

TREASURY DIRECTORATE

Purpose

The Treasury Directorate (Treasury) provides strategic financial and economic policy advice to the Government with the aim of promoting the Territory's financial position and economic management.

Treasury plays a leading role in promoting accountability and transparency in the delivery of services to the community. This is achieved through sound financial policies, management practices and analysis.

2011-12 Priorities

Strategic and operational issues to be pursued in 2011-12 include:

- assisting the Government to maintain the Territory's AAA credit rating through sound and sustainable economic and financial management;
- continuing expenditure reviews to support the savings adjustment required to return the Budget to surplus by 2013-14;
- providing regular updates to the Budget Committee of Cabinet on the Territory's finances;
- supporting the ACT Taxation Review Panel;
- coordinating the Government's budget and reporting on financial outcomes;
- implementing gateway reviews for large and / or complex projects;
- continuing to improve the Territory's financial management framework;
- continuing to monitor and provide regular advice to the Government on the progress of its infrastructure program, including regular reports to the Budget Committee of Cabinet;
- strengthening the Territory's Regulatory Impact Statement processes; and
- continuing the reforms to Compulsory Third Party Insurance.

Business and Corporate Strategies

Treasury will assist the Government to implement financially and economically sustainable policies and programs.

In accordance with its business, risk management and human resource plans, Treasury will:

- identify the most effective and efficient use of available resources through analysing programs and expenditure proposals;
- strengthen collaborative relationships with Government directorates, external organisations and other agencies through negotiation, consultation, best practice governance arrangements and effective service delivery; and
- build Treasury's capabilities through effective leadership, staff retention, recruitment policies, and personal and professional development practices.

Estimated Employment Level

2009-10 Actual Outcome	2010-11 Budget	2010-11 Est. Outcome	2011-12 Budget
175 ¹ Staffing (FTE)	185	177 ²	175

Notes:

1. These figures do not include contractors.
2. The decrease of 8 FTEs in the 2010-11 estimated outcome from the original budget is due to temporary vacancies that existed as at April 2011.
3. The decrease of 10 FTE in 2011-12 reflects restructuring currently occurring of 6 FTE, a further decrease due to the savings initiative of 6 FTE and a decrease of 1 FTE due to Gambling and Racing Policy transferring to the Economic Development Directorate; offset by 3 FTE relating to new initiatives.

Strategic Objectives and Indicators

Strategic Objective 1

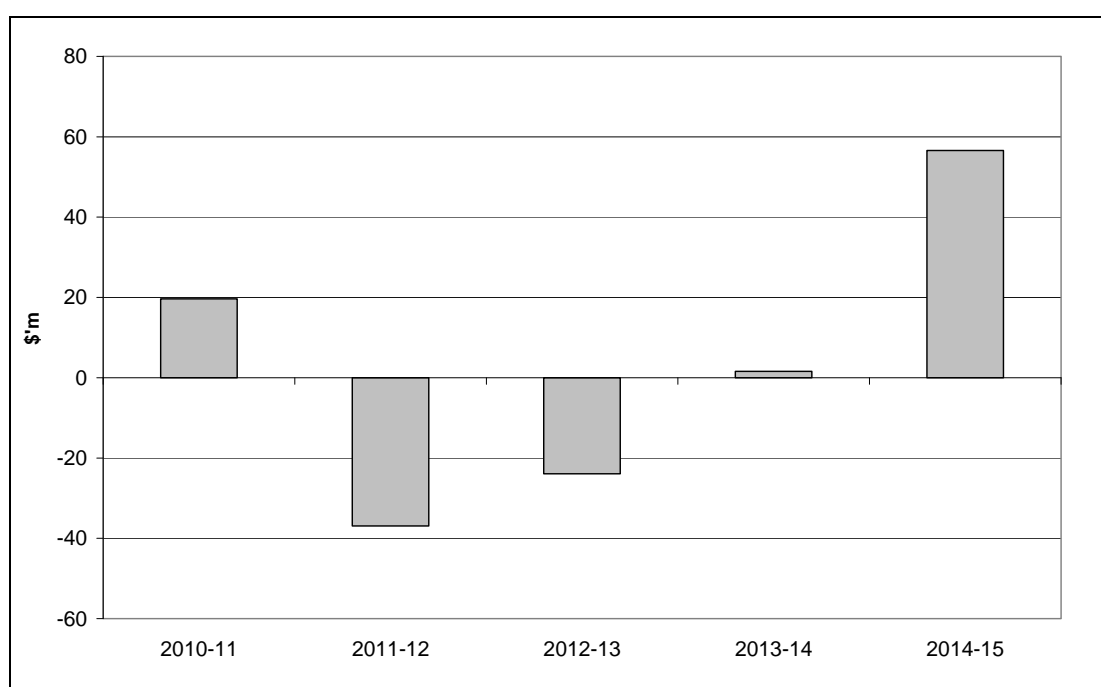
Achieving a Budget Operating Surplus

The Government's fiscal objective is to achieve an operating surplus: temporary deficits must only occur if they are offset by surpluses at other times.

The 2009-10 Budget Plan foreshadowed savings commencing in 2010-11 to return the Budget to surplus in 2015-16. In the 2010-11 Budget, this target was advanced by two years to 2013-14. The target is met in this Budget.

The General Government Sector Headline Net Operating Balance in 2011-12 is a deficit of \$36.9 million returning to a surplus in 2013-14 of \$1.6 million.

Strategic Indicator 1: General Government Sector Headline Net Operating Balance



Strategic Objective 2

Maintaining a AAA Credit Rating

Standard & Poor's Ratings Services assesses the Territory's credit rating each year.

Treasury assists the Government to maintain this credit rating through the provision of sound policy advice and prudent financial management.

Strategic Indicator 2: Standard & Poor's Credit Rating

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

Strategic Objectives and Indicators cont.

Strategic Objective 3

Maintain Net Financial Liabilities within the Range of AAA Rated Jurisdictions

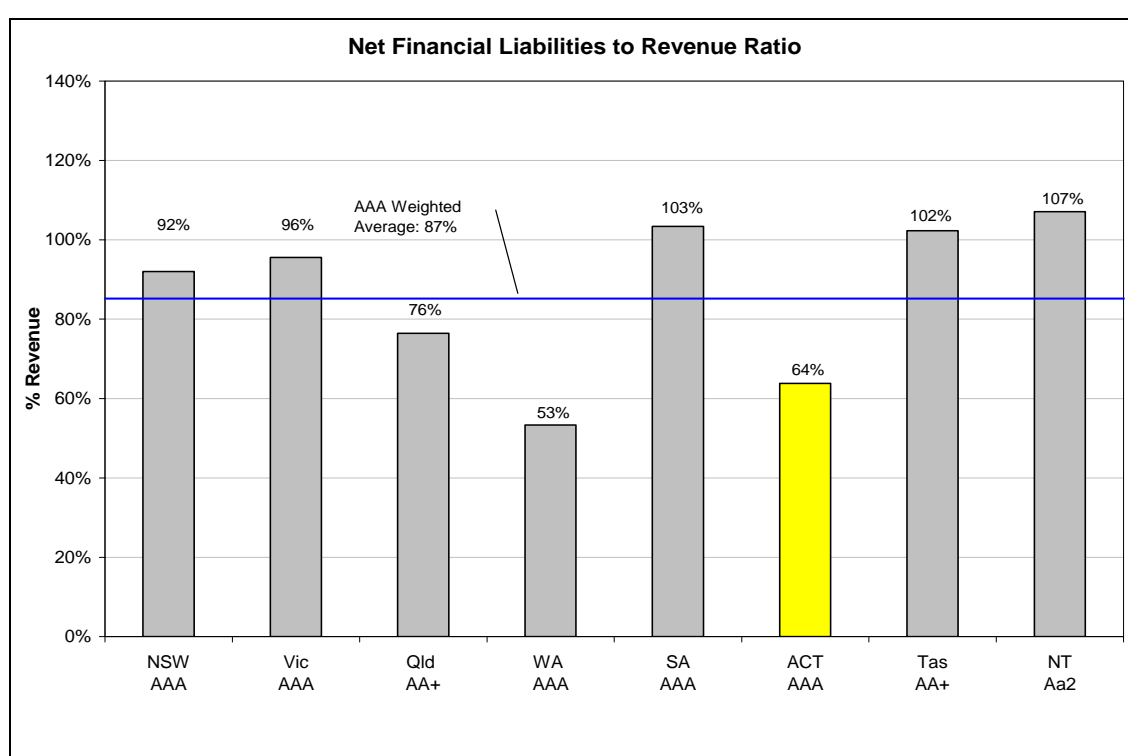
Net financial liabilities are a broad measure of General Government Sector liabilities, including net debt and superannuation liabilities. The ACT continues to have a strong balance sheet, and remains below the weighted average level for all AAA rated jurisdictions.

Strategic Indicator 3: Net Financial Liabilities to Revenue Ratio

The ratio for the 2011-12 Budget remains comparable to the 2010-11 Budget ratio.

The ratios appearing in the below table for all other jurisdictions are based on their Mid Year Budget Reviews.

Detailed information for this objective is included in *Budget Paper 3 - Budget Overview*.



Strategic Objective 4

To be Among the Top 4 Jurisdictions in Taxation Revenue Forecasting Accuracy

Treasury assists the Government in achieving better policy and planning outcomes through forecasting economic and fiscal variables, including taxation revenue, that provide the basis for resource allocation in the annual budget process.

Actual taxation revenue will rarely precisely agree with the revenue forecast in a Budget due to factors outside the Government's control. There are, however, boundaries of acceptable variances.

Strategic Objectives and Indicators cont.

Strategic Indicator 4: Mean Percentage Error in Taxation Revenue Forecasts Across Jurisdictions

This strategic indicator is designed to identify if the forecast variance is within a reasonable limit of expectation or whether an improvement in the statistical models and the process of producing these forecasts is required.

The Territory's forecasting performance is evaluated in comparison to other jurisdictions based on the Mean Percentage Error (MPE) of the most recent five years forecasts for General Government Sector taxation revenue¹. A rolling average of five years forecast errors is used to minimise the influence of events at the national and international level that can have a dissimilar impact on jurisdictions due to their different economic structures and different sources of revenue.

The objective is for the Territory to be among the top four jurisdictions in taxation revenue forecasting accuracy. The 2005-06 to 2009-10 MPE identifies the ACT ranking falling to sixth in taxation revenue forecasting accuracy, largely due to ACT taxation revenue in 2009-10 exceeding the original budget estimate.

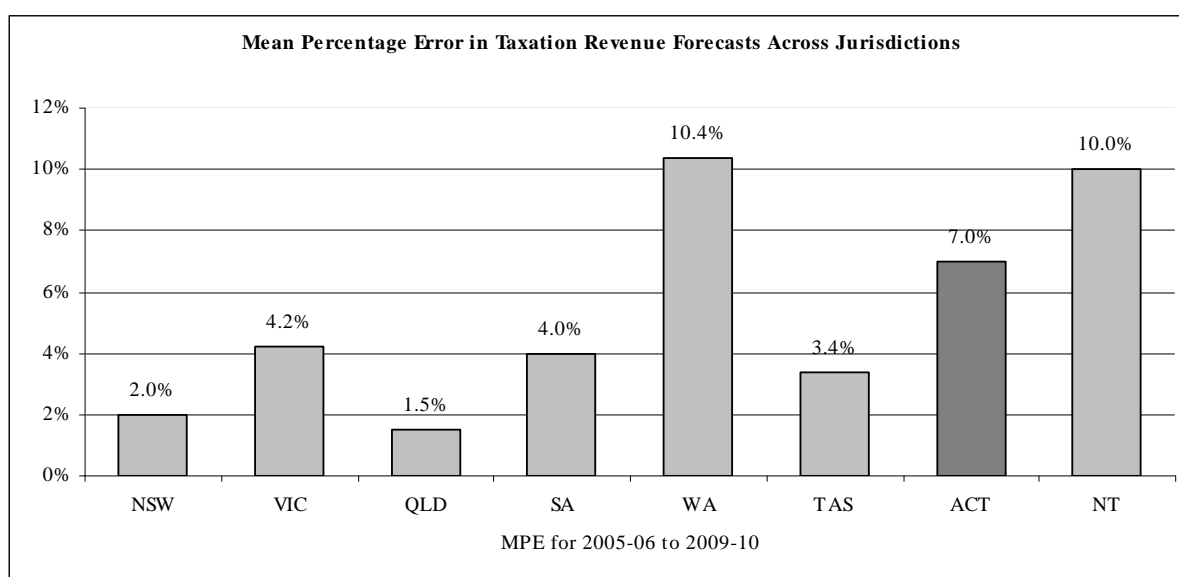
A key driver of the ACT's 2009-10 result was the housing market, which deteriorated significantly in 2008-09 and caused conveyance revenue to fall across the country. The recovery of the housing market was, however, unexpectedly strong in the ACT (in fact, stronger across all States) and resulted in a larger relative variance in the conveyance revenue forecasts.

MPE	ACT Ranking	NSW %	VIC %	QLD %	SA %	WA %	TAS %	ACT %	NT %
2002-03 to 2006-07	4th	3.3	5.6	11.5	7.9	16.5	11.7	9.1	*
2003-04 to 2007-08	4th	2.4	6.3	9.3	7.6	17.8	10.3	8.3	12.8
2004-05 to 2008-09	4th	0.5	3.8	3.3	4.4	11.5	4.6	4.2	12.3
2005-06 to 2009-10	6th	2.0	4.2	1.5	4.0	10.4	3.4	7.0	10.0

Notes:

1. Forecasts for General Government Sector taxation revenue are based on Australian Bureau of Statistics publications.

* Forecast variance information for the Northern Territory is not available.



Output Classes

	Total Cost ¹		Government Payment for Outputs	
	2010-11	2011-12	2010-11	2011-12
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output Class 1:				
Financial and Economic Management	50,931	60,206	45,434	52,034
Output 1.1: Economic Management	6,751	8,229	6,662	7,989

Note:

1. Total cost includes depreciation and amortisation of \$1.634 million in 2010-11 and \$2.124 million in 2011-12.

Output Description

This output covers a range of services including: economic policy advice, regulatory reform advice, analysis of major projects, federal financial relations, insurance policy advice and oversight of the Territory's investments and debt.

The key outputs to be delivered in 2011-12 include:

- monitoring and advising on the state of the ACT economy;
- coordinating ACT Government involvement with the Commonwealth Grants Commission (CGC);
- participating in COAG implementation of changes to the COAG Seamless National Economy regulatory and competition reform program; and
- consolidating reforms to the ACT compulsory third party insurance scheme with the aim of facilitating the entry of additional insurers into the market.

	Total Cost		Government Payment for Outputs	
	2010-11	2011-12	2010-11	2011-12
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output 1.2: Financial Management	29,483	37,375	24,529	30,670

Output Description

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

The key outputs to be delivered in 2011-12 include:

- the preparation and presentation of the Government's annual budget, budget review and annual financial statements;
- quarterly whole-of-government consolidated management reports;
- reporting to external agencies including the Australian Loan Council, the Australian Bureau of Statistics and the CGC;
- reviews of government programs and functions; and
- advice on the structure and operation of Government Business Enterprises.

Output Classes cont.

	Total Cost		Government Payment for Outputs	
	2010-11	2011-12	2010-11	2011-12
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output 1.3: Revenue Management	14,697	14,602	14,243	13,375

Output Description

This output provides for the administration of the ACT Government's taxation revenue. It also includes the provision of policy advice on taxation matters.

The key outputs to be delivered in 2011-12 include:

- collecting taxation revenue in line with budget estimates;
- providing high quality and timely advice to assist taxpayers meet their obligations;
- processing objections to assessments and decisions, in accordance with timeframes published on the ACT Revenue Office website;
- processing around 1,500 Home Buyer Concession Scheme transactions and 70 Pensioner Duty Concession Scheme transactions;
- processing around 200 Deferred Duty applications; and
- processing around 2,900 First Home Owner Grant applications.

Accountability Indicators

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output Class 1: Financial and Economic Management			
Output 1.1: Economic Management			
a. Briefings on the ACT Economy	117	117	117
b. Submission to CGC Annual Update	1	1	1
c. Submission to credit rating agency ¹	1	1	1

Note:

- The credit rating agency submission is a day long meeting with the agency, which includes a presentation.

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output 1.2: Financial Management			
a. Budget presented in accordance with legislative timeframes ¹	1	1	1
b. Budget Review presented in accordance with legislative timeframes ²	1	1	1
c. Annual Financial Statements for the Territory provided in accordance with legislative timeframes ³	1	1	1
d. Quarterly Consolidated Financial Statements presented in accordance with legislative timeframes ⁴	4	1	4
e. Policy/ Service Area Reviews	1	1	1

Notes

- The Territory Budget presented to the Legislative Assembly in accordance with the timing prescribed in section 5 of the Financial Management Act 1996.
- The Budget Review for the Territory presented to the Legislative Assembly in accordance with the timing prescribed in section 20A of the Financial Management Act 1996.
- The Annual Financial Statements for the Territory to be provided to the Auditor-General in accordance with the timing prescribed in section 24 of the Financial Management Act 1996.
- The Quarterly Consolidated Financial Statements to be presented to the Legislative Assembly in accordance with the timing prescribed in section 26 of the Financial Management Act 1996.

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
Output 1.3: Revenue Management			
a. Debt Management - level of overdue debt as a percentage of Treasury tax revenue ¹	2.5%	2.3%	2.5%
b. Compliance revenue per inspector	\$360,000	\$380,000 ²	\$360,000

Notes

- 'Level of overdue debt' measures the level of overdue collectable debt as a percentage of forecast Treasury tax revenue. It excludes matters subject to objection and appeals, under liquidation and agreements made by the ACT Government in respect of pending waivers.
- This amount excludes revenue received for a one-off assessment relating to the transfer of shares and marketable securities duty as it was an exceptional assessment. If this revenue was included the estimated compliance revenue per inspector would increase to \$4,680,000.

Changes to Appropriation

Changes to Appropriation - Controlled

Government Payment for Outputs	2010-11 Est. Out. \$'000	2011-12 Budget \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
2010-11 Budget	49,741	41,330	34,170	34,445	34,445
FMA Section 16B Rollovers from 2009-10					
Capital Improvement Program	1,262	-	-	-	-
Seamless National Economy NP	98	-	-	-	-
Territory Revenue Systems Upgrade	30	-	-	-	-
2011-12 Budget Policy Adjustments					
Revenue Systems Future Business Needs Analysis	-	100	-	-	-
Collection of Territorial Revenue	-	218	280	343	409
Whole-of-Government Gateway	-	240	152	154	156
Valuation Capacity	-	150	152	154	156
Investment in Finance and HR Improvement	-	1,000	-	-	-
Oracle E-Business Suite Upgrade	-	340	160	-	-
Whole-of-Government Banking	-	113	226	-	-
Revised Wage Parameters	-	(15)	206	208	213
Savings Initiative	-	(759)	(995)	(1,003)	(1,012)
2011-12 Budget Technical Adjustments					
Revised Indexation Parameters	-	114	115	118	798
Transfer - A Seamless National Economy NP	-	(832)	(269)	(34)	-
Transfer - Gambling and Racing Policy to Economic Development Directorate	-	(111)	(113)	(115)	(116)
Commonwealth Grant - Standard Business Reporting NP	809	-	-	-	-
Rollover - Restructure Fund	(2,000)	2,000	-	-	-
Rollover - Seamless National Economy NP	(1,051)	1,051	-	-	-
Rollover - Strategic Asset Management Program	(1,000)	1,000	-	-	-
Rollover - Government Office Building	(1,000)	1,000	-	-	-
Rollover - Government Financial Systems	(95)	95	-	-	-
Restructure Fund	-	5,000	-	-	-
Cessation - Preparation of Additional Land for Release	-	-	-	-	(1,000)
Saving - Government Office Building	(1,360)	-	-	-	-
2011-12 Budget	45,434	52,034	34,084	34,270	34,049

Changes to Appropriation cont.

Changes to Appropriation – Territorial

	2010-11	2011-12	2012-13	2013-14	2014-15
Payment for Expenses on Behalf of Territory	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2010-11 Budget	27,722	25,109	25,131	25,318	25,318
2011-12 Budget Technical Adjustments					
Revised First Home Owner Grant	1,213	950	138	148	347
Commonwealth Grant - First Home Owner Boost	7,672	4,107	2,000	-	-
Racing Development Funding Adjustment	(156)	(71)	(78)	(83)	(85)
Transfer - Racing Development Funding to Economic Development Directorate		(7,486)	(7,673)	(7,865)	(8,062)
2011-12 Budget	36,451	22,609	19,518	17,518	17,518

Changes to Appropriation - Controlled

	2010-11	2011-12	2012-13	2013-14	2014-15
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2010-11 Budget	10,300	7,300	300	-	-
FMA Section 16B Rollovers from 2009-10					
Territory Revenue Systems Upgrade	160	-	-	-	-
Commonwealth Grant - Standard Business Reporting NP	435	-	-	-	-
2011-12 Budget Policy Adjustments					
Oracle E-Business Suite Upgrade	-	3,050	1,450	-	-
Whole-of-Government Banking	-	277	564	-	-
Loan - Community Housing Canberra	-	20,000	-	-	-
Loan - University of Canberra	-	23,350	-	-	-
2011-12 Budget	10,895	53,977	2,314	-	-

Changes to Appropriation - Territorial

	2010-11	2011-12	2012-13	2013-14	2014-15
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2010-11 Budget	31,600	22,300	22,300	22,300	22,300
FMA Section 16B Rollover from 2009-10					
Land Rent Scheme	14,888	-	-	-	-
2011-12 Budget Technical Adjustment					
Land Rent Scheme	-	40,000	10,000	-	-
2011-12 Budget	46,488	62,300	32,300	22,300	22,300

Treasury Directorate Operating Statement

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
Income							
Revenue							
49,741	Government Payment for Outputs	45,434	52,034	15	34,084	34,270	34,049
10	User Charges - ACT Government	10	10	-	10	10	10
1,710	Interest	2,082	4,410	112	4,897	4,793	4,689
0	Other Revenue	100	62	-38	33	21	16
1,150	Resources Received Free of Charge	1,300	1,339	3	1,372	1,407	1,442
52,611	Total Revenue	48,926	57,855	18	40,396	40,501	40,206
Gains							
0	Total Gains	0	0	-	0	0	0
52,611	Total Income	48,926	57,855	18	40,396	40,501	40,206
Expenses							
15,912	Employee Expenses	15,869	15,823	..	15,928	16,030	16,194
2,734	Superannuation Expenses	2,729	2,704	-1	2,580	2,575	2,602
19,271	Supplies and Services	16,987	16,095	-5	13,451	13,435	14,011
2,367	Depreciation and Amortisation	1,634	2,124	30	2,214	2,738	2,259
1,710	Borrowing Costs	2,082	4,410	112	4,897	4,793	4,689
13,321	Grants and Purchased Services	11,630	19,050	64	3,614	3,750	2,797
55,315	Total Ordinary Expenses	50,931	60,206	18	42,684	43,321	42,552
-2,704	Operating Result	-2,005	-2,351	-17	-2,288	-2,820	-2,346
-2,704	Total Comprehensive Income	-2,005	-2,351	-17	-2,288	-2,820	-2,346

**Treasury Directorate
Balance Sheet**

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
Current Assets							
1,617	Cash and Cash Equivalents	1,848	1,350	-27	1,371	1,505	1,634
329	Receivables	415	2,547	514	2,607	2,607	2,607
3	Other	6	6	-	6	6	6
1,949	Total Current Assets	2,269	3,903	72	3,984	4,118	4,247
Non Current Assets							
43,480	Receivables	43,248	91,715	112	89,832	87,709	85,586
432	Property, Plant and Equipment	266	162	-39	113	111	110
3,149	Intangibles	1,542	2,388	55	5,564	2,829	571
0	Capital Works in Progress	2,304	3,327	44	0	0	0
47,061	Total Non Current Assets	47,360	97,592	106	95,509	90,649	86,267
49,010	TOTAL ASSETS	49,629	101,495	105	99,493	94,767	90,514
Current Liabilities							
920	Payables	1,004	1,055	5	1,106	1,158	1,209
0	Interest Bearing Liabilities	0	2,123	#	2,123	2,123	2,123
76	Finance Leases	88	88	-	88	88	88
5,490	Employee Benefits	5,981	6,210	4	6,375	6,539	6,704
0	Other Provisions	44	125	184	0	0	0
6,486	Total Current Liabilities	7,117	9,601	35	9,692	9,908	10,124
Non Current Liabilities							
43,000	Interest Bearing Liabilities	43,000	91,227	112	89,104	86,981	84,858
47	Finance Leases	24	24	-	24	24	24
317	Employee Benefits	330	334	1	338	339	339
0	Other Provisions	125	0	-100	0	0	0
43,364	Total Non Current Liabilities	43,479	91,585	111	89,466	87,344	85,221
49,850	TOTAL LIABILITIES	50,596	101,186	100	99,158	97,252	95,345
-840	NET ASSETS	-967	309	132	335	-2,485	-4,831
REPRESENTED BY FUNDS EMPLOYED							
-840	Accumulated Funds	-967	309	132	335	-2,485	-4,831
-840	TOTAL FUNDS EMPLOYED	-967	309	132	335	-2,485	-4,831

**Treasury Directorate
Cash Flow Statement**

2010-11 Budget		2010-11 Est.Outcome	2011-12 Budget		2012-13 Estimate	2013-14 Estimate	2014-15 Estimate
\$'000		\$'000	\$'000	Var %	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
49,741	Cash from Government for Outputs	45,434	52,034	15	34,084	34,270	34,049
10	User Charges	10	10	-	10	10	10
1,710	Interest Received	2,082	4,410	112	4,897	4,793	4,689
1,068	Other Revenue	1,523	1,219	-20	1,160	1,177	1,201
52,529	Operating Receipts	49,049	57,673	18	40,151	40,250	39,949
Payments							
15,713	Related to Employees	15,829	15,590	-2	15,759	15,864	16,028
2,712	Related to Superannuation	2,707	2,682	-1	2,559	2,554	2,581
17,981	Related to Supplies and Services	15,623	14,666	-6	11,938	11,888	12,429
1,710	Borrowing Costs	2,442	4,410	81	4,897	4,793	4,689
13,321	Grants and Purchased Services	11,630	19,050	64	3,614	3,750	2,797
1,179	Other	1,356	1,211	-11	1,363	1,267	1,296
52,616	Operating Payments	49,587	57,609	16	40,130	40,116	39,820
-87	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	-538	64	112	21	134	129
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
60	Repayment of Home Loan Principal	60	120	100	2,303	2,363	2,363
60	Investing Receipts	60	120	100	2,303	2,363	2,363
Payments							
0	Purchase of Land and Intangibles	939	3,889	314	2,014	0	0
10,360	Other Payments	10,360	50,770	390	480	240	240
10,360	Investing Payments	11,299	54,659	384	2,494	240	240
-10,300	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-11,239	-54,539	-385	-191	2,123	2,123
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
10,300	Capital Injection from Government	10,895	53,977	395	2,314	0	0
10,300	Financing Receipts	10,895	53,977	395	2,314	0	0
Payments							
0	Repayment of Borrowings	0	0	-	2,123	2,123	2,123
0	Financing Payments	0	0	-	2,123	2,123	2,123
10,300	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	10,895	53,977	395	191	-2,123	-2,123
-87	NET INCREASE/ (DECREASE) IN CASH HELD	-882	-498	44	21	134	129
1,704	CASH AT BEGINNING OF REPORTING PERIOD	2,730	1,848	-32	1,350	1,371	1,505
1,617	CASH AT THE END OF THE REPORTING PERIOD	1,848	1,350	-27	1,371	1,505	1,634

Treasury Directorate
Statement of Changes in Equity

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
	Opening Equity						
1,564	Opening Accumulated Funds	143	-967	-776	309	335	-2,485
1,564	Balance at the Start of the Reporting Period	143	-967	-776	309	335	-2,485
	Comprehensive Income						
-2,704	Operating Result for the Period	-2,005	-2,351	-17	-2,288	-2,820	-2,346
-2,704	Total Comprehensive Income	-2,005	-2,351	-17	-2,288	-2,820	-2,346
0	Total Movement In Reserves	0	0	-	0	0	0
	Transactions Involving Owners Affecting Accumulated Funds						
300	Capital Injections	895	3,627	305	2,314	0	0
300	Total Transactions Involving Owners Affecting Accumulated Funds	895	3,627	305	2,314	0	0
	Closing Equity						
-840	Closing Accumulated Funds	-967	309	132	335	-2,485	-4,831
-840	Balance at the End of the Reporting Period	-967	309	132	335	-2,485	-4,831

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the decrease of \$4.307 million in the 2010-11 estimated outcome from the original budget is mainly due to the saving relating to the Government Office Building (\$1.360 million) and the rollover of funding from 2010-11 to 2011-12 for the Restructure Fund (\$2 million), Whole-of-Government – Asset Management and Capital Delivery Planning initiative (\$1 million), Government Building Office initiative (\$1 million), the Seamless National Economy National Partnership (NP) (\$1.051 million) and the Whole-of-Government Financial Systems (\$0.095 million), partially offset by the rollover of funding from 2009-10 to 2010-11 for the Capital Improvements Program (\$1.262 million) and the Seamless National Economy NP (\$0.098 million) and increased funding for the Standard Business Reporting Program NP (\$0.809 million) from the Commonwealth; and

- the increase of \$6.6 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to increases in the Restructure Fund (\$6.221 million), the Seamless National Economy NP (\$1.887 million), 2011-12 new initiatives (\$1.161 million), investment in Finance and HR improvements (\$1.0 million), revised wage parameters (\$0.383 million), indexation (\$0.338 million), and the Asset Management and Capital Delivery Planning initiative (\$0.287 million), partially offset by reductions in the Capital Improvements Program (\$1.693 million), the Standard Business Reporting Program NP (\$0.809 million), the Government Office Building initiative (\$0.667 million), savings initiative (\$0.759 million), and the transfer of Gambling and Racing Policy to EDD (\$0.111 million).
- interest received:
 - the increase of \$0.372 million in the 2010-11 estimated outcome from the original budget mainly reflects an increase in interest rates during 2010-11 and the earlier than anticipated drawdown of the finance facility to Community Housing Canberra (CHC) during 2010-11; and
 - the increase of \$2.328 million in the 2011-12 Budget from the 2010-11 estimated outcome reflects the additional \$7 million drawdown of the finance facility to CHC, the drawdown of the \$20 million additional finance facility to CHC and the drawdown of the \$23.350 million new finance facility to the University of Canberra.
- resources received free of charge: the increase of \$0.150 million in the 2010-11 estimated outcome from the original budget reflects actual legal expenditure trends in recent years.
- other revenue: the increase of \$0.100 million in the 2010-11 estimated outcome from the original budget reflects the lease revenue and debts associated with the transfer of residual wind-down operations of Rhodium Asset Solutions to Treasury during 2010-11.
- employee expenses:
 - the decrease of \$0.043 million in the 2010-11 estimated outcome from the original budget is mainly due to revised wage parameters; and
 - the decrease of \$0.046 million in the 2011-12 Budget from the 2010-11 estimated outcome mainly reflects the savings initiative (\$0.594 million), cessation of the Pensioner Duty Exemption (\$0.095 million) and the transfer of Gambling and Racing Policy to the EDD (\$0.092 million), partially offset by revised wage parameters (\$0.383 million), and new 2011-12 initiatives – Whole-of-Government Gateway (\$0.190 million) and Valuation Capacity (\$0.123 million),
- supplies and services:
 - the decrease of \$2.284 million in the 2010-11 estimated outcome from the original budget is mainly due to the saving relating to the Government Office Building (\$1.360 million) and the rollover from 2010-11 into 2011-12 of the Whole-of-Government – Asset Management and Capital Delivery Planning initiative (\$1 million) and the Government Office Building initiative (\$1 million), partially offset by the increased funding for the Standard Business Reporting Program NP (\$0.809 million) from the Commonwealth, increased expenditure associated with resources received free of charge (\$0.150 million) and expenditure associated with the transfer of residual wind-down operations of Rhodium Asset Solutions to Treasury during 2010-11 (\$0.138 million); and

- the decrease of \$0.892 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to decreased expenditure for the Government Office Building initiative (\$0.667 million) and the Whole-of-Government Financial Systems (\$0.349 million), decreased funding for the Standard Business Reporting Program NP (\$0.809 million) from the Commonwealth and the savings initiative (\$0.248 million) partially offset by the expenditure associated with the new 2011-12 initiatives (\$0.821 million), increased expenditure for the Whole-of-Government – Asset Management and Capital Delivery Planning initiative (\$0.287 million) and indexation (\$0.335 million).
- depreciation and amortisation:
 - the decrease of \$0.733 million in the 2010-11 estimated outcome from the original budget mainly reflects delays associated with the various Revenue IT System upgrades.
 - the increase of \$0.490 million in the 2011-12 Budget from the 2010-11 estimated outcome mainly reflects the completion of the various Revenue IT System upgrades.
- borrowing costs:
 - the increase of \$0.372 million in the 2010-11 estimated outcome from the original budget mainly reflects an increase in interest rates during 2010-11 and the earlier than anticipated drawdown of the finance facility to CHC during 2010-11; and
 - the increase of \$2.328 million in the 2011-12 Budget from the 2010-11 estimated outcome reflects the \$7 million further drawdown of the existing finance facility to CHC, the drawdown of the \$20 million additional finance facility to CHC and the drawdown of the \$23.350 million new finance facility to the University of Canberra.
- grants and purchased services:
 - the decrease of \$1.691 million in the 2010-11 estimated outcome from the original budget reflects the impact of rollovers between financial years; and
 - the increase of \$7.420 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to increased expenditure from the Restructure Fund (\$6.221 million), the Seamless National Economy NP (\$1.887 million) and the investment in Finance and HR improvement (\$1 million), partially offset by decreased expenditure from the Capital Improvements Program (\$1.693 million).

Balance Sheet

- cash:
 - the increase of \$0.231 million in the 2010-11 estimated outcome from the original budget mainly reflects the reassessment of cash following the 2009-10 audited outcome (\$1.025 million), partially offset by the payment of interest received from the CHC at the end of the 2009-10 financial year to the Territory Banking Account (\$0.360million) and expenditure on the Revenue IT System upgrades funded from cash (\$0.388 million); and
 - the decrease of \$0.498 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly associated with expenditure on the Revenue IT System upgrades funded from cash.

- current receivables: the increase of \$2.132 million in the 2011-12 Budget from the 2010-11 estimated outcome is associated with the \$23.350 million new finance facility to the University of Canberra.
- non current receivables:
 - the decrease of \$0.232 million in the 2010-11 estimated outcome from the original budget mainly reflects the slower than anticipated take up of the Mortgage Relief Fund initiative; and
 - the increase of \$48.467 million in the 2011-12 Budget from the 2010-11 estimated outcome mainly reflects the \$7 million further drawdown of the existing finance facility to CHC, the drawdown of the \$20 million additional finance facility to CHC, the drawdown of the \$23.350 million new finance facility to the University of Canberra (non-current receivable being \$21.227 million) and the net increase in loans expected to be provided under the Mortgage Relief Fund initiative (\$0.240 million).
- property, plant and equipment:
 - the decrease of \$0.166 million in the 2010-11 estimated outcome from the original budget is mainly due to the reassessment of leasehold improvements and plant and equipment following the 2009-10 audited outcome; and
 - the decrease of \$0.104 million in the 2011-12 Budget from the 2010-11 estimated outcome mainly reflects depreciation.
- intangibles:
 - the decrease of \$1.607 million in the 2010-11 estimated outcome from the original budget is mainly due to the reassessment of intangibles following the 2009-10 audit outcome and the delays associated with the finalisation of the Revenue IT System upgrades; and
 - the increase of \$0.846 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the finalisation of the various Revenue IT System upgrades, partially offset by the amortisation associated with the upgrade of the Oracle Government Financials and the Revenue IT System upgrades.
- capital works in progress:
 - the increase of \$2.304 million in the 2010-11 estimated outcome from the original budget is due to delays with the finalisation of the Revenue IT System upgrades and their move to intangibles; and
 - the increase of \$1.023 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to expenditure on the IT System upgrades associated with the new initiatives - the Whole of Government E-Business Suite (\$3.050 million), Whole of Government Banking (\$0.277 million), additional expenditure on the Revenue IT System upgrades (\$0.561 million), partially offset by the finalisation of the Revenue IT System upgrades and their move to intangibles (\$2.684 million).
- current interest bearing liabilities: the increase of \$2.123 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly associated with the \$23.350 million new finance facility to the University of Canberra.

- current employee benefits:
 - the increase of \$0.491 million in the 2010-11 estimated outcome from the original budget is mainly due to the reassessment of annual leave and long service leave liabilities following the 2009-10 audited outcome; and
 - the increase of \$0.229 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the reassessment of annual leave and long service leave liabilities and revised wage parameters.
- current provisions: the increase of \$0.044 million in the 2010-11 estimated outcome from the original budget and the increase of \$0.081 million in the 2011-12 Budget from the 2010-11 estimated outcome reflects the provision for the office lease rental and leased asset residual guarantee associated with the transfer of residual wind-down operations of Rhodium Asset Solutions to Treasury during 2010-11.
- non current interest bearing liabilities: the increase of \$48.227 million in the 2011-12 Budget from the 2010-11 estimated outcome reflects the \$7 million further drawdown of the existing finance facility to CHC, the drawdown of the \$20 million additional finance facility to CHC, the drawdown of the \$23.350 million new finance facility to the University of Canberra (non-current liability being \$21.227 million).
- non current provisions: the increase of \$0.125 million in the 2010-11 estimated outcome from the original budget reflects the provision for the leased asset residual guarantee associated with the transfer of residual wind-down operations of Rhodium Asset Solutions to Treasury during 2010-11.

Cash Flow Statement

Variations in the statement are explained in the notes above.

Statement of Changes in Equity

- capital injections:
 - the increase of \$0.595 million in the 2010-11 estimated outcome from the original budget is due to the rollover of funding from 2009-10 for the Standard Business Reporting NPP (\$0.435 million) and the Territory Revenue System upgrade (0.160 million); and
 - the increase of \$2.732 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the IT System upgrades associated with new initiatives - the Whole of Government E-Business Suite (\$3.050 million), Whole of Government Banking (\$0.277 million), partially offset by the decreased funding due to rollovers from 2009-10 for the Standard Business Reporting NPP (\$0.435 million) and the Territory Revenue System upgrade (\$0.160 million).

Treasury Directorate
Statement of Income and Expenses on Behalf of the Territory

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
Income							
Revenue							
27,722	Payment for Expenses on behalf of Territory	36,451	22,609	-38	19,518	17,518	17,518
1,048,725	Taxes Fees and Fines	1,182,499	1,191,099	1	1,229,587	1,286,759	1,351,575
1,601,288	Grants from the Commonwealth	1,574,999	1,550,379	-2	1,573,849	1,646,942	1,728,093
21	Interest	8,211	21	-100	21	21	21
121,062	Dividend Revenue	118,114	254,022	115	245,773	293,060	339,404
916	Land Revenue	916	1,317	44	2,340	2,921	3,503
230	Other Revenue	512	246	-52	246	246	246
2,799,964	Total Revenue	2,921,702	3,019,693	3	3,071,334	3,247,467	3,440,360
Gains							
0	Total Gains	0	0	-	0	0	0
2,799,964	Total Income	2,921,702	3,019,693	3	3,071,334	3,247,467	3,440,360
Expenses							
10,464	Supplies and Services	10,797	11,146	3	11,195	11,245	11,295
27,489	Grants and Purchased Services	36,218	22,376	-38	19,285	17,285	17,285
1,731	Other Expenses	2,228	2,272	2	1,889	1,897	1,905
2,760,280	Transfer Expenses	2,872,459	2,983,899	4	3,038,965	3,217,040	3,409,875
2,799,964	Total Ordinary Expenses	2,921,702	3,019,693	3	3,071,334	3,247,467	3,440,360
0	Operating Result	0	0	-	0	0	0

Treasury Directorate
Statement of Assets and Liabilities on Behalf of the Territory

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
Current Assets							
12,278	Cash and Cash Equivalents	12,822	12,822	-	12,822	12,822	12,822
94,213	Receivables	160,334	143,326	-11	150,819	155,520	157,764
106,491	Total Current Assets	173,156	156,148	-10	163,641	168,342	170,586
Non Current Assets							
63,000	Property, Plant and Equipment	63,152	125,452	99	157,752	180,052	202,352
63,000	Total Non Current Assets	63,152	125,452	99	157,752	180,052	202,352
169,491	TOTAL ASSETS	236,308	281,600	19	321,393	348,394	372,938
Current Liabilities							
96,960	Payables	161,567	144,159	-11	151,652	156,353	158,597
5,645	Other Provisions	6,197	6,597	6	6,597	6,597	6,597
3,886	Other	5,392	5,392	-	5,392	5,392	5,392
106,491	Total Current Liabilities	173,156	156,148	-10	163,641	168,342	170,586
106,491	TOTAL LIABILITIES	173,156	156,148	-10	163,641	168,342	170,586
63,000	NET ASSETS	63,152	125,452	99	157,752	180,052	202,352
REPRESENTED BY FUNDS EMPLOYED							
63,000	Accumulated Funds	63,000	125,300	99	157,600	179,900	202,200
0	Reserves	152	152	-	152	152	152
63,000	TOTAL FUNDS EMPLOYED	63,152	125,452	99	157,752	180,052	202,352

Treasury Directorate
Budgeted Statement of Cash Flows on Behalf of the Territory

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
27,722	Cash from Government for EBT	36,451	22,609	-38	19,518	17,518	17,518
967,416	Taxes, Fees and Fines	1,076,254	1,055,971	-2	1,105,669	1,158,309	1,210,708
21	Interest Received	8,211	21	-100	21	21	21
1,601,388	Grants Received from the Commonwealth	1,575,099	1,550,379	-2	1,573,289	1,646,382	1,727,533
62,873	Other Revenue	87,894	110,698	26	103,161	107,546	120,545
123,254	Dividends	137,013	232,811	70	239,235	289,353	338,154
2,782,674	Operating Receipts	2,920,922	2,972,489	2	3,040,893	3,219,129	3,414,479
Payments							
10,464	Related to Supplies and Services	10,797	11,146	3	11,195	11,245	11,295
27,489	Grants and Purchased Services	36,218	22,376	-38	19,285	17,285	17,285
580	Other	880	888	1	895	903	911
2,744,141	Territory Receipts to Government	2,993,027	2,938,079	-2	3,009,518	3,189,696	3,384,988
2,782,674	Operating Payments	3,040,922	2,972,489	-2	3,040,893	3,219,129	3,414,479
0	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	-120,000	0	100	0	0	0
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
31,600	Purchase of Property, Plant and Equipment and Capital Works	46,640	62,300	34	32,300	22,300	22,300
31,600	Investing Payments	46,640	62,300	34	32,300	22,300	22,300
-31,600	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-46,640	-62,300	-34	-32,300	-22,300	-22,300
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
31,600	Capital Injection from Government	46,488	62,300	34	32,300	22,300	22,300
31,600	Financing Receipts	46,488	62,300	34	32,300	22,300	22,300
31,600	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	46,488	62,300	34	32,300	22,300	22,300
0	NET INCREASE/ (DECREASE) IN CASH HELD	-120,152	0	100	0	0	0
12,278	CASH AT BEGINNING OF REPORTING PERIOD	132,975	12,823	-90	12,823	12,823	12,823
12,278	CASH AT THE END OF THE REPORTING PERIOD	12,823	12,823	-	12,823	12,823	12,823

Treasury Directorate
Statement of Changes in Equity on Behalf of the Territory

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
	Opening Equity						
31,400	Opening Accumulated Funds	16,512	63,000	282	125,300	157,600	179,900
0	Opening Asset Revaluation Reserve	152	152	-	152	152	152
31,400	Balance at the Start of the Reporting Period	16,664	63,152	279	125,452	157,752	180,052
	Comprehensive Income						
0	Operating Result for the Period	0	0	-	0	0	0
0	Total Movement In Reserves	0	0	-	0	0	0
	Transactions Involving Owners Affecting Accumulated Funds						
31,600	Capital Injections	46,488	62,300	34	32,300	22,300	22,300
31,600	Total Transactions Involving Owners Affecting Accumulated Funds	46,488	62,300	34	32,300	22,300	22,300
	Closing Equity						
63,000	Closing Accumulated Funds	63,000	125,300	99	157,600	179,900	202,200
0	Closing Asset Revaluation Reserve	152	152	-	152	152	152
63,000	Balance at the End of the Reporting Period	63,152	125,452	99	157,752	180,052	202,352

Notes to the Budget Statements

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

Treasury's Territorial financial statements also include taxes, fees and fines collected on behalf of the Territory. A detailed explanation of the movement in taxes, fees and fines is also provided in *Budget Paper 3*.

Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- payment for expenses on behalf of the Territory:
 - the increase of \$8.729 million in the 2010-11 estimated outcome from the original budget is primarily a result of increased funding for the Commonwealth Government's First Home Owners Boost (FHOB), and the First Home Owner Grant (FHOG); and
 - the decrease of \$13.842 million in the 2011-12 Budget from the 2010-11 estimated outcome is a result of decreased funding for the FHOB and the FHOG (totalling \$4.771 million) and the transfer of funding for the racing industry to the Economic Development Directorate (\$9.071 million).
- taxes, fees and fines:
 - the increase of \$133.773 million in the 2010-11 estimated outcome from the original budget is consistent with the rebound in economic activity established last year, following the global financial crisis. The higher estimated outcome was also assisted by residual receipts coming from discontinued duties (\$77.551 million for the transfer of shares and marketable securities and \$0.511 million for commercial leases). Other items contributing to the increase include residential conveyances (\$41.473 million) and land tax (\$4.0 million); and
 - the increase of \$8.600 million in the 2011-12 Budget from the 2010-11 estimated outcome is primarily a result of expected increases in income tax equivalent revenue (\$28.371 million), payroll tax (\$21.713 million), general rates (\$12.696 million), commercial conveyances (\$8.129 million), land tax (\$5.707 million), and residential conveyances (\$4.144 million). These increases are partially offset by decreased receipts associated with the removal of duties on the transfer of shares and marketable securities and commercial leases.
- grants from the Commonwealth:
 - the decrease of \$26.289 million in the 2010-11 estimated outcome from the original budget is mainly due to decreased GST revenue (\$33.7 million), Financial Assistance Grants – Local Government (\$9.9 million) and the National Schools Non-Government SPP (\$8.404 million). These decreases were partially offset by increases to the First Home Owners Boost NP (\$7.672 million), funding for road related infrastructure (\$4.160 million), increases across numerous healthcare NP's (\$2.737 million) and Smarter Schools – Literacy and Numeracy NP (\$2.125 million); and
 - the decrease of \$24.620 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the decrease in funding estimated for the Nation Building and Jobs Plan NP – Building the Education Revolution for Government Schools (\$58.560 million) and for Non-Government Schools (\$29.644 million). Other significant decreases are estimated for the Nation Building and Jobs Plan NP – Investment in Social Housing (\$21.094 million) and the National Health Reforms NPP (\$9.137 million). These decreases have been partially offset by increases to GST revenue (\$34.300 million), the National Healthcare SPP (\$18.867 million), Financial Assistance Grants – Local Government (\$12.593 million), the National Schools SPP for Non-Government Schools (\$10.0 million), and new Commonwealth funding for the National Arboretum (\$5.0 million).

- interest revenue:
 - the increase of \$8.190 million in the 2010-11 estimated outcome from the original budget is due to the receipt of interest earned on funds held in trust, pending the outcome of an appeal.
- dividend revenue:
 - the decrease of \$2.948 million in the 2010-11 estimated outcome from the original budget is mainly due to an estimated decrease in dividends from the Land Development Agency (\$3.022 million), and from ACTTAB (\$1.030 million); and
 - the increase of \$135.908 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to higher dividends from the Land Development Agency (\$104.234 million), and from ACTEW (\$27.537 million).
- land revenue:
 - the increase of \$0.401 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to rent received from an increased number of properties under the Land Rent Scheme.
- other revenue:
 - the increase of \$0.282 million in the 2010-11 estimated outcome from the original budget is due to the receipt of insurance recoveries and other settlements; and
 - the decrease of \$0.266 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the receipt of insurance recoveries and other settlements during 2010-11, which are not incorporated in the following year's estimates.
- supplies and services:
 - the increase of \$0.333 million in the 2010-11 estimated outcome from the original budget is due to a revision of the ATO's GST administration costs; and
 - the increase of \$0.349 million in the 2011-12 Budget from the 2010-11 estimated outcome is in accordance with the 2011 GST Administration Performance Agreement with the ATO.
- grants and purchased services:
 - the increase of \$8.729 million in the 2010-11 estimated outcome from the original budget is mainly due to increased expenditure for the First Home Owners Boost (FHOB) and the First Home Owner Grant (FHOG); and
 - the decrease of \$13.842 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the transfer of the current grant for the racing industry to the Economic Development Directorate (\$7.486 million), and decreased expenditure for the FHOB and FHOG (\$6.356 million).
- other expenses:
 - the increase of \$0.497 million in the 2010-11 estimated outcome from the original budget is due to an increase in waivers and an increase in the doubtful debts provision largely related to payroll tax; and
 - the increase of \$0.044 million in the 2011-12 Budget from the 2010-11 estimated outcome is largely due to an incremental increase in the doubtful debts provision relating to payroll tax.

- transfer expenses:
 - the increase of \$112.179 million in the 2010-11 estimated outcome from the original budget and the increase of \$111.440 million in the 2011-12 Budget from the 2010-11 estimated outcome results from transferring revenue received for taxes, fees and fines, Commonwealth grants, and dividends to the Territory Banking Account.

Statement of Assets and Liabilities on Behalf of the Territory

- cash and cash equivalents: the increase of \$0.544 million in the 2010-11 estimated outcome from the original budget is due to the timing of when cash is transferred to the Territory Banking Account.
- current receivables: the increase of \$66.121 million in the 2010-11 estimated outcome from the original budget and the decrease of \$17.008 million in the 2011-12 Budget from the 2010-11 estimated outcome largely reflects changes to estimates at year end for dividends, income tax equivalents and tax accruals.
- property, plant and equipment:
 - the increase of \$62.300 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to an expected increase in the number of land rent properties.
- current payables:
 - the increase of \$64.607 million in the 2010-11 estimated outcome from the original budget mainly reflects the recognition of a residual payable to the Land Development Agency for dividends paid in advance and the accrued transfer of revenue to the Territory Banking Account; and
 - the decrease of \$17.408 million in the 2011-12 Budget from the 2010-11 estimated outcome mainly relates to the decrease in the payable to the Land Development Agency offset by an increase in the accrued transfer of revenue to the Territory Banking Account.
- current other provisions: the increase of \$0.552 million in the 2010-11 estimated outcome from the original budget and the increase of \$0.4 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to a reassessment of the provision for refund of taxes.
- current other liabilities: the increase of \$1.506 million in the 2010-11 estimated outcome from the original budget is due to a reassessment of revenue received in advance following the 2009-10 audited outcome.

Statement of Cash Flows on Behalf of the Territory

Variations in the statement are explained in the notes above.

Statement of Changes in Equity on Behalf of the Territory

- capital injections: the increase of \$14.888 million in the 2010-11 estimated outcome from the original budget is due to the rollover of funding for the Land Rent Scheme.

