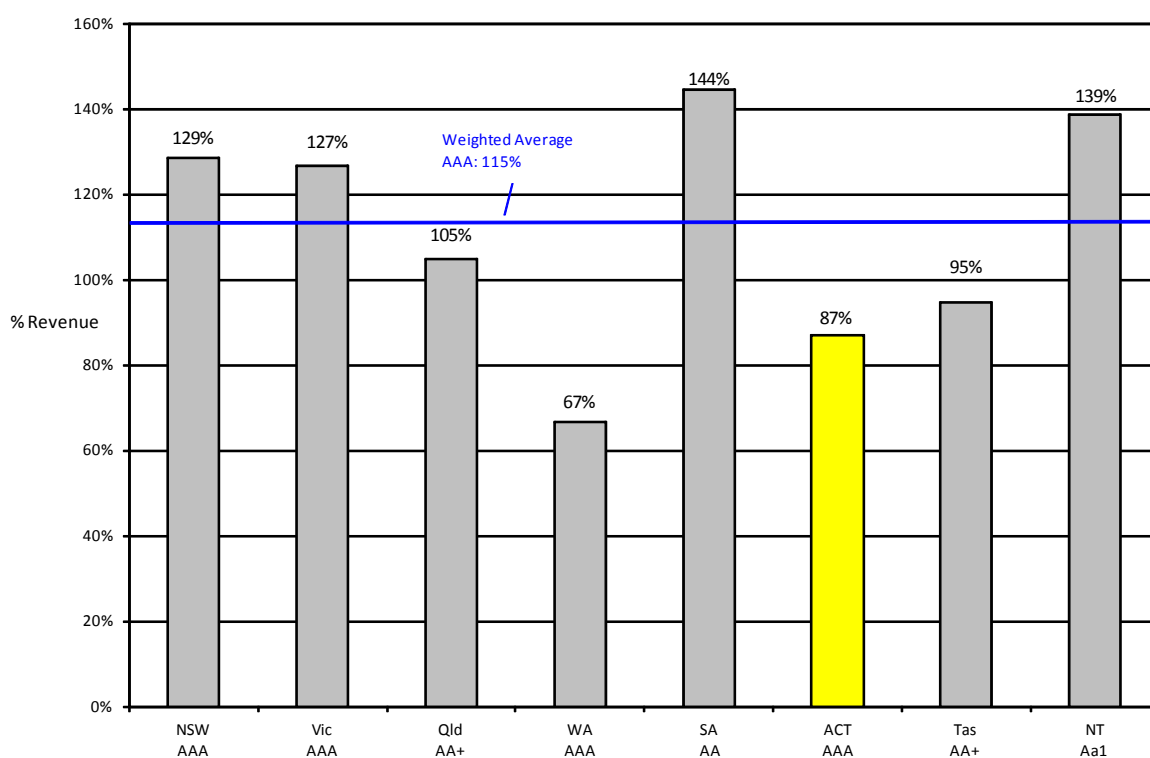
NET FINANCIAL LIABILITIES

Although Net Debt is a widely used measure in the GFS framework, it does not take into account all financial liabilities. Most particularly, it does not take into account unfunded superannuation liabilities. These unfunded superannuation liabilities are also a form of debt. As a consequence, a number of jurisdictions focus on a broader measure of debt, net financial liabilities, as a key balance sheet indicator.

Net Financial Liabilities is calculated as total liabilities less financial assets (such as cash reserves and investments). It takes into account all non-equity financial assets, but excludes the value of equity held by the GGS in public corporations (for example, ACTEW).

Figure 3 below compares the ACT's net financial liabilities as a proportion of revenue with other jurisdictions. It shows that the ACT has one of the lowest levels of net financial liabilities of all jurisdictions (and below the weighted average level for all AAA rated jurisdictions).

Figure 3: Net Financial Liabilities to Revenue Ratio – General Government Sector

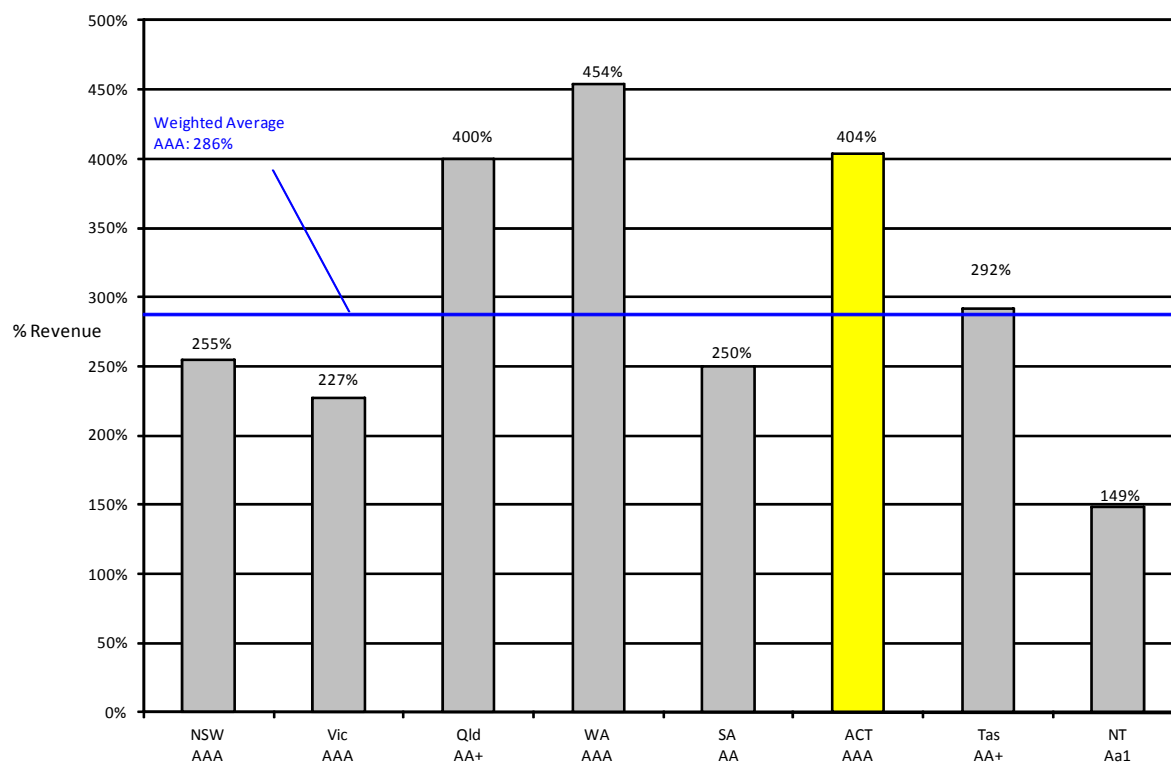


Note: The inter-jurisdictional data used reflects information presented in each jurisdiction's 2012-13 Budget (or Mid Year) Review, except for the Northern Territory where the 2012-13 Mini Budget has been used.

NET WORTH

The broadest measure of a jurisdiction's balance sheet is net worth, which measures the total value of all assets less all liabilities. The ACT has strong positive net worth as a proportion of revenue, and remains one of the strongest of all Australian jurisdictions.

Figure 4: Net Worth to Revenue Ratio – General Government Sector



Note: The inter-jurisdictional data used reflects information presented in each jurisdiction's 2011-12 Budget (or Mid Year) Review, except for Tasmania, where data from its respective 2011-12 Budget was used.

FULLY FUNDING THE TERRITORY'S UNFUNDED SUPERANNUATION LIABILITY BY 2030

The coverage of the Territory's superannuation liabilities with investment assets was 30 per cent as at 30 June 2012 and this is currently projected to increase to approximately 49 per cent as at 30 June 2013 (consistent with the original Budget estimate).

Investments managed by the SPA are subject to market risk. These investments have experienced, and will continue to experience, significant fluctuations in value according to the conditions in domestic and international investment markets. These market fluctuations have resulted in significant investment gains and losses in recent years and cannot be predicted with certainty, particularly over the shorter term.

The SPA investment portfolio has a long-term investment strategy that is based on a strategic asset allocation that is expected to deliver a long-term average return of the Consumer Price Index (CPI) plus 5 per cent per annum (net of fees).

Over the last 16 financial years to 30 June 2012, and incorporating the 2012-13 revised estimated outcome, the SPA investment portfolio will have generated a net return of CPI plus 4.3 per cent per annum, compared with the long term target return objective of CPI plus 5 per cent per annum.

Table 13: Superannuation Provision Account

	2012-13 \$m	2013-14 \$m	2014-15 \$m	2015-16 \$m
Superannuation Assets	2,477.5	2,632.3	2,784.1	2,932.4
Superannuation Liabilities	5,105.3	5,379.5	5,647.8	5,909.8
Percentage of Funded Superannuation (%)	49	49	49	50

Note: Superannuation liabilities reflect a long-term expected average discount rate of 6 per cent.

MAINTAINING QUALITY SERVICES AND INFRASTRUCTURE

The *Report on Government Services 2013* released by the Productivity Commission on 31 January 2013 shows the ACT leads the country in delivering high quality government services.

The Report, which is an annual comparison of State and Territory government services, confirmed that the ACT continues to deliver services that make an important difference to people's lives.

The ACT had:

- the highest NAPLAN score results for years 3, 5, 7 and 9 students in reading and numeracy, and the highest school participation rate for 14-19 year olds;
- the highest apparent retention rate of all jurisdictions from year 10 to 12 for full-time secondary students in public schools (102 per cent);
- the highest Year 12 completion rates (75 per cent);
- the highest proportion of students completing vocational education and training diplomas and above (24.3 per cent), and the highest proportion of government funded vocational education and training graduates who were employed or engaged in further study after completing a course;
- prioritised access to public housing to better meet the needs of clients;
- more people with disabilities accessing specialist services than nationally (68.8 per cent);
- high levels of satisfaction with police services (75.6 per cent);
- the highest ranking in the country in containing fires within structures like houses;
- marked improvements in the clearance rate of civil matters in the Supreme Court;
- the highest proportion of community follow-up for patients with a mental illness, following discharge from hospital, with 78.6 per cent of mental health patients seen within seven days of leaving hospital, compared to 54.3 per cent nationally, and the lowest proportion of readmissions to hospital for psychiatric patients within 28 days of discharge; and
- falling median waiting times for elective surgery, from 76 days in 2010-11 to 63 days in 2011-12.

CHAPTER 3: ECONOMIC CONDITIONS

KEY POINTS

The balance of risks to the ACT economic outlook has not materially changed since the 2012-13 PEBU. Global equity and commodity markets have risen at the start of 2013, but many developed economies continue to face challenges, including fiscal consolidation, persistently high unemployment rates and weak consumer and business confidence. Global economic activity is expected to strengthen only gradually and to remain diverse across economic regions.

Domestic economic growth is likely to be slightly below trend over the coming year. The outlook is sensitive to prospects for mining investment and the timing and extent of the anticipated recovery in private investment outside the resources sector.

The economic outlook for the ACT in 2012-13 has improved somewhat since the 2012-13 PEBU, but soft economic conditions are expected to extend into 2013-14. Moderating economic growth as a result of constrained Commonwealth Government outlays and weakening investment growth is expected to weigh on the labour market and property market.

The economic forecasts continue to have a larger-than-usual degree of uncertainty due to the downside risks to the global economic outlook and uncertainty with respect to the strength and timing of Commonwealth Government fiscal consolidation.

ECONOMIC FORECASTS

The economic forecasts have been updated for this Review. Table 14 details the latest forecasts and compares them with those published in the 2012-13 PEBU.

Table 14: Economic Forecasts, Year Average Percentage Change

	Actual	PEBU (a)	Budget Review (a)(e)	Estimate (a)	Projections (a)(b)	
	2011-12	2012-13	2012-13	2013-14	2014-15	2015-16
Gross State Product	3.5	2	2¼	1½	3	3
Employment	0.6	0	1	0	1¾	1¾
State Final Demand	4.2	½	1¼	¼	4¾	4¾
Consumer Price Index	2.5	2¼	2½	2¼	2½	2½
Wage Price Index^(c)	3.3	3½	3½	3¼	4	4
Population^(d)	1.9	1½	1½	1½	1½	1½

Notes:

- a) Forecasts and projections are rounded to a ¼ of a percentage point to reflect the relative level of accuracy used in forecasting economic parameters.
- b) Projections are based on long-run averages and are provided for planning purposes only. They do not reflect an expectation (forecast) of actual outcomes.
- c) Total hourly rates of pay excluding bonuses.
- d) The forecasts are based on the rate of growth from the June quarter compared to the June quarter of the previous year, rather than 'year average' as with all other forecasts.
- e) The forecasts incorporate the estimated impact of the Commonwealth Government's carbon price scheme, commencing in 2012-13.

ECONOMIC OUTLOOK FOR 2012-13

The economic outlook for the ACT in 2012-13 has improved somewhat since the 2012-13 PEBU, but economic and employment growth is nevertheless expected to be below trend in an environment of Commonwealth Government fiscal consolidation and ongoing global economic uncertainty.

Global economic growth continues to be hampered significantly by poor fundamentals and slow policy reform in Europe as well as the uncertainty over the course of fiscal policy in the United States.

Domestic economic growth is likely to be slightly below trend over the coming year. The outlook is sensitive to prospects for mining investment and the timing and extent of the anticipated recovery in private investment outside the resources sector. The outlook for domestic economic performance is likely to remain uneven across industries as well as jurisdictions.

A major contributing factor to the economic forecasts is the dampening impact on economic activity in the ACT originating from constrained Commonwealth Government outlays, which is expected to subtract from economic growth in 2012-13.

This effect will be partly offset by the accommodative monetary policy stance. The Reserve Bank of Australia has reduced the cash rate by a further 50 basis points since the 2012-13 PEBU. The Budget Review forecasts assume that interest rates will remain below average over the forecast years in line with market expectations.

In 2012-13, expenditure in the ACT as measured by SFD was revised upwards from ½ per cent to 1¼ per cent, mainly reflecting a higher (albeit still sharply downward trending) investment growth profile.

The forecast for GSP growth in 2012-13 was revised slightly upwards from 2 per cent to 2¼ per cent consistent with the stronger expectations for final demand and employment growth.

The employment growth forecast for 2012-13 was revised upwards from 0 per cent to 1 per cent, in line with stronger-than-expected Labour Force Survey results in the second half of 2012. Despite ongoing jobs growth at the end of 2012 as reported by the ABS, the unemployment rate has continued to trend upward and forward-looking indicators of labour demand in the ACT continued to weaken, reflecting softer labour market conditions going forward.

Investment growth is expected to decelerate sharply following solid growth in the past three years. The investment growth profile, however, is somewhat higher than at the 2012-13 PEBU given a slower-than-expected decline in investment growth. Investment remains an important component of economic activity, with its share of SFD expected to remain at record levels.

Household final consumption expenditure growth is expected to be supported by population growth and the current accommodative monetary policy stance. The Commonwealth Government also introduced once-off payments (and on-going support) associated with the introduction of the carbon price and assistance for families with school-aged children in the middle of 2012. However, growth is expected to be hampered by softer labour market conditions and cautious spending and borrowing behaviour.

2012-13 Budget Review

In an environment of softer economic activity in the ACT, underlying price pressures are expected to remain moderate. Forecast growth in CPI has been revised up slightly from 2¼ per cent to 2½ per cent consistent with the stronger final demand and labour market outlook.

The forecast for annual growth in the Wage Price Index (WPI) is unchanged at 3½ per cent in 2012-13. The WPI growth forecast is slightly below the historical five-year average growth rate, reflecting the softer labour market outlook.

Population growth remains solid and should continue to support consumption growth and the demand for residential property. Growth of 1½ per cent is projected in 2012-13 and each of the forward years. This is slightly stronger than the historical long-run average growth rate of 1¼ per cent.

REVISIONS TO THE FORWARD ESTIMATES

Weak economic activity is expected to extend into 2013-14, mainly reflecting the adverse impact on final demand due to Commonwealth Government fiscal consolidation.

In 2013-14, economic growth in the ACT as measured by SFD is forecast to moderate to ¼ per cent, primarily in response to reduced Commonwealth Government outlays and subdued investment growth. GSP growth is forecast to remain below trend at 1½ per cent in 2012-13, in line with moderating employment and final demand growth.

Employment growth is forecast to be flat in 2013-14, mainly reflecting the impact of constrained Commonwealth Government expenditure that is expected to lead to a further moderation in economic growth.

The weaker outlook for SFD and demand for labour is expected to help contain inflationary pressures. Consumer price inflation is expected to decelerate slightly to 2¼ per cent in 2013-14, reflecting moderating economic activity, while WPI growth is expected to moderate to 3¼ per cent, in line with softer labour market conditions.

The population forecasts reflect the official ACT Demographic projections of 1½ per cent.

The projections of key economic parameters, based on long-run averages, for the years 2014-15 and 2015-16 are unchanged from the 2012-13 PEBU.

APPENDIX 1: DETAILED FINANCIAL PROJECTIONS

GENERAL GOVERNMENT SECTOR

- Taxation Revenue
- Operating Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement

PUBLIC TRADING SECTOR

- Operating Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement

TOTAL TERRITORY

- Operating Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement

NOMINAL LOAN COUNCIL ALLOCATION

2012-13 Budget Review

Australian Capital Territory General Government Sector Taxation Revenue

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
General Tax						
Payroll Tax	314,277	324,524	329,680	350,839	373,365	397,363
Tax Waivers	1,490	315	315	323	331	339
General Rates	208,809	297,051	291,906	325,602	361,187	398,654
Land Tax	115,116	66,488	66,488	70,045	73,696	77,441
Total General Tax	639,692	688,378	688,389	746,809	808,579	873,797
Duties						
Conveyances	238,775	272,609	266,439	266,797	273,960	286,352
General Insurance	48,242	37,158	40,027	30,755	21,198	10,820
Leases*	-10	-	-	-	-	-
Life Insurance	2,084	1,726	1,730	1,328	916	467
Motor Vehicle Registrations and Transfers	27,935	31,152	29,079	30,940	32,921	35,028
Shares and Marketable Securities [#]	690	-	-	-	-	-
Total Duties	317,715	342,645	337,275	329,820	328,995	332,667
Gambling Taxes						
ACTTAB Licence Fee	1,465	1,548	1,548	1,568	1,589	1,610
Gaming Tax	35,714	34,925	34,925	35,799	36,694	37,611
Casino Tax	2,022	2,166	2,166	2,220	2,275	2,332
Interstate Lotteries	14,079	12,761	15,000	13,860	14,187	14,522
Total Gambling Taxes	53,280	51,400	53,639	53,447	54,745	56,075
Other Taxes						
Motor Vehicle Registration	94,247	98,659	98,659	103,825	109,263	113,613
Ambulance Levy	15,990	16,380	15,990	16,790	17,629	18,511
Lease Variation Charge	8,725	23,484	19,499	24,641	26,365	28,211
Utilities (Network Facilities) Tax	20,086	23,429	23,429	24,402	25,418	26,475
Fire and Emergency Service Levy	28,003	29,526	29,026	30,817	32,143	33,509
City Centre Marketing and Improvements Levy	1,965	1,971	1,971	1,902	1,835	1,808
Energy Industry Levy	3,345	2,120	2,120	2,120	2,120	2,120
Total Other Taxes	172,361	195,569	190,694	204,497	214,773	224,247
Total Taxation	1,183,048	1,277,992	1,269,997	1,334,573	1,407,092	1,486,786

*Duty on leases was abolished on 1 July 2009. Amounts shown reflect transactions relating to the 2008-09 financial year.

Duty on shares and marketable securities was abolished on 1 July 2010. The 2011-12 actual reflects payment for transactions relating to previous years.

2012-13 Budget Review

Australian Capital Territory General Government Sector Operating Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Revenue						
Taxation Revenue	1,183,048	1,277,992	1,269,997	1,334,573	1,407,092	1,486,786
Grants Revenue						
Commonwealth Grants	1,604,691	1,568,718	1,603,279	1,735,914	1,870,940	1,945,132
Gains from Contributed Assets	93,082	91,681	91,681	119,004	113,632	82,604
Sales of Goods and Services	472,368	472,932	471,613	487,467	501,872	516,305
Interest Income	167,530	142,775	153,693	135,563	144,111	152,461
Dividend and Income Tax Equivalents Income	446,111	282,858	350,181	333,759	327,235	458,498
Other Revenue	151,494	114,765	119,113	120,038	122,294	125,346
Total Revenue	4,118,324	3,951,721	4,059,557	4,266,318	4,487,176	4,767,132
Expenses						
Employee Expenses	1,463,920	1,527,566	1,529,025	1,559,027	1,612,045	1,658,517
Superannuation Expenses						
Superannuation Interest Cost	265,327	297,660	264,214	314,020	330,166	345,955
Other Superannuation Expense	236,732	236,567	353,489	236,228	237,739	244,357
Depreciation and Amortisation	301,673	324,488	325,394	345,490	360,967	363,268
Interest Expense	95,660	112,728	125,950	144,402	155,287	152,148
Other Operating Expenses						
Supplies and Services	769,539	888,385	909,356	886,627	945,123	981,901
Other Operating Expenses	195,460	199,840	198,654	209,951	214,695	223,743
Grant Expenses	747,304	760,187	781,816	789,659	819,337	857,312
Total Expenses	4,075,616	4,347,421	4,487,898	4,485,404	4,675,359	4,827,201
UPF Net Operating Balance	42,708	-395,700	-428,341	-219,086	-188,183	-60,069
Other Economic Flows - included in the Operating Result						
Dividends - Market Gains on Land Sales	14,824	12,228	1,865	6,455	28,952	10,537
Net Land Revenue (Undeveloped Land Value)	128,599	120,445	68,702	156,899	219,282	206,097
Net Gain/(Loss) on Sale of Non-Financial Assets	-63,678	-379	-310	-222	43	308
Net Gain/(Loss) on Financial Assets or Liabilities at Fair Value	-132,921	77,376	141,500	80,349	85,019	89,427
Doubtful Debts	-9,852	-3,350	-3,350	-3,379	-3,418	-3,493
Operating Result	-20,320	-189,380	-219,934	21,016	141,695	242,807

2012-13 Budget Review

Australian Capital Territory General Government Sector Operating Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Other Economic Flows - Other Movements in Equity						
Superannuation Prior Year Actuarial Movement	-2,353,611	-	2,754,765	-	-	-
Prior Year Adjustment	3,562	-	-	-	-	-
Other Movements	32	-1,271	-1,272	-1,453	-158	-175
Increase/(Decrease) in Asset Revaluation Surplus	328,171	13,604	15,915	18,725	18,767	19,450
Increase/(Decrease) in Other Reserves	-3,981	571	-1,144	4,117	-	-
Total Comprehensive Income	-2,046,147	-176,476	2,548,329	42,405	160,304	262,082
UPF Net Operating Balance	42,708	-395,700	-428,341	-219,086	-188,183	-60,069
<i>less Net Acquisition of Non-Financial Assets</i>						
Purchases of Non-Financial Assets	734,836	993,089	822,124	811,188	539,954	279,356
Sales of Non-Financial Assets	-14,178	-4,548	-5,208	-2,415	-2,374	-2,619
Land Revenue (Net Cash Receipts)	-121,605	-134,766	-83,023	-119,508	-211,682	-198,497
Depreciation and Amortisation	-301,673	-324,488	-325,394	-345,490	-360,967	-363,268
Other Movements in Non-Financial Assets	83,918	90,657	90,657	117,376	113,003	81,965
<i>Total Net Acquisition of Non-Financial Assets</i>	<i>381,297</i>	<i>619,944</i>	<i>499,156</i>	<i>461,151</i>	<i>77,934</i>	<i>-203,063</i>
Net Lending / (Borrowing)	-338,589	-1,015,644	-927,497	-680,237	-266,117	142,994

AUSTRALIAN CAPITAL TERRITORY NET OPERATING BALANCE						
UPF Net Operating Balance	42,708	-395,700	-428,341	-219,086	-188,183	-60,069
Expected Long Term Capital Gains on Superannuation Investments	1,081	77,376	65,401	80,349	85,019	89,427
HEADLINE NET OPERATING BALANCE	43,789	-318,324	-362,940	-138,737	-103,164	29,358

2012-13 Budget Review

Australian Capital Territory General Government Sector Balance Sheet

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Financial Assets						
Cash and Deposits	320,994	203,878	310,963	310,975	323,426	337,497
Advances Paid	1,453,607	1,450,190	1,555,506	1,581,789	1,631,432	1,670,552
Investments, Loans and Placements	3,152,972	3,026,185	3,135,934	3,190,377	3,486,514	3,646,042
Receivables	511,164	398,673	424,307	475,801	503,097	533,328
Equity - Investments in Other Public Sector Entities	5,523,094	5,689,022	5,618,780	5,740,547	5,854,072	5,973,384
Total Financial Assets	10,961,830	10,767,948	11,045,490	11,299,489	11,798,541	12,160,803
Non-Financial Assets						
Produced Assets						
Property, Plant and Equipment	10,600,981	10,540,867	10,986,887	11,554,896	11,745,553	11,631,640
Investment Properties	2,500	2,500	2,400	2,400	2,400	2,400
Intangibles	22,563	78,717	36,413	65,773	73,815	53,786
Inventories	12,473	13,470	12,790	13,106	13,421	13,736
Assets Held for Sale	864	1,135	1,040	1,019	998	978
Capital Works-in-Progress	653,153	779,190	705,268	616,080	586,275	617,156
Non Produced Assets						
Property, Plant and Equipment	2,420,416	2,603,826	2,538,037	2,644,193	2,755,678	2,872,762
Biological Assets	28,429	26,045	28,429	28,429	28,429	28,429
Total Non-Financial Assets	13,741,378	14,045,750	14,311,264	14,925,896	15,206,569	15,220,887
Total Assets	24,703,208	24,813,698	25,356,754	26,225,385	27,005,110	27,381,690
Liabilities						
Deposits Held	120,410	35,466	32,159	36,496	103,954	106,309
Advances Received	89,741	86,420	86,420	82,975	79,400	75,679
Borrowings						
Finance Leases	23,886	24,131	22,311	21,255	20,502	19,796
Other Borrowings	1,961,028	2,446,296	2,608,394	3,007,696	3,158,018	2,858,840
Superannuation	7,499,945	5,104,557	5,105,309	5,379,487	5,647,817	5,909,767
Other Employee Benefits and Provisions	538,119	548,856	558,891	584,056	607,852	630,974
Payables	659,197	626,698	520,057	544,910	594,761	626,225
Other Liabilities	18,401	21,432	27,269	41,424	14,628	14,822
Total Liabilities	10,910,727	8,893,856	8,960,810	9,698,299	10,226,932	10,242,412
Net Assets	13,792,482	15,919,842	16,395,944	16,527,086	16,778,178	17,139,278
Equity in Public Trading Entities	5,523,094	5,689,022	5,618,780	5,740,547	5,854,072	5,973,384
Accumulated Funds	3,143,727	5,555,625	5,636,732	5,623,265	5,742,065	5,964,403
Asset Revaluation Surplus	5,128,585	4,677,126	5,144,500	5,163,225	5,181,992	5,201,442
Other Reserves	-2,924	-1,931	-4,068	49	49	49
Net Worth	13,792,482	15,919,842	16,395,944	16,527,086	16,778,178	17,139,278
Net Financial Worth	51,103	1,874,092	2,084,680	1,601,190	1,571,609	1,918,391
Net Financial Liabilities	5,471,991	3,814,930	3,534,100	4,139,357	4,282,463	4,054,993
Net Debt (including Super related Investments)	-2,732,508	-2,087,940	-2,253,119	-1,934,719	-2,079,498	-2,593,467
Net Debt (excluding Super related Investments)	-473,174	417,201	224,426	697,603	704,592	338,962

2012-13 Budget Review

Australian Capital Territory General Government Sector Statement of Changes in Equity

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Opening Equity						
Opening Equity in Public Trading Entities	5,522,264	5,569,410	5,523,094	5,618,780	5,740,547	5,854,072
Opening Accumulated Funds	5,549,682	5,794,794	3,143,726	5,636,732	5,623,265	5,742,065
Opening Asset Revaluation Surplus	4,802,579	4,663,522	5,128,585	5,144,500	5,163,225	5,181,992
Opening Other Reserves	1,057	-2,502	-2,924	-4,068	49	49
Opening Balance	15,875,583	16,025,224	13,792,481	16,395,944	16,527,086	16,778,178
Comprehensive Income						
<i>Included in Accumulated Funds:</i>						
Operating Result for the Period	-20,320	-189,380	-219,934	21,016	141,695	242,807
Superannuation Prior Year Actuarial Movement	-2,353,611	-	2,754,765	-	-	-
Prior Year Adjustment	3,562	-	-	-	-	-
Other Movements	32	-1,271	-1,272	-1,453	-158	-175
<i>Included in Asset Revaluation Surplus:</i>						
Increase/(Decrease) in Asset Revaluation Surplus	328,171	13,604	15,915	18,725	18,767	19,450
<i>Included in Other Reserves:</i>						
Increase/(Decrease) in Other Reserves	-3,981	571	-1,144	4,117	-	-
Total Comprehensive Income	-2,046,147	-176,476	2,548,329	42,405	160,304	262,082
Other						
Transfer to/(from) Accumulated Funds	2,165	-	-	-	-	-
Movement in Asset Revaluation Surplus	-2,165	-	-	-	-	-
Total Other	0	0	0	0	0	0
Transactions Involving Owners Affecting Accumulated Funds						
<i>Included in Accumulated Funds:</i>						
Capital Injections	-37,784	-48,518	-40,553	-33,030	-22,737	-20,294
<i>Included in Equity in Public Trading Entities:</i>						
Increase/(Decrease) in Net Assets of Public Trading Entities	830	119,612	95,686	121,767	113,525	119,312
Total Transactions Involving Owners Affecting Accumulated Funds	-36,954	71,094	55,133	88,737	90,788	99,018
Closing Equity						
Closing Equity in Public Trading Entities	5,523,094	5,689,022	5,618,780	5,740,547	5,854,072	5,973,384
Closing Accumulated Funds	3,143,726	5,555,625	5,636,732	5,623,265	5,742,065	5,964,403
Closing Asset Revaluation Surplus	5,128,585	4,677,126	5,144,500	5,163,225	5,181,992	5,201,442
Closing Other Reserves	-2,924	-1,931	-4,068	49	49	49
Balance at the End of the Reporting Period	13,792,482	15,919,842	16,395,944	16,527,086	16,778,178	17,139,278

2012-13 Budget Review

Australian Capital Territory General Government Sector Cash Flow Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Cash Flows from Operating Activities						
<i>Cash Receipts</i>						
Taxes Received	1,174,570	1,279,178	1,269,361	1,335,831	1,408,424	1,488,197
Receipts from Sales of Goods and Services	575,052	470,368	551,525	602,411	708,974	710,169
Grants/Subsidies Received	1,601,448	1,568,158	1,555,460	1,724,828	1,859,724	1,934,165
Interest Receipts	156,390	140,052	148,628	128,397	138,265	146,186
Dividends and Income Tax Equivalents*	353,646	251,379	393,184	355,736	349,863	482,481
Other Receipts	386,566	436,994	353,209	351,717	348,856	352,077
Total Cash Received from Operating Activities	4,247,673	4,146,129	4,271,367	4,498,920	4,814,106	5,113,275
<i>Cash Payments</i>						
Payments for Employees	-1,656,461	-1,773,777	-1,775,593	-1,817,091	-1,895,517	-1,972,061
Payments for Goods and Services	-757,819	-874,583	-899,657	-873,735	-939,651	-980,159
Grants/Subsidies Paid	-737,289	-773,610	-795,298	-801,100	-830,595	-869,799
Interest Paid	-87,434	-106,809	-118,630	-134,004	-144,285	-140,708
Other Payments	-380,827	-432,410	-422,320	-420,676	-398,050	-424,816
Total Cash Paid from Operating Activities	-3,619,830	-3,961,189	-4,011,498	-4,046,606	-4,208,098	-4,387,543
Net Cash Flows from Operating Activities	627,843	184,940	259,869	452,314	606,008	725,732
Cash Flows from Investing Activities						
Cash Flows from Investments in Non-Financial Assets						
Sales of Non-Financial Assets	14,178	139,314	5,208	2,415	2,374	2,619
Purchase of Non-Financial Assets	-734,836	-993,089	-822,124	-811,188	-539,954	-279,356
Net Cash Flows from Investments in Non-Financial Assets	-720,658	-853,775	-816,916	-808,773	-537,580	-276,737
Cash Flows from Investments in Financial Assets for Policy Purposes						
<i>Cash Receipts</i>						
Repayment of Loans	920	1,684	1,590	1,651	1,678	1,717
Dividends - Market Gains on Land Sales	14,824	12,228	1,865	6,455	28,952	10,537
Total Cash Received from Investment in Financial Assets for Policy Purposes	15,744	13,912	3,455	8,106	30,630	12,254
<i>Cash Payments</i>						
Issue of Loans	-46,135	-3,902	-5,142	-64	-64	-62
Capital Payments to Government Agencies	-37,784	-48,518	-42,653	-29,304	-22,737	-20,294
Total Cash Paid from Investments in Financial Assets for Policy Purposes	-83,919	-52,420	-47,795	-29,368	-22,801	-20,356
Net Cash Flows from Investments in Financial Assets for Policy Purposes	-68,175	-38,508	-44,340	-21,262	7,829	-8,102

*From 2011-12 dividend receipts on superannuation investments were reclassified from other receipts to dividend and income tax equivalents. This treatment is not reflected in the 2012-13 Budget figures.

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Australian Capital Territory General Government Sector Cash Flow Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Cash Flows from Investments in Financial Assets for Liquidity Purposes						
Sales of Investments	218,369	553,129	448,534	271,781	129,226	81,623
Purchase of Investments	-318,069	-389,115	-384,259	-250,170	-277,015	-153,185
Cash Flows from Investments in Financial Assets for Liquidity Purposes	-99,700	164,014	64,275	21,611	-147,789	-71,562
Net Cash Flows from Investing Activities	-888,533	-728,269	-796,981	-808,424	-677,540	-356,401
Cash Flows from Financing Activities						
<i>Cash Receipts</i>						
Borrowings	569,767	550,522	707,113	407,211	158,890	23,583
Total Cash Received from Financing Activities	569,767	550,522	707,113	407,211	158,890	23,583
<i>Cash Payments</i>						
Borrowings	-227,528	-15,350	-114,172	-51,089	-74,907	-378,843
Total Cash Paid from Financing Activities	-227,528	-15,350	-114,172	-51,089	-74,907	-378,843
Net Cash Flows from Financing Activities	342,239	535,172	592,941	356,122	83,983	-355,260
Net Increase/(Decrease) in Cash Held	81,549	-8,157	55,829	12	12,451	14,071
Cash and Cash Equivalents at the Beginning of Reporting Period	189,243	227,252	270,791	326,620	326,632	339,083
Cash and Cash Equivalents at the End of Reporting Period	270,792	219,095	326,620	326,632	339,083	353,154
Key Fiscal Aggregates						
Net Cash from Operating Activities	627,843	184,940	259,869	452,314	606,008	725,732
Investments in Non-Financial Assets	-720,658	-853,775	-816,916	-808,773	-537,580	-276,737
Cash Surplus (+) / Deficit (-)	-92,815	-668,835	-557,047	-356,459	68,428	448,995
<i>A positive number denotes a cash inflow, a negative sign denotes a cash outflow</i>						
Derivation of ABS GFS Cash Surplus/Deficit						
Cash Surplus (+) / Deficit (-)	-92,815	-668,835	-557,047	-356,459	68,428	448,995
Acquisitions Under Finance Leases and Similar Arrangements ^(a)	-	-	-	-	-	-
ABS GFS Cash Surplus (+) / Deficit (-) Including Finance and Similar Arrangements	-92,815	-668,835	-557,047	-356,459	68,428	448,995

Note:

(a) Finance leases are shown with a negative sign as they are deducted in compiling the ABS GFS cash surplus/deficit.

2012-13 Budget Review

Australian Capital Territory Public Trading Enterprise Operating Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Revenue						
Government Payment for Outputs	153,552	146,651	148,326	140,595	141,486	142,112
Grants Revenue						
Commonwealth Grants	1,228	-	-	-	-	-
Gains from Contributed Assets	3,906	405	405	1,000	-	-
Sales of Goods and Services Revenue						
Revenue from Associates and Joint Ventures	120,556	104,308	109,589	89,191	82,646	88,589
Other Sales of Goods and Services	386,755	452,448	449,324	488,875	509,706	530,874
Interest Income	12,348	16,486	7,128	4,715	4,134	3,879
Distributions from the Territory Banking Account*	7,253	-	3,368	3,060	2,625	2,659
Other Revenue						
Land Revenue (Value Add Component)	280,761	243,946	253,688	278,009	291,032	505,530
Other Revenue	13,038	11,569	19,474	14,797	15,416	15,875
Total Revenue	979,399	975,813	991,302	1,020,242	1,047,045	1,289,518
Expenses						
Employee Expenses	119,258	160,916	161,923	161,413	165,556	169,497
Superannuation Expenses	14,963	18,933	19,269	19,256	19,080	18,951
Depreciation and Amortisation	67,273	66,092	64,794	75,087	77,379	79,571
Interest Expenses	69,855	93,336	86,506	91,071	90,628	96,468
Other Property Expenses (Income Tax Expense)	92,919	70,225	76,855	81,874	85,515	117,912
Other Operating Expenses						
Supplies and Services	130,894	156,551	161,208	159,945	164,669	163,102
Other Operating Expenses	242,955	182,133	161,999	138,554	191,578	330,259
Grant Expenses	73,416	87,292	105,095	108,008	99,512	69,657
Total Expenses	811,535	835,478	837,649	835,208	893,917	1,045,417
UPF Net Operating Balance	167,864	140,335	153,653	185,034	153,128	244,101
Other Economic Flows - included in the Operating Result						
Land Revenue (Market Gains on Land Sales)	21,177	17,469	2,665	9,221	41,359	15,053
Net Gain/(Loss) on Sale of Non-Financial Assets	-1,089	-23,582	-23,582	-35,645	-31,310	-17,852
Net Gain/(Loss) on Financial Assets or Liabilities at Fair Value	412	298	764	437	431	424
Doubtful Debts	-2,150	-1,904	-1,901	-1,966	-2,026	-2,087
Operating Result	186,214	132,616	131,599	157,081	161,582	239,639

*From 2011-12 interest received from investments with the Territory Banking Account are no longer presented as Interest Income. These amounts are now reflected under the line item Distributions from the Territory Banking Account. This treatment is not reflected in the 2012-13 Budget figures.

2012-13 Budget Review

Australian Capital Territory Public Trading Enterprise Operating Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Other Economic Flows - Other Movements in Equity						
Prior Year Adjustment	-299	-	-	-	-	-
Increase/(Decrease) in Asset Revaluation Surplus	-2,447	99,625	99,552	118,588	123,963	129,357
Increase/(Decrease) in Other Reserves	3,010	-	-	-	-	-
Total Comprehensive Income	186,478	232,241	231,151	275,669	285,545	368,996
UPF Net Operating Balance	167,864	140,335	153,653	185,034	153,128	244,101
less Net Acquisition of Non-Financial Assets						
Purchases of Non-Financial Assets	318,064	258,096	276,816	104,244	128,310	125,571
Sales of Non-Financial Assets	-19,776	-33,055	-44,736	-35,344	-30,944	-44,244
Land Revenue (Net Cash Receipts)	55,996	-27,310	-12,505	-52,816	-31,268	-15,218
Depreciation and Amortisation	-67,273	-66,092	-64,794	-75,087	-77,379	-79,571
Other Movements in Non-Financial Assets	-40,137	-57,579	-57,579	-84,281	-76,425	-45,387
<i>Total Net Acquisition of Non-Financial Assets</i>	<i>246,873</i>	<i>74,060</i>	<i>97,202</i>	<i>-143,284</i>	<i>-87,706</i>	<i>-58,849</i>
Net Lending / (Borrowing)	-79,010	66,275	56,451	328,318	240,834	302,950
AUSTRALIAN CAPITAL TERRITORY NET OPERATING BALANCE						
UPF Net Operating Balance	167,864	140,335	153,653	185,034	153,128	244,101
HEADLINE NET OPERATING BALANCE	167,864	140,335	153,653	185,034	153,128	244,101

2012-13 Budget Review

Australian Capital Territory Public Trading Enterprise Balance Sheet

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Financial Assets						
Cash and Deposits	105,532	49,763	78,255	87,824	111,104	101,569
Investments, Loans and Placements	229,054	89,751	60,181	65,194	133,726	137,492
Receivables	231,855	130,526	158,589	162,503	182,093	185,684
Equity - Investments Accounted for Using the Equity Method	586,162	625,311	625,650	630,785	653,603	684,725
Total Financial Assets	1,152,602	895,351	922,675	946,306	1,080,526	1,109,470
Non-Financial Assets						
Produced Assets						
Property, Plant and Equipment	2,704,960	3,323,821	3,275,329	3,359,944	3,431,185	3,487,506
Intangibles	34,208	24,702	22,598	22,510	22,546	22,713
Inventories	148,009	219,909	235,728	249,711	153,994	145,482
Assets Held for Sale	6,318	4,336	6,575	6,844	7,113	7,382
Capital Works-in-Progress	564,530	134,301	142,716	127,322	121,025	116,589
Non Produced Assets						
Property, Plant and Equipment	3,082,265	3,195,175	3,152,014	3,225,112	3,301,954	3,388,274
Other Non-Financial Assets						
Deferred Tax Assets	26,603	27,551	31,299	31,392	31,489	31,584
Other Non-Financial Assets	2	6,027	5	8	11	14
Total Non-Financial Assets	6,566,895	6,935,822	6,866,264	7,022,843	7,069,317	7,199,544
Total Assets	7,719,497	7,831,173	7,788,939	7,969,149	8,149,843	8,309,014
Liabilities						
Advances Received	1,449,786	1,439,815	1,509,514	1,515,181	1,561,705	1,600,431
Borrowings						
Finance Leases	958	845	978	996	1,016	1,035
Other Employee Benefits and Provisions	233,502	177,485	251,097	255,577	258,538	261,102
Payables	114,642	152,975	57,424	99,401	104,304	96,248
Other Liabilities						
Current Tax Liability	51,286	16,754	22,606	20,289	26,285	25,260
Deferred Tax Liability	321,301	351,624	303,560	312,122	320,125	327,756
Other Liabilities	24,927	2,653	24,980	25,036	23,798	23,798
Total Liabilities	2,196,403	2,142,151	2,170,159	2,228,602	2,295,771	2,335,630
Net Assets	5,523,094	5,689,022	5,618,780	5,740,547	5,854,072	5,973,384
Accumulated Funds	2,140,443	2,177,395	2,158,577	2,183,756	2,195,318	2,207,273
Asset Revaluation Surplus	3,369,811	3,501,797	3,447,363	3,543,951	3,645,914	3,753,271
Other Reserves	12,840	9,830	12,840	12,840	12,840	12,840
Net Worth	5,523,094	5,689,022	5,618,780	5,740,547	5,854,072	5,973,384
Net Financial Worth	-1,043,801	-1,246,800	-1,247,484	-1,282,296	-1,215,245	-1,226,160
Net Debt	1,116,159	1,301,146	1,372,056	1,363,159	1,317,891	1,362,405

2012-13 Budget Review

Australian Capital Territory Public Trading Enterprise Statement of Changes in Equity

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Opening Equity						
Opening Accumulated Funds	2,125,367	2,135,408	2,140,443	2,158,577	2,183,756	2,195,318
Opening Asset Revaluation Surplus	3,387,067	3,424,172	3,369,811	3,447,363	3,543,951	3,645,914
Opening Other Reserves	9,830	9,830	12,840	12,840	12,840	12,840
Opening Balance	5,522,264	5,569,410	5,523,094	5,618,780	5,740,547	5,854,072
Comprehensive Income						
<i>Included in Accumulated Funds:</i>						
Operating Result for the Period	186,214	132,616	131,599	157,081	161,582	239,639
Prior Year Adjustment	-299	-	-	-	-	-
<i>Included in Asset Revaluation Surplus:</i>						
Increase/(Decrease) in Asset Revaluation Surplus	-2,447	99,625	99,552	118,588	123,963	129,357
<i>Included in Other Reserves:</i>						
Increase/(Decrease) in Other Reserves	3,010	-	-	-	-	-
Total Comprehensive Income	186,478	232,241	231,151	275,669	285,545	368,996
Other						
Transfer to/(from) Accumulated Funds	14,809	22,000	22,000	22,000	22,000	22,000
Movement in Asset Revaluation Surplus	-14,809	-22,000	-22,000	-22,000	-22,000	-22,000
Total Other	0	0	0	0	0	0
Transactions Involving Owners Affecting Accumulated Funds						
Capital Injections	37,784	48,518	40,553	33,030	22,737	20,294
Dividends Approved	-221,866	-161,147	-176,018	-186,932	-194,757	-269,978
Total Transactions Involving Owners Affecting Accumulated Funds	-184,082	-112,629	-135,465	-153,902	-172,020	-249,684
Closing Equity						
Closing Accumulated Funds	2,140,443	2,177,395	2,158,577	2,183,756	2,195,318	2,207,273
Closing Asset Revaluation Surplus	3,369,811	3,501,797	3,447,363	3,543,951	3,645,914	3,753,271
Closing Other Reserves	12,840	9,830	12,840	12,840	12,840	12,840
Balance at the End of the Reporting Period	5,523,094	5,689,022	5,618,780	5,740,547	5,854,072	5,973,384

2012-13 Budget Review

Australian Capital Territory Public Trading Enterprise Cash Flow Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Cash Flows from Operating Activities						
<i>Cash Receipts</i>						
Receipts from Sales of Goods and Services	725,549	857,456	803,416	944,113	1,048,771	1,255,179
Grants/Subsidies Received	160,223	146,651	146,626	140,595	141,486	142,112
Interest Receipts	12,175	16,139	6,782	4,341	3,731	5,476
Distribution from Investments with the Territory Banking Account*	6,676	-	3,368	3,060	2,625	2,659
Other Receipts	85,333	85,262	92,184	116,417	120,643	114,090
Total Cash Received from Operating Activities	989,956	1,105,508	1,052,376	1,208,526	1,317,256	1,519,516
<i>Cash Payments</i>						
Payments for Employees	-131,363	-188,262	-191,256	-181,682	-187,059	-191,750
Payments for Goods and Services	-147,739	-147,518	-146,362	-175,825	-178,624	-176,805
Grants/Subsidies Paid	-27,216	-29,308	-31,321	-22,780	-23,622	-24,430
Interest Paid	-73,161	-86,417	-79,587	-84,796	-84,351	-90,249
Other Payments	-448,856	-455,417	-377,235	-444,764	-431,967	-622,083
Total Cash Paid from Operating Activities	-828,336	-906,922	-825,761	-909,847	-905,623	-1,105,317
Net Cash Flows from Operating Activities	161,621	198,586	226,615	298,679	411,633	414,199
Cash Flows from Investing Activities						
Cash Flows from Investments in Non-Financial Assets						
Sales of Non-Financial Assets	19,898	33,055	44,736	35,344	30,944	44,244
Purchase of Non-Financial Assets	-318,064	-258,096	-276,816	-104,244	-128,310	-125,571
Net Cash Flows from Investments in Non-Financial Assets	-298,166	-225,041	-232,080	-68,900	-97,366	-81,327
Cash Flows from Investments in Financial Assets for Policy Purposes						
<i>Cash Receipts</i>						
Capital Receipts from Government Agencies	37,784	48,518	42,653	29,304	22,737	20,294
Total Cash Received from Investment in Financial Assets for Policy Purposes	37,784	48,518	42,653	29,304	22,737	20,294
<i>Cash Payments</i>						
Dividends - Market Gains on Land Sales	-14,824	-12,228	-1,865	-6,455	-28,952	-10,537
Total Cash Paid from Investment in Financial Assets for Policy Purposes	-14,824	-12,228	-1,865	-6,455	-28,952	-10,537
Net Cash Flows from Investments in Financial Assets for Policy Purposes	22,961	36,290	40,788	22,849	-6,215	9,757
Cash Flows from Investments in Financial Assets for Liquidity Purposes						
Sales of Investments	179,998	188,341	197,904	117,305	110,155	87,527
Purchase of Investments	-36,500	-60,000	-127,781	-95,781	-188,342	-89,882
Cash Flows from Investments in Financial Assets for Liquidity Purposes	143,498	128,341	70,123	21,524	-78,187	-2,355
Net Cash Flows from Investing Activities	-131,707	-60,410	-121,169	-24,527	-181,768	-73,925

*From 2011-12 interest receipts from investments with the Territory Banking Account are no longer presented as Interest Receipts. These amounts are now reflected under the line item Distributions from Investments with the Territory Banking Account. This treatment is not reflected in the 2012-13 Budget figures.

2012-13 Budget Review

Australian Capital Territory Public Trading Enterprise Cash Flow Statement

	2011-12	2012-13	2012-13	2013-14	2014-15	2015-16
	Actual	Annual	Revised	Revised	Revised	Revised
	Outcome	Budget	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Financing Activities						
<i>Cash Receipts</i>						
Borrowings	214,360	16,814	84,814	30,773	72,147	66,039
Total Cash Received from Financing Activities	214,360	16,814	84,814	30,773	72,147	66,039
<i>Cash Payments</i>						
Borrowings	-80,023	-25,462	-28,998	-20,746	-21,836	-23,882
Dividends Paid	-142,180	-183,833	-214,119	-199,355	-185,231	-280,044
Other Financing	-76,189	-97,839	-123,533	-75,722	-71,612	-111,404
Total Cash Paid from Financing Activities	-298,391	-307,134	-366,650	-295,823	-278,679	-415,330
Net Cash Flows from Financing Activities	-84,031	-290,320	-281,836	-265,050	-206,532	-349,291
Net Increase/(Decrease) in Cash Held	-54,118	-152,144	-176,390	9,102	23,333	-9,017
Cash and Cash Equivalents at the Beginning of Reporting Period	342,634	266,256	288,516	112,126	121,228	144,561
Cash and Cash Equivalents at the End of Reporting Period	288,516	114,112	112,126	121,228	144,561	135,544
Key Fiscal Aggregates						
Net Cash from Operating Activities	161,621	198,586	226,615	298,679	411,633	414,199
Net Cash Flows from Investments in Non-Financial Assets	-298,166	-225,041	-232,080	-68,900	-97,366	-81,327
Distributions Paid	-218,369	-281,672	-337,652	-275,077	-256,843	-391,448
Cash Surplus (+) / Deficit (-)	-354,914	-308,127	-343,117	-45,298	57,424	-58,576
Derivation of ABS GFS Cash Surplus/Deficit						
Cash Surplus (+) / Deficit (-)	-354,914	-308,127	-343,117	-45,298	57,424	-58,576
Acquisitions Under Finance Leases and Similar Arrangements ^(a)	-	-	-	-	-	-
ABS GFS Cash Surplus (+) / Deficit (-) Including Finance and Similar Arrangements	-354,914	-308,127	-343,117	-45,298	57,424	-58,576

Note:

(a) Finance leases are shown with a negative sign as they are deducted in compiling the ABS GFS cash surplus/deficit.

2012-13 Budget Review

Australian Capital Territory Consolidated Total Territory Operating Statement

	2011-12	2012-13	2012-13	2013-14	2014-15	2015-16
	Actual	Annual	Revised	Revised	Revised	Revised
	Outcome	Budget	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
Taxation Revenue	1,155,256	1,248,598	1,237,965	1,301,853	1,372,274	1,444,824
Grants Revenue						
Commonwealth Grants	1,605,919	1,568,718	1,603,279	1,735,914	1,870,940	1,945,132
Gains from Contributed Assets	54,714	18,697	32,197	32,223	35,707	35,717
Sales of Goods and Services						
Revenue from Associates and Joint Ventures	120,556	104,308	109,589	89,191	82,646	88,589
Other Sales of Goods and Services	799,989	856,344	850,625	905,564	938,941	972,954
Interest Income	114,251	77,971	75,732	59,509	64,937	68,128
Dividend and Income Tax Equivalents Income	124,814	66,393	81,086	79,785	83,728	88,582
Other Revenue						
Land Revenue (Value Add Component)	131,541	201,646	141,688	255,709	268,732	483,230
Other Revenue	153,539	112,387	122,671	120,814	124,013	127,784
Total Revenue	4,260,578	4,255,062	4,254,832	4,580,562	4,841,918	5,254,940
Expenses						
Employee Expenses	1,583,175	1,688,477	1,690,948	1,720,440	1,777,601	1,828,014
Superannuation Expenses						
Superannuation Interest Cost	265,327	297,660	264,214	314,020	330,166	345,955
Other Superannuation Expense	243,296	242,668	359,657	242,646	244,377	251,217
Depreciation and Amortisation	368,947	390,580	390,188	420,577	438,346	442,839
Interest Expense	92,459	124,774	123,533	151,644	159,982	157,745
Other Operating Expenses						
Supplies and Services	863,737	1,013,176	1,035,828	1,013,594	1,075,863	1,110,233
Other Operating Expenses	300,342	286,145	262,187	301,280	327,322	463,967
Grant Expenses	640,535	654,710	692,467	683,341	713,827	752,681
Total Expenses	4,357,819	4,698,190	4,819,022	4,847,542	5,067,484	5,352,651
UPF Net Operating Balance	-97,241	-443,128	-564,190	-266,980	-225,566	-97,711
Other Economic Flows - included in the Operating Result						
Land Revenue (Market Gains on Land Sales)	21,177	17,469	2,665	9,221	41,359	15,053
Net Land Revenue (Undeveloped Land Value)	128,599	120,445	68,702	156,900	219,282	206,097
Net Gain/(Loss) on Sale of Non-Financial Assets	-63,174	-23,961	-22,392	-34,367	-29,767	-16,044
Net Gain/(Loss) on Financial Assets or Liabilities at Fair Value	-132,683	77,674	142,264	80,786	85,450	89,851
Doubtful Debts	-12,000	-5,254	-5,251	-5,345	-5,444	-5,580
Operating Result	-155,322	-256,755	-378,202	-59,785	85,314	191,666

2012-13 Budget Review

Australian Capital Territory Consolidated Total Territory Operating Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Other Economic Flows - Other Movements in Equity						
Superannuation Prior Year Actuarial Movement	-2,353,611	-	2,754,765	-	-	-
Prior Year Adjustment	3,263	-	-	-	-	-
Other Movements	32	-1,271	-1,272	-1,453	-158	-175
Increase/(Decrease) in Asset Revaluation Surplus	389,724	113,229	115,467	137,313	142,730	148,807
Increase/(Decrease) in Other Reserves	-971	571	-1,144	4,117	-	-
Total Comprehensive Income	-2,116,885	-144,226	2,489,614	80,192	227,886	340,298
UPF Net Operating Balance	-97,241	-443,128	-564,190	-266,980	-225,566	-97,711
<i>less Net Acquisition of Non-Financial Assets</i>						
Purchases of Non-Financial Assets	967,342	1,178,885	914,236	893,132	645,964	382,627
Sales of Non-Financial Assets	-33,932	-37,603	-49,944	-37,759	-33,318	-46,863
Land Revenue (Net Cash Receipts)	-129,272	-132,076	-22,824	-172,324	-242,950	-213,715
Depreciation and Amortisation	-368,947	-390,580	-390,188	-420,577	-438,346	-442,839
Other Movements in Non-Financial Assets	49,319	18,078	31,578	31,595	35,078	35,078
<i>Total Net Acquisition of Non-Financial Assets</i>	<i>484,511</i>	<i>636,704</i>	<i>482,858</i>	<i>294,067</i>	<i>-33,572</i>	<i>-285,712</i>
Net Lending / (Borrowing)	-581,752	-1,079,832	-1,047,048	-561,047	-191,994	188,001
AUSTRALIAN CAPITAL TERRITORY NET OPERATING BALANCE						
UPF Net Operating Balance	-97,241	-443,128	-564,190	-266,980	-225,566	-97,711
Expected Long Term Capital Gains on Superannuation Investments	1,081	77,376	65,401	80,349	85,019	89,427
HEADLINE NET OPERATING BALANCE	-96,160	-365,752	-498,789	-186,631	-140,547	-8,284

2012-13 Budget Review

Australian Capital Territory Consolidated Total Territory

Balance Sheet

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Financial Assets						
Cash and Deposits	359,026	253,641	389,218	398,799	434,530	439,066
Advances Paid	90,602	95,399	127,608	143,496	141,881	137,576
Investments, Loans and Placements	3,344,752	3,095,667	3,179,593	3,234,712	3,531,923	3,692,862
Receivables	471,553	303,999	364,381	362,153	369,517	373,838
Equity - Investments Accounted for Using the Equity Method	586,162	625,311	625,650	630,785	653,603	684,725
Total Financial Assets	4,852,095	4,374,017	4,686,450	4,769,945	5,131,454	5,328,067
Non-Financial Assets						
Produced Assets						
Property, Plant and Equipment	13,305,941	13,864,688	14,262,216	14,914,840	15,176,738	15,119,146
Investment Properties	2,500	2,500	2,400	2,400	2,400	2,400
Intangibles	56,770	103,419	59,011	88,283	96,361	76,499
Inventories	136,682	231,379	224,717	239,016	143,614	135,417
Assets Held for Sale	7,182	5,471	7,615	7,863	8,111	8,360
Capital Works-in-Progress	1,217,683	913,491	847,984	743,402	707,300	733,745
Non Produced Assets						
Property, Plant and Equipment	5,502,680	5,801,115	5,690,383	5,869,977	6,058,656	6,262,515
Biological Assets	28,429	32,045	28,429	28,429	28,429	28,429
Other Non-Financial Assets	3	27	5	8	11	14
Total Non-Financial Assets	20,257,869	20,954,135	21,122,760	21,894,218	22,221,620	22,366,525
Total Assets	25,109,964	25,328,152	25,809,210	26,664,163	27,353,074	27,694,592
Liabilities						
Deposits Held	15,657	15,217	15,657	15,657	15,657	15,657
Advances Received	176,219	171,444	168,036	159,863	151,554	143,134
Borrowings						
Finance Leases	24,844	24,976	23,289	22,251	21,518	20,831
Other Borrowings	1,961,028	2,446,296	2,608,394	3,007,696	3,158,018	2,858,840
Superannuation	7,500,196	5,104,731	5,105,572	5,379,752	5,648,082	5,910,033
Other Employee Benefits and Provisions	654,888	673,424	692,701	718,748	742,448	766,262
Payables	665,328	742,371	545,604	612,318	667,628	690,735
Other Liabilities	19,573	40,173	68,113	85,842	58,247	58,880
Total Liabilities	11,017,733	9,218,632	9,227,366	10,002,127	10,463,152	10,464,372
Net Assets	14,092,231	16,109,520	16,581,844	16,662,036	16,889,922	17,230,220
Accumulated Funds	5,448,096	7,850,876	7,845,387	7,806,149	7,913,305	8,126,796
Asset Revaluation Surplus	8,634,218	8,250,745	8,727,685	8,842,998	8,963,728	9,090,535
Other Reserves	9,916	7,899	8,772	12,889	12,889	12,889
Net Worth	14,092,231	16,109,520	16,581,844	16,662,036	16,889,922	17,230,220
Net Financial Worth	-6,165,639	-4,844,615	-4,540,916	-5,232,182	-5,331,698	-5,136,305
Net Financial Liabilities	6,751,800	5,469,926	5,166,566	5,862,967	5,985,301	5,821,030
Net Debt (including Super related Investments)	-1,616,632	-786,774	-881,043	-571,540	-761,587	-1,231,042
Net Debt (excluding Super related Investments)	642,702	1,718,367	1,596,502	2,060,782	2,022,503	1,701,387

2012-13 Budget Review

Australian Capital Territory Consolidated Total Territory Statement of Changes in Equity

	2011-12	2012-13	2012-13	2013-14	2014-15	2015-16
	Actual	Annual	Revised	Revised	Revised	Revised
	Outcome	Budget	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening Equity						
Opening Accumulated Funds	7,936,760	8,086,902	5,448,096	7,845,387	7,806,149	7,913,305
Opening Asset Revaluation Surplus	8,261,469	8,159,516	8,634,218	8,727,685	8,842,998	8,963,728
Opening Other Reserves	10,887	7,328	9,916	8,772	12,889	12,889
Opening Balance	16,209,117	16,253,746	14,092,230	16,581,844	16,662,036	16,889,922
Comprehensive Income						
<i>Included in Accumulated Funds:</i>						
Operating Result for the Period	-155,322	-256,755	-378,202	-59,785	85,314	191,666
Superannuation Prior Year Actuarial Movement	-2,353,611	-	2,754,765	-	-	-
Prior Year Adjustment	3,263	-	-	-	-	-
Other Movements	32	-1,271	-1,272	-1,453	-158	-175
<i>Included in Asset Revaluation Surplus:</i>						
Increase/(Decrease) in Asset Revaluation Surplus	389,724	113,229	115,467	137,313	142,730	148,807
<i>Included in Other Reserves:</i>						
Increase/(Decrease) in Other Reserves	-971	571	-1,144	4,117	-	-
Total Comprehensive Income	-2,116,885	-144,226	2,489,614	80,192	227,886	340,298
Other						
Transfer to/(from) Accumulated Funds	16,975	22,000	22,000	22,000	22,000	22,000
Movement in Asset Revaluation Surplus	-16,975	-22,000	-22,000	-22,000	-22,000	-22,000
Total Other	0	0	0	0	0	0
Closing Equity						
Closing Accumulated Funds	5,448,096	7,850,876	7,845,387	7,806,149	7,913,305	8,126,796
Closing Asset Revaluation Surplus	8,634,218	8,250,745	8,727,685	8,842,998	8,963,728	9,090,535
Closing Other Reserves	9,916	7,899	8,772	12,889	12,889	12,889
Balance at the End of the Reporting Period	14,092,231	16,109,520	16,581,844	16,662,036	16,889,922	17,230,220

2012-13 Budget Review

Australian Capital Territory Consolidated Total Territory Cash Flow Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Cash Flows from Operating Activities						
<i>Cash Receipts</i>						
Taxes Received	1,146,731	1,249,784	1,239,151	1,303,111	1,373,605	1,446,234
Receipts from Sales of Goods and Services	1,034,893	1,171,397	1,001,811	1,312,846	1,430,548	1,650,302
Grants/Subsidies Received	1,606,587	1,568,158	1,555,460	1,724,828	1,859,724	1,934,165
Interest Receipts	109,525	79,285	76,482	58,513	65,904	71,097
Dividend and Income Tax Equivalents*	131,397	-	84,123	82,884	86,930	91,962
Other Receipts	448,316	488,092	409,260	433,339	434,463	430,802
Total Cash Received from Operating Activities	4,477,447	4,556,716	4,366,287	4,915,521	5,251,174	5,624,562
<i>Cash Payments</i>						
Payments for Employees	-1,779,389	-1,949,207	-1,953,748	-1,985,933	-2,070,134	-2,151,717
Payments for Goods and Services	-850,826	-937,067	-959,709	-956,877	-1,024,245	-1,062,087
Grants/Subsidies Paid	-628,354	-668,539	-690,565	-695,836	-725,621	-765,329
Interest Paid	-94,879	-116,320	-115,921	-141,515	-149,919	-147,733
Other Payments	-638,464	-721,263	-682,216	-681,744	-542,757	-771,513
Total Cash Paid from Operating Activities	-3,991,911	-4,392,396	-4,402,159	-4,461,905	-4,512,676	-4,898,379
Net Cash Flows from Operating Activities	485,536	164,320	-35,872	453,616	738,498	726,183
Cash Flows from Investing Activities						
<i>Cash Flows from Investments in Non-Financial Assets</i>						
Sales of Non-Financial Assets	34,054	37,603	49,944	37,759	33,318	46,863
Purchase of Non-Financial Assets	-967,342	-1,178,885	-914,236	-893,132	-645,964	-382,627
Net Cash Flows from Investments in Non-Financial Assets	-933,288	-1,141,282	-864,292	-855,373	-612,646	-335,764
<i>Cash Flows from Investments in Financial Assets for Policy Purposes</i>						
<i>Cash Receipts</i>						
Repayment of Loans	920	1,684	1,590	1,651	1,678	1,717
Total Cash Received from Investments in Financial Assets for Policy Purposes	920	1,684	1,590	1,651	1,678	1,717
<i>Cash Payments</i>						
Issue of Loans	-46,135	-3,902	-5,142	-64	-64	-62
Total Cash Paid from Investments in Financial Assets for Policy Purposes	-46,135	-3,902	-5,142	-64	-64	-62
Net Cash Flows from Investments in Financial Assets for Policy Purposes	-45,215	-2,218	-3,552	1,587	1,614	1,655
<i>Cash Flows from Investments in Financial Assets for Liquidity Purposes</i>						
Sales of Investments	258,884	583,971	569,807	332,108	94,555	110,156
Purchase of Investments	-282,586	-291,724	-368,003	-289,070	-320,632	-184,178
Cash Flows from Investments in Financial Assets for Liquidity Purposes	-23,702	292,247	201,804	43,038	-226,077	-74,022
Net Cash Flows from Investing Activities	-1,002,205	-851,253	-666,040	-810,748	-837,109	-408,131

*From 2011-12 dividend receipts on superannuation investments were reclassified from other receipts to dividend and income tax equivalents. This treatment is not reflected in the 2012-13 Budget figures.

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Australian Capital Territory Consolidated Total Territory Cash Flow Statement

	2011-12 Actual Outcome \$'000	2012-13 Annual Budget \$'000	2012-13 Revised Estimate \$'000	2013-14 Revised Estimate \$'000	2014-15 Revised Estimate \$'000	2015-16 Revised Estimate \$'000
Cash Flows from Financing Activities						
<i>Cash Receipts</i>						
Borrowings	486,892	550,367	703,515	404,253	154,226	16,734
Total Cash Received from Financing Activities	486,892	550,367	703,515	404,253	154,226	16,734
<i>Cash Payments</i>						
Borrowings	-10,315	-23,735	-54,665	-38,007	-19,831	-329,732
Total Cash Paid from Financing Activities	-10,315	-23,735	-54,665	-38,007	-19,831	-329,732
Net Cash Flows from Financing Activities	476,577	526,632	648,850	366,246	134,395	-312,998
Net Increase/(Decrease) in Cash Held	-40,091	-160,301	-53,062	9,114	35,784	5,054
Cash and Cash Equivalents at the Beginning of Reporting Period	531,877	493,508	491,810	438,746	447,860	483,644
Cash and Cash Equivalents at the End of Reporting Period	491,786	333,207	438,746	447,860	483,644	488,698
Key Fiscal Aggregates						
Net Cash from Operating Activities	485,536	164,320	-35,872	453,616	738,498	726,183
Investments in Non-Financial Assets	-933,288	-1,141,282	-864,292	-855,373	-612,646	-335,764
Cash Surplus (+) / Deficit (-)	-447,751	-976,962	-900,164	-401,757	125,852	390,419
A positive number denotes a cash inflow, a negative sign denotes a cash outflow						
Derivation of ABS GFS Cash Surplus/Deficit						
Cash Surplus (+) / Deficit (-)	-447,751	-976,962	-900,164	-401,757	125,852	390,419
Acquisitions Under Finance Leases and Similar Arrangements ^(a)	-	-	-	-	-	-
ABS GFS Cash Surplus (+) / Deficit (-) Including Finance and Similar Arrangements	-447,751	-976,962	-900,164	-401,757	125,852	390,419

(a) Finance leases are shown with a negative sign as they are deducted in compiling the ABS GFS cash surplus/deficit.

Loan Council Allocation and Nomination

	2012-13 Budget-time Estimate \$m	2012-13 Budget Review Estimate \$m	2013-14 LCA Nomination \$m
GGC Cash Deficit/(Surplus) (a)	669	557	356
PNFC Sector Cash Deficit/(Surplus) (a)	308	343	45
NFPS Sector Cash Deficit/(Surplus) (a) (b)	977	900	402
Acquisition under Finance Leases and Similar Arrangements (a)	-	-	-
<i>equals</i> ABS GFS Cash Deficit/(Surplus) (a) (b)	977	900	402
<i>less</i> Net Cash Flows from Investments in Financial Assets for Policy Purposes (c)	-2	-4	2
Adjusted NFPS Sector Cash Deficit/(Surplus)	979	904	400
<i>plus</i> Memorandum Items (d)	28	27	27
Loan Council Allocation	1,007	931	427
Tolerance Limit (2% of non-financial public sector cash receipts from operating activities)	+ / - 91	+ / - 87	+ / - 98

- (a) Cash surplus/deficits and finance leases are displayed with the opposite sign to that under which they are reported in cash flow statements. That is, a surplus is displayed as a negative number and vice versa.
- (b) May not directly equate to the sum of the General Government Sector (GGS) and Public Non Financial Corporation (PNFC) sector cash surplus/deficit due to intersectoral transfers which are netted out, and/or rounding.
- (c) Net cash flows from investments in financial assets for policy purposes are displayed with the same sign as which they are reported in cash flow statements.
- (d) Memorandum items are used to adjust the ABS GFS cash surplus/deficit to include in LCA's transactions - such as operating leases - that have many of the characteristics of public sector borrowings, but do not constitute formal borrowings. They are also used, where appropriate, to deduct from the ABS GFS cash surplus/deficit transactions that Loan Council has agreed should not be included in LCAs, for example, the funding of more than employers emerging costs under public sector superannuation schemes, or borrowings by entities such as statutory marketing authorities.
- Memorandum items also include the net surplus/deficit of public Universities in the jurisdiction controlled by the Government. For the ACT, the University of Canberra has been included to reflect its financing requirement.

APPENDIX 2: RE-PROFILED CAPITAL WORKS PROJECTS

Project Name	Total Project Value (\$'000)	Original Cashflow					Total Revised Project Value (\$'000)	Re-Profiled Capital Works Program				
		Prior Years Financing (\$'000)	2012-13 (\$'000) *	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)		Prior Years Financing (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)
Territory and Municipal Services												
Transport for Canberra – West Belconnen Transit Stops and Terminus Improvements (Design)	250	0	0	250	0	0	250	0	75	175	0	0
Molonglo Valley Plan – Implementation of Commitments in the NES Plan ¹	800	0	800	0	0	0	800	0	280	520	0	0
Transport for Canberra – Walking and Cycling Infrastructure – Stage 3	5,500	0	750	1,250	1,750	1,750	5,500	0	1,500	1,250	1,750	1,000
Transport for Canberra – Bus Stop Upgrades to Disability Standards – Stage 2	4,500	0	1,500	1,250	1,000	750	4,500	0	2,250	1,250	1,000	0
Molonglo Riverside Park – Stage 1	4,500	0	3,800	700	0	0	4,500	0	500	4,000	0	0
Upgrades Furniture and Bins in Parks and Shopping Centres Across the City	600	0	600	0	0	0	600	0	450	150	0	0
Playground Designs and Safety Upgrades	1,000	0	1,000	0	0	0	1,000	0	750	250	0	0
Upgrade to Public Toilet Facilities	750	0	750	0	0	0	750	0	550	200	0	0
Inner North – Dog Off Leash Park	300	0	60	240	0	0	300	0	25	275	0	0
Transport for Canberra – Erindale Bus Station (Design)	350	0	350	0	0	0	350	0	180	170	0	0
Transport for Canberra – Cotter Road Improvements	7,150	873	6,277	0	0	0	7,150	873	4,777	1,500	0	0
Transport for Canberra – Canberra Avenue Bus Priority Measures	8,200	323	5,877	2,000	0	0	8,200	323	3,877	4,000	0	0
Constitution Avenue	42,000	1,500	7,500	18,000	15,000	0	42,000	1,500	5,500	20,000	15,000	0
Transport for Canberra – Majura Parkway	278,500	0	40,000	110,000	108,500	20,000	278,500	0	23,800	121,200	123,500	10,000
Ashley Drive – Stage 1	7,000	180	5,820	1,000	0	0	7,000	180	3,420	3,400	0	0
Shopping Centre Upgrade Program – Red Hill and Lyons	8,000	1,960	4,540	1,500	0	0	8,000	1,960	2,811	3,229	0	0
Town and District Park Upgrades	6,150	3,081	1,069	2,000	0	0	6,150	3,081	726	1,843	500	0
Strategic Bushfire Management Plan Version 2	4,178	1,466	1,738	974	0	0	4,178	1,466	2,528	184	0	0
Jerrabomberra Wetlands Infrastructure Improvements	2,341	306	1,035	1,000	0	0	2,341	306	880	1,155	0	0
Centenary Trail	3,300	240	2,860	200	0	0	3,300	240	1,291	1,769	0	0

2012-13 Budget Review

Project Name	Total Project Value (\$'000)	Original Cashflow					Total Revised Project Value (\$'000)	Re-Profiled Capital Works Program				
		Prior Years Financing (\$'000)	2012-13 (\$'000) *	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)		Prior Years Financing (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)
Eastern Valley Way Inlet – Stage 2 Inlet and Public Realm	4,520	690	3,830	0	0	0	4,520	690	3,730	100	0	0
National Arboretum Canberra	18,600	243	18,357	0	0	0	18,600	243	17,825	532	0	0
Transport for Canberra – Woden Bus Depot Upgrade	3,666	379	1,926	1,361	0	0	3,666	379	300	2,987	0	0
ACTION – Fuel Facilities at Depots	4,383	243	4,140	0	0	0	4,383	243	2,140	2,000	0	0
Remediation of West Belconnen Land Fill Borrow Pit	1,351	665	536	150	0	0	1,351	665	281	50	50	305
<u>Economic Development Directorate</u>												
Manuka Oval – Lighting Upgrades	5,347	0	5,347	0	0	0	5,347	0	5,097	250	0	0
Lyneham Precinct – Asbestos Remediation	3,100	0	3,100	0	0	0	3,100	0	1,600	1,500	0	0
Molonglo 2 – Uriarra Road Upgrade	17,000	0	2,000	15,000	0	0	17,000	0	200	8,050	5,750	3,000
Molonglo 2 – Sewer and Pedestrian Bridge over Molonglo River	12,400	0	1,000	2,000	9,400	0	12,400	0	0	3,000	6,900	2,500
Molonglo 2 – Trunk Sewer and Stormwater Infrastructure from Holdens Creek	3,500	0	3,000	500	0	0	3,500	0	600	2,900	0	0
Horse Park Drive Extension from Burrumarra Avenue to Mirrabai Drive	11,500	0	3,000	5,500	3,000	0	11,500	0	1,000	7,500	1,500	1,500
Molonglo – Path Connections from John Gorton Drive to Molonglo Path Network (Design)	200	0	200	0	0	0	200	0	100	100	0	0
Molonglo Valley – Environmental Impact Statement for Deferred Area	200	0	200	0	0	0	200	0	25	175	0	0
Revitalisation of Civic and Braddon (Design)	750	0	0	750	0	0	750	0	0	550	200	0
Woden – Stormwater Infrastructure (Design)	460	0	460	0	0	0	460	0	110	350	0	0
Gungahlin Enclosed Oval – Construction of Grandstand	6,500	0	2,000	4,500	0	0	6,500	0	3,000	3,500	0	0
Improve the Quality of Sportsgrounds	1,000	0	1,000	0	0	0	1,000	0	200	800	0	0
Manuka Oval Redevelopment to Improve Sporting and Spectator Facilities	1,178	0	1,178	0	0	0	1,178	0	778	400	0	0
Canberra CBD Upgrade Stage 2 – Merry-go-round and Veterans' Park	4,300	308	3,992	0	0	0	4,300	308	2,892	600	500	0
Ngunnawal Aged Care Land Release – Gold Creek	2,400	178	2,222	0	0	0	2,400	178	822	1,400	0	0

2012-13 Budget Review

Project Name	Total Project Value (\$'000)	Original Cashflow					Total Revised Project Value (\$'000)	Re-Profiled Capital Works Program				
		Prior Years Financing (\$'000)	2012-13 (\$'000) *	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)		Prior Years Financing (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)
Office Accommodation	2,500	229	771	500	500	500	2,500	229	471	600	800	400
Kingston Foreshore Parking (Design)	200	0	200	0	0	0	200	0	0	200	0	0
Narrabundah Long Stay Park – Symonston	5,000	131	4,869	0	0	0	5,000	131	2,569	1,550	750	0
Australia Forum	1,000	7	-7	1,000	0	0	1,000	7	493	500	0	0
City Action Plan Stage 1 – Edinburgh Avenue Improvements	2,500	279	21	2,200	0	0	2,500	279	521	950	750	0
Canberra CBD Upgrade Program	12,000	7,255	4,245	500	0	0	12,000	7,255	4,495	250	0	0
Government Office Accommodation and Relocation Fitout	7,170	2,626	4,544	0	0	0	7,170	2,626	2,044	1,700	800	0
Manuka Oval Redevelopment (Design)	1,152	11	1,141	0	0	0	1,152	11	941	200	0	0
Stromlo Forest Park Planning and Infrastructure	2,800	60	740	2,000	0	0	2,800	60	290	1,300	1,150	0
Wright Outer Asset Protection Zone – Stromlo Forest Park	250	12	238	0	0	0	250	12	58	180	0	0
Stromlo Forest Park Soil Conservation Works	200	70	130	0	0	0	200	70	0	130	0	0
Motorsports Fund – Capital Improvements to Fairbairn Park (Design)	500	48	252	200	0	0	500	48	52	400	0	0
Canberra Stadium - Replacement of Ticket Boxes and Entry Gates	1,000	0	1,000	0	0	0	1,000	0	100	650	250	0
Motorsport Funding – Capital	500	365	135	0	0	0	500	365	85	50	0	0
Motorsport Funding – Investment Fund	1,500	710	790	0	0	0	1,500	710	726	64	0	0
Molonglo Leisure Centre (Feasibility)	200	100	100	0	0	0	200	100	50	50	0	0
Restoration of Sportsgrounds – Isabella Plains and Charnwood	1,111	851	260	0	0	0	1,111	851	160	100	0	0
Gungahlin Pool	26,300	57	3,268	17,180	5,795	0	26,300	57	7,268	14,505	4,470	0
Supporting Our Local Sporting Clubs – Redevelopment of Kippax District Playing Fields	2,000	893	1,107	0	0	0	2,000	893	907	200	0	0
Gungahlin Leisure Centre (Design)	1,460	149	1,311	0	0	0	1,460	149	511	800	0	0
Throsby Multisport Complex (Design)	500	146	354	0	0	0	500	146	254	100	0	0
Gungahlin Wellbeing Precinct – Infrastructure Works	6,500	630	5,870	0	0	0	6,500	630	1,870	2,500	1,500	0
Grant for Development of a New Basketball Centre and Player Amenities	3,000	1,220	1,000	780	0	0	3,000	1,220	0	1,780	0	0
Gungahlin Enclosed Oval (Sports Complex)	6,000	999	3,001	2,000	0	0	6,000	999	4,251	750	0	0

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Project Name	Total Project Value (\$'000)	Original Cashflow					Total Revised Project Value (\$'000)	Re-Profiled Capital Works Program				
		Prior Years Financing (\$'000)	2012-13 (\$'000) *	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)		Prior Years Financing (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)
Improvements to Griffith Oval	1,050	50	1,000	0	0	0	1,050	50	0	700	300	0
Lyneham Precinct – Regional Tennis and Sports Centre – Stage 2	4,000	254	2,000	1,746	0	0	4,000	254	250	2,700	796	0
"Where Will We Play" Outdoor Facilities Water Reduction Strategies	16,000	6,356	4,144	5,500	0	0	16,000	6,356	1,000	5,144	3,500	0
Molonglo 2 – Water Supply, Trunk Sewer and Stormwater Infrastructure – Stage 2 (Design)	1,000	98	902	0	0	0	1,000	98	672	230	0	0
Horse Park Drive Extension from Burrumarra Avenue to Mirrabai Drive (Design)	600	17	583	0	0	0	600	17	160	423	0	0
The Valley Avenue Extension to Gundaroo Drive (Design)	400	16	384	0	0	0	400	16	40	344	0	0
Gungahlin Town Centre Roads (Design)	1,000	0	1,000	0	0	0	1,000	0	220	650	130	0
Woden Valley Stormwater Retardation Basins (Design)	400	0	400	0	0	0	400	0	150	250	0	0
John Gorton Drive Extension to Molonglo 2 and Group Centre	72,000	730	31,920	39,350	0	0	72,000	730	19,420	35,850	16,000	0
Molonglo 2 – Water Supply, Trunk Sewer and Stormwater Infrastructure – Stage 1	10,000	259	9,741	0	0	0	10,000	259	3,741	4,750	1,250	0
Horse Park Drive Extension to Moncrieff Group Centre	24,000	137	16,063	7,800	0	0	24,000	137	10,560	8,553	4,750	0
Kenny Contamination Remediation	400	2	398	0	0	0	400	2	98	300	0	0
North Weston – Road Intersection Reconstruction	28,500	4,502	16,498	7,500	0	0	28,500	4,502	8,499	9,999	5,500	0
Coombs – Water Quality Control Ponds	17,000	14,891	2,109	0	0	0	17,000	14,891	1,659	450	0	0
Fyshwick – Intersection Upgrades – Gladstone Street, Section 26	3,897	2,890	1,007	0	0	0	3,897	2,890	757	250	0	0
Barton – Intersection Upgrades – Darling Street, Section 22	1,000	57	943	0	0	0	1,000	57	543	400	0	0
Watson – Stormwater Upgrade – Aspinall Street Block 2, Section 95	2,870	447	2,423	0	0	0	2,870	447	1,823	600	0	0
Harrison – Wells Station Drive Extension to Horse Park Drive	7,500	7,400	100	0	0	0	8,040	7,400	640	0	0	0
Mitchell – Sandford Street Extension to the Federal Highway	14,000	1,369	12,631	0	0	0	1,375	1,369	6	0	0	0
Casey – Clarrie Hermes Drive Extension to the Barton Highway	21,000	17,353	3,647	0	0	0	20,460	17,353	1,907	1,200	0	0

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Project Name	Total Project Value (\$'000)	Original Cashflow					Total Revised Project Value (\$'000)	Re-Profiled Capital Works Program				
		Prior Years Financing (\$'000)	2012-13 (\$'000) *	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)		Prior Years Financing (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)
Health Directorate												
Adult Secure Mental Health Unit (Finalising Design)	2,000	0	2,000	0	0	0	2,000	0	0	1,500	500	0
Staging and Decanting – Moving To Our Future	22,300	0	10,800	11,500	0	0	22,300	0	600	15,731	5,969	0
Health Infrastructure Program – Project Management	19,319	0	10,819	8,500	0	0	19,319	0	2,675	6,800	9,844	0
Enhanced Community Health Centre Backup Power	3,540	0	2,000	1,540	0	0	3,540	0	1,500	2,040	0	0
Building Upgrades to address Condition Report findings including Works to Bathrooms, Plumbing and Other Works	580	0	580	0	0	0	580	0	540	40	0	0
Fire/Safety/Security Upgrades to address outcomes of Fire reports, Improve Access Control to Plant Rooms, Upgrade Flooring and Other Works	352	0	352	0	0	0	352	0	272	80	0	0
Medical Facilities Upgrades including at the Emergency Department, Child and Mental Health Facilities	520	0	520	0	0	0	520	0	470	50	0	0
Facilities Improvements to Patient Accommodation at the Canberra Hospital	620	0	620	0	0	0	620	0	520	100	0	0
Ambulatory Care Improvements at the Canberra Hospital including the Respiratory Medicine and Gastroenterology Areas	680	0	680	0	0	0	680	0	430	250	0	0
Augmentation of Medical and Administrative Offices to meet Organisational Change and Growth	420	0	420	0	0	0	420	0	350	70	0	0
Clinical Services Redevelopment – Phase 3	25,700	3,508	7,871	14,321	0	0	25,700	3,508	5,340	13,860	2,992	0
Integrated Cancer Care Centre – Phase 2	15,102	322	10,439	4,341	0	0	15,102	322	1,780	13,000	0	0
Enhancement of Canberra Hospital Facilities (Design)	41,000	198	13,782	27,020	0	0	41,000	198	200	21,843	18,759	0
Staging, Decanting and Continuity of Services	19,430	1,076	9,124	9,230	0	0	19,430	1,076	3,500	9,196	5,658	0
Central Sterilising Service	17,270	32	5,189	12,049	0	0	17,270	32	391	3,548	13,299	0
North Side Hospital Specification and documentation	4,000	79	3,921	0	0	0	4,000	79	800	3,121	0	0
Clinical Services Redevelopment – Phase 2	9,800	4,342	5,258	200	0	0	9,800	4,342	5,160	298	0	0
Tuggeranong Health Centre – Stage 2	14,000	6	7,549	6,150	295	0	14,000	6	2,600	8,994	2,400	0
HIP Change Management and Communication Support	4,117	1,873	2,244	0	0	0	4,117	1,873	1,144	1,100	0	0
Integrated Cancer Centre – Phase 1	29,652	8,687	13,739	7,226	0	0	29,652	8,687	20,965	0	0	0

2012-13 Budget Review

Project Name	Total Project Value (\$'000)	Original Cashflow					Total Revised Project Value (\$'000)	Re-Profiled Capital Works Program				
		Prior Years Financing (\$'000)	2012-13 (\$'000) *	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)		Prior Years Financing (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)
Enhanced Community Health Centre – Belconnen	51,344	8,173	40,317	2,854	0	0	51,344	8,173	23,000	20,171	0	0
Mental Health Young Persons Unit	775	120	600	55	0	0	775	120	25	630	0	0
ACT Health Skills Development Centre	1,300	727	573	0	0	0	1,300	727	346	227	0	0
Women and Children's Hospital	111,060	74,278	27,582	9,200	0	0	111,060	74,278	16,600	20,182	0	0
New Gungahlin Health Centre	18,000	9,520	8,480	0	0	0	18,000	9,520	8,000	480	0	0
Refurbishment of Health Centre (Tuggeranong)	5,000	925	3,736	339	0	0	5,000	925	1,500	2,575	0	0
Provision for Project Definition Planning	61,090	47,358	13,732	0	0	0	61,090	47,358	6,152	4,550	3,030	0
Secure Adult Mental Health Unit – Forward Design	1,200	741	459	0	0	0	1,200	741	0	459	0	0
New Multistorey Car Park TCH	42,720	41,937	783	0	0	0	42,720	41,937	200	583	0	0
Aboriginal Torres Strait Islander Residential Alcohol & Other Drug Rehabilitation Facility	5,883	801	4,083	999	0	0	5,883	801	438	2,677	1,967	0
<u>Justice and Community Safety</u>												
ESA Station Upgrade and Relocation – Charnwood Station	21,318	0	7,365	13,854	99	0	21,318	0	9,950	11,269	99	0
ESA Station Upgrade and Relocation – Phase 2 Due Diligence	1,650	0	1,650	0	0	0	1,650	0	1,241	409	0	0
New Supreme Court – Forward Design	4,000	1,429	2,571	0	0	0	4,000	1,429	1,171	1,400	0	0
<u>Environment and Sustainable Development Directorate</u>												
East Lake – Planning and Design Framework Implementation (Feasibility)	250	0	250	0	0	0	250	0	150	100	0	0
Carbon Neutral Government	5,000	0	5,000	0	0	0	5,000	0	4,000	1,000	0	0
Molonglo – North-South Arterial Road Bridge and Pedestrian Bridge (Feasibility)	300	80	220	0	0	0	300	80	120	100	0	0
Infill Development Infrastructure Studies (Feasibility)	1,500	182	1,318	0	0	0	1,500	182	1,118	200	0	0
Urban Development Sequence for Affordable Housing (Feasibility)	1,400	232	1,168	0	0	0	1,400	232	668	500	0	0
East Lake Sustainable Urban Renewal	1,720	1,461	259	0	0	0	1,720	1,461	159	100	0	0
Inner North Stormwater Reticulation Network	7,500	0	6,500	1,000	0	0	7,500	0	5,500	2,000	0	0

2012-13 Budget Review

Project Name	Total Project Value (\$'000)	Original Cashflow					Total Revised Project Value (\$'000)	Re-Profiled Capital Works Program				
		Prior Years Financing (\$'000)	2012-13 (\$'000) *	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)		Prior Years Financing (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)
Gungahlin – The Valley Ponds and Stormwater Harvesting Scheme	6,500	940	5,560	0	0	0	6,500	940	5,060	500	0	0
Transport for Canberra – City Area Bus Layover Facility (Design) – ESDD Planning	500	150	350	0	0	0	500	150	100	250	0	0
Transport for Canberra – Northbourne Avenue Transit way (Design)	2,500	1,250	900	350	0	0	2,500	1,250	727	523	0	0
ACT Strategic Cycle Network Plan (Feasibility)	200	70	130	0	0	0	200	70	95	35	0	0
Transport for Canberra – Park and Ride and Bike and Ride Facilities – ESDD Planning	300	120	180	0	0	0	300	120	120	60	0	0
<u>Education and Training Directorate</u>												
Duffy Primary School Expansion	2,800	0	1,680	1,120	0	0	2,800	0	900	1,900	0	0
Carbon Neutral Schools – Stage 1	3,500	0	500	1,000	1,000	1,000	3,500	0	1,000	500	1,000	1,000
Franklin Early Childhood School	42,700	6,735	20,965	15,000	0	0	28,700	6,735	15,965	6,000	0	0
Bonner Primary School	60,270	7,811	33,459	19,000	0	0	46,270	7,811	24,459	14,000	0	0
COAG Universal Access to Preschools – Stage 1 Expansion Works	6,200	182	6,018	0	0	0	6,200	182	4,018	2,000	0	0
West Macgregor Development – Macgregor Primary School Expansion	5,650	79	5,571	0	0	0	5,650	79	2,571	3,000	0	0
North Watson Development – Majura Primary School Expansion	4,400	107	4,293	0	0	0	4,400	107	2,293	2,000	0	0
<u>Community Services Directorate</u>												
Upgrade of Community Facilities and Childcare Centre Improvements	2,500	0	1,000	1,500	0	0	2,500	0	390	2,110	0	0
Tuggeranong Arts Centre Improvements	2,000	0	800	1,200	0	0	2,000	0	1,200	800	0	0
Civic Childcare Centre (Feasibility)	350	0	350	0	0	0	350	0	200	150	0	0
Woden/Weston Creek Community Hub (Feasibility and forward Design)	550	0	275	275	0	0	550	0	200	350	0	0
Flynn Regional Community Hub Stage 2	1,200	0	1,200	0	0	0	1,200	0	1,175	25	0	0

2012-13 Budget Review

Project Name	Total Project Value (\$'000)	Original Cashflow					Total Revised Project Value (\$'000)	Re-Profiled Capital Works Program				
		Prior Years Financing (\$'000)	2012-13 (\$'000) *	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)		Prior Years Financing (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	2014-15 (\$'000)	2015-16 (\$'000)
Flynn Regional Community Hub	3,413	1,466	1,917	5	25	0	3,413	1,466	1,947	0	0	0
Upgrade of Early Childhood Facilities	9,000	979	8,021	0	0	0	9,000	979	6,319	1,702	0	0
Holt Preschool Refurbishment	500	91	409	0	0	0	500	91	9	400	0	0
Holder Early Childhood Centre	7,500	250	7,250	0	0	0	7,500	250	4,250	3,000	0	0
Fitters' Workshop Kingston Foreshore	3,900	0	3,900	0	0	0	3,900	0	20	3,880	0	0
Regional Community Facilities Car Parks and Building Facades	3,162	2,648	514	0	0	0	3,162	2,648	114	400	0	0
<u>Housing ACT</u>												
Expansion of Social Housing	9,446	1,453	7,993	0	0	0	9,446	1,453	5,893	2,100	0	0
<u>Canberra Institute of Technology</u>												
Health and Safety Improvements	506	0	506	0	0	0	506	0	400	106	0	0
<u>Exhibition Park Corporation</u>												
Conference Centre and Parkes Room Refurbishment	605	0	605	0	0	0	605	0	405	200	0	0
Re-profiled Projects			635,946	428,209	146,364	24,000			386,536	522,790	264,863	19,705
Unamended Portion of the Capital Works Program			176,485	42,021	20,630	7,426			176,485	42,021	20,630	7,426
TOTAL RE-PROFILED PROGRAM			812,431	470,230	166,994	31,426			563,021	564,811	285,493	27,131

Notes:

* 2012-13 figures include Section 16(b) Rollovers that have been signed and anticipated instruments under the *Financial Management Act 1996*

¹ Reflects partial project transfer from Economic Development Directorate

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