

APPENDIX C: SUMMARY AND TERMS OF DEBT CAPITAL INJECTION

The Government may choose to finance a number of agency projects through debt. This decision is based on the nature of the individual project, the degree of commerciality, and the projected returns on the investment.

Where debt is provided to an agency, by way of capital injection, the terms and conditions are disclosed in the Budget Papers under the provisions of the *Financial Management Act 1996*.

Loans provided in the form of repayable capital injections are supported by an appropriation. This does not necessarily have any connection to a corresponding external borrowing.

Details of outstanding issued loans and new loans provided for in the 2013-14 Budget are as follows:

ACTION

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| Loan Commencement | 2003-04 |
| Loan Amount | \$2.3 million |
| Maturity Date | 15 June 2014 |
| Interest Rate | 5.5 per cent, fixed |
| Repayment Terms | Quarterly instalments of principal and interest repaid on 15 September, 15 December, 15 March and 15 June each year until maturity. |
| Quarterly Aggregate Repayment Instalment | \$0.075 million |
| Estimated Loan Balance at 30 June 2013 | \$0.291 million |

Chief Minister and Treasury Directorate (CMTD)

Community Housing Canberra (CHC), 2007-08

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| Purpose | The loan capital injection provides a finance facility for CHC, as part of the Government's <i>Affordable Housing Action Plan</i> . CHC uses the funds to increase the supply of affordable housing properties to eligible ACT residents. |
| Loan Commencement | 2007-08 |
| Loan Amount | \$50 million |
| Maturity Date | 31 December 2037 |
| Interest Rate | Interest is calculated on the daily outstanding loan balance at the prevailing three month bank bill swap reference rate as at the beginning of the quarter and is payable quarterly in arrears. |
| Principal Repayments | Repayment of the loan principal will commence on 1 January 2018. |
| Repayment Structure | CHC makes loan repayments to CMTD and CMTD makes loan repayments to the Territory Banking Account on the same terms and conditions applying to CHC. |
| Estimated Loan Balance at 30 June 2013 | \$50 million |

CHC, 2011-12

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| Purpose | This loan capital injection builds on the \$50 million financing made available to CHC as part of the Government's <i>Affordable Housing Action Plan</i> . It will provide 90 dwellings for affordable rental to ACT residents on low to moderate incomes. |
| Loan Commencement | 2011-12 |
| Loan Amount | \$20 million |
| Maturity Date | 31 December 2036 |
| Interest Rate | Interest is calculated on the daily outstanding loan balance at the prevailing three month bank bill swap reference rate as at the beginning of the quarter, and is payable quarterly in arrears. |
| Principal Repayments | Repayment of the loan principal will commence on 1 July 2021. |
| Repayment Structure | CHC makes loan repayments to CMTD and CMTD makes loan repayments to the Territory Banking Account on the same terms and conditions applying to CHC. |
| Estimated Loan Balance at 30 June 2013 | \$20 million |

University of Canberra (UC)

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| Purpose | The loan represents financial assistance to the UC to enable it to purchase Wing 5 of Cameron Offices in Belconnen, and refurbish it for approximately 210 student accommodation places. |
| Loan Commencement | 2011-12 |
| Loan Amount | \$22.807 million |
| Maturity Date | 1 April 2026 |
| Interest Rate | 6.5 per cent, fixed |
| Repayment Terms | Quarterly instalments of principal and interest repaid on 1 October, 1 January, 1 April and 1 July each year until maturity. |
| Quarterly Aggregate Repayment Instalment | \$0.624 million |
| Repayment Structure | The UC makes loan repayments to CMTD and CMTD makes loan repayments to the Territory Banking Account on the same terms and conditions applying to the UC. |
| Estimated Loan Balance at 30 June 2013 | \$21.770 million |

Exhibition Park Corporation (EPC)

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| Purpose | The loan represents financial assistance to EPC to enable it to purchase Block 799 Gungahlin, for the purpose of leasing the block to a third party to develop and operate low cost accommodation facilities. |
| Loan Commencement | 2013-14 |
| Loan Amount | Up to a maximum of \$1.5 million |
| Maturity Date | 1 July 2030 |
| Interest Rate | 5 per cent, fixed |
| Repayment Terms | Quarterly instalments of principal and interest repaid on 1 October, 1 January, 1 April and 1 July each year until maturity, commencing 1 October 2016. |
| Repayment Structure | EPC makes loan repayments to CMTD and CMTD makes loan repayments to the Territory Banking Account on the same terms and conditions applying to EPC. |
| Estimated Loan Balance at 30 June 2013 | nil |

